PRELIMINARY OFFICIAL STATEMENT

NEW AND RENEWAL ISSUES **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. For tax years beginning after December 31, 2022, 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.

$17,416,000

TIOGA CENTRAL SCHOOL DISTRICT

TIOGA COUNTY, NEW YORK

GENERAL OBLIGATIONS

CUSIP BASE: 887739

$4,816,000 Bond Anticipation Notes, 2023 Series A

(the "Series A Notes")

Dated: June 28, 2023 **Due: June 28, 2024**

$12,600,000 Bond Anticipation Notes, 2023 Series B

(the "Series B Notes")

Dated: July 6, 2023 **Due: July 3, 2024**

(collectively referred to herein as the "Notes")

The Notes are general obligations of the Tioga Central School District, Tioga County, New York (the "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 School 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, except for one necessary odd denomination with respect to the Series A Notes which is or includes $6,000. 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 School 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 respective approving legal opinions 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 June 28, 2023 for the Series A Notes, and July 6, 2023 for the Series B Notes.

ELECTRONIC BIDS for the Notes must be submitted on Fiscal Advisors Auction website ("Fiscal Advisors Auction") accessible via www.fiscaladvisorsauction.com, on June 7, 2023 by no later than 10:00 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 respective Notices of Sale for the Notes.

May 25, 2023

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 NOTICES 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.

TIOGA CENTRAL SCHOOL DISTRICT
TIOGA COUNTY, NEW YORK

SCHOOL DISTRICT OFFICIALS

2022-2023 BOARD OF EDUCATION

CATHI ROOT
President

PAMELA ZWIERLEIN
Vice President

CHRIS KLOSSNER
AARON LOUNSBURY
GREGORY SCHWEIGER
JOSHUA WHITMORE
LEE WOOD

* * * * *

ADMINISTRATION

JOSH ROE
Superintendent of Schools

KENDRA SEAVER
School Business Executive

FISCAL ADVISORS AND MARKETING, INC.
Municipal Advisor

ORRICK, HERRINGTON & SUTCLIFFE LLP
Bond Counsel

No person has been authorized by Tioga 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 Tioga Central School District.

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PREPARED WITH THE ASSISTANCE OF

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OFFICIAL STATEMENT

OF THE

TIOGA CENTRAL SCHOOL DISTRICT
TIOGA COUNTY, NEW YORK

RELATING TO

$4,816,000 Bond Anticipation Notes, 2022 Series A
&
$12,600,000 Bond Anticipation Notes, 2023 Series B

This Official Statement, which includes the cover page, has been prepared by the Tioga Central School District, Tioga County, New York (the "School District" or "District", "Counties", and "State", respectively) in connection with the sale by the District of $4,816,000 principal amount of Bond Anticipation Notes, 2023 Series A (the "Series A Notes") and of $12,600,000 Bond Anticipation Notes, 2023 Series B (the 'Series B Notes"), collectively referred to herein as the "Notes".

The factors affecting the 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 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 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 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, insuring 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 School District, and will contain a pledge of its faith and credit for the payment of the principal thereof and interest thereon 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 School 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 "THE NOTES – Nature of the Obligation" and "TAX LEVY LIMITATION LAW" herein.

The Series A Notes will be dated June 28, 2023 and will mature June 28, 2024. The Series B Notes will be dated July 6, 2023 and will mature July 3, 2024. The Notes are not subject to redemption prior to maturity. 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

The Notes are issued pursuant to the Constitution and statutes of the State of New York, including the Education Law and the Local Finance Law, pursuant to a bond resolution duly adopted by the Board of Education on June 1, 2022 authorizing a capital project for the construction of improvements to and reconstruction of various School District buildings and facilities (including the sewage treatment facility at the High School) at a maximum cost of $18,607,575 with such cost being funded with serial bonds, and a bond resolution duly adopted by the Board of Education on January 23, 2023 authorizing the issuance of up to $4,100,000 serial bonds and the use of $400,000 available monies to pay the cost of construction of and improvements to and reconstruction of various School District buildings and facilities, including athletic facilities, at a maximum estimated cost of $4,500,000.

The proceeds of the Series A Notes, along with $184,000 available funds of the District, will partially redeem and renew $2,500,000 bond anticipation notes currently outstanding and maturing on June 29, 2023 with respect to the June 1, 2022 authorization, and will provide $2,500,000 in new money against the January 23, 2023 authorization.

The Series B Notes will provide $11,000,000 in new money against the June 1, 2022 authorization, and $1,600,000 against the January 23, 2023 authorization.

BOOK-ENTRY-ONLY SYSTEM

In the event that the Notes are issued in registered book-entry form, the Depository Trust Company ("DTC"), New York, NY, will act as securities depository for the Notes. 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 series of the Notes bearing the same CUSIP, and will be deposited with DTC.

DTC, a limited-purpose trust company organized under the New York Banking Law, is 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, National Securities Clearing Corporation 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 and 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 Bond ("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 Bond 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 School 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 School District, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the School 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 School District. Under such circumstances, in the event that a successor depository is not obtained, note certificates are required to be printed and delivered.

The School District may decide to discontinue use of the system of book-entry only 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 School District believes to be reliable, but the School District takes no responsibility for the accuracy thereof.

Source: The Depository Trust Company.

THE SCHOOL 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 SCHOOL 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 THAT IS REQUIRED OR PERMITTED TO BE GIVEN TO OWNERS, 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 ONLY SYSTEM HAS BEEN OBTAINED FROM DTC AND THE SCHOOL 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 in Certain Circumstances

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, except for one necessary odd denomination with respect to the Series A Notes which is or includes $6,000. 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 encompasses the Town of Tioga and parts of the Towns of Barton, Candor and Nichols; all located within the County of Tioga. The District is rural, and its 94 square miles have a very sparse population concentration.

The Towns that are included in the District are governed by their individual policy-making boards and elected officials. The one village within the District, Nichols, located within the Town of Nichols, also has its own level of local government. Both at the town and village level, the provision of governmental services is a cooperative and shared venture of the County, Town and Village governments. This interaction also extends to the District whenever such interaction is beneficial.

Employment for residents is quite diverse and not tied to one particular industry or type of occupation. Lockheed-Martin Corporation, located in nearby Owego, and Best Buy, Inc. distribution center and Crown Bottling Co., located in the Town of Nichols, are major sources of employment for District residents. In addition, the natural gas industry, primarily in Bradford County, PA, provides employment opportunities. Guthrie Hospital, United Health Services and Lourdes Medical provide opportunities to district residents in the medical field, but are located outside the district in Tioga County, NY and Bradford County, PA. Within the district boundaries, Tioga Downs Racetrack, LLC and their recently opened Hotel and Convention Center serve as a primary employer.

The District is located adjacent to New York Route 17 (interstate 86) and the Conrail Railroad system. Air service is provided at the Chemung County airport. New York State Electric and Gas is the primary provider of utility services.

Source: District officials.

Population

The current estimated population of the District is 5,036. (Source: U.S. Census Bureau, 2017-2021 American Community Survey 5-Year Estimates)

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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 the County listed below. The figures set below with respect to such Towns and County 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 County is necessarily representative of the District, or vice versa.

	Per Capita Income			Median Family Income		
	2006-2010	2016-2020	2017-2021	2006-2010	2016-2020	2017-2021
Towns of:						
Barton	$ 22,096	$ 26,958	$ 28,382	$ 48,657	$ 56,273	$ 59,909
Candor	22,957	31,331	30,500	58,333	75,227	65,064
Nichols	20,216	31,682	31,297	53,933	74,231	80,625
Tioga	20,524	25,794	33,313	56,523	64,886	71,094
County of:						
Tioga	24,596	32,298	34,101	59,907	75,656	79,696
State of:						
New York	30,948	40,898	43,208	67,405	87,270	92,731

Note: 2018-2022 American Community Survey estimates are not available as of the date of this Official Statement.

Source: U.S. Census Bureau 2006-2010, 2016-2020, and 2017-2021 5-Year American Community Survey data.

Larger Employers

The following are the larger employers located within or in close proximity to the District.

Name	Type	Employees
Lockheed Martin	Gov't Contractor	2,399
Tioga County Government	Local Government	400
Owego Apalachin Central School District	Public Education	331
Tioga Downs [1]	Racing/Restaurant/Golf	316
Waverly Central School District	Public Education	301
Best Buy	Retail Distribution	300
Elderwood	Senior Housing/Assisted Living	295
Crown Cork & Seal	Manufacturing	242
Leprino Foods	Manufacturing	230
Stateline Auto	Wholesale Auto Auction	160

(1) The District currently receives PILOT revenue from Tioga Downs, and has budgeted $355,704 PILOT revenue from Tioga Downs for the 2022-2023 fiscal year. (See "Larger Taxpayers 2022 for 2022-2023 Tax Roll" herein.)

Source: Tioga County IDA.

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Unemployment Rate Statistics

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

	Annual Averages								
	2014	2015	2016	2017	2018	2019	2020	2021	2022
Tioga County	6.1%	5.6%	5.2%	5.1%	4.3%	4.0%	7.5%	4.5%	3.2%
New York State	6.3%	5.2%	4.9%	4.6%	4.1%	3.9%	9.8%	7.0%	4.3%

	2022 Monthly Figures				
	Jan	Feb	Mar	Apr	May
Tioga County	4.1%	3.9%	N/A	N/A	N/A
New York State	4.6%	4.5%	4.0%	N/A	N/A

Note: Unemployment rates for March through May of 2023 are unavailable as of the date of this Official Statement.

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

Form of School Government

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

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 School 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 District's 2022-2023 budget was approved by the qualified voters of the District on May 17, 2022 by a vote of 159 to 24. The District's budget for 2022-2023 remained within the Tax Cap imposed by Chapter 97 of the Laws of 2011. The tax increase was 0.35%, which was equal to the District's allowable Tax Cap of 0.35%

The District's 2023-2024 budget was approved by the qualified voters of the District on May 16, 2023 by a vote of 149 to 25. The District's adopted budget for 2023-2024 will remain within the Tax Cap imposed by Chapter 97 of the Laws of 2011. The tax increase is 1.03%, which is below the District's allowable Tax Cap of 2.00%

Investment Policy

Pursuant to the statutes of the State, 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; (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; (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; 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) savings accounts or money market accounts of designated banks; (2) certificates of deposit issued by a bank or trust company located in and authorized to do business in the State; (3) demand deposit accounts in a bank or trust company located in and authorized to do business in the State; (4) obligations of New York State; and (5) obligations of the United States Government (U.S. Treasury Bills and Notes).

The District does not invest in reverse repurchase agreements or other derivative type investments.

State Aid

The District receives financial assistance from the State. In its adopted budget for the 2023-24 fiscal year, approximately 77.33% 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.

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.

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.

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. 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.

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.

President Biden has signed into law the American Rescue Plan, a $1.9 trillion COVID-19 relief package that includes $350 billion to state, local and territorial governments to keep their frontline workers employed, distribute the vaccine, increase testing, reopen schools and maintain vital services. The American Rescue Plan also includes an additional $1,400 payment to eligible individuals and families, enhanced unemployment aid, rental and utility assistance to low- and moderate-income households, an increase in food stamp benefits, additional funding for child care and an increase in child care tax credits.

Since March 2020, the State has been awarded over $14 billion in Federal education COVID response funding through the Coronavirus Aid, Relief, and Economic Security ("CARES") Act; Coronavirus Response and Relief Supplemental Appropriations Act, 2021 ("CRRSA"); and the American Rescue Plan ("ARP") Act. These funds are supporting the ability of local educational agencies to address the impact that COVID-19 has had, and continues to have, on elementary and secondary schools in the State.

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.

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 2023-2024 preliminary building aid ratios, the District State Building aid of approximately 94.8% for 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

State aid to school districts within the State had declined in some prior years before increasing more recently.

School District Fiscal Year (2018-2019): The State 2018-19 Enacted Budget included nearly $1 billion in additional education funding, representing a 3.9% increase over 2017-18. Approximately $859 million of that increase is comprised of traditional public school aid, including increased Foundation Aid and full-funding of expense-based aids. Formula-based school aid now stands at $26.03 billion statewide, a 3.4% increase over the last year. The State 2018-19 Enacted Budget included an increase of $618 million in Foundation Aid for school districts. Foundation Aid totaled nearly $17.8 billion statewide. For the seventh consecutive year, the Foundation Aid increase was distributed using a one year, off formula methodology. The State

2018-19 Enacted Budget guaranteed that all school districts received an increase in Foundation Aid over their 2017-18 levels. $50 million of the Foundation Aid increase was "set aside" for certain school districts to fund community schools. The State 2018-19 Enacted Budget fully funded all expense-based aid for 2018-19, including building, transportation, BOCES and special education aid. These categories serve as State reimbursements for school district expenses made in the prior year, based on school district-specific aid ratios. A total of $240 million was approved for increases in all expense-based aids in 2018-19. The State 2018-19 Enacted Budget allows the Governor to reduce aid to school districts mid-year if receipts from the federal government were less than what was expected.

School District Fiscal Year (2019-2020): The State 2019-2020 Enacted Budget included a total of $27.69 billion for School Aid, a year-to-year funding increase of $956 million or 3.6 percent and will provide additional funding for Foundation Aid of $338.0 million and $409.65 million in reimbursements for expense-based aids. In addition, the 2019-2020 Enacted Budget increases the Community Schools set-aside funding amount by $49.99 million to a total of $250.0 million. This increased funding is targeted to districts with failing schools and/or districts experiencing significant growth in English language learners. The State 2019-2020 Enacted Budget increases the minimum community schools funding amount from $75,000 to $100,000. This ensures all high-need districts across the State can apply the funds to a wide-range of activities.

School district fiscal year (2020-2021): Due to the anticipated impact of the COVID-19 pandemic on State revenues, State aid in the State's 2020-2021 Enacted Budget was 3.7 percent lower than in the State's 2019-2020 Enacted Budget but was offset in part with increased Federal support. This reduction in State Operating Funds support was offset by approximately $1.1 billion in funding provided to the State through the Federal CARES Act, including the Elementary and Secondary School Emergency Education Relief Fund and the Governor's Emergency Education Relief Fund. With these Federal funds, State aid in the school district fiscal year 2020-2021 was approximately $27.9 billion, an annual increase of approximately $100 million or 0.4 percent. The State's 2020-2021 Enacted Budget continued prior year funding levels for existing programs, including Foundation Aid, Community Schools and Universal Prekindergarten. The 2020-2021 Enacted Budget also provided over $200 million in support for competitive grant programs, including $1 million for development of a new Civics Education curriculum and $10 million for a Student Mental Health program. Funding for expense-based aids, such as Building Aid, Transportation Aid, and Boards of Cooperative Educational Services (BOCES) Aid was continued under existing aid formulas. Out-year growth in School Aid reflects current projections of the ten-year average growth in State personal income. The State's 2020-2021 Enacted Budget authorized the State's Budget Director to make periodic adjustments to State Aid, in the event that actual State revenues come in below 99% percent of estimates or if actual disbursements exceed 101% of estimates. Pursuant to that provision, in October, 2020, the State announced that, in the absence of Federal funding to offset such lost revenue, the State had begun to take steps to reduce spending, including but not limited to, temporarily holding back 20% of most aid payments to local governments and school districts. However, the 2020-2021 State aid declines were offset, in part, by $1.1 billion of increased federal funding through the Coronavirus Aid, Relief, and Economic Security Act. With these federal funds, State aid totaled $27.9 billion in the State's 2020-2021 Enacted Budget, an annual increase of approximately $100 million or 0.4 percent from the 2019-2020 Enacted Budget. As of February 1, 2021, the State Education Department ("SED") advised school districts that the State Division of the Budget would, at some point, provide approval for SED to make the payments to school districts for State aid and other Pre-K-12 grant programs that had been subject to the above-referenced 20% withholding. Such approval was received and the State released all of the withheld funds prior to June 30, 2021.

School District Fiscal Year (2021-2022): The State's 2021-22 Enacted 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 Enacted Budget provided $31.5 billion in State funding to school districts for the 2022-23 school year, the highest level of State aid ever. 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 Enacted Budget also programmed $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, was designed to assist public 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 Enacted 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 Enacted 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 Budget for fiscal 2023-24 was enacted on May 2, 2024 and provides for a total of $34 billion in State funding to school districts for the 2023-24 school year. The enacted budget for fiscal 2023-24 represents a $3.2 billion or 10.4% increase in State funding for education, and includes a $2.629, or 12.3% percent Foundation Aid increase.

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 *Campaign for Fiscal Equity* 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 *Campaign for Fiscal Equity* 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 *New Yorkers for Students' Educational Rights v. New York State* 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 Campaign for Fiscal Equity 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 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.

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State Aid Revenues

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

Fiscal Year	Total Revenues	Total State Aid	Percentage of Total Revenues Consisting of State Aid
2017-2018	$ 18,851,299	$ 14,053,909	74.55%
2018-2019	19,167,447	14,614,049	76.24
2019-2020	19,598,128	15,327,754	78.21
2020-2021	18,676,197	14,054,417	75.25
2021-2022	19,884,390	15,144,728	76.18
2022-2023 (Budgeted)	20,558,091	15,799,311	76.85
2023-2024 (Budgeted)	21,910,675	16,944,523	77.33

Source: Audited Financial Statements for the 2017-2018 fiscal year through the 2021-2022 fiscal year, and the adopted budgets of the District for the 2022-2023 and 2023-2024 fiscal years. The table is not audited.

District Facilities

Name	Grades	Capacity	Year(s) Built
Universal Pre-K	Pre-K	90	1969, '09, ’18
Bus Garage (old)	---	90	1940, '87
Tioga K-12 Building	K-12	1,325	1939, '58, '73, '02, '09
Bus Garage (new)	---	164	2009

Note: In November of 2020, the district closed on the purchase of a small parcel of vacant land, adjacent to the current campus. This purchase was voter approved as a separate proposition in the 2020-2021 budget vote.

Source: District officials.

Enrollment Trends

School Year	Total BEDS Enrollment	School Year	Total Projected Enrollment
2018-19	996	2023-24	925
2019-20	962	2024-25	900
2020-21	932	2025-26	900
2021-22	926	2026-27	900
2022-23	894	2027-28	900

Source: District officials.

Employees

The District currently employs approximately 176 persons. The following employees are represented by the following bargaining agents:

Employees	Union	Contract Expiration Date
92	Tioga Central Teachers' Association	June 30, 2024
80	Tioga Central Support Staff	June 30, 2024
3	Administrators	June 30, 2024
1	Superintendent	June 30, 2024

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. 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 fiscal years 2018-2019 through and including 2022-2023, and budgeted figures for the 2023-2024 fiscal year, are as follows:

Fiscal Year	ERS	TRS
2018-19	$ 224,217	$ 609,884
2019-20	222,804	575,436
2020-21	246,058	548,232
2021-22	237,780	577,283
2022-23	275,329	674,254
2023-24 (Budgeted)	283,365	658,165

Source: District officials.

The annual required pension contribution is due February 1 annually with the ability to pre-pay on December 15 at a discount. The District pre-pays this cost annually.

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 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 (2019-20 to 2023-24) is shown below:

Year	ERS	TRS
2019-20	14.6%	8.86%
2020-21	14.6	9.53
2021-22	16.2	9.80
2022-23	11.6	10.29
2023-24	13.1	9.76 (1)

(1) Estimated.

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 will allow 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 has established such a fund. The balance as of June 30, 2022 was $235,742.

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 District implemented GASB 75 for the fiscal year ended June 30, 2018. 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, school 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 Armory Associates LLC, an actuarial firm, to calculate its actuarial valuation under GASB 75 for the below fiscal years. The following outlines the changes to the Total OPEB Liability during the following fiscal years, by source.

Balance beginning at:	June 30, 2020	June 30, 2021
	$ 48,173,792	$ 54,290,389
Changes for the year:		
Service cost	1,495,577	2,162,680
Interest	1,713,574	1,232,387
Changes of Benefit Terms	-	-
Differences between expected and actual experience	(5,444,440)	-
Changes in assumptions or other inputs	9,772,094	662,406
Benefit payments	(1,420,208)	(1,377,917)
Net Changes	$ 6,116,597	$ 2,679,556
Balance ending at:	June 30, 2021	June 30, 2022
	$ 54,290,389	$ 56,969,945

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

The aforementioned liability and ARC are recognized and will be disclosed in accordance with GASB 45 standards in the District's audited financial statements.

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 will be required every 2 years for all plans, however, the Alternative Measurement Method continues to be available for plans with less than 100 members.

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 for the publication of the estoppel notice with respect 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.

Financial Statements

The District retains independent Certified Public Accountants. The last audit report covers the period ending June 30, 2022 and is attached hereto as "APPENDIX – D". Certain financial information of the District can be found attached as Appendices to the 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).

Beginning with the fiscal year ending June 30, 2003, the District issues its financial statements in accordance with GASB Statement No. 34. This statement includes reporting of all assets including infrastructure and depreciation in the Government Wide Statement of Activities, as well as the Management's Discussion and Analysis.

Insero & Co. CPAs, LLP, the independent auditor for the District, has not been engaged to perform and has not performed, since the date of its report included herein, any procedures on the financial statements addressed in that report. Insero & Co. CPAs, LLP also has not performed any procedures relating to this Official Statement.

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.

The State Comptroller's office released an audit report of the District on November 13, 2020. The purpose of the audit was to determine whether Tioga Central School District officials maximized interest earnings for the period July 1, 2018 through December 31, 2019.

Key Findings:

- District officials did not develop and manage a comprehensive investment program or comply with the District's investment policy.
- Had officials invested available funds in a financial institution with higher interest rates, the District's interest earnings could have increased by $215,120.

Key Recommendations:

- Prepare monthly cash flow forecasts that estimate available funds for investment.
- Ensure excess funds are invested in a manner, within legal limits, to maximize interest earnings.

A copy of the complete reports and respective responses can be found via the website of the Office of the New York State Comptroller.

The State Comptroller's office released an additional audit report of the District on November 13, 2020. The purpose of the audit was to determine whether District officials could achieve cost savings by offering health insurance buyout incentives and providing select special education services in-house for the period July 1, 2018 through December 31, 2019.

Key Findings:

District officials could achieve cost savings by:

- Offering an acceptable health insurance buyout incentive in lieu of health insurance coverage.
  - Savings could range between approximately $10,000 and $251,000.
- Providing select special education programs in-house.
  - Savings could be approximately $39,700.

Key Recommendations:

- Consider offering a health insurance buyout incentive to help reduce costs.
- Consider providing select special education services in-house to help reduce costs.

There are no other recent State Comptroller's audits of the District, nor are there any others that are currently in progress or pending release.

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

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 five fiscal years of the District are as follows:

Fiscal Year Ending In	Stress Designation	Fiscal Score
2022	No Designation	0.0
2021	No Designation	3.3
2020	No Designation	0.0
2019	No Designation	0.0
2018	No Designation	3.3

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

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

TAX INFORMATION

Taxable Assessed Valuation

Fiscal Year Ending June 30:	2019	2020	2021	2022	2023
Towns of:					
Barton	$ 39,449,855	$ 38,712,004	$ 38,895,552	$ 39,161,456	$ 39,391,944
Candor	17,312,806	17,280,042	17,343,359	17,457,146	18,010,172
Nichols	27,079,598	27,193,856	27,343,729	27,646,913	27,877,958
Tioga	9,567,111	9,602,861	9,626,424	9,633,751	9,679,961
Total Assessed Values	$ 93,409,370	$ 92,788,763	$ 93,209,064	$ 93,899,266	$ 94,960,035
State Equalization Rates					
Towns of:					
Barton	84.00%	84.00%	78.00%	80.00%	73.40%
Candor	96.00%	97.00%	93.00%	92.00%	85.50%
Nichols	24.50%	26.00%	26.00%	25.80%	24.40%
Tioga	6.60%	6.40%	5.90%	6.00%	5.50%
Total Taxable Full Valuation	$ 320,483,485	$ 318,536,652	$ 336,842,783	$ 335,648,073	$ 364,985,244

Tax Rates Per $1,000 (Assessed)

Fiscal Year Ending June 30:	2019	2020	2021	2022	2023
Towns of:					
Barton	$ 14.17	$ 14.32	$ 14.71	$ 14.39	$ 14.48
Candor	12.41	12.39	12.35	12.51	12.43
Nichols	48.61	46.27	44.13	44.64	43.57
Tioga	180.43	187.93	194.50	191.95	193.23

Tax Collection Procedure

Taxes are payable to the District Tax Collector beginning September 15th and ending October 15th without penalty. Payments made October 15th through November 15th carry a penalty of 2%. After November 15th, all unpaid taxes are returned to the County Treasurer for collection. Thus, the District is assured 100% collection of its tax levy each year.

Tax Levy and Collection Record

Fiscal Year Ending June 30:	2019	2020	2021	2022	2023
Total Tax Levy	$ 3,816,477	$ 3,831,449	$ 3,865,315	$ 3,865,315	$ 3,878,978
Amount Uncollected (1)	318,444	313,334	307,473	292,506	336,402
% Uncollected	8.34%	8.18%	7.95%	7.57%	8.67%

(1) See "Tax Collection Procedure".

Real Property Tax Revenues

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

Fiscal Year	Total Revenues	Total Real Property Taxes & Tax Items	Percentage of Total Revenues Consisting of Real Property Tax
2017-2018	$ 18,851,299	$ 3,823,932	20.28%
2018-2019	19,167,447	3,910,038	20.40
2019-2020	19,598,128	3,992,900	20.37
2020-2021	18,676,197	4,085,389	21.87
2021-2022	19,880,699	4,155,365	20.90
2022-2023 (Budgeted)	20,558,091	4,240,182	20.63
2023-2024 (Budgeted)	21,910,675	4,330,901	19.77

Source: Audited Financial Statements for the 2017-2018 fiscal year through the 2021-2022 fiscal year, and the adopted budgets of the District for the 2022-2023 and 2023-2024 fiscal years. The table is not audited.

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Larger Taxpayers 2022 for 2022-23 Tax Roll

Name	Type	Taxable Assessed Valuation
NYSEG	Utility	$ 9,487,479
Tioga Downs Racetrack LLC	Racetrack	7,398,069
Shweiger, Gregory C	Residential	714,100
David R Shipman	Residential	710,400
Norfolk Southern Corporation	Utility	549,029
NYS Electric & Gas Corp	Utility	543,511
Hollenbeck, Greg M	Residential	516,600
Foster, Donald E	Residential	499,000
Empire State Properties	Commercial	484,480
First Energy Services	Utility	476,863

The ten larger taxpayers listed above have an approximate taxable assessed valuation of $21,379,531, which represents 22.51% of the tax base of the School District for the 2022-2023 fiscal year.

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

Source: District Tax Rolls.

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.

The STAR program provides State-funded exemptions from school property taxes to homeowners for their primary residences. 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 $90,550 or less in 2021-22 and $92,000 or less in 2022-2023, increased annually according to a cost of living adjustment, are eligible for a "full value" exemption of the first $70,700 for the 2021-22 school year and $74,900 for the 2022-23 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 2022-23 Enacted State Budget provides $2.2 billion in State funding for a new property tax relief credit, the Homeowner Tax Rebate Credit, for eligible low- and middle-income households, as well as eligible senior households. Under this program, basic STAR exemption and credit beneficiaries with incomes below $250,000 and Enhanced STAR recipients are eligible for the property tax rebate where the benefit is a percentage of the homeowners' existing STAR benefit.

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

Towns of:	Enhanced Exemption	Basic Exemption	Date Certified
Barton	$ 59,750	$ 22,020	4/6/2023
Candor	69,600	25,650	4/6/2023
Nichols	19,860	7,320	4/6/2023
Tioga	4,480	1,650	4/6/2023

$466,697 of the District's $3,878,978_school tax levy for the 2022-23 fiscal year was exempted by the STAR Program. The District received full reimbursement of such exempt taxes from the State by January 2023.

Approximately $450,000 of the District's $3,918,873 school tax levy for the 2023-2024 fiscal year is expected to be exempt by the STAR Program. The District anticipates receiving full reimbursement of such exempt taxes from the State by January 2024.

Additional Tax Information

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

Senior citizens' exemptions are offered to those who qualify.

Total assessed valuation of the District is estimated to be categorized as follows: Residential - 85%; Commercial - 10%; and Agricultural - 5%.

The estimated total annual property tax bill of a $75,000 market value residential property located in the District is approximately $1,900 including County, Village, Town 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.

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 maybe 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.

General. The District is further subject to constitutional limitation by the general constitutionally imposed duty of the State Legislature to restrict the power of taxation and contracting indebtedness to prevent abuses in the exercise of such power; however, as has been noted under "NATURE OF THE OBLIGATION," 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.

There is no constitutional limitation on the amount that may be raised by the District by tax on real estate in any fiscal year to pay principal of and interest on all indebtedness. However, Chapter 97 of the Laws of 2011 imposes a statutory limitation on the power of the District to increase its annual tax levy. The amount of such increases is limited by the formulas set forth in such law. See "TAX LEVY LIMITATION LAW" herein.

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 "THE NOTES – Nature of the Obligation" and "TAX INFORMATION - 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

Fiscal Years Ending June 30th:	2018	2019	2020	2021	2022
Bonds	$ 13,480,454	$ 11,654,498	$ 14,239,014	$ 14,587,880	$ 13,087,346
Bond Anticipation Notes	0	7,150,000	7,150,000	1,580,000	2,500,000
Other Debt	0	0	0	0	0
Total Debt Outstanding	$ 13,480,454	$ 18,804,498	$ 21,389,014	$ 16,167,880	$ 15,587,346

Details of Outstanding Indebtedness

The following table sets forth the indebtedness of the District as of May 25, 2023.

Type of Indebtedness	Maturity	Amount
Bonds	2023-2039	$ 13,087,346
Bond Anticipation Notes		
Capital Improvements	June 29, 2023	2,500,000 [1]
Buses	December 21, 2023	294,000
	Total Indebtedness	$ 15,881,346

[1] To be partially redeemed and renewed at maturity with the proceeds of the Series A Notes and available funds of the District.

Debt Statement Summary

Summary of Indebtedness, Debt Limit and Net Debt-Contracting Margin as of May 25, 2023:

Full Valuation of Taxable Real Property			$ 364,985,244
Debt Limit – 10% thereof			36,498,524
Inclusions:			
Bonds	$ 13,087,346		
Bond Anticipation Notes	294,000		
Principal of this Issue	17,416,000		
Total Inclusions		$ 30,797,346	
Exclusions:			
State Building Aid [1]	$ 0		
Total Exclusions		$ 0	
Total Net Indebtedness			$ 30,797,346
Net Debt-Contracting Margin			$ 5,701,178
The percent of debt contracting power exhausted is			84.38%

[1] Based on preliminary 2023-2024 building aid estimates, the District anticipates State Building aid of 94.8% for debt service on State Education Department approved expenditures from July 1, 2004 to the present. The 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 District will receive in relation to the outstanding bonds.

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 tax and/or revenue anticipation notes in the past five fiscal years, and does not plan on issuing any such notes, or budget or deficiency notes, in the foreseeable future.

Capital Project Plans

On November 2, 2021, District voters approved a $18,607,575 million capital project for the construction of improvements to and reconstruction of various School District buildings and facilities (including the sewage treatment facility at the High School). The District issued $2,500,000 bond anticipation notes on June 29, 2022 as the first borrowing for the capital project. The proceeds of the Series A Notes, along with available funds of the District, will partially redeem and renew said bond anticipation notes, and the Series B Notes will provide $11,000,000 in new money against this authorization

Additionally, on December 14, 2022, District voters approved a $4,500,000 capital project for the construction of improvements to, and reconstruction of, various District buildings and facilities, including athletic facilities to be financed with the issuance of up to $4,100,000 serial bonds and the use of $400,000 available District funds. The Series A Notes will provide $2,500,000 new money, and the Series B Notes will provide $1,600,000 new money, against this authorization.

The District annually finances the purchase of school buses, and the District issued $294,000 bond anticipation notes on February 15, 2023 for this purpose. On May 16, 2023, a proposition was approved by District voters in the amount of $344,000 for this purpose.

There are presently no other capital projects authorized and unissued by the District, nor are any contemplated.

Estimated Overlapping Indebtedness

In addition to the School District, the following political subdivisions have the power to issue bonds and to levy taxes or cause taxes to be levied on taxable real property in the School District. The estimated outstanding indebtedness of such political subdivisions is as follows:

Municipality	Status of Debt as of	Gross Indebtedness [1]	Exclusions [2]	Net Indebtedness	District Share	Applicable Indebtedness
County of:						
Tioga	12/31/2021	$ 7,560,000	$ -	$ 7,560,000	11.81%	$ 892,836
Town of:						
Barton	12/31/2021	751,725	751,725	-	11.56%	-
Candor	12/31/2021	-	-	-	6.56%	-
Nichols	12/31/2021	-	-	-	75.95%	-
Tioga	12/31/2021	99,411	99,411	-	59.52%	-
Village of:						
Nichols	5/31/2022	-	-	-	100.00%	-
					Total:	$ 892,836

(1) Bonds and bond anticipation notes are listed as of the close of the fiscal year, and are not adjusted to include subsequent bond or note sales, if any.

(2) Water and sewer debt and appropriations. Pursuant to the Local Finance Law, this indebtedness is excluded from the constitutional debt limit.

Source: Comptroller's Special Report on Municipal Affairs for Local Finance Years Ended in 2021 and 2022.

Debt Ratios

The following table sets forth certain ratios relating to the District's indebtedness as of May 25, 2023:

	Amount	Per Capita [a]	Percentage of Full Value [b]
Net Indebtedness [c]	$ 30,797,346	$ 6,115.44	8.44%
Net Indebtedness Plus Net Overlapping Indebtedness [d]	31,690,182	6,292.73	8.68

(a) The 2021 estimated population of the District is 5,036. (See "THE SCHOOL DISTRICT – Population" herein.)

(b) The District's full value of taxable real estate for the 2022-2023 fiscal year is $364,985,244. (See "TAX INFORMATION – Taxable Assessed Valuations" herein.)

(c) See "Debt Statement Summary" herein for the calculation of Net Direct Indebtedness.

(d) Estimated net overlapping indebtedness is $892,836. (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.

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. For tax years beginning after December 31, 2022, interest on the Notes included in adjusted financial statement income of certain corporations is not excluded from the federal corporate alternative minimum tax. Complete copies of the proposed forms of opinion of Bond Counsel are set forth in "APPENDIX – E" and "APPENDIX – F".

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.

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.

Current and 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 respective approving legal opinions of Orrick, Herrington & Sutcliffe LLP, Bond Counsel. Bond Counsel's opinions will be in substantially the forms attached hereto as "APPENDIX – E" and "APPENDIX – F".

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 Material Event Notices, a description of which is attached hereto as "APPENDIX – C".

Historical Compliance

Other than as described below, the District is in compliance, in all material respects, within the last five years with all previous undertakings made pursuant to the Rule 15c2-12.

On October 24, 2019, the District entered into two Statutory Installment Bonds in the combined principal amount of $260,024.96 for the purchase of buses. On December 4, 2019, the District filed a Material Event Notice in connection with the Incurrence of a Financial Obligation – Debt Obligation, pursuant to its outstanding continuing disclosure undertakings. In addition, the District provided notice of its subsequent failure to provide event filing information in connection with this event within 10 business days as required by its outstanding undertaking agreements.

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 municipal advisor to the District on matters relating to debt management. The Municipal Advisor is a municipal 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 the Municipal Advisor are partially contingent on the successful closing of the Notes.

CUSIP IDENTIFICATION NUMBERS

It is anticipated that CUSIP (an acronym that refers to Committee on Uniform Security Identification Procedures) identification numbers will be printed on the Notes. The District assumes no responsibility for any CUSIP Service Bureau charge or other charge that may be imposed for the assignment of such numbers.

RATING

The Notes are not rated. Subject to the approval of the District, the purchaser(s) of the Notes may have a rating completed after the sale at the expense of the purchaser(s), including any fees to be incurred by the District, such as a rating action that may result in the filing of a material event notification to EMMA, and/or the provision of a supplement to the final Official Statement.

The District does not have an underlying rating assigned to any outstanding bonds.

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 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. 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: Kendra Seaver, School Business Executive, 27 Fifth Avenue, Tioga Center, New York 13845, Phone: (607) 687-8001, Fax: (607) 687-8007, Email: kseaver@tiogacentral.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., Phone: (315) 752-0051, or at www.fiscaladvisors.com.

TIOGA CENTRAL SCHOOL DISTRICT

Dated: May 25, 2023

CATHI ROOT
PRESIDENT OF THE BOARD OF EDUCATION AND
CHIEF FISCAL OFFICER

GENERAL FUND

Balance Sheets

Fiscal Years Ending June 30:	2018	2019	2020	2021	2022
ASSETS					
Unrestricted Cash	$ 1,357,155	$ 1,966,067	$ 3,255,059	$ 1,085,103	$ 1,596,431
Restricted Cash	2,149,269	3,391,357	2,819,093	5,819,907	6,727,530
Restricted Investments	-	-	-	-	-
State and Federal Aid Receivable	129,288	165,095	142,279	485,569	213,996
Due from Other Governments	229,780	290,324	311,790	323,430	306,886
Other Receivables	2,509	1,066	4,860	1,630	24,607
Due from Fiduciary Funds	1	2	5	4	-
Due from Other Funds	1,052,734	401,972	367,139	540,567	273,517
Taxes	-	-	-	-	-
Prepaid Items	480,892	486,701	439,906	434,915	467,379
TOTAL ASSETS	$ 5,401,628	$ 6,702,584	$ 7,340,131	$ 8,691,125	$ 9,610,346
LIABILITIES AND FUND EQUITY					
Accounts Payable	$ 109,222	$ 96,220	$ 54,754	$ 209,292	$ 69,076
Accrued Liabilities	29,471	23,274	1,893	38,733	47,687
Bond Interest and Matured Bonds	3,535	3,535	3,535	3,535	2,626
Due to Other Funds	39,897	10,406	9,461	361,496	106,506
Due to Teachers' Retirement System	586,057	677,817	575,436	623,146	685,204
Due to Employees' Retirement System	55,701	58,739	56,502	72,732	50,627
Compensated Absences	202,353	235,960	210,267	219,021	225,618
Deferred Revenues	3,250	-	784	1,620	-
TOTAL LIABILITIES	1,029,486	1,105,951	912,632	1,529,575	1,187,344
FUND EQUITY					
Nonspendable	$ 480,892	$ 486,701	$ 439,906	$ 434,915	$ 467,379
Restricted	2,145,734	3,122,748	2,815,558	5,467,521	6,727,530
Assigned	996,092	1,176,335	653,999	487,377	407,845
Unassigned	749,424	810,849	2,518,036	771,737	820,248
TOTAL FUND EQUITY	4,372,142	5,596,633	6,427,499	7,161,550	8,423,002
TOTAL LIABILITIES and FUND EQUITY	$ 5,401,628	$ 6,702,584	$ 7,340,131	$ 8,691,125	$ 9,610,346

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:	2017	2018	2019	2020	2021
REVENUES					
Real Property Taxes	$ 3,255,522	$ 3,262,637	$ 3,282,785	$ 3,307,352	$ 3,361,915
Real Property Tax Items	558,465	561,295	627,253	685,548	723,474
Charges for Services	42,591	28,039	31,064	32,971	22,585
Use of Money & Property	64,283	46,156	26,571	25,162	13,024
Sale of Property and Compensation for Loss	375,308	553,273	364,546	7,998	9,132
Miscellaneous	517,124	231,997	182,996	165,453	140,409
Revenues from State Sources	13,644,894	14,053,909	14,614,049	15,327,754	14,054,417
Revenues from Federal Sources	25,914	113,993	38,183	45,890	351,241
Total Revenues	$ 18,484,101	$ 18,851,299	$ 19,167,447	$ 19,598,128	$ 18,676,197
Other Sources:					
Interfund Transfers	-	-	-	-	-
Total Revenues and Other Sources	18,484,101	18,851,299	19,167,447	19,598,128	18,676,197
EXPENDITURES					
General Support	$ 1,881,752	$ 2,011,113	$ 1,996,991	$ 2,048,552	$ 2,183,021
Instruction	6,863,100	7,298,574	7,496,632	8,288,036	7,741,003
Pupil Transportation	693,843	732,454	758,077	844,250	836,747
Community Services	13,626	19,729	15,664	20,964	9,720
Employee Benefits	4,820,428	4,673,527	4,752,728	4,749,191	4,842,561
Debt Service	294,989	312,170	300,883	319,888	304,423
Total Expenditures	$ 14,567,738	$ 15,047,567	$ 15,320,975	$ 16,270,881	$ 15,917,475
Other Uses:					
Interfund Transfers	3,272,835	2,626,650	2,621,981	2,496,381	2,024,671
Total Expenditures and Other Uses	17,840,573	17,674,217	17,942,956	18,767,262	17,942,146
Excess (Deficit) Revenues Over Expenditures	643,528	1,177,082	1,224,491	830,866	734,051
FUND BALANCE					
Fund Balance - Beginning of Year	2,551,532	3,195,060	4,372,142	5,596,633	6,427,499
Prior Period Adjustments (net)	-	-	-	-	-
Fund Balance - End of Year	$ 3,195,060	$ 4,372,142	$ 5,596,633	$ 6,427,499	$ 7,161,550

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:	2022 Original Budget	2022 Final Budget	2022 Actual	2023 Adopted Budget	2024 Adopted Budget
REVENUES					
Real Property Taxes	$ 3,379,137	$ 3,379,137	$ 3,377,873	$ 3,878,978	$ 3,918,873
Real Property Tax Items	775,539	775,539	777,492	361,204	412,028
Charges for Services	9,500	9,500	35,114	9,500	9,500
Use of Money & Property	2,500	2,500	21,917	2,500	2,500
Sale of Property and Compensation for Loss	-	-	69,683	-	-
Miscellaneous	80,000	80,000	416,675	165,000	223,251
Revenues from State Sources	14,752,854	14,752,854	15,144,728	15,799,311	16,944,523
Revenues from Federal Sources	-	-	37,217	-	-
Total Revenues	$ 18,999,530	$ 18,999,530	$ 19,880,699	$ 20,216,493	$ 21,510,675
Other Sources:					
Appropriated Fund Balance	341,598	391,598	-	341,598	400,000
Designated Fund Balance	145,779	145,779	-	-	-
Interfund Transfers	-	-	3,691	-	-
Total Revenues and Other Sources	19,486,907	19,536,907	19,884,390	20,558,091	21,910,675
EXPENDITURES					
General Support	$ 2,519,724	$ 2,518,954	$ 2,266,229	$ 2,652,616	$ 2,825,211
Instruction	8,438,219	8,356,029	8,078,174	8,821,796	9,428,772
Pupil Transportation	1,049,659	1,111,445	976,292	1,026,953	1,166,478
Community Services	17,186	17,303	11,314	9,308	3,000
Employee Benefits	5,092,326	5,079,266	4,853,939	5,485,179	5,778,695
Debt Service	312,932	314,760	310,461	312,505	235,930
Total Expenditures	$ 17,430,046	$ 17,397,757	$ 16,496,409	$ 18,308,357	$ 19,438,086
Other Uses:					
Interfund Transfers	2,056,861	2,139,150	2,126,529	2,249,734	2,472,589
Total Expenditures and Other Uses	19,486,907	19,536,907	18,622,938	20,558,091	21,910,675
Excess (Deficit) Revenues Over Expenditures	-	-	1,261,452	-	-
FUND BALANCE					
Fund Balance - Beginning of Year	-	-	7,161,550	-	-
Prior Period Adjustments (net)	-	-	-	-	-
Fund Balance - End of Year	$ -	$ -	$ 8,423,002	$ -	$ -

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

BONDED DEBT SERVICE

Fiscal Year Ending June 30th	Principal	Interest	Total
2023	$ 1,578,209	$ 598,310.35	$ 2,176,518.86
2024	1,560,571	530,615.16	2,091,186.44
2025	723,566	457,919.54	1,181,485.82
2026	695,000	423,937.50	1,118,937.50
2027	725,000	389,987.50	1,114,987.50
2028	760,000	353,737.50	1,113,737.50
2029	800,000	315,737.50	1,115,737.50
2030	835,000	275,737.50	1,110,737.50
2031	775,000	235,112.50	1,010,112.50
2032	825,000	196,362.50	1,021,362.50
2033	865,000	155,075.00	1,020,075.00
2034	910,000	111,787.50	1,021,787.50
2035	455,000	70,393.75	525,393.75
2036	475,000	54,800.00	529,800.00
2037	355,000	38,162.50	393,162.50
2038	370,000	25,875.00	395,875.00
2039	380,000	13,100.00	393,100.00
TOTALS	$ 13,087,346	$ 4,246,651.30	$ 17,333,997.37

CURRENT BONDS OUTSTANDING

Fiscal Year Ending June 30th	2009 Capital Project - DASNY			2013 Capital Project		
	Principal	Interest	Total	Principal	Interest	Total
2023	$ 90,000	$ 32,606.25	$ 122,606.25	$ 65,000	$ 3,412.50	$ 68,412.50
2024	95,000	28,106.25	123,106.25	65,000	1,787.50	66,787.50
2025	20,000	23,356.25	43,356.25	-	-	-
2026	25,000	22,356.25	47,356.25	-	-	-
2027	25,000	21,106.25	46,106.25	-	-	-
2028	25,000	19,856.25	44,856.25	-	-	-
2029	25,000	18,606.25	43,606.25	-	-	-
2030	25,000	17,356.25	42,356.25	-	-	-
2031	30,000	16,106.25	46,106.25	-	-	-
2032	30,000	14,606.25	44,606.25	-	-	-
2033	30,000	13,068.75	43,068.75	-	-	-
2034	35,000	11,531.25	46,531.25	-	-	-
2035	35,000	9,737.50	44,737.50	-	-	-
2036	35,000	7,943.75	42,943.75	-	-	-
2037	40,000	6,150.00	46,150.00	-	-	-
2038	40,000	4,100.00	44,100.00	-	-	-
2039	40,000	2,050.00	42,050.00	-	-	-
TOTALS	$ 645,000	$ 268,643.75	$ 913,643.75	$ 130,000	$ 5,200.00	$ 135,200.00

Fiscal Year Ending June 30th	2015 Capital Project - DASNY			2016 DASNY Refunding Bonds		
	Principal	Interest	Total	Principal	Interest	Total
2023	$ 70,000	$ 32,375.00	102,375.00	$ 825,000	$ 243,506.25	$ 1,068,506.25
2024	75,000	28,875.00	103,875.00	860,000	207,106.25	1,067,106.25
2025	80,000	25,125.00	105,125.00	190,000	164,556.25	354,556.25
2026	80,000	21,125.00	101,125.00	195,000	155,056.25	350,056.25
2027	85,000	17,125.00	102,125.00	205,000	146,106.25	351,106.25
2028	90,000	12,875.00	102,875.00	215,000	135,856.25	350,856.25
2029	95,000	8,375.00	103,375.00	225,000	125,106.25	350,106.25
2030	95,000	3,625.00	98,625.00	240,000	113,856.25	353,856.25
2031	-	-	-	245,000	101,856.25	346,856.25
2032	-	-	-	265,000	89,606.25	354,606.25
2033	-	-	-	280,000	76,356.25	356,356.25
2034	-	-	-	290,000	62,356.25	352,356.25
2035	-	-	-	300,000	50,856.25	350,856.25
2036	-	-	-	315,000	41,856.25	356,856.25
2037	-	-	-	315,000	32,012.50	347,012.50
2038	-	-	-	330,000	21,775.00	351,775.00
2039	-	-	-	340,000	11,050.00	351,050.00
TOTALS	$ 670,000	$ 149,500.00	$ 819,500.00	$ 5,635,000	$ 1,778,875.00	$ 7,413,875.00

CURRENT BONDS OUTSTANDING

Fiscal Year Ending June 30th	2020 Capital Project - DASNY			2020 Capital Project - DASNY		
	Principal	Interest	Total	Principal	Interest	Total
2023	$ 275,000	$ 217,250.00	$ 492,250.00	$ 70,000	$ 60,250.00	130,250.00
2024	290,000	203,500.00	493,500.00	70,000	57,450.00	127,450.00
2025	305,000	189,000.00	494,000.00	75,000	54,650.00	129,650.00
2026	315,000	173,750.00	488,750.00	80,000	51,650.00	131,650.00
2027	330,000	158,000.00	488,000.00	80,000	47,650.00	127,650.00
2028	345,000	141,500.00	486,500.00	85,000	43,650.00	128,650.00
2029	365,000	124,250.00	489,250.00	90,000	39,400.00	129,400.00
2030	380,000	106,000.00	486,000.00	95,000	34,900.00	129,900.00
2031	400,000	87,000.00	487,000.00	100,000	30,150.00	130,150.00
2032	425,000	67,000.00	492,000.00	105,000	25,150.00	130,150.00
2033	445,000	45,750.00	490,750.00	110,000	19,900.00	129,900.00
2034	470,000	23,500.00	493,500.00	115,000	14,400.00	129,400.00
2035				120,000	9,800.00	129,800.00
2036				125,000	5,000.00	130,000.00
TOTALS	$ 4,345,000	$ 1,536,500.00	$ 5,881,500.00	$ 1,320,000	$ 494,000.00	$ 1,814,000.00

CURRENT BONDS OUTSTANDING

Fiscal Year Ending June 30th	2018 Buses-172						2018 Buses-173					
	Principal		Interest		Total		Principal		Interest		Total	
2023	$	25,879	$	854.01	$	26,733.09	$	25,879	$	854.01	$	26,733.09
TOTALS	$	25,879	$	854.01	$	26,733.09	$	25,879	$	854.01	$	26,733.09

Fiscal Year Ending June 30th	2018 Buses-174						2019 Buses-175					
	Principal		Interest		Total		Principal		Interest		Total	
2023	$	25,879	$	854.01	$	26,733.09	$	26,003	$	1,326.12	$	27,328.62
2024		-		-		-		26,003		663.06		26,665.56
TOTALS	$	25,879	$	854.01	$	26,733.09	$	52,005	$	1,989.18	$	53,994.18

Fiscal Year Ending June 30th	2019 Buses-176						2020 Buses-177					
	Principal		Interest		Total		Principal		Interest		Total	
2023	$	26,003	$	1,326.12	$	27,328.62	$	26,783	$	1,848.04	$	28,631.18
2024		26,003		663.06		26,665.56		26,783		1,232.02		28,015.16
2025		-		-		-		26,783		616.02		27,399.16
TOTALS	$	52,005	$	1,989.18	$	53,994.18	$	80,349	$	3,696.08	$	84,045.50

Fiscal Year Ending June 30th	2020 Buses-178					
	Principal		Interest		Total	
2023	$	26,783	$	1,848.04	$	28,631.18
2024		26,783		1,232.02		28,015.16
2025		26,783		616.02		27,399.16
TOTALS	$	80,349	$	3,696.08	$	84,045.50

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 aforedescribed material event notices, if any, on or before the date specified.

The School District reserves the right to terminate its obligation to provide the aforedescribed 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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TIOGA CENTRAL SCHOOL DISTRICT
TIOGA COUNTY, NEW YORK

AUDITED FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED

JUNE 30, 2022

The Audited Financial Statements, including 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.

TIOGA CENTRAL SCHOOL DISTRICT

Tioga Center, New York

FINANCIAL REPORT

For the Year Ended June 30, 2022

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Certified Public Accountants | Business Advisors

TIOGA CENTRAL SCHOOL DISTRICT

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TIOGA CENTRAL SCHOOL DISTRICT

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INDEPENDENT AUDITORS' REPORT

Board of Education
Tioga Central School District
Tioga Center, New York

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 the Tioga Central School District (the School District) as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the School District, as of June 30, 2022, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the 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.

Emphasis of a Matter

During the year ended June 30, 2022, the School District adopted Government Accounting Standards Board (GASB) Statement No. 87, "Leases." As discussed in Note 18 to the financial statements, net position as of June 30, 2021 for the governmental activities was restated to reflect this change in accounting principle. 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 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.

Auditors' 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 auditors' 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 GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the 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 the 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 the 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; budgetary comparison schedules; the Schedules of School District's Contributions - NYSLRS and NYSTRS Pension Plans; the Schedules of the School District's Proportionate Share of the Net Pension (Asset)/Liability; Schedule of Changes in the District's Total OPEB Liability and Related Ratios; and related notes 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. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, 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 School District's basic financial statements. The Balance Sheet - Non-Major Governmental Funds; Statement of Revenues, Expenditures, and Changes in Fund Balance - Non-Major Governmental Funds; Schedules of Change from Adopted Budget to Final Budget and the Real Property Tax Limit; Schedule of Project Expenditures - Capital Projects Fund; Schedule of Net Investment in Capital Assets (supplementary information); and Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. 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 GAAS. In our opinion, the supplementary information and the Schedule of Expenditures of Federal Awards are 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 October 11, 2022, on our consideration of the School District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School District's internal control over financial reporting and compliance.

Respectfully submitted,

Insero & Co. CPAs, LLP

Insero & Co. CPAs, LLP
Certified Public Accountants

Ithaca, New York
October 11, 2022

TIOGA CENTRAL SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2022

The following is a discussion and analysis of the Tioga Central School District's (the School District) financial performance for the fiscal year ended June 30, 2022. 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 District-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 Management's Discussion and Analysis (MD&A) 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 School District recognizes its total other postemployment benefits (OPEB) liability, as well as deferred outflows and deferred inflows of resources related to the OPEB plan in accordance with the parameters of Governmental Accounting Standards Board (GASB) Statement No. 75. "Accounting and Financial Reporting for Postemployment Benefits Other than Pensions." Current year recognition resulted in a decrease of District-wide expenses of $784,721, compared to a decrease of $1,033,544 in 2021 and a net liability of $56,270,919 at June 30, 2022.

- The School District ended the year with a total net deficit of $30,675,543, a decrease in the deficit of $4,010,888 from the prior year. The year-end net position was composed of $8,851,385 in restricted, $11,914,526 in net investment in capital assets, and $51,441,454 in unrestricted net deficit. The unrestricted net deficit decreased $2,841,739 compared to the prior year, based on the results of operations.

- Revenues exceeded expenses by $4,010,888 in 2022, compared to revenues exceeding expenses by $1,379,297 in 2021.

- The School District had $17,585,204 in outstanding debt at year end, an increase of $984,472 from the prior year, primarily due to proceeds more than principal payments on outstanding debt.

- Capital asset additions during 2022 amounted to $1,865,115 for the purchase of buses, vehicles, equipment, and construction in progress expenditures. Depreciation expense was $1,450,065 for the current year. Amortization expense was $32,997 for the current year.

- The General Fund budgeted expenditures, including carry-over encumbrances and other financing uses, were underspent by $847,722, while revenues and other financing sources were over budget by $884,860.

- Total General Fund balance, including reserves, was $8,423,002 at June 30, 2022. Unassigned fund balance amounted to $820,248, which was subject to and within the allowable limit (4% of 2022-2023 appropriations) permitted under New York State Real Property Tax Law.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of three parts: MD&A (this section), the basic financial statements, and supplementary information, both required and not required. The basic financial statements include two kinds of statements that present different views of the School District.

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

- The remaining statements are Governmental Fund financial statements that focus on individual parts of the School District, reporting the School District's operations in greater detail than the District-wide financial statements. The Governmental Fund financial statements concentrate on the School District's most significant funds with all other Non-Major Funds listed in total in one column.

The financial statements also include notes that explain some of the information in the statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the financial statements with a comparison of the School District's budget for the year; a Schedule of Changes in the School District's total OPEB Liability and Related Ratios related to the School District's unfunded actuarial liability for postemployment benefits; and Schedules of School District Contributions and Proportionate Share of Net Pension (Asset)/Liability.

District-Wide Financial Statements

The District-wide financial 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, deferred outflows of resources, liabilities, and deferred inflows of resources. 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 financial statements report the School District's net position and how it has changed. Net Position (the difference between the School District's assets and deferred outflows of resources, and the School District's 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, one needs to consider additional nonfinancial factors such as changes in the School District's property tax base and the condition of school buildings and other facilities.

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.

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

- Governmental Funds: Most of the School District's basic services are included in Governmental Funds, which generally focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out, and (2) the balances left at year end that are available for spending. Consequently, the Governmental Funds statements provide a detailed short-term view that helps one 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 financial statements, additional information following the Governmental Fund financial 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 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.

FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT AS A WHOLE

Our analysis below focuses on the net position (*Figure 1*) and changes in net position *(Figure 2)* of the School District's Governmental Activities.

Figure 1

Condensed Statement of Net Position	*Governmental Activities and Total School District* 2022	2021	*Total Dollar Change*
Current Assets	**$ 6,786,396**	$ 3,617,861	$ 3,168,535
Noncurrent Assets	**13,956,407**	6,375,606	7,580,801
Capital Assets, Net	**28,982,738**	28,623,632	359,106
Total Assets	**49,725,541**	**38,617,099**	**11,108,442**
Total Deferred Outflows of Resources	**13,675,829**	**14,989,136**	**(1,313,307)**
Current Liabilities	**7,176,229**	2,980,787	4,195,442
Noncurrent Liabilities	**70,575,928**	70,468,809	107,119
Total Liabilities	**77,752,157**	**73,449,596**	**4,302,561**
Total Deferred Inflows of Resources	**16,324,756**	**14,843,070**	**1,481,686**
Net Investment in Capital Assets	**11,914,526**	12,549,988	(635,462)
Restricted	**8,851,385**	7,046,774	1,804,611
Unrestricted	**(51,441,454)**	(54,283,193)	2,841,739
Total Net Position (Deficit)	**$ (30,675,543)**	**$ (34,686,431)**	**$ 4,010,888**

Total assets increased 28.8%. This change stems from a change from the School District's proportionate share of the net position assets of the NYSTRS and NYSLRS pension plans of $6,354,158 in the current year, in comparison to the prior year net pension liabilities for both plans.

Deferred outflows of resources decreased 8.8% and deferred inflows of resources increased 10.0%. The change in deferred outflows and deferred inflows of resources is the result of changes in actuarial assumptions related to NYSTRS and NYSLRS pension plans, as well as changes in actuarial assumptions for other postemployment benefits (OPEB).

Total liabilities increased 5.9%. This change was primarily the result of a change in the School District's net pension liabilities to net pension assets. This was offset by the issuance of bond anticipation notes as well as an increase in unearned revenue for unspent Education Stabilization funding.

Total net position(deficit) decreased 11.6%, which was the result of revenues over expenses.

Our analysis in *Figure 2* considers the operations of the School District's activities.

Figure 2

Changes in Net Position	*Governmental Activities and Total School District*		*Total Dollar Change*
	2022	*2021*	
REVENUES			
Program Revenues:			
Charges for Services	**$ 128,543**	$ 78,978	$ 49,565
Operating Grants	**3,529,615**	1,849,417	1,680,198
Capital Grants	**25,754**	6,188	19,566
General Revenues:			
Real Property Taxes	**3,377,873**	3,361,915	15,958
Real Property Tax Items	**777,492**	723,474	54,018
State Sources	**14,224,307**	13,966,248	258,059
Use of Money and Property	**22,277**	14,351	7,926
Other General Revenues	**514,243**	183,468	330,775
Total Revenues	**$ 22,600,104**	**$ 20,184,039**	**$ 2,416,065**
PROGRAM EXPENSES			
General Support	**$ 2,509,364**	$ 2,768,519	$ (259,155)
Instruction	**13,134,790**	13,109,169	25,621
Pupil Transportation	**1,676,019**	1,645,686	30,333
Community Services	**15,133**	36,842	(21,709)
School Lunch Program	**690,752**	576,375	114,377
Interest on Debt	**563,158**	668,151	(104,993)
Total Expenses	**$ 18,589,216**	**$ 18,804,742**	**$ (215,526)**
CHANGE IN NET POSITION	**$ 4,010,888**	**$ 1,379,297**	**$ 2,631,591**

Total revenues for the School District's Governmental Activities increased by 11.9%, and total expenses decreased by 1.2%. The increase in operating grants is due to receipt of Education Stabilization Funds in the current year. The increase in other general revenues is due to the sale of equipment and insurance recoveries.

The decrease in total expenses is primarily due to a reduction in both pension and OPEB expense in comparison to the amount expended in the prior year.

Figures 3 and *4* show the sources of revenue for 2022 and 2021.

Figure 3
Sources of Revenue for 2022

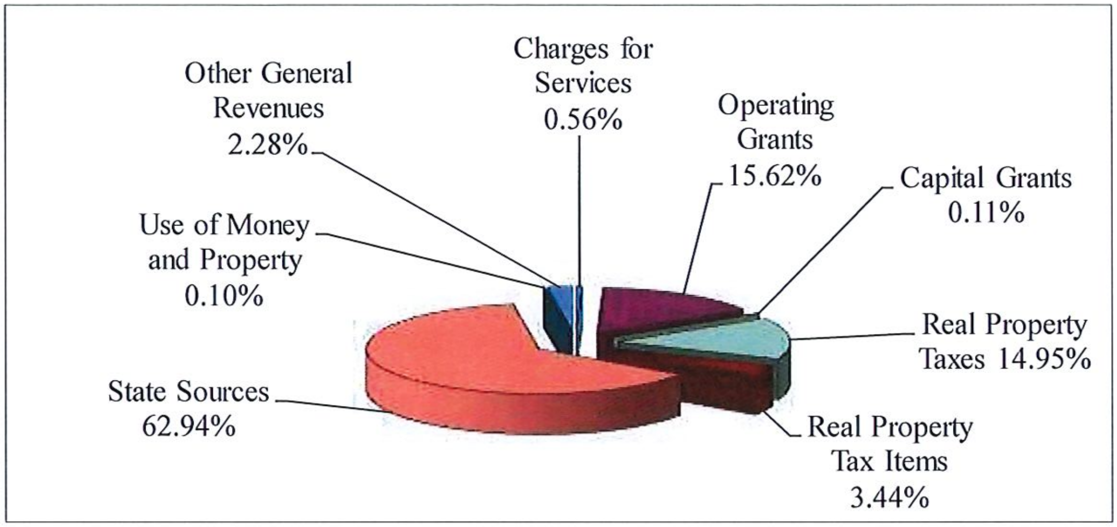
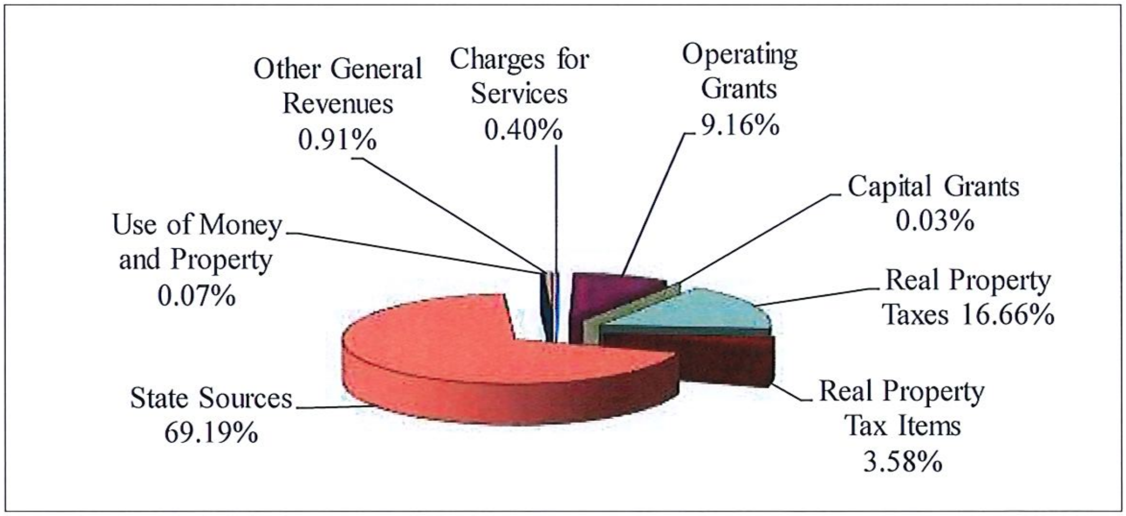


Figure 4
Sources of Revenue for 2021



Figures 5 and *6* present the cost of each of the School District's programs for 2022 and 2021.

Figure 5
Cost of Programs for 2022

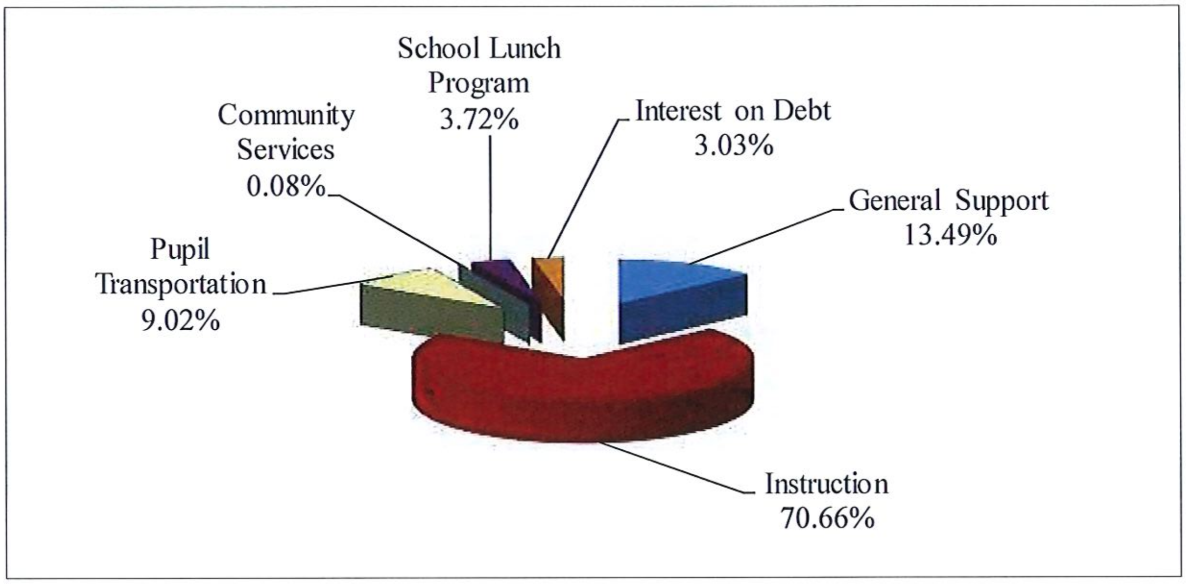
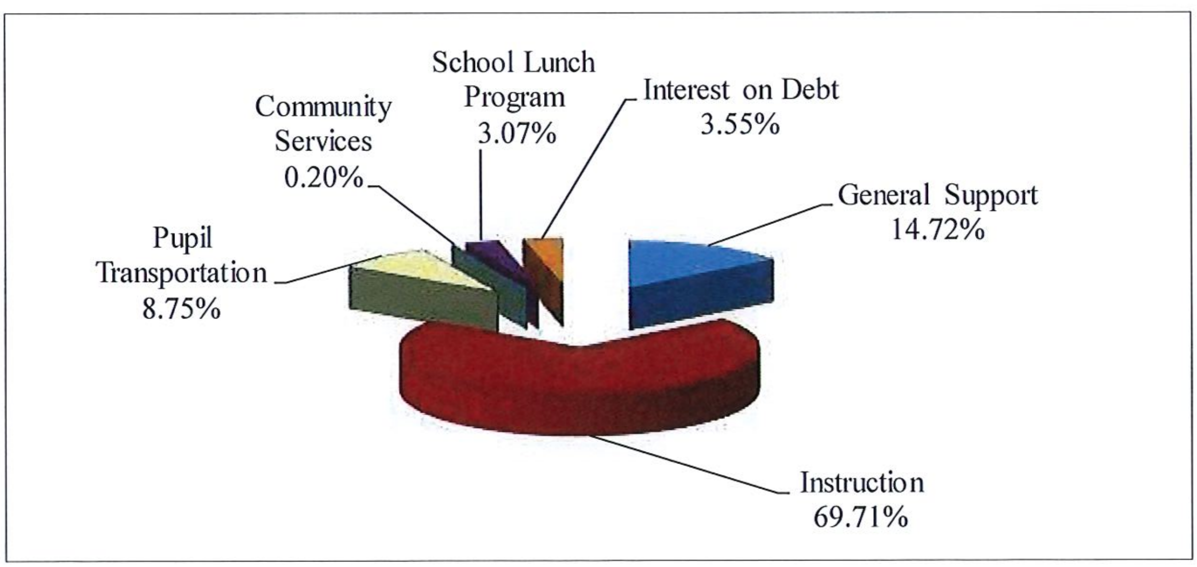


Figure 6
Cost of Programs for 2021



FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT'S FUNDS

Figure 7 shows the change in fund balances for the year for the School District's funds. Total fund balance increased 3.4%, primarily due to excess revenues and other financing sources over expenditures and other financing uses within the General Fund, offset by transfers from the Special Aid Fund to the Capital Projects Fund - Renovation for capital projects.

Figure 7

Governmental Fund Balances	*2022*	*2021*	*Total Dollar Change*
Major Funds:			
General Fund	**$ 8,423,002**	$ 7,161,550	$ 1,261,452
Special Aid Fund	**(1,512,035)**	-	(1,512,035)
Capital Project Fund - Rennovation	**543,708**	372,998	170,710
Non-Major Governmental Funds	**1,609,086**	1,230,368	378,718
Total Governmental Funds	**$ 9,063,761**	**$ 8,764,916**	**$ 298,845**

GENERAL FUND BUDGETARY HIGHLIGHTS

Over the course of the year, the Superintendent approves budgetary transfers that revise the School District budget line items and the Board reviews the transfers. Typically, these budget amendments consist of budget transfers between functions, which do not increase the overall budget. During the current year, the budget was amended for prior year encumbrances and appropriated reserves.

The School District received $884,860 more in General Fund revenues and other financing sources due to higher than anticipated state aid and BOCES refunds. Expenditures and other financing uses were lower than the revised budget (with carryover encumbrances) by $847,722. This is primarily due to lower than expected costs related to general support and instructional programs, as well as employee benefits.

Figure 8

Condensed Budgetary Comparison General Fund - 2022	Original Budget	Revised Budget	Actual w/ Encumbrances	Favorable (Unfavorable) Variance
REVENUES				
Real Property Taxes	$ 3,379,137	$ 3,379,137	$ 3,377,873	$ (1,264)
Other Tax Items	775,539	775,539	777,492	1,953
State Sources	14,752,854	14,752,854	15,144,728	391,874
Other, Including Financing Sources	92,000	92,000	584,297	492,297
Total Revenues and Other Financing Sources	**$ 18,999,530**	**$ 18,999,530**	**$ 19,884,390**	**$ 884,860**
Appropriated Fund Balances and Reserves	**$ 341,598**	**$ 391,598**		
Encumbrances	**$ 145,779**	**$ 145,779**		
EXPENDITURES				
General Support	$ 2,519,724	$ 2,518,954	$ 2,306,761	$ 212,193
Instruction	8,438,219	8,356,029	8,098,268	257,761
Pupil Transportation	1,049,659	1,111,445	981,913	129,532
Community Service	17,186	17,303	11,314	5,989
Employee Benefits	5,092,326	5,079,266	4,853,939	225,327
Debt Service	312,932	314,760	310,461	4,299
Other Financing Uses	2,056,861	2,139,150	2,126,529	12,621
Total Expenditures and Other Financing (Uses)	**$ 19,486,907**	**$ 19,536,907**	**$ 18,689,185**	**$ 847,722**

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of June 30, 2022, the School District had invested in a broad range of capital assets totaling $52,475,830, offset by accumulated depreciation of $23,539,260. In addition, the School District reported intangible lease assets of $165,714 offset by accumulated amortization of $119,546. Figure 9 shows the changes in the School District's capital assets.

Figure 9

Changes in Capital Assets	Governmental Activities and Total School District		Total Dollar Change
	2022	2021	
Land	**$ 308,479**	$ 308,479	$ -
Construction in Progress	**1,084,520**	1,160,278	(75,758)
Buildings and Improvements, Net	**25,648,164**	25,277,786	370,378
Equipment, Net	**1,895,407**	1,797,924	97,483
Intangible Lease Assets, Net	**46,168**	79,165	(32,997)
Total	**$ 28,982,738**	**$ 28,623,632**	**$ 359,106**

Capital asset activity for the year ended June 30, 2022 included the following:

Construction in Progress	$ 1,369,260
Buses	275,686
Equipment	220,169
Total Additions	1,865,115
Loss on Disposal	(22,947)
Less Depreciation Expense	(1,450,065)
Less Amortization Expense	(32,997)
Net Increase in Capital Assets	**$ 359,106**

Debt Administration
Figure 10 shows the changes in the School District's outstanding debt, including its lease liabilities. Total indebtedness represented 47.1% of the constitutional debt limit, exclusive of building aid estimates.

Figure 10

Outstanding Debt	*Governmental Activities and Total School District* 2022	2021	*Total Dollar Change*
Bond Anticipation Notes	**$ 2,500,000**	$ 30,000	$ 2,470,000
Serial Bonds	**12,745,000**	14,010,000	(1,265,000)
Statutory Installment Bonds	**562,696**	577,880	(15,184)
Premium on Obligations	**1,771,868**	1,975,584	(203,716)
Lease Liabilities	**5,640**	7,268	(1,628)
Total	**$ 17,585,204**	**$ 16,600,732**	**$ 984,472**

Moody's Rating Committee assigned an A1 rating on the Tioga Central School District New York State Section 99-B Intercept School District Credit Enhancement Program General Obligation Bonds. In addition, an A2 underlying rating was assigned on Tioga Central School District General Obligation Bonds. This has been a solid rating for the past several years. More detailed information about the School District's long-term liabilities is presented in the notes to the financial statements.

FACTORS BEARING ON THE SCHOOL DISTRICT'S FUTURE

- The School District does not currently have, nor anticipate, financial obligations due to litigation.

- The enrollment of the Tioga Central School District has been steadily decreasing. Since New York State Aid is directly tied to the number of students we serve, we may see a reduction in New York State aid that is not balanced with the possible reduction in expenses associated with serving less students.

- The School District could be impacted by the closure of Tioga Downs. The impact of the PILOT program has negatively impacted the yearly Tax Cap which has made the Tioga Central School District even further reliant on State funding to maintain its annual budget. In the event of a closure, the loss of the Tioga Downs contribution is an exposure that cannot reasonably be filled by the local tax levy.

- The COVID-19 pandemic has caused significant stress on the district and the community during the 2020-21 school year. The future impact of COVID-19 and the requirements for the 2022-23 school year are currently unknown. The School District may be burdened with unplanned additional costs associated with preparing the school and planning for operations under impending safety guidelines. While the School District has been frugal and managed to keep healthy fund balances and reserves, these solutions are only viable for a limited time.

- The influx of Federal Stimulus funds over the next several years will allow the School District to dedicate resources to address learning loss due to the COVID-19 pandemic. The School District is in the process of compiling a multi-year plan to strategically address learning issues that are a result of the pandemic, while also ensuring the School District does not hit a funding cliff when the federal funding expires.

CONTACTING THE SCHOOL DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide the Tioga Central School District's citizens, taxpayers, customers, investors, and creditors with a general overview of the School District's finances and to demonstrate the School District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Business Office, Tioga Central School District, Fifth Avenue, Tioga Center, New York 13845.

TIOGA CENTRAL SCHOOL DISTRICT

STATEMENT OF NET POSITION
JUNE 30, 2022

ASSETS	
Current Assets	
Cash and Cash Equivalents - Unrestricted	$ 4,888,208
Cash and Cash Equivalents - Restricted	338,227
Investments - Restricted	224,314
Due from State and Federal Governments	507,752
Due from Other Governments	306,886
Other Receivables	24,691
Inventories	28,939
Prepaid Expenses	467,379
Total Current Assets	6,786,396
Noncurrent Assets	
Cash and Cash Equivalents - Restricted	7,602,249
Net Pension Asset - Proportionate Share	6,354,158
Capital Assets, Net:	
Nondepreciable	1,392,999
Depreciable Capital Assets, Net	27,543,571
Intangible Lease Assets, Net	46,168
Total Noncurrent Assets	42,939,145
Total Assets	49,725,541
DEFERRED OUTFLOWS OF RESOURCES	
Pensions	4,395,972
OPEB	8,762,865
Deferred Charges on Defeased Debt	516,992
Total Deferred Outflows of Resources	13,675,829
LIABILITIES	
Current Liabilities	
Accounts Payable	117,694
Accrued Liabilities	50,783
Due to Other Governments	488
Bond Interest and Matured Bonds	25,419
Overpayments and Collections in Advance	2,626
Bond Anticipation Notes Payable	2,500,000
Due to Teachers' Retirement System	685,204
Due to Employees' Retirement System	50,627
Unearned Revenues - Other	1,691,844
Current Portion of Long-Term Obligations:	
Compensated Absences	225,618
Bonds Payable	1,824,248
Lease Liabilities	1,678
Total Current Liabilities	7,176,229

See Notes to Basic Financial Statements

TIOGA CENTRAL SCHOOL DISTRICT

STATEMENT OF NET POSITION (Continued)
JUNE 30, 2022

Noncurrent Liabilities		
Bonds Payable	$	13,255,316
Lease Liabilities		3,962
Compensated Absences Payable		346,705
Other Postemployment Benefits Liability		56,969,945
Total Noncurrent Liabilities		70,575,928
Total Liabilities		77,752,157
DEFERRED INFLOWS OF RESOURCES		
Pensions		8,260,917
OPEB		8,063,839
Total Deferred Inflows of Resources		16,324,756
NET POSITION		
Net Investment in Capital Assets		11,914,526
Restricted		8,851,385
Unrestricted Net (Deficit)		(51,441,454)
Total Net (Deficit)	**$**	**(30,675,543)**

TIOGA CENTRAL SCHOOL DISTRICT

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2022

	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants	Program Revenues: Capital Grants	Net (Expense) Revenue and Changes in Net Position
FUNCTIONS/PROGRAMS					
General Support	$ 2,509,364	$ -	$ -	$ -	$ (2,509,364)
Instruction	13,134,790	62,331	2,709,261	25,754	(10,337,444)
Pupil Transportation	1,676,019	-	-	-	(1,676,019)
Community Services	15,133	10,000	-	-	(5,133)
School Lunch Program	690,752	56,212	820,354	-	185,814
Interest on Debt	563,158	-	-	-	(563,158)
Total Functions and Programs	**$ 18,589,216**	**$ 128,543**	**$ 3,529,615**	**$ 25,754**	(14,905,304)
	GENERAL REVENUES				
	Real Property Taxes				3,377,873
	Real Property Tax Items				777,492
	Use of Money and Property				22,277
	Unrestricted State Sources				14,224,307
	Sale of Property and Compensation for Loss				48,689
	Miscellaneous				465,554
	Total General Revenues				18,916,192
	Change in Net Position				4,010,888
	Total Net (Deficit) - Beginning of Year, as Restated				(34,686,431)
	Total Net (Deficit) - End of Year				**$ (30,675,543)**

See Notes to Basic Financial Statements

TIOGA CENTRAL SCHOOL DISTRICT

BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2022

	Major Funds				
		Special Revenue Fund			
	General Fund	Special Aid Fund	Capital Project Renovation Fund	Non-Major Governmental Funds	Total Governmental Funds
ASSETS					
Cash and Cash Equivalents - Unrestricted	$ 1,596,431	$ 16,463	$ 3,275,314	$ -	$ 4,888,208
Cash and Cash Equivalents - Restricted	6,727,530	-	6	1,212,940	7,940,476
Investments - Restricted	-	-	-	224,314	224,314
Due from Other Funds	273,517	106,501	-	6	380,024
Due from State and Federal Governments	213,996	84,900	55,896	152,960	507,752
Due from Other Governments	306,886	-	-	-	306,886
Other Receivables	24,607	-	-	84	24,691
Inventories	-	-	-	28,939	28,939
Prepaid Expenses	467,379	-	-	-	467,379
Total Assets	**$ 9,610,346**	**$ 207,864**	**$ 3,331,216**	**$ 1,619,243**	**$ 14,768,669**
LIABILITIES					
Accounts Payable	$ 69,076	$ 34,628	$ 13,990	$ -	$ 117,694
Accrued Liabilities	47,687	160	-	2,936	50,783
Due to Other Funds	106,506	-	273,518	-	380,024
Due to Other Governments	-	-	-	488	488
Bond Anticipation Notes Payable	-	-	2,500,000	-	2,500,000
Overpayments and Collections in Advance	2,626	-	-	-	2,626
Due to Teachers' Retirement System	685,204	-	-	-	685,204
Due to Employees' Retirement System	50,627	-	-	-	50,627
Compensated Absences Payable	225,618	-	-	-	225,618
Unearned Revenues	-	1,685,111	-	6,733	1,691,844
Total Liabilities	1,187,344	1,719,899	2,787,508	10,157	5,704,908
FUND BALANCES					
Nonspendable	467,379	-	-	28,939	496,318
Restricted	6,727,530	-	543,708	1,580,147	8,851,385
Assigned	407,845	-		-	407,845
Unassigned	820,248	(1,512,035)	-	-	(691,787)
Total Fund Balances	8,423,002	(1,512,035)	543,708	1,609,086	9,063,761
Total Liabilities and Fund Balances	**$ 9,610,346**	**$ 207,864**	**$ 3,331,216**	**$ 1,619,243**	**$ 14,768,669**

See Notes to Basic Financial Statements

TIOGA CENTRAL SCHOOL DISTRICT

RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
JUNE 30, 2022

Fund Balances (Deficit) - Total Governmental Funds		**$ 9,063,761**
Amounts reported for Governmental Activities in the Statement of Net Position are different because:		
Capital assets, net of accumulated depreciation and amortization, used in Governmental Activities are not financial resources and, therefore, are not reported in the funds.		
Total Historical Cost	$ 52,641,544	
Less Accumulated Depreciation	(23,539,260)	
Less Accumulated Amortization	(119,546)	28,982,738
Long-term liabilities, including bonds payable, bond premium, lease liabilities and deferred charges on defeased debt, are not due and payable in the current period and, therefore, are not reported in the funds.		
Bonds Payable	$(13,307,696)	
Lease Liabilities	(5,640)	
Bond Premium	(1,771,868)	(15,085,204)
The School District's proportion of the collective net pension (asset)/liability is not reported in the funds.		
TRS Net Pension Asset - Proportionate Share	$ 5,873,303	
ERS Net Pension Asset - Proportionate Share	480,855	6,354,158
Deferred outflows of resources, including deferred charges on defeased debt, OPEB, and pensions, represents a consumption of net position that applies to future periods and, therefore, is not reported in the funds. Deferred inflows of resources, including OPEB, and pensions, represents an acquisition of net position that applies to future periods and, therefore, is not reported in the funds.		
Deferred Charges on Defeased Debt	$ 516,992	
Deferred Outflows - OPEB	8,762,865	
Deferred Inflows - OPEB	(8,063,839)	
TRS Deferred Inflows - Pension	(6,622,835)	
ERS Deferred Inflows - Pension	(1,638,082)	
TRS Deferred Outflows - Pension	3,400,587	
ERS Deferred Outflows - Pension	995,385	(2,648,927)
Certain accrued obligations and expenses reported in the Statement of Net Position do not require the use of current financial resources and, therefore, are not reported as liabilities in the funds.		
Accrued Interest on Long-term Debt	$ (25,419)	
Long Term Portion of Compensated Absences	(346,705)	
Other Postemployment Benefits Liability	(56,969,945)	(57,342,069)
Net (Deficit) of Governmental Activities		**$ (30,675,543)**

See Notes to Basic Financial Statements

TIOGA CENTRAL SCHOOL DISTRICT

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - GOVERNMENTAL FUNDS FOR THE YEAR ENDED JUNE 30, 2022

	Major Funds				
		Special Revenue Fund			
	General Fund	Special Aid Fund	Capital Projects Fund - Renovations	Non-Major Governmental Funds	Total Governmental Funds
REVENUES					
Real Property Taxes	$ 3,377,873	$ -	$ -	$ -	$ 3,377,873
Real Property Tax Items	777,492	-	-	-	777,492
Charges for Services	35,114	-	-	-	35,114
Use of Money and Property	21,917	-	-	2,313	24,230
Sale of Property and Compensation for Loss	69,683	-	-	-	69,683
Other Revenue	416,675	27,855	-	59,374	503,904
State Sources	15,144,728	168,041	25,754	71,716	15,410,239
Medicaid Reimbursement	37,217	-	-	-	37,217
Federal Sources	-	1,525,395	-	805,692	2,331,087
Sales - School Lunch	-	-	-	56,212	56,212
Total Revenues	19,880,699	1,721,291	25,754	995,307	22,623,051
EXPENDITURES					
General Support	2,266,229	95,942	-	-	2,362,171
Instruction	8,078,174	1,402,659	-	332,855	9,813,688
Pupil Transportation	976,292	23,350	-	-	999,642
Community Services	11,314	-	-	-	11,314
Employee Benefits	4,853,939	149,864	-	107,764	5,111,567
Debt Service:					
Principal	292,248	-	-	1,295,000	1,587,248
Interest	18,213	-	-	687,858	706,071
Cost of Sales	-	-	-	393,493	393,493
Capital Outlay	-	-	1,369,262	275,436	1,644,698
Total Expenditures	16,496,409	1,671,815	1,369,262	3,092,406	22,629,892
Excess (Deficiency) of Revenues Over Expenditures	3,384,290	49,476	(1,343,508)	(2,097,099)	(6,841)
OTHER FINANCING SOURCES AND (USES)					
Redeemed from Appropriations	-	-	30,000	-	30,000
Premium on Obligations	-	-	-	250	250
Proceeds of Obligations	-	-	-	275,436	275,436
Operating Transfers In	3,691	3,048	1,714,559	2,200,131	3,921,429
Operating Transfers (Out)	(2,126,529)	(1,564,559)	(230,341)	-	(3,921,429)
Total Other Financing Sources and (Uses)	(2,122,838)	(1,561,511)	1,514,218	2,475,817	305,686
Net Change in Fund Balances	1,261,452	(1,512,035)	170,710	378,718	298,845
Fund Balances - Beginning of Year	7,161,550	-	372,998	1,230,368	8,764,916
Fund Balances - End of Year	**$ 8,423,002**	**$ (1,512,035)**	**$ 543,708**	**$ 1,609,086**	**$ 9,063,761**

See Notes to Basic Financial Statements

TIOGA CENTRAL SCHOOL DISTRICT

RECONCILIATION OF GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE TO THE STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2022

Net Change in Fund Balances - Total Governmental Funds		**$ 298,845**
Amounts reported for Governmental Activities in the Statement of Activities are different because:		
Governmental Funds report capital outlay as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation/amortization expense. This is the amount by which depreciation/amortization exceeded capital additions and net book value of disposed assets.		
Capital Additions	$ 1,865,115	
Net Book Value of Disposed Assets	(22,947)	
Depreciation Expense	(1,450,065)	359,106
Amortization Expense	(32,997)	
Long-term debt proceeds, and related issue costs and deferred amounts on refunding, provide current financial resources to Governmental Funds, but issuing debt and the related premiums increase long-term liabilities in the Statement of Net Position. Repayment of debt principal is an expenditure in the Governmental Funds, but the repayment reduces long-term liabilities in the Statement of Net Position.		
Repayment of Leases	$ 1,628	
Serial Bond Proceeds	(275,436)	
Repayment of Bond Principal	1,265,000	
Repayment of Statutory Installment Bond Debt	290,620	1,281,812
Long-term liabilities, such as those associated with employee benefits, are reported in the Statement of Net Position. Therefore, expenses which result in an (increase) or decrease in these long-term liabilities are not reflected in the Governmental Fund financial statements. In addition, changes in the School District's deferred outflows and deferred inflows of resources related to other postemployment benefits do not affect current financial resources and are, also, not reported in the Governmental Funds.		
Other Postemployment Benefits Liability	$ 784,721	
Compensated Absences	(21,020)	763,701
Certain expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in Governmental Funds. These include the change in accrued interest, amortization of bond premiums, and deferred amounts from refunding bonds.		
Deferred Amounts from Refunding Bonds	$ (81,993)	
Amortization of Premiums on Obligations and New Premiums	203,716	
Change in Accrued Interest	20,940	142,663
Changes in the School District's proportionate share of net pension (assets) and liabilities have no effect on current financial resources and, therefore, are not reported as revenues or expenditures in the governmental funds. In addition, changes in the School District's deferred outflows of resources and deferred inflows of resources related to pensions do not affect current financial resources and are also not reported in the Governmental Funds.		
TRS	$ 950,492	
ERS	214,269	1,164,761
Net Change in Net Position of Governmental Activities		**$ 4,010,888**

See Notes to Basic Financial Statements

TIOGA CENTRAL SCHOOL DISTRICT

STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2022

	Custodial Fund
ASSETS	
Cash and Cash Equivalents	$ 66,505
Total Assets	66,505
Total Liabilities	-
NET POSITION	
Unrestricted	**$ 66,505**

See Notes to Basic Financial Statements

TIOGA CENTRAL SCHOOL DISTRICT

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED JUNE 30, 2022

	Custodial Fund
ADDITIONS	
Extraclassroom Activity Funds Receipts	$ 69,252
Total Additions	69,252
DEDUCTIONS	
Extraclassroom Activity Funds Disbursements	66,904
Change in Net Position	2,348
Net Position - Beginning of Year	64,157
Net Position - End of Year	**$ 66,505**

See Notes to Basic Financial Statements

Note 1 **Summary of Significant Accounting Policies**

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

Reporting Entity

Essentially, the primary function of the School District is to provide education for pupils. Services such as transportation of pupils, administration, finance, and plant maintenance support the primary function.

The School District is governed by the laws of New York State. The School District is an independent entity governed by an elected Board of Education (Board) consisting of seven 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 School District. Board members have authority to make decisions, power to appoint management, and primary accountability for all fiscal matters.

The financial reporting entity consists of the following, as defined by GASB Statement No. 14, "The Financial Reporting Entity," as amended.

- The primary government, which is the School District;
- 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 basic financial statements to be misleading or incomplete.

The accompanying financial statements present the activities of the School District. The School District is not a component unit of another reporting entity.

The decision to include a potential component unit in the School District's reporting entity is based on several criteria including legal standing, fiscal dependency, and financial accountability. Based on the application of these criteria, the Extraclassroom Activity Funds are included in the School District's reporting entity.

The Extraclassroom Activity Funds of the School District represent funds of the students of the School District. The Board of Education exercises general oversight of these funds. The Extraclassroom Activity Funds are independent of the School District with respect to its financial transactions and the designation of student management. Separate audited financial statements (cash basis) of the Extraclassroom Activity Funds can be obtained from the School District's business office, located at Fifth Avenue, Tioga Center, NY. The School District accounts for assets held as an agent for various student organizations in an agency fund.

Note 1 **Summary of Significant Accounting Policies - Continued**

Joint Venture
The Tioga Central School District is one of 15 component School Districts in the Broome-Tioga Board of Cooperative Educational Services (BOCES). A BOCES is a voluntary, cooperative association of School Districts in a geographic area that share planning, services, and programs which provide educational and support activities. There is no authority or process by which a school district can terminate its status as a BOCES component.

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 (GML).

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

Separate financial statement of Broome-Tioga BOCES may be obtained by contacting the Business Office, Broome Tioga BOCES, 435 Upper Glenwood Road, Binghamton, NY 13905-1699.

Basis of Presentation - District-Wide Financial Statements
The Statement of Net Position and the Statement of Activities present financial information about the School 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 nonexchange transactions. Operating grants include operating-specific and discretionary (either operating or capital) grants, while the capital grants column reflects capital-specific grants.

Note 1 **Summary of Significant Accounting Policies - Continued**

The Statement of Net Position presents the financial position of the School District at fiscal yearend. The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the School District's Governmental Activities. Direct expenses are those specifically associated with and clearly identifiable to a particular function. Indirect expenses, principally employee benefits, are allocated to functional areas in proportion to the payroll expended for those areas. Program revenues include charges paid by the recipients of goods or services offered by the programs, and grants and contributions restricted to meeting the operational or capital requirements of a particular program. Revenues not classified as program revenues, including all taxes, are presented as general revenues.

Basis of Presentation - Governmental Fund Financial Statements

The Governmental Fund financial statements provide information about the School District's funds, including Fiduciary Funds. Separate statements for each fund category (Governmental and Fiduciary) are presented. The emphasis of Governmental Fund financial statements is on major Governmental Funds, each displayed in a separate column. The following are the School District's Governmental Funds.

Major Funds

- General Fund: The School District's primary operating fund. It accounts for all financial transactions not required to be accounted for in another fund.
- Capital Projects Fund - Renovation: Accounts for financial resources used for renovation of Tioga Central School District buildings.
- Special Revenue Funds: These funds account for the proceeds of specific revenue sources (other than capital projects) that are legally restricted to expenditures for specified purposes. Special revenue funds include the following:
    - Special Aid Fund: Used to account for proceeds received from state and federal grants restricted for special educational programs.

Non-Major Funds

- Debt Service Fund: Accounts for accumulation of resources and payment of principal and interest of long-term general obligation debt of governmental activities.

Note 1 **Summary of Significant Accounting Policies - Continued**

Non-Major Funds - Continued

- Special Revenue Funds: Account for proceeds of specific revenue sources (other than capital projects) legally restricted to expenditures for specified purposes. Non-major special revenue funds include the following:
  - Miscellaneous Special Revenue Fund: Used to account for student scholarships whose funds are restricted as to use.
  - School Lunch Fund: Used to account for child nutrition activities whose funds are restricted as to use.
- Capital Projects Fund - Buses: Accounts for the purchase of buses for the School District.

Fiduciary Activities are those in which the School 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 School District and are not available to be used.

The School District reports the following Fiduciary Funds:

- Custodial Fund: Assets are held by the School District as agent for Extraclassroom Activity Funds.

Measurement Focus and Basis of Accounting

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. Nonexchange transactions, in which the School District gives or receives value without directly receiving or giving equal value in exchange, include property taxes, grants, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from state aid is recognized in the fiscal year it is apportioned 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 financial 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 School District considers all revenues reported in the Governmental Funds to be available if the revenues are collected within six months after the end of the fiscal year.

Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in Governmental Funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

Note 1 **Summary of Significant Accounting Policies - Continued**

Cash and Investments
The School 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 School District's investment policies. Resources must be deposited in Federal Deposit Insurance Corporation (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 school districts. Investments are stated at fair value.

Accounts Receivable
Accounts receivable are shown gross, with uncollectible amounts recognized under the direct write-off method. No allowance for uncollectible accounts has been provided, as it is believed that such allowance would not be material. All receivables are expected to be collected within the subsequent fiscal year.

Inventories and Prepaid Items
Inventories of food in the School Lunch Fund are recorded at cost on a first-in, first-out basis, or in the case of surplus food, at stated value, which approximates fair value. Purchases of inventory items in other funds are recorded as expenditures at the time of purchase and are considered immaterial in amount. Prepaid items represent payments made by the School 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 Governmental 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 purchase and an expense/expenditure is reported in the year the goods or services are consumed.

A portion of fund balance equal to inventories and prepaid amounts is reported as nonspendable, as these assets are not in spendable form in the current period.

Due To/From Other Funds
Eliminations have been made for amounts due to and due from within the same fund type. A detailed description of the individual fund balances at year-end is provided subsequently in these notes.

Note 1 **Summary of Significant Accounting Policies - Continued**

Capital Assets
Capital assets with a historical cost greater than $1,000 and a useful life of at least one year are reported at actual cost for acquisitions subsequent to July 1, 2002, including the right to use assets acquired through financed lease arrangements. For assets acquired prior to July 1, 2002, historical costs have been estimated based on appraisals conducted by independent third-party professionals. Donated assets are reported at estimated fair market value at the time received.

Capital assets are depreciated and amortized using the straight-line method over the following estimated useful lives:

	Estimated Useful Life
Buildings	20 - 40 Years
Building Improvements	20 Years
Furniture and Equipment	1 - 20 Years

Deferred Outflows and Inflows of Resources
In addition to assets, the Statement of Net Position reports a separate section for deferred outflows of resources. This separate financial statement element 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. The School District reports a deferred charge on defeased debt resulting from the difference in the carrying value of refunded debt and its reacquisition price, which is amortized over the shorter of the life of the refunded or refunding debt, as described in Note 8. The School District also reports deferred outflows of resources related to pensions and OPEB plans in the District-wide Statement of Net Position. The types of deferred outflows of resources related to pensions and OPEB plans are described in Notes 11 and 12, respectively.

In addition to liabilities, the Statement of Net Position reports a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period(s) and will not be recognized as an inflow of resources (revenue) until that time. The School District reports deferred inflows of resources related to pensions and OPEB plans which are further described in Notes 11 and 12, respectively.

Leases
The School District determines if an arrangement is or contains a lease at inception. The School District records assets and lease obligations for leases, which are initially based on the discounted future minimum lease payments over the term of the lease. The School District uses the rate implicit in the lease agreements. In some cases the implicit rate is not easily determinable, and the School District elects to use its incremental borrowing rate in calculating present value of lease payments.

Note 1 **Summary of Significant Accounting Policies - Continued**

Leases - Continued

Lease term is defined as the non-cancelable period of the lease plus any options to extend the lease when it is reasonably certain that it will be exercised. For leases with a term, including renewals, of 12 months or less, no intangible lease assets or lease obligations are recorded on the Statement of Net Position and the School District will recognize short-term lease expense for these leases on a straight-line basis over the lease term.

The School District's lease agreements do not contain any material residual value guarantees or material restrictive covenants.

Amortization expense for leases is recognized on the same basis as payments on the lease liabilities and is included in the education expense function. Interest expense is recognized using the effective interest method. Variable payments, short-term rentals, and payments associated with non-lease components are expensed as incurred.

Vested Employee Benefits - Compensated Absences

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

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

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

Consistent with GASB Statement No. 16, "Accounting for Compensated Absences," the liability is included in the District-wide financial statements. The compensated absences liability is calculated based on the pay rates in effect at year end.

In the Governmental Fund financial statements only the amount of matured liabilities is accrued within the General Fund based upon expendable and available financial resources. These amounts are expensed on a pay-as-you go basis.

Note 1 **Summary of Significant Accounting Policies - Continued**

Other Postemployment Benefits
School 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 School District provides health insurance coverage and survivor benefits for retired employees and their survivors. Substantially all of the School District's employees may become eligible for these benefits if they reach normal retirement age while working for the School 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 School District and the retired employee. The School District recognizes the cost of providing health insurance by recording its share of insurance premiums as an expenditure or operating transfer to other funds in the General Fund, in the year paid.

The School District follows GASB Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other than Pensions." The School District's liability for other postemployment benefits has been recorded in the Statement of Net Position, in accordance with the statement. See Note 12 for additional information.

Unearned and Unavailable Revenues
Unearned revenues arise when resources are received by the School 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 the School District has legal claim to the resources, the liability for unearned revenues is removed and revenues are recorded.

The Governmental Fund financial statements also report unavailable revenues as a deferred inflow of resources when potential revenues do not meet both the measurable and available criteria for recognition in the current period. In subsequent periods, when both recognition criteria are met, the liability for unavailable revenues is removed and revenues are recorded.

Overpayments and Collections in Advance
Overpayments and collections in advance arise when resources are received by the School 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 the School District has legal claim to the resources, the liability is removed, and revenues are recorded.

Restricted Resources
When an expense is incurred for purposes for which both restricted and unrestricted net position are available, it is the School District's policy to apply restricted funds before unrestricted funds, unless otherwise prohibited by legal requirements.

Note 1 **Summary of 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 a timely manner and in full from current financial resources. Claims and judgements, other postemployment benefits payable, and compensated absences that will be paid from governmental funds, are reported as a liability in the fund's financial statements only to the extent that they are due for payment in the current year. Bonds and other long-term obligations that will be paid from governmental funds are recognized as a liability in the fund financial statements when due.

Long-term obligations represent the School District's future obligations or future economic outflows. Liabilities are reported as current (due in one year) or noncurrent (due later than one year) in the Statement of Net Position.

Equity Classifications - District-Wide Financial Statements
Equity is classified as net position and displayed in three components:

- Net Investment in Capital Assets - Consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

- Restricted - Consists of resources with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or 2) law through constitutional provisions or enabling legislation.

- Unrestricted - Consists of all other resources that do not meet the definition of "restricted" or "net investment in capital assets."

Equity Classifications - Governmental Fund Financial Statements
The School District follows GASB Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions," which changed the terminology and classification of fund balance to reflect spending constraints on resources, rather than availability for appropriation. This approach is intended to provide users more consistent and understandable information about a fund's net resources.

Note 1 **Summary of Significant Accounting Policies - Continued**

Equity Classifications - Governmental Fund Financial Statements - Continued
Fund balances are allocated into five classifications: nonspendable, restricted, committed, assigned, and unassigned. These classifications serve to inform readers of the financial statements of the extent to which the School District is bound to honor any constraints on specific purposes for which resources in a fund can be spent.

- Nonspendable - Consists of assets inherently nonspendable in the current period either because of their form or because they must be maintained intact; including prepaid items, inventories, long-term portions of loans receivable, financial assets held for resale, and endowments principal.

- Restricted - Consists of amounts subject to legal purpose restrictions imposed by creditors, grantors, contributors, or laws and regulations of other governments and enforced externally; or through constitutional provisions or enabling legislation. Most of the School District's legally adopted reserves are reported here.

- Committed - Consists of amounts subject to a purpose constraint imposed by formal action of the School District's highest level of decision-making authority prior to the end of the fiscal year, and requires the same level of formal action to remove said constraint.

- Assigned - Consists of amounts subject to a purpose constraint representing an intended use established by the School District's highest level of decision-making authority, or their designated body or official. The purpose of the assignment must be narrower than the purpose of the General Fund. In funds other than the General Fund, assigned fund balance represents the residual amount of fund balance.

- Unassigned - Represents the residual classification of the School District's General Fund, and could report a surplus or deficit. In funds other than the General Fund, the unassigned classification should only be used to report a deficit balance resulting from overspending amounts restricted, committed, or assigned for specific purposes.

Real Property Tax Law §1318 limits the amount of unexpended surplus funds a school district can retain in the General Fund to no more than 4% of the next year's budgetary appropriations. Funds properly retained under other sections of law (i.e., reserve funds established pursuant to Education Law or GML) are excluded from the 4% limitation. The 4% limitation is applied to unrestricted fund balance (i.e., the total of the committed, assigned, and unassigned classifications), minus appropriated fund balance, amounts reserved for insurance recovery, amounts reserved for tax reduction, and encumbrances included in committed and assigned fund balance.

Note 1 **Summary of Significant Accounting Policies - Continued**

Equity Classifications - Governmental Fund Financial Statements - Continued
The Board of Education of the School District may adopt resolutions to commit or assign fund balance. By resolution, fund balance of the School District may be committed for a specific source by formal action of the Board of Education. Furthermore, the Board of Education delegates authority to assign fund balance for a specific purpose to the Business Official of the School District. The Board of Education, by resolution, approves fund balance appropriations for next year's budget. The School District applies expenditures against nonspendable fund balance, restricted fund balance, committed fund balance, assigned fund balance, and unassigned fund balance.

Legally Adopted Reserves
Fund balance reserves are created to satisfy legal restrictions, plan for future expenditures or relate to resources not available for general use or appropriation. These reserve funds are established through Board action or voter approval and a separate identity must be maintained for each reserve. Earnings on the invested resources become part of the respective reserve funds; however, separate bank accounts are not necessary for each reserve fund. Reserves currently in use by the School District include the following:

- Capital Reserve (Education Law §3651) - 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.

- Insurance Reserve (GML §6-n): Used to pay liability, casualty, and other types of losses, except losses incurred for which the following types of insurance may be purchased: life, accident, health, annuities, fidelity and surety, credit, title residual value, and mortgage guarantee. In addition, this reserve may not be used for any purpose for which a special reserve may be established pursuant to law (for example, for unemployment compensation insurance). 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.

- Mandatory Debt Service Reserve (GML §6-l) - Used to establish a reserve for the purpose of retiring the outstanding obligations upon the sale of School District property or capital improvement financed by obligations which remain outstanding at the time of sale. The funding of the reserve is from the proceeds of the sale of School District property or capital improvement. This reserve is accounted for in the Debt Service Fund.

Note 1 **Summary of Significant Accounting Policies - Continued**

Legally Adopted Reserves - Continued

- Employee Benefit Accrued Liability Reserve (GML §6-p) - Used to reserve funds for the payment of accrued employee benefits due an employee upon termination of the employee's service. This reserve may be established by a majority vote of the Board and is funded by budgetary appropriations and such other reserves and funds that may be legally appropriated. This reserve is accounted for in the General Fund.

- Retirement Contribution Reserve (GML §6-r) - Used for the purpose of financing retirement contributions. 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. 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 subfund 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. These reserves are accounted for in the General Fund.

Property Taxes
Real property taxes are levied annually by the Board of Education no later than September 1 and became a lien on August 18, 2021. Taxes were collected during the period September 15, 2021 to November 16, 2021.

Uncollected real property taxes are subsequently enforced by Tioga County (the County). An amount representing uncollected real property taxes transmitted to the County for enforcement is paid by the County to the School District no later than the following April 1.

Interfund Transfers
The operations of the School District give rise to certain transactions between funds, including transfers to provide services and construct assets. The amounts reported on the Statement of Revenues, Expenditures, and Changes in Fund Balance-Governmental Funds for interfund transfers have been eliminated from the Statement of Activities. A detailed description of the individual fund transfers that occurred during the year is provided subsequently in these notes.

Note 1 **Summary of Significant Accounting Policies - Continued**

Use of Estimates
The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amount of assets, deferred outflows of resources, liabilities, deferred inflows of resources, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported revenues and expenses during the reporting period. Actual results could differ from those estimates. Estimates and assumptions are made in a variety of areas, including computation of encumbrances, compensated absences, other postemployment benefits payable, potential contingent liabilities and useful lives of long-lived assets.

New Accounting Standards
The School District adopted and implemented the following current Statements of the GASB effective for the year ended June 30, 2022:

- GASB Statement No. 87, "Leases."

Future Changes in Accounting Standards

- GASB has issued Statement No. 96, "Subscription-Based Information Technology Arrangements," effective for the year ending June 30, 2023.

- GASB has issued Statement No. 101, "Compensated Absences," effective for the year ending June 30, 2025.

The School 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 **Participation in BOCES**
During the year ended June 30, 2022, the School District's share of BOCES income amounted to $680,127. The School District was billed $2,046,890 for BOCES administration and program costs. Financial statements for the Broome-Tioga BOCES are available from the BOCES administrative office at 435 Upper Glenwood Road, Binghamton, New York 13905.

Note 3 **Cash and Cash Equivalents and Investments**
Custodial credit risk is the risk that in the event of a bank failure, the School District's deposits may not be returned to it. While the School District does not have a specific policy for custodial credit risk, New York State statutes govern the School District's investment policies, as discussed previously in these notes. GASB Statement No. 40 directs that deposits be disclosed as exposed to custodial credit risk if they are not covered by depository insurance, and the deposits are either uncollateralized or collateralized with securities held by the pledging financial institution's trust department or agent, but not in the School District's name.

Note 3 **Cash and Cash Equivalents and Investments - Continued**

The School District's aggregate bank balances of $14,759,512, including certificates of deposit, were either insured or collateralized with securities held by the pledging financial institution in the School District's name as required.

Restricted cash and investments at June 30, 2022 consisted of the following:

Restricted for Debt Service	$ 844,171
Restricted for School Lunch	338,227
Restricted for General Fund Reserves	6,727,530
Restricted for Scholarships	254,862
Total	**$ 8,164,790**

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

Note 4 **Due From State and Federal**

Due from state and federal consisted of the following, which are stated at net realizable value.

Description	Amount
Title I	$ 24,027
IDEA	24,447
School Lunch	152,960
Excess Cost Aid	156,273
General Aid	57,723
Other	92,322
Total	**$ 507,752**

Note 5 **Interfund Balances and Activity**

Interfund balances at June 30, 2022, are as follows:

	Interfund Receivable	Interfund Payable	Interfund Revenues	Interfund Expenditures
Major Funds				
General Fund	$ 273,517	$ 106,506	$ 3,691	$ 2,126,529
Special Aid Fund	106,501	-	3,048	1,564,559
Capital Projects Renovation Fund	-	273,518	1,714,559	230,341
Non-Major Governmental Funds	6	-	2,200,131	-
Total	**$ 380,024**	**$ 380,024**	**$ 3,921,429**	**$ 3,921,429**

Note 5 **Interfund Balances and Activity - Continued**

Interfund receivables and payables are eliminated on the Statement of Net Position.

The School District typically transfers from the General Fund to the Special Aid Fund the School District's share of the cost to accommodate the mandated accounting for the School District's share of expenditures of a Special Aid Fund project and to and from the Debt Service Fund for the payment of long-term debt. The School District also transfers funds from the Capital Reserve in the General Fund to Capital Funds, as needed, to fund capital projects. Periodically, the School District transfers funds as needed to subsidize the School Lunch Fund.

The School District typically loans resources between funds for the purpose of mitigating the effects of transient cash flow issues. All interfund payables are expected to be repaid within one year.

The School District transferred $1,564,559 from the Special Aid Fund to the Capital Projects Fund - Renovations during the year ended June 30, 2022. The purpose of this transfer was to fund capital projects with grant funding to the extent approved by agencies of the state and federal governments providing the funds.

Note 6 **Capital Assets**

Capital asset balances and activity for the year ended June 30, 2022, were as follows:

Governmental Activities	Beginning Balance	Additions	Reclassifications, and Disposals	Ending Balance
Capital Assets That Are Not Depreciated:				
Land	$ 308,479	$ -	$ -	$ 308,479
Construction in Progress	1,160,278	1,369,260	(1,445,018)	1,084,520
Total Nondepreciable Historical Cost	1,468,757	1,369,260	(1,445,018)	1,392,999
Capital Assets That Are Depreciated:				
Buildings and Improvements	44,456,317	-	1,445,018	45,901,335
Furniture and Equipment	5,265,780	495,855	(580,139)	5,181,496
Total Depreciable Historical Cost	49,722,097	495,855	864,879	51,082,831
Intangible Lease Assets:				
Equipment	165,714	-	-	165,714
Total Historical Cost	51,356,568	1,865,115	(580,139)	52,641,544
Less Accumulated Depreciation:				
Buildings and Improvements	(19,178,531)	(1,074,640)	-	(20,253,171)
Furniture and Equipment	(3,467,856)	(375,425)	557,192	(3,286,089)
Total Accumulated Depreciation	(22,646,387)	(1,450,065)	557,192	(23,539,260)
Less Accumulated Amortization:				
Equipment	(86,549)	(32,997)		(119,546)
Total Historical Cost, Net	**$ 28,623,632**	**$ 382,053**	**$ (22,947)**	**$ 28,982,738**

Note 6 **Capital Assets - Continued**

Depreciation and amortization expense was charged to governmental functions as follows:

General Support	$ 42,994
Instruction	951,512
Pupil Transportation	480,649
School Lunch Program	7,907
Total	**$ 1,483,062**

Note 7 **Short-Term Debt**

The School District may issue revenue anticipation notes (RANs) and tax anticipation notes (TANs), 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 School District did not issue or redeem any RANs or TANs during the year.

The School 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 an insufficient or no provision is made in the annual budget. The budget note must be repaid no later than the close of the second fiscal year succeeding the year in which the note was issued. The School District did not issue or redeem any budget notes during the year.

The School District may issue deficiency notes up to an amount not to exceed 5% of the amount of that same year's annual budget in any fund or funds arising from revenues being less than the amount estimated in the budget for that fiscal year. The deficiency notes may mature no later than the close of the second fiscal year after the fiscal year in which they were issued, if the notes were authorized and issued after the adoption of the budget for the fiscal year following the year in which they were issued. The School District did not issue or redeem any deficiency notes during the year.

Note 7 **Short-Term Debt - Continued**

The School District may issue bond anticipation notes (BANs), 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. Such notes may be classified as long-term 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 by an acceptable financing agreement. BAN activity for the year is summarized below:

	Beginning Balance	Issued	Redeemed	Ending Balance
BAN Maturing 8/13/2021 at 1.25%	$ 30,000	$ -	$ (30,000)	$ -
BAN Maturing 6/29/2023 at 3.00%	-	2,500,000	-	2,500,000
Total Short-Term Debt	**$ 30,000**	**$ 2,500,000**	**$ (30,000)**	**$ 2,500,000**

Interest expense on short-term debt during the year was comprised of:

Interest Paid	$ 19,750
Premium on BAN Obligations	(250)
Less Interest Accrued in the Prior Year	(13,746)
Plus Interest Accrued in the Current Year	208
Total	**$ 5,962**

Note 8 **Long-Term Debt**

At June 30, 2022, the total outstanding indebtedness of the School District represented 47.1% of its statutory debt limit, exclusive of building aids. Long-term debt is classified as follows:

- Serial Bonds and Statutory Installment Bonds - The School District borrows money in order to acquire land or equipment or construct buildings and improvements. This enables the cost of these capital assets to be borne by the present and future taxpayers receiving the benefit of the capital assets. Statutory Installment Bonds are sometimes issued directly with a financial institution or investor and are not offered for public sale. There are no terms that present additional risk to the School District associated with these direct borrowings or placements.

Note 8 **Long-Term Debt - Continued**

The following is a summary of the School District's bonds payable for the year ended June 30, 2022:

	Issue Date	Final Maturity	Interest Rate	Outstanding June 30, 2022
Serial Bonds				
Building	05/27/2016	06/15/2039	5.00%-5.125%	$ 645,000
Building	05/27/2016	06/15/2034	5.00%	4,345,000
Building	06/14/2013	06/15/2024	0.50%-2.75%	130,000
Building	06/10/2015	06/15/2039	3.00%-5.00%	670,000
Building	06/16/2021	06/15/2036	4.00%-5.00%	1,320,000
Refunding	05/27/2016	06/15/2039	2.00%-5.00%	5,635,000
Total Serial Bonds				12,745,000
Statutory Installment Bonds				
Bus #172	08/13/2018	06/15/2023	3.30%	25,879
Bus #173	08/13/2018	06/15/2023	3.30%	25,879
Bus #174	08/13/2018	06/15/2023	3.30%	25,879
Bus #175	10/24/2019	06/15/2024	2.55%	52,006
Bus #176	10/24/2019	06/15/2024	2.55%	52,006
Bus #177	12/30/2020	06/15/2025	2.30%	80,349
Bus #178	12/30/2020	06/15/2025	2.30%	80,349
Bus #179	12/28/2021	06/15/2026	1.60%	220,349
Total Statutory Installment Bonds				562,696
Total				**$ 13,307,696**

Interest expense on long-term debt during the year was:

Interest Paid	$ 686,121
Less Interest Accrued in the Prior Year	(32,613)
Plus Interest Accrued in the Current Year	25,211
Plus Amortization of Deferred Charges on Defeased Debt	81,993
Less Amortization of Bond Premium	(203,716)
Total	**$ 556,996**

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

Note 8 **Long-Term Debt - Continued**

Interest rates on the serial bonds vary from year to year, in accordance with the interest rates specified in the bond agreements.

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

Governmental Activities	Beginning Balance	Issued	Redeemed	Ending Balance	Amounts Due Within One Year
Serial Bonds	$ 14,010,000	$ -	$ (1,265,000)	$ 12,745,000	$ 1,395,000
Statutory Installment Bonds	577,880	275,436	(290,620)	562,696	238,294
Subtotal	14,587,880	275,436	(1,555,620)	13,307,696	1,633,294
Premium on Obligations	1,975,584	-	(203,716)	1,771,868	190,954
Total	**$ 16,563,464**	**$ 275,436**	**$ (1,759,336)**	**$ 15,079,564**	**$ 1,824,248**

Deferred charges on defeased debt related to the 2016 bond refunding are amortized over the life of the bonds. Bond activity for the year is summarized below:

Governmental Activities	Beginning Balance	Issued	Redeemed	Ending Balance	Amounts Due Within One Year
Deferred Charges on Defeased Debt	$ 598,985	$ -	$ (81,993)	$ 516,992	$ 70,769
Total	**$ 598,985**	**$ -**	**$ (81,993)**	**$ 516,992**	**$ 70,769**

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

Year	Principal	Interest	Total
2023	$ 1,633,294	$ 601,834	$ 2,235,128
2024	1,615,659	533,262	2,148,921
2025	778,655	459,680	1,238,335
2026	750,088	424,819	1,174,907
2027	725,000	389,986	1,114,986
2028-2032	3,995,000	1,376,686	5,371,686
2033-2037	3,060,000	430,218	3,490,218
2038-2039	750,000	38,976	788,976
Total	**$ 13,307,696**	**$ 4,255,461**	**$ 17,563,157**

Note 8 **Long-Term Debt - Continued**

On May 27, 2016, $7,940,000 in general obligation bonds with variable interest rates ranging from 2.0% to 5.0% were issued to advance refund $7,925,000 of outstanding bonds, with interest rates ranging from 3.0% to 5.125%. The net proceeds of $9,054,326 (after payment of fiscal agent fees, original bond premium, insurance, and other issuance costs) were used to purchase U.S. government securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the bonds. As a result, the bonds are considered to be defeased and the liability for those bonds has been removed from the financial statements. The outstanding principal on the defeased bonds was $645,000 at June 30, 2022.

Note 9 **Compensated Absences**

Compensated absences represent the value of the earned and unused portion of the liability for compensated absences. This liability is liquidated from the General and School Lunch Funds.

2021-2022 activity consists of the following:

	Beginning Balance	Additions	Deletions	Ending Balance	Amounts Due Within One Year
Compensated Absences	$ 544,706	$ 27,617	$ -	$ 572,323	$ 225,618
Total	**$ 544,706**	**$ 27,617**	**$ -**	**$ 572,323**	**$ 225,618**

Change to long-term compensated absences are reported net, as it is impractical to individually determine the amount of additions and deletions during the fiscal year.

Note 10 **Lease Liabilities**

During the year ended in June 30, 2022, the School District implemented GASB Statement No. 87, "Leases."

The School District enters into lease agreements for certain equipment that are considered leases. The School District is not party to any material short term leases, and current leases do not require any variable payments.

At June 30, 2022, the School District reported $156,845, offset by the accumulated amortization of $116,317, in intangible lease assets that were not included in the lease liability below.

Note 10 **Lease Liabilities - Continued**

Lease liabilities as of June 30, 2022 are as follows:

Description of Lease	Issue Date	Final Maturity	Discount Rate	Outstanding June 30, 2022
Postage Machine	8/7/2020	8/1/2025	3%	$ 5,640
Total				**$ 5,640**

Interest paid on lease liabilities totaled $200.

The following is a summary of maturity of lease liabilities.

Year	Principal	Interest	Total
2023	$ 1,678	$ 150	$ 1,828
2024	1,728	100	1,828
2025	1,780	47	1,827
2025	454	3	457
Total	**$ 5,640**	**$ 300**	**$ 5,940**

Note 11 **Pension Obligations - New York State and Local Employees' Retirement System (ERS) and the New York State Teachers' Retirement (TRS) (the Systems)**

Plan Descriptions and Benefits Provided

Teachers' Retirement System (TRS) (System)

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

Note 11 **Pension Obligations - New York State and Local Employees' Retirement System (ERS) and the New York State Teachers' Retirement (TRS) (the Systems) - Continued**

Plan Descriptions and Benefits Provided - Continued

Teachers' Retirement System (TRS) (System) - Continued
Tier 3 and Tier 4 members are required by law to contribute 3% of salary to the System. Effective October 2000, contributions were eliminated for Tier 3 and 4 members with 10 or more years of service or membership. Effective January 1, 2010, Tier 5 members are required by law to contribute 3.5% of salary throughout their active membership. Effective April 1, 2012, Tier 6 members are required by law to contribute between 3% and 6% of salary throughout their active membership in accordance with a salary based upon salary earned. Pursuant to Article 14 and Article 15 of the New York State Retirement and Social Security Law (RSSL), those member contributions are used to help fund the benefits provided by the System. However, if a member dies or leaves covered employment with less than 5 years of credited service for Tiers 3 and 4, or 10 years of credited service for Tiers 5 and 6, the member contributions with interest calculated at 5% per annum are refunded to the employee or designated beneficiary. Eligible Tier 1 and Tier 2 members may make member contributions under certain conditions pursuant to the provisions of Article 11 of the Education Law and Article 11 of the RSSL. Upon termination of membership, such accumulated member contributions are refunded. At retirement, such accumulated member contributions can be withdrawn or are paid as a life annuity.

Employees' Retirement System (ERS) (System)
The School District participates in the New York State and Local Employees' Retirement System (ERS). This is a cost-sharing, multiple-employer, defined benefit pension plan. 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 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 School 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 or obtained by writing to the New York State and Local Retirement System, 110 State Street, Albany, New York 12244.

Note 11 **Pension Obligations - New York State and Local Employees' Retirement System (ERS) and the New York State Teachers' Retirement (TRS) (the Systems) - Continued**

Plan Descriptions and Benefits Provided - Continued

Employees' Retirement System (ERS) (System) - Continued
Generally, Tier 3, 4, and 5 members must contribute 3% of their salary to the System. As a result of Article 19 of the RSSL, eligible Tier 3 and 4 employees, with a membership date on or after July 27, 1973, who have ten or more years of membership or credited service with the System, are not required to contribute. Members cannot be required to begin making contributions or to make increased contributions beyond what was required when membership began. For Tier 6 members, the contribution rate varies from 3% to 6% depending on salary. Generally, Tier 5 and 6 members are required to contribute for all years of service.

Summary of Significant Accounting Policies
The Systems' financial statements from which the Systems' fiduciary respective net position is determined are prepared using the accrual basis of accounting. System member contributions are recognized when due and the employer has a legal requirement to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan. Investments are reported at fair value. For detailed information on how investments are valued, please refer to the Systems' annual reports.

Contributions
The School District is required to contribute at an actuarially determined rate. The School District's 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:

	ERS	TRS
2022	**$ 291,362**	**$ 561,140**
2021	248,090	532,846
2020	221,829	628,824

Note 11 **Pension Obligations - New York State and Local Employees' Retirement System (ERS) and the New York State Teachers' Retirement (TRS) (the Systems) - Continued**

Pension (Assets)/Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2022, the School 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, 2022 for ERS and June 30, 2021 for TRS. The total pension liability used to calculate the net pension (asset)/liability was determined by an actuarial valuation. The School District's proportionate share of the net pension (asset)/liability was based on a projection of the School District's long-term share of contributions to the Systems relative to the projected contributions of all participating members, actuarially determined. This information was derived from reports provided to the School District by the ERS and TRS Systems.

	ERS	TRS
Actuarial Valuation Date	4/1/2021	6/30/2020
Net Pension (Asset)/ Liability	$ (8,174,858,678)	$ (17,329,041,946)
School District's Proportionate Share of the Plan's Total Net Pension (Asset)/Liability	(480,855)	(5,873,303)
School District's Share of the Net Pension (Asset)/ Liability	0.0058823%	0.033893%

For the year ended June 30, 2022, the School District recognized pension expense of $58,146 for ERS and $354,732 for TRS in the District-wide financial statements. At June 30, 2022, the School District's reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources		Deferred Inflows of Resources	
	ERS	TRS	ERS	TRS
Differences Between Expected and Actual Experience	$ 36,416	$ 809,573	$ 47,233	$ 30,514
Changes of Assumptions	802,493	1,931,852	13,541	342,103
Net Differences Between Projected and Actual Earnings on Pension Plan Investments	-	-	1,574,599	6,147,019
Changes in Proportion and Differences Between the School District's Contributions and Proportionate Share of Contributions	105,849	50,796	2,709	103,199
School District's Contributions Subsequent to the Measurement Date	50,627	608,366	-	-
Total	**$ 995,385**	**$ 3,400,587**	**$ 1,638,082**	**$ 6,622,835**

Note 11 **Pension Obligations - New York State and Local Employees' Retirement System (ERS) and the New York State Teachers' Retirement (TRS) (the Systems) - Continued**

Pension (Assets)/Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - Continued

School District contributions subsequent to the measurement date, reported as deferred outflows of resources, will be recognized as a reduction of the net pension (asset)/liability in the year ending June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended	ERS	TRS
2023	$ (89,211)	$ (776,190)
2024	(147,595)	(908,336)
2025	(384,589)	(1,138,354)
2026	(71,929)	(1,486,783)
2027	-	277,357
Thereafter	-	201,692

Actuarial Assumptions

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

Significant actuarial assumptions used in the valuations were as follows:

	ERS	TRS
Measurement Date	March 31, 2022	June 30, 2021
Actuarial Valuation Date	April 1, 2021	June 30, 2020
Investment Rate of Return	5.9%	6.95%
Salary Increases	4.4%	1.95% - 5.18%
Cost of Living Adjustments	1.4%	1.3%
Inflation Rate	2.7%	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 the Society of Actuaries' Scale MP-2020. For TRS, annuitant mortality rates are based on plan member experience with adjustments for mortality improvements based on Society of Actuaries' Scale MP-2020, applied on a generational basis.

Note 11 **Pension Obligations - New York State and Local Employees' Retirement System (ERS) and the New York State Teachers' Retirement (TRS) (the Systems) - Continued**

Actuarial Assumptions - Continued
For ERS, the actuarial assumptions used in the April 1, 2021 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, 2020 valuation were based on the results of an actuarial experience study for the period July 1, 2015 - June 30, 2020.

For ERS, 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. For TRS, 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 expect 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. Best estimates of the arithmetic real rates of return for each major asset class included in the target asset allocation are summarized as follows:

	ERS	TRS
Measurement Date	March 31, 2022	June 30, 2021
Asset Type		
Domestic Equity	3.30%	6.80%
International Equity	5.85%	7.60%
Global Equity	-	7.10%
Real Estate	5.00%	6.50%
Private Equity/Alternative Investments	6.50%	10.00%
Opportunistic Portfolio	4.10%	-
Real Assets	5.58%	-
Cash	(1.00)%	-
Credit	3.78%	-
Domestic Fixed Income Securities	-	1.30%
Global Fixed Income Securities	-	0.80%
Private Debt	-	5.90%
Real Estate Debt	-	3.30%
High-Yield Fixed Income Securities	-	3.80%
Cash Equivalents	-	(0.20)%

Note 11 **Pension Obligations - New York State and Local Employees' Retirement System (ERS) and the New York State Teachers' Retirement (TRS) (the Systems) - Continued**

Discount Rate

The discount rate used to calculate the total pension liability was 5.9% 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 contributions from employers will be made at statutorily required rates, actuarially determined. Based on the assumptions, the Systems' fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The following presents the School District's proportionate share of the net pension (asset)/liability calculated using the discount rate, as well as what the School 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 or higher than the current rate:

ERS	1% Decrease (4.9%)	Current Assumption (5.9%)	1% Increase (6.9%)
School District's Proportionate Share of the Net Pension (Asset)/Liability	$ 1,237,716	$ (480,855)	$ (1,918,356)

TRS	1% Decrease (5.95%)	Current Assumption (6.95%)	1% Increase (7.95%)
School District's Proportionate Share of the Net Pension (Asset)/Liability	$ (616,318)	$ (5,873,303)	$ (10,291,418)

Pension Plan Fiduciary Net Position

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

	Dollars in Thousands	
	ERS	TRS
Measurement Date	March 31, 2022	June 30, 2021
Employers' Total Pension Liability	$ 223,874,888	$ 130,819,415
Plan Net Position	(232,049,473)	(148,148,457)
Employers' Net Pension (Asset)/Liability	**$ (8,174,585)**	**$ (17,329,042)**
Ratio of Plan Net Position to the Employers' Total Pension (Asset)/Liability	103.7%	113.2%

Note 11 **Pension Obligations - New York State and Local Employees' Retirement System (ERS) and the New York State Teachers' Retirement (TRS) (the Systems) - Continued**

Payables to the Pension Plan

For ERS, employer contributions are paid annually based on the System's fiscal year which ends on March 31. Accrued retirement contributions as of June 30, 2022 represent the projected employer contribution for the period of April 1, 2022 through June 30, 2022 based on estimated ERS wages multiplied by the employer's contribution rate, by tier. Accrued retirement contributions as of June 30, 2022 amounted to $50,627.

For TRS, employer and employee contributions for the fiscal year ended June 30, 2022 are paid to the System in September, October, and November 2022 through a state aid intercept. Accrued retirement contributions as of June 30, 2022 represent employee and employer contributions for the fiscal year ended June 30, 2022 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, 2022 amounted to $685,204.

Current Year Activity

The following is a summary of current year activity:

	Beginning Balance	Change	Ending Balance
ERS			
Net Pension (Asset)/Liability	$ 5,397	$ (486,252)	$ (480,855)
Deferred Outflows of Resources	(1,203,816)	208,431	(995,385)
Deferred Inflows of Resources	1,574,530	63,552	1,638,082
Subtotal	376,111	(214,269)	161,842
TRS			
Net Pension (Asset)/Liability	982,483	(6,855,786)	(5,873,303)
Deferred Outflows of Resources	(3,306,543)	(94,044)	(3,400,587)
Deferred Inflows of Resources	623,497	5,999,338	6,622,835
Subtotal	(1,700,563)	(950,492)	(2,651,055)
Total	**$ (1,324,452)**	**$ (1,164,761)**	**$ (2,489,213)**

Note 12 **Postemployment Benefits Other Than Pensions (OPEB)**

General Information about the OPEB Plan

Plan Description - The School District's defined OPEB plan provides medical benefits to eligible retirees and their spouses in accordance with various employment contracts. The plan is a single-employer defined benefit healthcare plan administered by the School District. Article 11 of the State Compiled Statutes grants the authority to establish and amend the benefit terms and financing requirements to the School District Board. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75. The Plan does not issue separate financial statements, because there are no assets legally segregated for the sole purpose of paying benefits under the plan.

Benefits Provided - The School District provides medical and prescription drug benefits for eligible retirees, spouses, and their covered dependents while contributing a portion of the expenses. Benefit terms are dependent of which contract each employee falls under. The specifics of each contract are on file at the School District offices and are available upon request.

Employees Covered by Benefit Terms - At June 30, 2022, the following employees were covered by the benefit terms.

Retirees and Survivors	127
Terminated Vested Employees	-
Active Employees	156
Total	**283**

Total OPEB Liability

The School District's total OPEB liability of $56,969,945 was measured as of July 1, 2021 and was determined by an actuarial valuation as of July 1, 2020.

Actuarial Assumptions and Other Inputs - The total OPEB liability as of June 30, 2022 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	2.14%
Single Discount Rate	2.14%
Salary Scale	4.25%
Rate of Inflation	2.20%
Dental Trend	4.00%
Vision Trend	2.00%
Marital Assumption	70.00%
Participation Rate	100.00% for Retirees 80.00% for Spouses
Healthcare Cost Trend Rates	6.50% for 2021, decreasing to an ultimate rate of 4.04% for 2091 and later years

Note 12 **Postemployment Benefits Other Than Pensions (OPEB) - Continued**

Total OPEB Liability - Continued
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 RP-2014 Mortality Tables for employees and healthy annuitants, adjusted backward to 2006 with Scale MP-2014, and then adjusted for mortality improvements with Scale MP-2020 mortality improvement scale on a fully generational basis.

Rates of turnover and retirement rates are based on rates of decrement due to turnover and retirement based on the experience under the New York State and Local Retirement System as prepared by the Department of Civil Service's actuarial consultant in the report titled, Development of Recommended Actuarial Assumptions for New York State/SUNY GASB 75 Valuation (August 2020).

Election percentage: It was assumed that 100% of future retirees eligible for coverage will elect retiree group benefits

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

The annual rate of increase in healthcare costs were developed using the baseline projection of the SOA Long-Run Medical Cost Trend Model (v2020_b). The short term (first 4 years) trend rates were based on the recent premium rate history for the School District. The long-term (after 4 years) trend rates were based on various assumptions.

The actuarial assumptions used in the July 1, 2020 valuation were consistent with the requirements of GASB Statement No. 75 and Actuarial Standards of Practice (ASOPs).

Note 12 **Postemployment Benefits Other Than Pensions (OPEB) - Continued**

Changes in the Total OPEB Liability

	Total OPEB Liability
Balance at June 30, 2021	$ 54,290,389
Changes for the Year	
Service Cost	2,162,680
Interest Cost	1,232,387
Changes of Benefit Terms	-
Differences Between Expected and Actual Experience	-
Changes in Assumptions or Other Inputs	662,406
Benefit Payments	(1,377,917)
Net Change	2,679,556
Balance at June 30, 2022	**$ 56,969,945**

Changes of assumptions and other inputs reflect a change in the discount rate from 2.16% percent on July 1, 2021 to 2.14% on July 1, 2022.

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

	1% Decrease (1.14%)	Discount Rate (2.14%)	1% Increase (3.14%)
Total OPEB Liability	$ 67,713,972	$ 56,969,945	$ 48,438,086

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 School District's total OPEB liability would be if it were calculated using a healthcare cost trend rate that is 1 percentage point lower or higher than the current healthcare cost trend rate:

	1% Decrease	Healthcare Cost Trend Rate	1% Increase
Total OPEB Liability	$ 46,832,452	$ 56,969,945	$ 70,424,715

Note 12 **Postemployment Benefits Other Than Pensions (OPEB) - Continued**

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2022, the School District recognized OPEB expense of $640,322.

At June 30, 2022, the School District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	$ -	$ 6,572,995
Changes in Assumptions or Other Inputs	7,337,822	1,490,844
Contributions Subsequent to Measurement Date	1,425,043	-
Total	**$ 8,762,865**	**$ 8,063,839**

School District contributions subsequent to the measurement date, reported as deferred outflows of resources, will be recognized as a reduction of the OPEB liability in the year ending June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal Year Ending June 30,	Amount
2023	$ (1,758,657)
2024	(825,392)
2025	902,504
2026	828,913
2027	124,413
2028 and Thereafter	2,202

Note 12 Postemployment Benefits Other Than Pensions (OPEB) - Continued

Current Year Activity

The following is a summary of current year activity:

	Beginning Balance	Change	Ending Balance
OPEB			
Other Postemployment Benefits Liability	$ 54,290,389	$ 2,679,556	$ 56,969,945
Deferred Outflows of Resources	(9,879,792)	1,116,927	(8,762,865)
Deferred Inflows of Resources	12,645,043	(4,581,204)	8,063,839
Total Effect on Net Position	**$ 57,055,640**	**$ (784,721)**	**$ 56,270,919**

Note 13 Commitments and Contingencies

Risk Financing and Related Insurance

General Information

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

Health Insurance

The School District incurs costs related to an employee health insurance plan (Plan) sponsored by the Broome-Tioga health insurance consortium. The Plan's objectives are to formulate, develop, and administer a program of insurance to obtain lower costs for that coverage, and to develop a comprehensive loss control program. Plan members include 18 school districts, with the School District bearing a proportionate share of the Plan's assets and claims liabilities. Plan members are subject to a supplemental assessment in the event of deficiencies. If the Plan's assets were to be exhausted, members would be responsible for the Plan's liabilities.

The Plan uses a reinsurance agreement to reduce its exposure to large losses on insured events. Reinsurance permits recovery of a portion of losses from the reinsurer, although it does not discharge the liability of the Plan as direct insurer of the risks reinsured.

Note 13 Commitments and Contingencies - Continued

Health Insurance - Continued

The Plan establishes a liability for both reported and unreported insured events, which includes estimates of both future payments of losses and related claim adjustment expenses. However, because actual claims costs depend on complex factors, the process used in computing claims liabilities does not necessarily result in an exact amount. Such claims are based on the ultimate cost of claims (including future claim adjustment expenses) that have been reported but not settled and claims that have been incurred but not reported. Adjustments to claims liabilities are charged or credited to expense in the periods in which they are made.

During the year ended June 30, 2022, the Tioga Central School District incurred premiums or contribution expenditures totaling $3,511,575.

Other Items

The School 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 School District's administration believes disallowances, if any, will be immaterial.

Note 14 Stewardship, Compliance, and Accountability

Deficit Net Position

At June 30, 2022, the District-wide Statement of Net Position had an unrestricted net deficit of $51,441,454. This is the result of the requirement to record other postemployment benefit liability with no requirement or mechanism to fund this liability (see Note 12). This deficit is not expected to be eliminated during the normal course of operations.

Deficit Fund Balance

The Special Aid Fund has a deficit fund balance of $1,512,035 at year end. This deficit will be eliminated as related revenues are recognized based on their recognition criteria.

Note 15 **Fund Balance Detail**

At June 30, 2022, nonspendable, restricted and assigned fund balance in the governmental funds was as follows:

	General Fund	Capital Project Renovation Fund	Non-Major Governmental Funds
Nonspendable			
Prepaid Expenses	$ 467,379	$ -	$ -
Inventory	-	-	28,939
Total Nonspendable Fund Balance	**$ 467,379**	**$ -**	**$ 28,939**
Restricted			
Reserve for ERS Contributions	$ 1,209,909	$ -	$ -
Reserve for TRS Contributions	235,742	-	-
Employee Benefit Accrued Liability Reserve	127,850	-	-
Capital Reserve	5,154,029	-	-
School Lunch	-	-	481,114
Capital Projects	-	543,708	-
Scholarships	-	-	254,862
Debt	-	-	844,171
Total Restricted Fund Balance	**$ 6,727,530**	**$ 543,708**	**$ 1,580,147**
Assigned			
Appropriated for Next Year's Budget	$ 341,598	$ -	$ -
Encumbered for:			
General Support	40,532	-	-
Instruction	20,094	-	-
Pupil Transportation	5,621	-	-
Total Assigned Fund Balance	**$ 407,845**	**$ -**	**$ -**

Note 16 **General Fund Restricted Fund Balances**

Portions of restricted fund balance are reserved and are not available for current expenditures as reported in the Governmental Funds Balance Sheet. Balances and activity for the year ended June 30, 2022 of the General Fund reserves were as follows:

General Fund	Beginning Balance	Additions	Interest Earned	Appropriated	Ending Balance
Insurance Reserve	$ 177,901	$ -	$ 82	$ (177,983)	$ -
Reserve for ERS Contributions	1,198,316	300,000	569	(288,976)	1,209,909
Reserve for TRS Contributions	120,650	115,054	38	-	235,742
Employee Benefit Accrued Liability Reserve	127,777	-	73	-	127,850
Capital Reserve	3,842,877	1,307,983	3,169	-	5,154,029
Total Restricted Fund Balance	**$ 5,467,521**	**$ 1,723,037**	**$ 3,931**	**$ (466,959)**	**$ 6,727,530**

Note 17 **Tax Abatements**

For the year ended June 30, 2022, property in the School District was subject to property tax abatements negotiated by the Tioga County Industrial Development Agency (TCIDA).

TCIDA enters into PILOT agreements with businesses within Tioga County under New York State GML §858. Economic development agreements entered into by TCIDA can include the abatement of county, local, and school district taxes. In this case, negotiated abatements have resulted in reductions of property taxes, which TCIDA administers as a temporary reduction in the assessed value of the property involved. The abatement agreements generally stipulate a percentage reduction of property taxes, but sometimes stipulate a dollar value reduction in lieu of a percentage reduction.

Information relevant to disclosure of the programs for the year ended June 30, 2022 is as follows:

	Taxable Assessed Value	Combined Tax Rates Per $1,000	Tax Value	PILOT Received	Taxes Abated
Tioga County Industrial Development Agency					
Tioga Downs	$ 30,255,835	$ 45	$ 1,350,661	$ 281,505	$ 1,069,156
Total PILOT Agreements	**$ 30,255,835**		**$ 1,350,661**	**$ 281,505**	**$ 1,069,156**

Note 18 **Restatement**

During the year, the School District adopted GASB Statement No. 87. The School District's June 30, 2021 net position for governmental activities has been restated to reflect the following:

Net (Deficit) Beginning of Year	$	(34,758,328)
GASB Statement No. 87 Implementation		71,897
Net (Deficit) Beginning of Year, as Restated	**$**	**(34,686,431)**

TIOGA CENTRAL SCHOOL DISTRICT

SCHEDULE OF REVENUES COMPARED TO BUDGET (NON-U.S. GAAP)
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2022

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES				
Local Sources				
Real Property Taxes	$ 3,379,137	$ 3,379,137	$ 3,377,873	$ (1,264)
Other Tax Items	775,539	775,539	777,492	1,953
Charges for Services	9,500	9,500	35,114	25,614
Use of Money and Property	2,500	2,500	21,917	19,417
Sale of Property and Compensation for Loss	-	-	69,683	69,683
Miscellaneous	80,000	80,000	416,675	336,675
Total Local Sources	4,246,676	4,246,676	4,698,754	452,078
State Sources	14,752,854	14,752,854	15,144,728	391,874
Federal Sources	-	-	7,413	7,413
Medicaid Reimbursement	-	-	29,804	29,804
Total Revenues	18,999,530	18,999,530	19,880,699	881,169
OTHER FINANCING SOURCES				
Operating Transfers In	-	-	3,691	3,691
Total Revenues and Other Financing Sources	18,999,530	18,999,530	**$ 19,884,390**	**$ 884,860**
Appropriated Fund Balance	341,598	341,598		
Appropriated Reserves	-	50,000		
Designated Fund Balance and Encumbrances Carried Forward from Prior Year	145,779	145,779		
Total Revenues, Appropriated Reserves, and Designated Fund Balance	**$ 19,486,907**	**$19,536,907**		

See Notes to Required Supplementary Information

TIOGA CENTRAL SCHOOL DISTRICT

SCHEDULE OF EXPENDITURES COMPARED TO BUDGET (NON-U.S. GAAP)
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2022

	Original Budget	Revised Budget	Actual	Encumbrances	Variance Favorable (Unfavorable)
EXPENDITURES					
General Support					
Board of Education	$ 19,311	$ 19,328	$ 17,149	$ 100	$ 2,079
Central Administration	197,118	190,952	187,869	-	3,083
Finance	436,082	302,889	272,221	800	29,868
Staff	18,282	18,282	10,328	-	7,954
Central Services	1,693,298	1,831,870	1,629,359	39,632	162,879
Special Items	155,633	155,633	149,303	-	6,330
Total General Support	2,519,724	2,518,954	2,266,229	40,532	212,193
Instruction					
Instruction, Administration, and Improvement	639,009	638,302	606,091	-	32,211
Teaching - Regular School	4,792,191	4,778,035	4,621,998	8,223	147,814
Programs for Students With Disabilities	1,716,299	1,513,796	1,470,254	6,840	36,702
Occupational Education	328,408	330,006	330,006	-	-
Instructional Media	207,380	330,929	320,387	343	10,199
Pupil Services	754,932	764,961	729,438	4,688	30,835
Total Instruction	8,438,219	8,356,029	8,078,174	20,094	257,761
Pupil Transportation	1,049,659	1,111,445	976,292	5,621	129,532
Community Services	17,186	17,303	11,314	-	5,989
Employee Benefits	5,092,326	5,079,266	4,853,939	-	225,327
Debt Service					
Principal	290,749	292,377	292,248	-	129
Interest	22,183	22,383	18,213	-	4,170
Total Debt Service	312,932	314,760	310,461	-	4,299
Total Expenditures	17,430,046	17,397,757	16,496,409	66,247	835,101
OTHER FINANCING USES					
Operating Transfers Out	2,056,861	2,139,150	2,126,529	-	12,621
Total Expenditures and Other Financing Uses	**$ 19,486,907**	**$19,536,907**	18,622,938	**$ 66,247**	**$ 847,722**
Net Change in Fund Balance			1,261,452		
Fund Balance - Beginning of Year			7,161,550		
Fund Balance - End of Year			**$8,423,002**		

See Notes to Required Supplementary Information

TIOGA CENTRAL SCHOOL DISTRICT

SCHEDULE OF SCHOOL DISTRICT CONTRIBUTIONS
NYSLRS PENSION PLAN
FOR THE LAST 10 FISCAL YEARS

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Contractually Required Contribution	**$ 291,362**	$ 248,090	$ 221,829	$ 224,217	$ 223,617	$ 234,420	$ 257,975	$ 281,863	$ 341,070	$ 298,206
Contributions in Relation to the Contractually Required Contribution	**(291,362)**	(248,090)	(221,829)	(224,217)	(223,617)	(234,420)	(257,975)	(281,863)	(341,070)	(298,206)
Contribution Deficiency (Excess)	-	-	-	-	-	-	-	-	-	-
School District's Covered Payroll	**1,828,053**	1,791,679	1,629,661	1,578,420	1,537,150	1,550,455	1,506,778	1,510,236	1,582,724	*
Contributions as a Percentage of Covered Payroll	**15.9%**	13.8%	13.6%	14.2%	14.5%	15.1%	17.1%	18.7%	21.5%	*

* *Information Not Readily Available*

SCHEDULE OF SCHOOL DISTRICT CONTRIBUTIONS
NYSTRS PENSION PLAN
FOR THE LAST 10 FISCAL YEARS

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Contractually Required Contribution	**$ 608,366**	$ 561,140	$ 532,846	$ 628,824	$ 539,877	$ 609,729	$ 670,185	$ 860,426	$ 781,640	$ 567,569
Contributions in Relation to the Contractually Required Contribution	**(608,366)**	(561,140)	(532,846)	(628,824)	(539,877)	(609,729)	(670,185)	(860,426)	(781,640)	(567,569)
Contribution Deficiency (Excess)	-	-	-	-	-	-	-	-	-	-
School District's Covered Payroll	**6,207,816**	5,888,143	6,014,063	5,921,130	5,508,949	5,202,466	5,054,186	4,908,306	4,810,092	4,793,657
Contributions as a Percentage of Covered Payroll	**9.8%**	9.5%	8.9%	10.6%	9.8%	11.7%	13.3%	17.5%	16.3%	11.8%

See Notes to Required Supplementary Information

TIOGA CENTRAL SCHOOL DISTRICT

SCHEDULE OF THE SCHOOL DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION (ASSET)/LIABILITY NYSLRS PENSION PLAN FOR THE YEARS ENDED JUNE 30,

	2022	2021	2020	2019	2018	2017	2016	2015
School District's Proportion of the Net Pension (Asset)/Liability	**0.0058823%**	0.0054203%	0.0051149%	0.0050910%	0.0053390%	0.0052690%	0.0056690%	0.0032710%
School District's Proportionate Share of the Net Pension (Asset)/Liability	**$ (480,855)**	$ 5,397	$ 1,354,446	$ 360,703	$ 172,322	$ 495,081	$ 909,893	$ 199,537
School District's Covered Payroll During the Measurement Period	**1,812,895**	1,791,679	1,614,725	1,571,293	1,525,400	1,542,119	1,494,997	1,515,316
School District's Proportionate Share of the Net Pension (Asset)/Liability as a Percentage of its Covered Payroll	**26.52%**	0.3%	83.9%	23.0%	11.3%	32.1%	60.9%	13.2%
Plan Fiduciary Net Position as a Percentage of the Total Pension (Asset)/Liability	**103.7%**	99.9%	86.4%	96.3%	98.2%	94.7%	90.7%	97.9%

Schedule is Intended to Show Information for 10 Years.
Additional Years Will be Displayed as They Become Available.

SCHEDULE OF THE SCHOOL DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION (ASSET)/LIABILITY NYSTRS PENSION PLAN FOR THE YEARS ENDED JUNE 30,

	2022	2021	2020	2019	2018	2017	2016	2015
School District's Proportion of the Net Pension (Asset)/Liability	**0.033893%**	0.035555%	0.034405%	0.033974%	0.032939%	0.032776%	0.032676%	0.016891%
School District's Proportionate Share of the Net Pension (Asset)/Liability	**$ (5,873,303)**	$ 982,483	$ (893,850)	$ (614,340)	$ (250,372)	$ 351,035	$(3,393,946)	$(3,627,338)
School District's Covered Payroll During the Measurement Period	**5,888,143**	6,014,063	5,921,130	5,508,949	5,202,466	5,054,186	4,908,306	4,810,093
School District's Proportionate Share of the Net Pension (Asset)/Liability as a Percentage of its Covered Payroll	**99.7%**	16.3%	(15.1)%	(11.2)%	(4.8)%	6.9%	(69.1)%	(75.4)%
Plan Fiduciary Net Position as a Percentage of the Total Pension (Asset)/Liability	**113.2%**	97.8%	(102.2)%	(101.5)%	(100.7)%	99.0%	(110.5)%	(111.5)%

Schedule is Intended to Show Information for 10 Years.
Additional Years Will be Displayed as They Become Available.

See Notes to Required Supplementary Information

TIOGA CENTRAL SCHOOL DISTRICT

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

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Service Cost	**$ 2,162,680**	$ 1,495,577	$ 1,503,600	$ 1,627,269	$ 2,060,542	$ *	$ *	$ *	$ *	$ *
Interest Cost	**1,232,387**	1,713,574	1,800,092	2,061,381	1,794,107	*	*	*	*	*
Changes of Benefit Terms	**-**	-	-	(141,080)	-	*	*	*	*	*
Differences Between Expected and Actual Experience	**-**	(5,444,440)	-	(9,501,223)	-	*	*	*	*	*
Changes in Assumptions or Other Inputs	**662,406**	9,772,094	539,361	(3,822,423)	(7,792,746)	*	*	*	*	*
Benefit Payments	**(1,377,917)**	(1,420,208)	(1,359,375)	(1,366,889)	(1,271,079)	*	*	*	*	*
	2,679,556	6,116,597	2,483,678	(11,142,965)	(5,209,176)	*	*	*	*	*
Total OPEB Liability - Beginning	**54,290,389**	48,173,792	45,690,114	56,316,757	61,526,133	*	*	*	*	*
Total OPEB Liability - Ending	**$56,969,945**	$54,290,389	$48,173,792	$48,173,792	$56,316,957	$61,526,133	$ *	$ *	$ *	$ *
Covered Employee Payroll	**$ 8,043,000**	$ 8,300,000	$ 7,800,000	$ 7,500,000	$ 6,450,000	$ *	$ *	$ *	$ *	$ *
Total OPEB Liability as a Percentage of Covered Payroll	**708%**	654%	618%	642%	873%	*	*	*	*	*
Discount Rate	**2.14%**	2.16%	2.21%	3.50%	3.00%					

* *Information for Periods Prior to Implementation of GASB Statement No. 75 is Unavailable and Will be Completed for Each Year Going Forward as it Becomes Available.*

See Notes to Required Supplementary Information

TIOGA CENTRAL SCHOOL DISTRICT

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2022

Note 1 **Budgetary Procedures and Budgetary Accounting**

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

Appropriations are adopted at the program line level. Appropriations established by the adoption of the budget constitute a limitation on expenditures (and encumbrances), which 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. Supplemental appropriations may occur subject to legal restrictions, if the Board approves them because of a need that exists which was not determined at the time the budget was adopted.

The following supplemental appropriations occurred during the year:

Adopted Budget	$ 19,341,128
Carryover Encumbrances	145,779
Original Budget	19,486,907
Appropriated Reserves	50,000
Final Budget	**$ 19,536,907**

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

Annual legal budgets are not adopted for the Special Revenue Funds (Special Aid, School Lunch, and Miscellaneous Special Revenue). Budgetary controls for the Special Aid Fund are established in accordance with the applicable grant agreements. Special Aid grants may also cover a period other than the School District's fiscal year. Budgetary controls for School Lunch Fund are established internally.

Note 2 **Reconciliation of the General Fund Budget Basis to U.S. GAAP**

No adjustment is necessary to convert excess of revenues and other sources over expenditures and other uses on the U.S GAAP basis to the budget basis, as there were no encumbrances added to the actual expenditures recorded in the budgetary comparison schedules.

Note 3 **Schedule of Changes in the School District's Total OPEB Liability and Related Ratios**

Changes of Assumptions - Changes of assumptions and other inputs reflect the effects of changes in the discount rate each period. The discount rates was changed from 2.16% to 2.14%. The discount rates are inputs taken from the rate for a 20-year high-quality tax-exempt municipal bond index as of each measurement date. The Getzen trend table was updated for 2020 using model v2020_b. Mortality Tables were also adjusted back to 2006 using scale MP-2014 and projected forward using scale MP-2020.

Note 3 **Schedule of Changes in the School District's Total OPEB Liability and Related Ratios - Continued**

Changes to Benefit Terms - No changes were made to the benefit terms.

Changes in Experience - Demographic (gain)/loss comes from many sources, such as rates of termination, retirement, and election of health care benefits. Some demographic shifts occurred between 2018 and 2020. There are 8 more active employees and 5 more retirees in this valuation. Between 2018 and 2020, 11 actives retired, 1 more than assumed. Between 2018 and 2020, 15 actives withdrew, 5 more than assumed. On average, claims costs are about 13% lower than expected. Health plan premium equivalent rates are approximately 7% lower than expected.

Note 4 **Schedules of the School District's Proportionate Share of the Net Pension (Asset)/Liability**

The Schedule of the School District's Proportionate Share of the Net Pension (Asset)/Liability, required supplementary information, will present ten years of information as it becomes available from the pension plans.

Note 5 **Schedules of School District Contributions - NYSLRS and NYSTRS Pension Plan and Schedules of the School District's Proportionate Share of the Net Pension (Asset)/Liability**

NYSLRS

Changes in Benefit Terms

There were no significant legislative changes in benefits for the April 1, 2021 actuarial valuation.

Changes of Assumptions

2021: The demographic assumptions (pensioner mortality and active member decrements) were updated based on the System's experience from April 1, 2015 through March 31, 2020, the mortality improvement assumption was updated to Society of Actuaries Scale MP-2020, inflation was updated to 2.7%, cost-of-living updated to 1.4%, salary scale updated to 4.4%, and the interest rate assumption was reduced to 5.9% for the April 1, 2020 actuarial valuation.

2020: The interest rate assumption was reduced to 6.8% and the mortality improvement assumption was updated to Societies of Actuaries' Scale MP-2018 for the April 1, 2019 actuarial valuation.

2019: The salary scales for both plans used in the April 1, 2018 actuarial valuation were increased by 10%.

2016: There were changes in the economic (investment rate of return, inflation, COLA, and salary scales) and demographic (pensioner mortality and active member decrements) assumptions used in the April 1, 2015 actuarial valuation.

Note 5 **Schedules of School District Contributions - NYSLRS and NYSTRS Pension Plan and Schedules of the School District's Proportionate Share of the Net Pension (Asset)/Liability - Continued**

NYSLRS - Continued

Methods and Assumptions Used in Calculations of Actuarially Determined Contributions
The April 1, 2020 actuarial valuation determines the employer rates for contributions payable in fiscal year 2021. The following actuarial methods and assumptions were used:

Actuarial Cost Method	The System is funded using the Aggregate Cost Method. All unfunded actuarial liabilities are evenly amortized (as a percentage of projected pay) over the remaining worker lifetimes of the valuation cohort.
Asset Valuation Period	5-year level smoothing of the difference between the actual gain and the expected gain using the assumed investment rate of return.
Inflation	2.5%
Salary Scale	4.5% in ERS, indexed by service.
Investment Rate of Return	6.8% compounded annually, net of investment expenses, including inflation.
Cost of Living Adjustments	1.3% annually.
Active Member Decrements	Based upon FY 2016-2020 experience.
Pensioner Mortality	Gender/Collar specific tables based upon FY2016-2020 experience.
Mortality Improvement	Society of Actuaries' Scale MP-2019.

NYSTRS

Changes in Benefit Terms
None.

Note 5 **Schedules of School District Contributions - NYSLRS and NYSTRS Pension Plan and Schedules of the School District's Proportionate Share of the Net Pension (Asset)/Liability - Continued**

NYSTRS - Continued

Changes of Assumptions
Actuarial assumptions are revised periodically to reflect more closely actual, as well as anticipated future experience. The actuarial assumptions were revised and adopted by the Retirement Board on October 29, 2015 and first used in the 2016 determination of the Total Pension (Asset)/Liability. Current proposed assumptions are used in the 2021 determinations of the Total Pension (Asset)/Liability.

The System's long-term rate of return assumption for purposes of the NPL is 6.95%, effective with the 2021 actuarial valuation. For the 2020 and 2019 actuarial valuations, the System's long-term rate of return assumption was 7.25%. For the 2016 actuarial valuation, the System's long-term rate of return assumption was 7.50%. Prior to the 2016 actuarial valuation, the System's long-term rate of return was 8.0%.

The System's assumed annual inflation rate is 2.40% for 2021 and 2.20% for 2019 and 2020. For the 2018 and 2017 actuarial valuations, the System's annual inflation assumption was 2.25%. For the 2016 actuarial valuation, the System's annual inflation assumption was 2.5%. Prior to the 2016 actuarial valuation, the System's annual inflation assumption was 3.0%.

Effective with the 2019 actuarial valuation, COLAs are projected to increase at a rate of 1.30% annually. Effective with the 2015 actuarial valuation, COLAs were projected to increase at a rate of 1.50% annually. Prior to the 2015 actuarial valuation, COLAs were projected to increase at a rate of 1.625% annually.

Effective with the 2021 actuarial valuation, the assumed scale for mortality improvement was changed from MP2019 to MP2020. Effective with the 2020 actuarial valuation, the assumed scale for mortality improvement was changed from MP2018 to MP2019. Effective with the 2019 actuarial valuation, the assumed scale for mortality improvement was changed from MP2014 to MP2018.

Effective with the 2019 actuarial valuation, there is a change in the actuarial valuation software that resulted in a slight change in the determination of Entry Age Normal Total Pension Liability and Service Cost.

Note 5 **Schedules of School District Contributions - NYSLRS and NYSTRS Pension Plan and Schedules of the School District's Proportionate Share of the Net Pension (Asset)/Liability - Continued**

NYSTRS - Continued

Methods and Assumptions Used in Calculations of Actuarially Determined Contributions
The actuarially determined contribution rates in the Schedule of School Districts' Contributions are calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported. The following actuarial methods and assumptions were used to determine school districts' contributions in 2021. For assumptions and plan provisions used in contributions reported for years prior to 2021, refer to the Annual Actuarial Report for two years prior to the end of the fiscal year in which contributions are reported.

Actuarial Cost Method	The System is funded in accordance with the Aggregate Cost Method, which does not identify nor separately amortize unfunded actuarial liabilities. Costs are determined by amortizing the unfunded present value of benefits over the average future working lifetime of active plan members, which currently for NYSTRS is approximately 13 years.
Asset Valuation Method	Five-year phased-in deferred recognition of each year's net investment income/loss in excess of (or less than) the assumed valuation rate of interest at a rate of 20% per year, until fully recognized after five years.
Inflation	2.20%
Projected Salary Increases	Rates of increase differ based on service. They have been calculated based upon recent NYSTRS member experience.

Service	Rate
5	4.72%
15	3.46%
25	2.37%
35	1.90%

Investment Rate of Return	7.1% compounded annually, net of investment expenses, including inflation.
Cost of Living Adjustments	1.3% compounded annually.

TIOGA CENTRAL SCHOOL DISTRICT

BALANCE SHEET - NON-MAJOR GOVERNMENTAL FUNDS
JUNE 30, 2022

		Special Revenue Funds			
	Debt Service Fund	**School Lunch Fund**	**Miscellaneous Special Revenue Fund**	**Capital Projects Fund - Buses**	**Total Non-Major Governmental Funds**
ASSETS					
Cash and Cash Equivalents - Restricted	$ 844,165	$ 338,227	$ 30,548	$ -	$ 1,212,940
Investments - Restricted	-	-	224,314	-	224,314
Due from Other Funds	6	-	-	-	6
Due from State and Federal Governments	-	152,960	-	-	152,960
Other Receivables	-	84	-	-	84
Inventories	-	28,939	-	-	28,939
Total Assets	**$ 844,171**	**$ 520,210**	**$ 254,862**	**$ -**	**$ 1,619,243**
LIABILITIES					
Accrued Liabilities	$ -	$ 2,936	$ -	$ -	$ 2,936
Due to Other Governments	-	488	-	-	488
Unearned Revenues	-	6,733	-	-	6,733
Total Liabilities	-	10,157	-	-	10,157
FUND BALANCES					
Nonspendable	-	28,939	-	-	28,939
Restricted	844,171	481,114	254,862	-	1,580,147
Total Fund Balances	844,171	510,053	254,862	-	1,609,086
Total Liabilities and Fund Balances	**$ 844,171**	**$ 520,210**	**$ 254,862**	**-**	**$ 1,619,243**

TIOGA CENTRAL SCHOOL DISTRICT

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
NON-MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

		Special Revenue Funds			
	Debt Service Fund	School Lunch Fund	Miscellaneous Special Revenue Fund	Capital Projects Fund - Buses	Total Other Governmental Funds
REVENUES					
Use of Money and Property	$ 1,953	$ 128	$ 232	$ -	$ 2,313
Miscellaneous	-	-	59,374	-	59,374
State Sources	-	71,716	-	-	71,716
Federal Sources	-	805,692	-	-	805,692
Sales - School Lunch	-	56,212	-	-	56,212
Total Revenues	1,953	933,748	59,606	-	995,307
EXPENDITURES					
Instruction	-	280,545	52,310	-	332,855
Employee Benefits	-	107,764	-	-	107,764
Debt Service					
Principal	1,295,000	-	-	-	1,295,000
Interest	687,858	-	-	-	687,858
Cost of Sales	-	393,493	-	-	393,493
Capital Outlay	-	-	-	275,436	275,436
Total Expenditures	1,982,858	781,802	52,310	275,436	3,092,406
Excess (Deficiency) of Revenues Over Expenditures	(1,980,905)	151,946	7,296	(275,436)	(2,097,099)
OTHER FINANCING SOURCES AND (USES)					
Premium on Obligations	250	-	-	-	250
Proceeds of Obligations	-	-	-	275,436	275,436
Operating Transfers In	2,167,842	32,289	-	-	2,200,131
Total Other Sources (Uses)	2,168,092	32,289	-	275,436	2,475,817
Net Change in Fund Balances	187,187	184,235	7,296	-	378,718
Fund Balances - Beginning of Year	656,984	325,818	247,566	-	1,230,368
Fund Balances - End of Year	**$ 844,171**	**$ 510,053**	**$ 254,862**	**$ -**	**$ 1,609,086**

TIOGA CENTRAL SCHOOL DISTRICT

SCHEDULE OF CHANGE FROM ADOPTED BUDGET TO FINAL BUDGET AND THE REAL PROPERTY TAX LIMIT FOR THE YEAR ENDED JUNE 30, 2022

CHANGE FROM ADOPTED BUDGET TO FINAL BUDGET

Adopted Budget	$19,341,128
Prior Year's Encumbrances	145,779
Original Budget	19,486,907
Appropriated Reserves	50,000
Final Budget	**$19,536,907**

§1318 OF REAL PROPERTY TAX LAW LIMIT CALCULATION

Next Year's Budget is a Voter Approved Budget	**$ 20,558,091**	
Maximum Allowed (4% of the 2022-2023 Budget)		**$ 822,324**
General Fund Fund Balance Subject to §1318 of Real Property Tax Law:		
Unrestricted Fund Balance:		
Assigned Fund Balance	$ 407,845	
Unassigned Fund Balance	820,248	
Total Unrestricted Fund Balance	1,228,093	
Less:		
Appropriated Fund Balance	$ 341,598	
Encumbrances Included in Committed and Assigned Fund Balance	66,247	
Total Adjustments	407,845	
General Fund Fund Balance Subject to §1318 of Real Property Tax Law		**$ 820,248**
Actual Percentage		3.99%

TIOGA CENTRAL SCHOOL DISTRICT

SCHEDULE OF PROJECT EXPENDITURES
CAPITAL PROJECTS FUND
FOR THE YEAR ENDED JUNE 30, 2022

			Expenditures					Methods of Financing				Fund Balance
PROJECT TITLE	Original Budget	Revised Budget	Prior Years	Current Year	Transfer to Debt Service	Total	Unexpended Balance	Proceeds of Obligations	State Aid	Local Sources	Total	(Deficit) June 30, 2022
New K-12 Renovations 60090304-0007-018	$ -	$ 1,348,708	$1,172,360	$ 176,348	$ -	$1,348,708	$ -	$ 1,348,708	$ -		$1,348,708	$ -
SMART Schools Investment Plan	150,000	150,000	116,686	25,754	-	142,440	7,560	-	142,440	-	142,440	-
$100K Project H1623 60090304-0007-20	100,000	96,310	-	96,310	-	96,310	-	-	-	96,310	96,310	-
2021 $18.6M Project A0007	-	18,607,575	-	750,710	-	750,710	17,856,865	-	-	2,550,000	2,550,000	1,799,290 *
Emergency Cap Project K-12 C0007	460,000	460,000	-	267,616	230,341	497,957	(37,957)	226,650	-	3,690	230,340	(267,617) *
ARP Project HVAC E0007-023	964,559	964,559	-	-	-	-	964,559	-	964,559	-	964,559	964,559 *
CRRSA Project Fuel Tank D0007-021	600,000	600,000	-	52,524	-	52,524	547,476	-	-	600,000	600,000	547,476 *
2021-22 Bus Purchases	275,436	275,436	-	275,436	-	275,436	-	275,436	-	-	275,436	-
Subtotal	2,549,995	22,502,588	1,289,046	1,644,698	230,341	3,164,085	19,338,503	1,850,794	1,106,999	3,250,000	6,207,793	3,043,708
Unredeemed BANs - Buses	-	-	-	-	-	-	-	-	-	-	-	-
Unredeemed BANs - Capital Projects	-	-	-	-	-	-	-	(2,500,000)	-	-	(2,500,000)	(2,500,000)
Total	$2,549,995	$22,502,588	$1,289,046	$1,644,698	$ 230,341	$3,164,085	$ 19,338,503	$ (649,206)	$1,106,999	$3,250,000	$3,707,793	$ 543,708

**Architectural and State Approved Budget Modifications for Subproject Reallocations Not Yet Finalized and Were Available at this Report Date.*

TIOGA CENTRAL SCHOOL DISTRICT

SCHEDULE OF NET INVESTMENT IN CAPITAL ASSETS
JUNE 30, 2022

Capital Assets, Net	**$ 28,982,738**
Add:	
Amounts Deferred on Refunding	516,992
Deduct:	
Bond Anticipation Notes	(2,500,000)
Premium on Bonds	(1,771,868)
Short-Term Portion of Lease Liabilities	(1,678)
Long-Term Portion of Lease Liabilities	(3,962)
Short-Term Portion of Bonds Payable, Before Deferred Amounts	(1,633,294)
Long-Term Portion of Bonds Payable, Before Deferred Amounts	(11,674,402)
Net Investment in Capital Assets	**$ 11,914,526**

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*

Board of Education
Tioga Central School District
Tioga Center, New York

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, each major fund, and the aggregate remaining fund information of the Tioga Central School District (the School District), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements, and have issued our report thereon dated October 11, 2022.

Report on Internal Control Over Financial Reporting
In planning and performing our audit of the financial statements, we considered the 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 the School District's internal control. Accordingly, we do not express an opinion on the effectiveness of the 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.

Report on Compliance and Other Matters
As part of obtaining reasonable assurance about whether the 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 School District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully submitted,

Insero & Co. CPAs, LLP

Insero & Co. CPAs, LLP
Certified Public Accountants

Ithaca, New York
October 11, 2022

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY UNIFORM GUIDANCE

Board of Education
Tioga Central School District
Tioga Center, New York

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program
We have audited the Tioga Central School District's (the School District) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the School District's major federal programs for the year ended June 30, 2022. The School District's major federal programs are identified in the summary of auditors' results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, Tioga Central School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022.

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

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

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

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the School District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- Obtain an understanding of the School District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the School District's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control Over Compliance

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

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

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

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

Respectfully submitted,

Insero & Co. CPAs, LLP

Insero & Co. CPAs, LLP
Certified Public Accountants

Ithaca, New York
October 11, 2022

TIOGA CENTRAL SCHOOL DISTRICT

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2022

Federal Grantor/Pass - Through Grantor Program Title	Federal ALN #	Pass - Through Grantor #	Expenditures to Subrecipients	Expenditures
U.S. Department of Education				
Passed Through NYS Department of Education:				
Title I Grants to Local Educational Agencies	84.010	0021223355	$ -	$ 250,451
Supporting Effective Instruction State Grants	84.367	0147223355	-	34,405
Student Support and Academic Enrichment Grants	84.424	0204223355	-	19,763
Education Stabilization Fund (ESF)				
(COVID-19) American Rescue Plan - Elementary and Secondary School Emergency Relief	84.425U	5880213355	-	370,069
(COVID-19) American Rescue Plan - Elementary and Secondary School Emergency Relief	84.425U	5882213355	-	29,685
(COVID-19) American Rescue Plan - Elementary and Secondary School Emergency Relief	84.425U	5883213355	-	3,537
(COVID-19) American Rescue Plan - Elementary and Secondary School Emergency Relief	84.425U	5884213355	-	318,931
(COVID-19) Elementary and Secondary School Emergency Relief Fund	84.425D	5891213355	-	257,884
Total ESF			-	980,106
Special Education Cluster:				
Special Education - Grants to States	84.027	0032220979	-	231,732
Special Education - Preschool Grants	84.173	0033220979	-	8,938
Total Special Education Cluster			-	240,670
Total U.S. Department of Education			-	1,525,395
U.S. Department of Agriculture				
Passed Through NYS Department of Education:				
Child Nutrition Cluster:				
National School Lunch	10.555	(1)	-	582,409
School Breakfast Program	10.553	(1)	-	176,796
Summer Food Service Program	10.559	(1)	-	11,977
Total Child Nutrition Cluster			-	771,182
Direct Programs:				
Food Distribution Cluster:				
(COVID-19) Emergency Food Assistance Program - Admin Costs	10.568	N/A	-	10,232
Total Food Distribution Cluster			-	10,232
(COVID-19) Supply Chain Assistance	10.649	N/A	-	22,475
(COVID-19) Pandemic EBT Food Benefits	10.542	N/A	-	1,803
Total U.S. Department of Agriculture			-	805,692
Total Expenditures of Federal Awards			**$ -**	**$ 2,331,087**

(1) Unknown

See Notes to Schedule of Expenditures of Federal Awards

TIOGA CENTRAL SCHOOL DISTRICT

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
JUNE 30, 2022

Note 1 **Basis of Presentation**

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal awards programs administered by the School District, an entity as defined in Note 1 to the School District's basic financial statements. Federal awards received directly from federal agencies, as well as federal awards passed through from other government agencies, are included on the Schedule of Expenditures of Federal Awards.

Note 2 **Basis of Accounting**

The basis of accounting varies by federal program consistent with the underlying regulations pertaining to each program. The information is presented in accordance with the requirements of Uniform Guidance, *Audits of State and Local Governments, and Non-Profit Organizations.* Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in preparation of the financial statements.

Note 3 **Indirect Costs**

Indirect costs are included in the reported expenditures to the extent they are included in the federal financial reports used as the source for the data presented. The School District has elected not to use the 10% de minimis indirect cost rate.

Note 4 **Matching Costs**

Matching costs, such as the School District's share of certain program costs, are not included in the reported expenditures.

Note 5 **Non-Monetary Federal Program**

The School District is the recipient of a federal award program that does not result in cash receipts or disbursements termed a "non-monetary program." During the year ended June 30, 2022, the Tioga Central School District received $46,018 worth of commodities under the National School Lunch Program (ALN #10.555).

Note 6 **Other Disclosures**

No insurance is carried specifically to cover equipment purchased with federal funds. Any equipment purchased with federal funds has only a nominal value and is covered by the School District's casualty insurance policies. There were no loans or loan guarantees outstanding at year end. No amounts were provided to subrecipients.

TIOGA CENTRAL SCHOOL DISTRICT

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2022

Section I **Summary of Auditors' Results**

Financial Statements

Type of Auditors' Report Issued:	Unmodified
Internal Control Over Financial Reporting:	
Material Weakness(es) Identified?	___ Yes _X_ No
Significant Deficiency(ies) Identified that are not Considered to be Material Weakness(es)?	___ Yes _X_ None Reported
Noncompliance Material to Financial Statements Noted?	___ Yes _X_ No

Federal Awards

Internal Control Over Major Programs:	
Material Weakness(es) Identified?	___ Yes _X_ No
Significant Deficiency(ies) Identified that are not Considered to be Material Weakness(es)?	___ Yes _X_ None Reported
Type of Auditors' Report Issued on Compliance for Major Programs:	Unmodified
Any Audit Findings Disclosed that are Required to be Reported in Accordance with 2 CFR §200.516(a)?	___ Yes _X_ No

Identification of Major Programs:

ALN Numbers	Name of Federal Program or Cluster
84.425	Education Stabilization Fund

Dollar threshold used to distinguish between Type A and Type B Programs:	$ 750,000
Auditee qualified as low-risk?	___ Yes _X_ No

Section II	**Financial Statement Findings**	None.
Section III	**Federal Award Findings and Questioned Costs**	None.

FORM OF BOND COUNSEL'S OPINION

June 28, 2023

Tioga Central School District,
County of Tioga,
State of New York

Re: Tioga Central School District, Tioga County, New York
$4,816,000 Bond Anticipation Notes, 2023 Series A

Ladies and Gentlemen:

We have been requested to render our opinion as to the validity of a $4,816,000 Bond Anticipation Notes, 2023 Series A (the "Obligation"), of the Tioga Central School District, Tioga County, New York (the "Obligor"), dated June 28, 2023, numbered 1, of the denomination of $4,816,000, bearing interest at the rate of ___% per annum, payable at maturity, and maturing June 28, 2024.

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. We observe that, for tax years beginning after December 31, 2022, interest on the Notes 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 Obligation 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

APPENDIX – F

FORM OF BOND COUNSEL'S OPINION

July 6, 2023

Tioga Central School District,
County of Tioga,
State of New York

Re: Tioga Central School District, Tioga County, New York
$12,600,000 Bond Anticipation Notes, 2023 Series B

Ladies and Gentlemen:

We have been requested to render our opinion as to the validity of a $12,600,000 Bond Anticipation Notes, 2023 Series B (the "Obligation"), of the Tioga Central School District, Tioga County, New York (the "Obligor"), dated July 6, 2023, numbered 1, of the denomination of $12,600,000, bearing interest at the rate of ___% per annum, payable at maturity, and maturing July 3, 2024.

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. We observe that, for tax years beginning after December 31, 2022, interest on the Notes 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 Obligation 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