PRELIMINARY OFFICIAL STATEMENT

NEW & RENEWAL ISSUE **BOND ANTICIPATION NOTES**

In the opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel, based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the Notes is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"). In the further opinion of Bond Counsel, interest on the Notes is not a specific preference item for purposes of the federal 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 District will not designate the Notes as "qualified tax-exempt obligations" pursuant to Section 265(b)(3) of the Code.

$21,533,000

CITY SCHOOL DISTRICT OF THE CITY OF ONEIDA

MADISON AND ONEIDA COUNTIES, NEW YORK

GENERAL OBLIGATIONS

CUSIP BASE #682556

$21,533,000 Bond Anticipation Notes, 2023

(the "Notes")

Dated: June 22, 2023 **Due: June 21, 2024**

The Notes are general obligations of the City School District of the City of Oneida, Madison and Oneida Counties, New York (the "District"), all of 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 will be issued without the option of prior redemption.

The Notes are not subject to redemption prior to maturity.

At the option of the purchaser(s), the Notes will be issued as registered notes registered in the name of the purchaser. If such Notes are issued as registered in the name of the purchaser, 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). In such case, the Notes will be issued as registered in the name of the purchaser in denominations of $5,000 or multiples thereof, except for a necessary odd denomination that is or includes $8,000 as may be determined by such successful bidder(s).

Alternatively, if the Notes are issued in book-entry-only form, the Notes will be registered in the name of Cede & Co. as nominee of The Depository Trust Company ("DTC"), New York, New York, which will act as the securities depository for the Notes. Noteholders will not receive certificates representing their ownership interest in the notes purchased if the purchaser(s) elects to register the Notes. Such Notes will be issued in denominations of $5,000 or integral multiples thereof, except for a necessary odd denomination that is or includes $8,000 as may be determined by such successful bidder(s). If the Notes are issued in book-entry-only form, payment of the principal of and interest on the Notes to the beneficial owner(s) of the Notes will be made by DTC Direct Participants and Indirect Participants in accordance with standing instructions and customary practices, as is now the case with municipal securities held for the accounts of customers registered in the name of the purchaser or registered in "street name". Payment will be the responsibility of such DTC Direct or Indirect Participants and the District, subject to any statutory and regulatory requirements as may be in effect from time to time. 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 legal opinion as to the validity of the Notes of Orrick, Herrington & Sutcliffe, LLP, New York, New York, Bond Counsel. It is anticipated that the Notes will be available for delivery through the facilities of DTC located in Jersey City, New Jersey, or as agreed upon with the purchaser(s), on or about June 22, 2023.

ELECTRONIC BIDS for the Notes must be submitted via Fiscal Advisors Auction website ("Fiscal Advisors Auction") accessible via www.FiscalAdvisorsAuction.com on June 1, 2023 until 11:00 A.M., Eastern Time, pursuant to the Notice of Sale. No other form of electronic bidding services will be accepted. No bid will be received after the time for receiving bids specified above. Bids may also be submitted by facsimile at (315) 930-2354. Once the bids are communicated electronically via Fiscal Advisors Auction or facsimile to the District, each bid will constitute an irrevocable offer to purchase the Notes pursuant to the terms provided in the Notice of Sale.

May 25, 2023

THE DISTRICT DEEMS THIS OFFICIAL STATEMENT TO BE FINAL FOR PURPOSES OF SECURITIES AND EXCHANGE COMMISSION RULE 15c2-12, 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 NOTICE OF SALE WITH RESPECT TO THE OBLIGATIONS HEREIN DESCRIBED. THE DISTRICT WILL COVENANT IN AN UNDERTAKING TO PROVIDE NOTICE OF CERTAIN MATERIAL EVENTS AS DEFINED IN THE RULE. SEE "APPENDIX – D - MATERIAL EVENT NOTICES" HEREIN.

CITY SCHOOL DISTRICT OF THE CITY OF ONEIDA
MADISON AND ONEIDA COUNTIES, NEW YORK

SCHOOL DISTRICT OFFICIALS

2022-2023 BOARD OF EDUCATION

JAMES MAIO
President

BRAD MYATT
Vice President

MARK BARBANO
HEATHER DENBY
NADINE FLYNN
KURT GORMLEY
MARTIN KELLY

* * * * *

ADMINISTRATION

MATTHEW CARPENTER
Superintendent of Schools

JAMES J. ROWLEY
Assistant Superintendent for Finance & Support Services
And District Clerk

STACEY TICE
Interim Administrator for Curriculum & Instruction

GENEVIEVE BRAUNER
Administrator for Technology & Special Programs

TANYA MOORE
School District Treasurer

FERRARA FIORENZA PC
School District Attorney

FISCAL ADVISORS & MARKETING, INC.
Municipal Advisor

ORRICK, HERRINGTON & SUTCLIFFE LLP
Bond Counsel

No person has been authorized by the City School District of the City of Oneida 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 the City School District of the City of Oneida.

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PREPARED WITH THE ASSISTANCE OF

Fiscal Advisors & Marketing, Inc.
250 South Clinton Street, Suite 502
Syracuse, New York 13202
(315) 752-0051
http://www.fiscaladvisors.com

OFFICIAL STATEMENT

OF THE

CITY SCHOOL DISTRICT OF THE CITY OF ONEIDA

MADISON AND ONEIDA COUNTIES, NEW YORK

RELATING TO

$21,533,000 Bond Anticipation Notes, 2023

This Official Statement, which includes the cover page and appendices, has been prepared by the City School District of the City of Oneida, Madison and Oneida Counties, New York (the "School District" or "District", "Counties", and "State", respectively) in connection with the sale by the School District of $21,533,000 principal amount of Bond Anticipation Notes, 2023 (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, ensuring the availability of the levy of property tax revenues to pay debt service. As the Flushing National Bank (1976) Court noted, the term "faith and credit" in its context is "not qualified in any way". Indeed, in Flushing National Bank v. Municipal Assistance Corp., 40 N.Y.2d 1088 (1977) the Court of Appeals described the pledge as a direct constitutional mandate. In Quirk v. Municipal Assistance Corp., 41 N.Y.2d 644 (1977), the Court of Appeals stated that, while holders of general obligation debt did not have a right to particular revenues such as sales tax, "with respect to traditional real estate tax levies, the bondholders are constitutionally protected against an attempt by the State to deprive the city of those revenues to meet its obligations." According to the Court in Quirk, the State Constitution "requires the city to raise real estate taxes, and without specification other revenues, if such a levy be necessary to repay indebtedness."

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

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

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

THE NOTES

Description of the Notes

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

The Notes are dated June 22, 2023 and mature, without option of prior redemption, on June 21, 2024.

The Notes will be issued in either (i) registered in the name of the purchaser, in denominations of $5,000 each or multiples thereof, except for a necessary odd denomination that is or includes $8,000 with principal and interest payable in Federal Funds at such bank(s) or trust company(ies) located and authorized to do business in the State as may be selected by such successful bidder(s); or (ii) as registered notes, and, if so issued, registered in the name of Cede & Co. as nominee of 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 being issued pursuant to the Constitution and statutes of the State of New York, including among others, the Education Law and the Local Finance Law and a bond resolution of the District dated October 13, 2020 authorizing the issuance of $21,600,000 obligations of the District to pay part of the cost of reconstruction and construction of improvements to District facilities, including site work as well as original furnishings, equipment, machinery, apparatus, and other improvements.

The proceeds of the Notes, along with $20,000 available funds of the District, will redeem $1,453,000 bond anticipation notes maturing on June 23, 2023, plus will renew $16,500,000 bond anticipation notes maturing July 7, 2023, plus will provide $3,600,000 in new monies. for the aforementioned purpose.

BOOK-ENTRY-ONLY SYSTEM

If this option is chosen, 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 note bearing the same rate of interest and CUSIP number and will be deposited with DTC.

DTC, a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments from over 100 countries that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC, in turn, is owned by a number of Direct Participants of DTC and Members of the National Securities Clearing Corporation, Government Securities Clearing Corporation, MBS Clearing Corporation, and Emerging Markets Clearing Corporation, (NSCC, GSCC, MBSCC, and EMCC, also subsidiaries of DTCC), as well as by the New York Stock Exchange, Inc., the American Stock Exchange LLC, and the National Association of Securities Dealers, Inc. 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"). DTC has Standard & Poor's highest rating: AAA. 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.

Purchases of Notes under the DTC system must be made by or through Direct Participants, which will receive a credit for the Notes on DTC's records. The ownership interest of each actual purchaser of each Note ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Securities 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.

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 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 or the School District, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment, principal and interest to 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 District. Under such circumstances, in the event that a successor depository is not obtained, note certificates are required to be printed and delivered.

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

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

Source: The Depository Trust Company.

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

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

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

Certificated Notes

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

The Notes will be issued in registered form in denominations of $5,000 or integral multiples thereof, except for a necessary odd denomination that is or includes $8,000. 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 School District, with a land area of approximately 23.4 square miles is located in upstate New York, in the Counties of Madison and Oneida, and centers around the City of Oneida. The City of Syracuse is located 25 miles to the west and the City of Utica 20 miles to the east. The School District includes the entire City of Oneida as well as portions of the Towns of Lenox and Lincoln in Madison County, and the entire Village of Sylvan Beach and portions of the City of Sherrill and the Towns of Vernon, Verona and Vienna in Oneida County.

Major highways serving the School District include Interstate 90 as well as N.Y.S. Routes 5, 46 and 31. Air transportation is available from the Oneida County Airport and the Syracuse Hancock International Airport.

Higher educational opportunities are available at nearby Hamilton College, Utica College, Colgate University, and Syracuse University. Sylvan and Verona Beaches are located in the northern part of the merged School District on the eastern shore of Oneida Lake.

The majority of residents are engaged in industry, commerce and professions in the City of Oneida as well as the Syracuse, Rome and Utica metropolitan areas. The Turning Stone Casino was constructed in the fall of 1993 just north of the School District. The facility is operated by the Oneida Indian Nation of New York and employs 4,500. A hotel is also connected to the casino and two PGA-tour quality eighteen-hole golf courses and a nine hole executive course are on land adjacent to the Casino. The Oneida Indian Nation announced plans to build a retail outlet mall near the site of the casino which would house more than 60 high-end stores and bring 1,100 new jobs to the area. No timeline is available.

Source: District Officials.

Population

The current population of the District is estimated to be 14,207.

Source: U.S. Census, 2017-2021 American Community Survey 5-Year estimates.

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Major Employers

Some of the major employers located within or in close proximity to the District are as follows:

Name of Employer	Type of Business	Approximate Number of Employees
Oneida Indian Nation	Casino/Business	4,500
Mohawk Valley Health System	Healthcare / Hospital	3,800
Upstate Cerebral Palsy	Human Services	1,638
Resource Center for Independent Living	Nonprofit / persons with disabilities	1,250
Utica National Group	Insurance	1,112
Colgate University	Education	972
Masonic Care Community of NY	Senior Care / Living	900
Oneida Health Care Center	Hospital	770
Utica College	Education	769
Hamilton College	Education	720
Rome Memorial Hospital	Healthcare / Hospital	688
Indium Corporation	Manufacturing	650
ConMed	Medical-technology	509
Ferris Industries	Manufacturing	491
Wal-Mart	Retail Sales	450
Utica College	Education	428
Slocum-Dickson Medical Group	Multi-specialty Medical	400
AmeriCU	Credit Union	325
ESCO Turbine Technology	Manufacturing	300
HP Hood	Milk Products	250
Central Association for the Blind	Human Services / Manufacturing	231
Green Empire Farms	Controlled Environmental Agriculture	185
Adirondack Bank	Banking	180
SUNY Polytechnic	Education	167
Assured Information Security (AIS)	Technology	160
Knowles Capacitors (formerly DLI)	Manufacturing	158

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 includes the District, are the Counties, the City and the Towns listed below. The figures set below with respect to such Towns, City and Counties are included for information only. It should not be inferred from the inclusion of such data in the Official Statement that the Towns, City or the Counties are 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
Cities of:						
Oneida	$ 23,553	$ 29,279	$ 30,390	$ 58,078	$ 69,576	$ 72,090
Sherrill	28,678	35,477	38,254	84,732	88,281	95,472
Towns of:						
Lenox	22,970	27,115	28,587	59,847	69,904	71,339
Lincoln	30,055	33,207	34,484	67,321	73,558	73,500
Vernon	24,579	37,618	41,399	59,563	90,541	96,051
Verona	22,642	30,182	31,380	54,160	80,702	76,250
Vienna	22,896	29,385	33,408	55,508	70,903	76,537
Counties of:						
Madison	24,311	32,443	34,302	61,828	78,812	79,957
Oneida	23,458	30,678	32,119	58,017	74,796	78,281
State of:						
New York	30,948	40,898	43,208	67,405	87,270	92,731

Note: 2018-2022 American Community Survey data is unavailable as of the date of this Official Statement.

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

Unemployment Rate Statistics

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

Annual Average

	2016	2017	2018	2019	2020	2021	2022
Madison County	5.4%	5.5%	4.8%	4.3%	7.5%	4.5%	3.4%
Oneida County	4.9%	5.0%	4.4%	4.1%	7.8%	5.1%	3.5%
New York State	4.9%	4.6%	4.1%	3.8%	9.9%	6.9%	4.3%

2023 Monthly Figures

	Jan	Feb	Mar	Apr	May
Madison County	4.6%	4.2%	3.7%	N/A	N/A
Oneida County	4.3%	3.9%	3.5%	N/A	N/A
New York State	4.6%	4.5%	4.0%	N/A	N/A

Note: Unemployment rates for April and May 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, which is the policy-making body of the School District, consists of seven members with overlapping three-year terms. The President and the Vice President are selected by the Board members. The President of the Board is the chief fiscal officer of the School District.

The duties of the administrative officers of the School District are to implement the policies of the Board of Education and supervise the operation of the school system.

Investment Policy

Pursuant to the statutes of the State, the School 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 School District; (6) obligations of a New York public corporation which are made lawful investments by the School 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 School District moneys held in certain reserve funds established pursuant to law, obligations issued by the School 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 School 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).

Budgetary Procedures

Pursuant to the Education Law, the Board of Education annually prepares or causes to be prepared a tentative budget of the District for the ensuing fiscal year. This tentative budget must be completed at least fourteen days before the annual District meeting at which it is to be presented. Copies are available upon request to taxpayers within the District, fourteen days preceding such meeting and at each such meeting. The Board must also give notice that a copy of the tentative budget may be obtained at each schoolhouse within the District.

The Board of Education causes a notice to be published stating the time, date, place and purpose of the annual or district meeting. At least forty-five days must elapse between the first publication of such notice and the date specified for such meeting. The meeting must be held at the time and place specified but it may be adjourned to permit voting on the following day. If the qualified voters at the annual or District meeting approve the tentative budget, the Board of Education, by resolution adopts the tentative budget as the budget of the District for the ensuing year.

Pursuant to Chapter 97 of the Laws of 2011 ("Chapter 97"), beginning with the 2012 – 2013 fiscal year, if the proposed budget requires a tax levy increase that does not exceed the lesser of 2% or the rate of inflation (the "School District Tax Cap"), then a majority vote is required for approval. If the proposed budget requires a tax levy that exceeds the School District Tax Cap, the budget proposition must include special language and a 60% vote is required for approval. Any separate proposition that would cause the District to exceed the School District Tax Cap to be exceeded also 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 budget for the 2022-23 fiscal year was adopted by qualified voters on May 17, 2022 by a vote of 274 to 78. The budget for the 2022-23 fiscal year called for a tax levy increase of 3.0% which was within the District's maximum allowable tax levy limit for the 2022-23 fiscal year.

The budget for the 2023-2024 fiscal year was adopted by qualified voters on May 16, 2023 by a vote of 256 to 100. The budget for the 2023-2024 fiscal year called for a tax levy increase of 3.0%, which is below the District's maximum allowable tax levy limit of 4.9% for the 2023-2024 fiscal year.

State Aid

The District receives financial assistance from the State. In its adopted budget for the 2023-2024 fiscal year, approximately 52.0% 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.

The Tax Cuts and Jobs Act also made extensive changes to the deductibility of various taxes, including placing a cap of $10,000 on a taxpayer's deduction of state and local taxes (the "SALT Deduction Limitation"). While it cannot yet be predicted what precise effects the SALT Deduction Limitation will have for the State, it is possible that government officials at both the State and local level may find it politically more difficult to raise new revenues via tax increases, since the deduction thereof, for taxpayers who itemize deductions, is now limited.

Federal aid received by the State

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. The District has been allocated and expects to receive $3,134,059 of American Rescue Plan funding and $251,150 of CRRSA funding.

The State receives a substantial amount of federal aid for other 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, including the diversion of federal resources to address the current COVID-19 outbreak.

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 expects to receive State building aid of approximately 89.4% of debt service on State Education Department approved expenditures from July 1, 2004 to the present. (See also "*State Aid*" herein).

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

State Aid History

School district fiscal year (2017-2018): The State 2017-18 Enacted Budget increased State aid to education by $1.1 billion, including a $700 million increase in Foundation Aid, bringing the total amount of State aid to education to $25.8 billion or an increase of 4.4%. Expense-based aids to support school construction, pupil transportation, BOCES and special education were continued in full, as is the State's usual practice. Transportation aid increased by 5.5% and building aid increased by 4.8%. The State 2017-18 Enacted Budget continued to link school aid increases for 2017-18 and 2018-19 to teacher and principal evaluation plans approved by September 1 of the current year in compliance with Education Law Section 3012-d.

School district fiscal year (2018-2019): The State's 2018-2019 Enacted Budget included nearly $1 billion in additional education funding, representing a 3.9% increase over 2017-2018. Approximately $859 million of that increase was comprised of traditional public school aid, including increased Foundation Aid and full-funding of expense-based aids. Formula-based school aid stood at $26.03 billion statewide, a 3.4% increase over the prior year. The State's 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's 2018-2019 Enacted Budget guaranteed that all school districts receive an increase in Foundation Aid over their 2017-2018 levels. $50 million of the Foundation Aid increase was "set aside" for certain school districts to fund community schools. The State's 2018-2019 Enacted Budget fully funded all expense-based aid for 2018-2019, including building, transportation, BOCES and special education aid. These categories served 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 2018-2019.

School district fiscal year (2019-2020): The State's 2019-2020 Enacted Budget includes 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 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 extraordinary challenges from the COVID-19 health crisis creating a significant loss in revenue to the State, the State's Enacted 2020-2021 Budget includes a total of $27.9 billion State aid, which is essentially the same amount of State aid to school districts included in the State's 2019-2020 Enacted Budget. The State's Enacted 2020-2021 Budget includes a "pandemic adjustment" for each school district, a reduction in State funding that will match how much school districts expect to receive from the federal CARES stimulus program. In addition, the State's Enacted 2020-2021 Budget authorizes the State Budget Director to make uniform reductions to appropriations (including the appropriations for State aid to school districts) if the State's Enacted 2020-2021 Budget becomes unbalanced because revenues fall below projections or expenditures rise above projections during a given period. The proposed reductions would be shared with the Legislature which would then have 10 days to prepare and adopt their own plan. If the Legislature does not do so, the Budget Director's proposed reductions would go into effect automatically.

School district fiscal year (2021-2022): The State's 2021-22 Budget includes $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 includes the use of $13 billion of federal funds for emergency relief, along with the Governor's Emergency Education Relief, which includes, 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 are to be allocated to expand full-day kindergarten programs. Under the budget, school districts are to be 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.

School district fiscal year (2022-2023): The State's 2022-23 Enacted Budget provides $31.5 billion in State funding to school districts for the 2022-23 school year, the highest level of State aid ever. This represents an increase of $2.1 billion or 7.2 percent compared to the 2021-22 school year, and includes a $1.5 billion or 7.7 percent Foundation Aid increase. The State's 2022-23 Enacted Budget also programs $14 billion of federal Elementary and Secondary School Emergency Relief and Governor's Emergency Education Relief funds to public schools. This funding, available for use over multiple years, is designed to assist schools to reopen for in-person instruction, address learning loss, and respond to students' academic, social, and emotional needs due to the disruptions of the COVID-19 pandemic. The State's 2022-23 Enacted Budget allocates $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 increases 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.

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.

In school district fiscal year 2009-2010, foundation aid funding was frozen by the State Legislature to the prior fiscal year level, and in the fiscal year thereafter foundation aid funding was reduced through a "gap elimination adjustment" as described above, and other aid adjustments. The final phase-in of foundation aid as originally projected has not occurred as of this date.

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 CFE case that absent "gross education inadequacies", claims regarding state funding for a "sound basic education" must be made on a district-by-district basis based on the specific facts therein. On October 14, 2021 Governor Kathy Hochul announced that New York State has 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 this much-needed funding to our students. 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 historic 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, the Executive and Legislature agreed to fully fund Foundation Aid by the FY 2024 budget and enshrined 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

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

State Aid Revenues

The following table illustrates the percentage of total revenues of the District for each of the below completed fiscal years and budgeted and unaudited figures for the 2022-2023 and budgeted figures for the 2023-2024 fiscal year comprised of State aid.

Fiscal Year	Total Revenues (1)	Total State Aid	Percentage of Total Revenues Consisting of State Aid
2017-2018	$ 42,651,745	$ 23,857,844	55.9%
2018-2019	44,131,605	25,219,595	57.1
2019-2020	44,548,008	25,170,472	56.5
2020-2021	45,418,047	24,278,566	53.5
2021-2022	45,284,564	25,327,727	55.9
2022-2023 (Budgeted)	46,516,400	26,322,874	56.6
2022-2023 (Unaudited)	47,889,881 (2)	26,239,357 (2)	54.8
2023-2024 (Budgeted)	53,246,946	27,711,217	52.0

(1) Total Revenues do not include interfund transfers, appropriated reserves or fund balance.
(2) Preliminary Unaudited results, subject to change.

Source: Audited Financial Statements for the 2017-2018 fiscal year through and including the 2021-2022 fiscal year and the adopted budget and unaudited figures for the 2022-2023 fiscal year and budgeted figures for the 2023-2024 fiscal year. This table is not audited.

School Facilities

Name	Type	Capacity	Year(s) Built
North Broad	K-5	319	1911, '76, '04, '09
Seneca	K-5	378	1958, '78, '04, '09
Willard Prior	K-5	393	1959, '78, '90, '04, '09
Durhamville	K-5	408	1958, '89, '04, '09
Otto Shortell Middle Schools	6-8	518	1968, '86, '04, '09
Oneida Senior High School	9-12	945	1958, '72, '87, '92, '04, '09

The District also operates the following facilities, which are not instructional space: Bus Maintenance Facility (Built 2004), Bus Storage Facility (Built 2004), Maintenance Warehouse and Power Shop Annex (Built 2004).

Note: The District anticipates closing the District Office in 2024-2025 and selling it. Staff will move into an existing elementary school where the District anticipates having available space to accommodate staff relocation.

Source: School District records.

Enrollment Trends

School Year	Actual Enrollment	School Year	Projected Enrollment
2018-19	1,959	2023-24	1,749
2019-20	1,946	2024-25	1,724
2020-21	1,871	2025-26	1,699
2021-22	1,825	2026-27	1,674
2022-23	1,774	2027-28	1,649

Source: School District officials.

Employees

The approximate number of persons employed by the School District is 365 with 342 full-time employees. The collective bargaining agents, if any, which represent them and the dates of expiration of the various collective bargaining agreements are as follows:

Employees	Union	Contract Expiration Date
200	Oneida Teachers' Association (NYSUT)	June 30, 2024
81	Oneida Support Staff (NYSUT)	June 30, 2024
11	Oneida Principals / Psychologists (School Administrators)	June 30, 2025
15	Oneida Confidential/Supervisors/Maintenance	June 30, 2023 (1)
35	Oneida Bus Drivers / Transportation	June 30, 2023 (1)

(1) Currently under negotiations.

Source: School District officials.

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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.

Since the 2018-2019 fiscal year, the District's contributions to the Systems were as follows:

Fiscal Year	ERS	TRS
2018-2019	$511,531	$1,544,107
2019-2020	498,826	1,265,168
2020-2021	520,274	1,372,236
2021-2022	506,197	1,405,905
2022-2023 (Unaudited)	526,741	1,441,237
2023-2024 (Budgeted)	614,320	1,750,186

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 offer early retirement incentives.

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.

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 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.

A chart of average ERS and TRS rates as a percent of payroll (2019 to 2024) is shown below:

Year	ERS	TRS
2018-19	14.9%	10.62%
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*

*Estimated

The investment of monies and assumptions underlying some 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 School District established a TRS reserve fund in June of 2020 and funded it with $300,000.

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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. For the fiscal year ended June 30, 2018, the District implemented GASB 75. The implementation of this statement requires District’s to report OPEB liabilities, OPEB expenses, deferred outflow of resources and deferred inflow of resources related to OPEB. GASB Statement No. 75 replaced GASB Statement 45, which also required the District to calculate and report a net OPEB obligation. However, under GASB 45 districts could amortize the OPEB liability over a period of years, whereas GASB 75 requires districts to report the entire OPEB liability on the statement of net position.

The District contracted with Questar III BOCES to calculate its actuarial valuation under GASB 75 for the fiscal years ending June 30, 2021 and June 30, 2022. The following outlines the changes to the Total OPEB Liability during the 2021 and 2022 fiscal years, by source.

Balance beginning at:	June 30, 2020	June 30, 2021
	$ 116,049,068	$ 119,823,348
Changes for the year:		
Service cost	3,739,273	3,871,434
Interest	2,608,386	2,630,759
Effect of demographic gains or losses	-	2,497,062
Differences between expected and actual experience	-	
Changes in assumptions or other inputs	969,618	(9,237,977)
Benefit payments	(3,542,997)	(3,821,132)
Net Changes	$ 3,774,280	$ (4,059,854)
Balance ending at:	June 30, 2021	June 30, 2022
	$ 119,823,348	**$ 115,763,494**

Source: Audited financial statements. The above tables are not audited For additional information see “APPENDIX - E” attached hereto.

The aforementioned liability is recognized and disclosed in accordance with GASB 75 standards in the District’s audited financial statements for the fiscal years ending June 30, 2021 and June 30, 2022.

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 is the Education Law and the Local Finance Law.

The District is in compliance 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 School District retains independent Certified Public Accountants. The last audit report covers the period ending June 30, 2022. In addition, the State Comptroller's office, i.e., the Department of Audit and Control, periodically performs a compliance review to ascertain whether the School District has complied with the requirements of various State and Federal statutes. Certain financial information of the School District can be found attached as Appendices to the Official Statement.

The School 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 School District is required to issue 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. The School District is in compliance with GASB Statement No. 34.

Unaudited Results for Fiscal Year Ending June 30, 2023

The District expects to end the fiscal year ending June 30, 2023 with an unassigned fund balance of $2,196,623. Summary anticipated projected unaudited information for the General Fund for the period ending June 30, 2023 is as follows:

Revenues:	$	47,889,881
Expenditures:		48,477,181
Excess (Deficit) Revenues Over Expenditures:	$	(587,300)
Total Fund Balance at June 30, 2022:	$	15,043,855
Total Estimated Fund Balance at June 30, 2023:	$	14,456,555 [(1)]

(1) District estimate as of May 02, 2023.

(2) Deficit due to increased tuition costs for special needs students, unanticipated contractual retirement incentives, increased substitute costs and increased teacher aide costs.

Note: These projections are based upon certain current assumptions and estimates and the audited results may vary therefrom.

Source: District officials.

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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 October 16, 2020. The purpose of the audit was to determine whether the District's network was adequately secure to protect the student information system (SIS) against unauthorized use, access and loss for the period July 1, 2018-December 3, 2019.

Key Findings:

The District's network was not adequately secure to protect the SIS against unauthorized use, access and loss.

- District officials did not adequately manage user accounts or administrative permissions to limit access to assets and data.
- Some District computers were used for personal activity, increasing the likelihood of the District's network being exposed to malicious software.
- A written disaster recovery plan was not made available to us or the Board of Education for review and approval.

Key Recommendations

- Review network user accounts and permissions, disable unnecessary accounts and remove excessive permissions.
- Monitor employees' Internet use and enforce the District's acceptable use policy (AUP).
- Ensure that a comprehensive written disaster recovery plan is developed and shared with key District officials.

District officials agreed the State Comptroller's recommendations and indicated they have initiated corrective action.

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

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

Note: Reference to website implies no warranty of accuracy of information therein, nor inclusion 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 to 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 years of the District are as follows:

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

Source: Website of the Office of the New York State Comptroller. Reference to website implies no warranty of accuracy of information therein.

TAX INFORMATION

Taxable Valuations (1)

Total Taxable Assessed Valuations

Years Ending June 30:	2019	2020	2021	2022	2023
	$ 654,948,118	$ 661,977,094	$ 663,569,666	$ 673,210,738	$ 673,030,574

Full Valuation Computed Using Regular State Equalization Rates

Years Ending June 30:	2019	2020	2021	2022	2023
	$ 726,697,750	$ 772,321,688	$ 778,618,845	$ 819,704,106	$ 919,446,199

Full Valuation Computed Using Special State Equalization Ratios

Years Ending June 30:	2019	2020	2021	2022	2023
	$ 771,251,370	$ 808,476,432	$ 818,139,253	$ 836,477,269	$ 958,779,854

(1) Please refer to APPENDIX C-C1 for greater detail of assessed values, equalization ratios and calculation of full value. Special State equalization ratios are used solely for purposes of computing the School District's constitutional debt limit.

Tax Rates Per $1,000 (Assessed)

Years Ending June 30:	2019	2020	2021	2022	2023
Cities of:					
Oneida	$ 24.03	$ 23.87	$ 23.99	$ 24.21	$ 24.91
Sherrill	32.69	35.00	36.08	36.92	39.77
Towns of:					
Lenox	24.03	24.14	24.37	24.61	24.33
Lincoln	24.03	24.14	24.37	24.61	25.53
Vernon	32.69	35.00	36.08	36.92	39.77
Verona	33.37	36.20	36.36	35.75	36.28
Vienna	42.90	42.13	43.91	43.31	44.00

Tax Collection Procedure

The Board of Education annually levies real property taxes no later than September 1. Taxes are collected during the period September 1 to October 30. Uncollected taxes are subsequently enforced by the City of Oneida, New York, and the Counties of Madison and Oneida. An amount representing uncollected real property taxes must be transmitted by the School District within two years from the return of unpaid taxes to such counties. Real property taxes receivable expected to be collected within six months subsequent to June 30, less similar amounts collected during this period in the preceding year, are recognized as revenues. Otherwise, real property taxes receivable are offset by deferred revenues.

Tax Levy and Tax Collection Record

Years Ending June 30:	2019	2020	2021	2022	2023
Total Tax Levy	$ 17,460,683	$ 17,894,710	$ 18,122,794	$ 18,459,677	$ 19,013,222
Amount Uncollected	1,151,738	1,217,925	1,114,318	1,090,249	1,172,272
% Uncollected (1)	6.6%	6.8%	6.4%	5.9%	6.2%

(1) School District taxes are made whole by the respective Counties and City. See “Tax Collection Procedure”.

Note: The total tax levy above includes the STAR exemption.

Real Property Tax Revenues

The following table illustrates the percentage of total revenues of the District for each of the below completed fiscal years, and budgeted and preliminary unaudited figures for the 2022-2023 and budgeted figures for the 2023-2024 fiscal year comprised of Real Property Taxes.

Fiscal Year	Total Revenues [1]	Total Real Property Taxes	Percentage of Total Revenues Consisting of Real Property Tax
2017-2018	$ 42,651,745	$ 17,086,191	40.1%
2018-2019	44,131,605	17,629,718	39.9
2019-2020	44,548,008	17,981,889	40.4
2020-2021	45,418,047	18,429,778	40.6
2021-2022	45,284,564	18,698,961	41.3
2022-2023 (Budgeted)	46,516,400	19,013,222	40.9
2022-2023 (Unaudited)	47,889,881 [2]	19,020,827 [2]	39.7
2023-2024 (Budgeted)	53,246,946	19,583,619	36.8

[1] Total Revenues do not include interfund transfers, appropriated reserves or fund balance.
[2] Preliminary Unaudited results, subject to change.

Source: Audited Financial Statements for the 2017-2018 fiscal year through and including the 2021-2022 fiscal year and the adopted budget and preliminary unaudited figures for the 2022-2023 fiscal year and budgeted figures for the 2023-2024 fiscal year. This table is not audited.

Larger Taxpayers – 2022 Assessment Roll for 2022-23 Taxes

Name	Type	Assessed Valuation
National Grid	Utility	$20,224,642
H.P. Hood	Manufacturing	13,464,000
Wal-Mart	Retail	10,000,000
Oneida Glenwood Association	Shopping Center	9,607,275
Oneida Any RE, LLC	Auto Dealership	9,525,700
SS Realty Northeast, LLC	Retail Store	7,406,300
Wachs Oneida Development	Shopping Center	4,339,100
CSX	Railroad	3,411,394
NYE	Auto Dealership	2,930,100
Verizon	Utility	2,390,529

The larger taxpayers listed above have a total assessed valuation of $83,299,040 which represents 12.4% of the tax base of the School District.

The District currently does not have any pending or outstanding tax certioraris that are known or expected to have a material impact on the District.

Source: District Tax Rolls.

Additional Tax Information

Real property located in the School District is assessed by the Cities and Towns.

Senior citizens' exemptions are offered to those who qualify.

Total assessed valuation of the School District is estimated to be categorized as follows: Residential-81%, Commercial-17% and Other-5%.

The estimated total annual property tax bill of a $75,000 market value residential property located in the School District with a Basic STAR exemption is approximately $2,869 including County, Town or Village, School District and Fire District taxes within the City; and $2,200 outside of city.

STAR – School Tax Exemption

The STAR (School Tax Relief) program provides State-funded exemptions from school property taxes to homeowners for their primary residences. School districts are reimbursed by the State for real property taxes exempted pursuant to the STAR Program.

Homeowners over 65 years of age with household adjusted gross incomes, less the taxable amount of total distributions from individual retirement accounts and individual retirement annuities ("STAR Adjusted Gross Income") of $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 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:

Municipality:	Enhanced Exemption	Basic Exemption	Date Certified
City of Oneida	$ 67,560	$ 24,900	4/6/2023
Town of Lenox	69,190	25,500	4/6/2023
Town of Lincoln	65,930	24,430	4/6/2023
Town of Vernon	42,330	16,290	4/6/2023
Town of Verona	46,400	17,100	4/6/2023
Town of Vienna	38,260	14,100	4/6/2023

$2,387,191 of the District's $19,013,222 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 in January 2023.

Approximately $2,506,702 of the District's $19,583,617 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.

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, it has since been made 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, applicable to the Notes.

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

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 federal 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.

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 "The NOTES - Nature of 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 District has the power to contract indebtedness for any school district purpose authorized by the legislature of the State of New York provided the aggregate principal amount thereof shall not exceed five per centum of the average full valuation of the taxable real estate of the School District and subject to certain enumerated deductions and exclusions set forth in the Local Finance Law. The constitutional method for determining average full valuation is by taking the assessed valuation of taxable real estate for the last five completed assessment rolls and applying thereto the ratio (special equalization ratio) which such assessed valuation bears to the full valuation; such ratio is determined by the State Office of Real Property Services. The State Legislature is required to prescribe the manner by which such ratio shall be determined. Average full valuation is determined by taking the sum of the full valuation of such last completed assessment roll and the four preceding assessment rolls and dividing such sum by five.

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.

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 Year Ending June 30:	2018	2019	2020	2021	2022
Bonds	$ 23,075,000	$ 20,415,000	$ 17,945,000	$ 15,880,000	$ 12,180,000
Bond Anticipation Notes	0	0	0	1,500,000	17,953,000
Revenue Anticipation Notes	0	0	0	0	0
Other Debt [1]	463,326	155,664	0	0	0
Total Debt Outstanding	$ 23,538,326	$ 20,570,664	$ 17,945,000	$ 17,380,000	$ 30,133,000

(1) Represents Energy Performance Contract.

Details of Outstanding Indebtedness

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

Type of Indebtedness	Maturity		Amount
Bonds	2023-2033		$ 12,180,000
Bond Anticipation Notes			
Capital Project	June 23, 2023		$1,453,000 [1]
Capital Project	July 7, 2023		16,500,000 [1]
		Total Indebtedness	$ 30,133,000

(1) To be partially redeemed with available funds and the Notes.

Debt Statement Summary

The following table sets forth the computation of the debt limit of the School District and its debt contracting margin. Regular state equalization rates and special state equalization ratios have been used in computing the debt limit.

As of May 25, 2023:

	Computed Using Regular State Equalization Rates	Computed Using Special State Equalization Ratios
Five Year Average Full Valuation of Taxable Real Property [1]	$ 803,357,718	$ 838,624,836
Debt Limit 5% thereof	40,167,886	41,931,242
Inclusions:		
Bonds	$ 12,180,000	$ 12,180,000
Bond Anticipation Notes	17,953,000	17,953,000
Total Inclusions	$ 30,133,000	$ 30,133,000
Exclusions:		
Appropriations	$ 1,540,000	$ 1,540,000
Total Exclusions [2]	$ 1,540,000	$ 1,540,000
Total Net Indebtedness [3]	$ 28,593,000	$ 28,593,000
Net Debt-Contracting Margin	$ 11,574,886	$ 13,338,242
The percent of debt contracting power exhausted is	71.18%	68.19%

The proceeds of the Notes will not increase the net indebtedness of the District.

(1) The School District's constitutional debt limit has been computed using special equalization ratios established by the Office of Real Property Services pursuant to Art-12-B of the Real Property Tax Law. "Conventional" State equalization rates are also established by said State Board, and are used for all other purposes. See “TAX INFORMATION” for the computation of full valuation using regular and special State equalization ratios, respectively.

(2) As a city school district, the School District is not permitted under New York law to apply to the State Education Department for a Building Aid Estimate in order to provide for an exclusion of a portion of the Bonds from the debt limit of the School District. If the School District was a central school district, it would be authorized to apply for a Building Aid Estimate.

(3) The School District currently receives State aid on existing indebtedness contracted for School building purposes. The School District, as a school district located in a city, may not under Section 121.20 of the Local Finance Law exclude from gross indebtedness estimated State aid for School building purposes. The School District estimates that it will receive State building aid equal to approximately 89.4%.

Bonded Debt Service

A schedule of bonded indebtedness may be found as "APPENDIX – B" to this Official Statement.

Capital Project Plans

On May 16, 2023, the voters of the District approved a proposition for the leasing of school buses and incidental equipment in the amount of $250,000.

On December 9, 2020, District voters approved a $21.6 million improvement project. The District issued $1,500,000 bond anticipation notes on June 24, 2021 as the first borrowing against said authorization. On June 23, 2022, the District issued $1,453,000 bond anticipation notes which along with $47,000 available funds of the District, redeemed $1,500,000 bond anticipation notes which matured on June 24, 2022. The District issued $16,500,000 bond anticipation notes on July 21, 2022 which will mature July 7, 2023. The District will issue $3,600,000 in new money as part of the Notes as the third borrowing against said authorization.

The District has no other capital projects approved or contemplated at this time.

Cash Flow Borrowing

The District has not found it necessary to issue revenue anticipation notes since 2003 and does not anticipate issuing in the near future. The School District has not issued tax anticipation notes in the past and has no plans to issue them in the future.

Estimated Overlapping Indebtedness

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

Municipality	Status of Debt as of	Gross Indebtedness [(1)]	Exclusions [(2)]	Net Indebtedness	District Share	Applicable Indebtedness
County of:						
Madison	12/31/2021	$ 48,910,132	$ 1,809,525	$ 47,100,607	11.85%	$ 5,581,422
Oneida	12/31/2021	435,810,656	285,085,406	150,725,250	2.10%	3,165,230
City of:						
Oneida	12/31/2021	$ 60,196,794	$ 1,923,047	$ 58,273,747	93.34%	$ 54,392,715
Sherrill	12/31/2021	2,095,039	-	2,095,039	0.61%	12,780
Town of:						
Lenox	12/31/2021	4,641,100	4,641,100	-	8.17%	-
Lincoln	12/31/2021	480,000	480,000	-	17.26%	-
Vernon	12/31/2021	-	-	-	15.74%	-
Verona	12/31/2021	5,844,976	4,706,032	1,138,944	31.38%	357,401
Vienna	12/31/2021	2,186,673	2,186,673	-	13.25%	-
Village of:						
Oneida Castle	5/31/2022	-	-	-	100.00%	-
Sylvan Beach	5/31/2022	12,917,093	12,548,000	369,093	100.00%	369,093
Wampsville	5/31/2022	-	-	-	100.00%	-
					Total:	$ 63,878,641

(1) Bonds and bond anticipation notes not adjusted to include subsequent bond 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: Most recent available State Comptroller's reports for fiscal year ending 2021 for the counties and towns and fiscal year ending 2022 for villages.

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]	$ 28,593,000	$ 2,012.60	3.11%
Net Indebtedness Plus Net Overlapping Indebtedness [d]	92,471,641	6,508.88	10.06

(a) The estimated population of the District is 14,207. (See "THE SCHOOL DISTRICT - Population" herein.)
(b) The District's full value of taxable real estate using regular state equalization rates for the 2022-2023 fiscal year is $919,446,199. (See "TAX INFORMATION – Taxable Assessed Valuations" herein.)
(c) See "Debt Statement Summary" for the calculation of Net Direct Indebtedness, herein.
(d) Estimated net overlapping indebtedness is $63,878,641. (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

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 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.

Section 3-a of the General Municipal Law provides, subject to exceptions not pertinent, that the rate of interest to be paid by the District upon any judgment or accrued claim against it shall not exceed nine per centum per annum. 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 or interest on the Notes.

In accordance with the general rule with respect to municipalities, judgments against the District may not be enforced by levy and execution against property owned by the District.

The Federal Bankruptcy Code allows public bodies 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 to file a petition under any provision of Federal bankruptcy law for the composition or adjustment of municipal indebtedness. While these provisions do not apply to Districts, there can be no assurance that they will not be made so applicable in the future.

At the Extraordinary Session of the State Legislature held in November, 1975, legislation was enacted which purported to suspend the right to commence or continue an action in any court to collect or enforce certain short-term obligations of The City of New York. The effect of such act was to create a three-year moratorium on actions to enforce the payment of such obligations. On November 19, 1976, the Court of Appeals, the State's highest court, declared such act to be invalid on the ground that it violates the provisions of the State Constitution requiring a pledge by such City of its faith and credit for the payment of such obligations.

As a result of the Court of Appeals decision, the constitutionality of that portion of Title 6-A of Article 2 of the Local Finance Law enacted at the 1975 Extraordinary Session of the State legislature authorizing any county, city, town or village with respect to which the State has declared a financial emergency to petition the State Supreme Court to stay the enforcement against such municipality of any claim for payment relating to any contract, debt or obligation of the municipality during the emergency period, is subject to doubt. In any event, no such emergency has been declared with respect to the District.

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."

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

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 District's credit rating could be affected by circumstances beyond the District's control. Economic conditions such as the rate of unemployment and inflation, termination of commercial operations by corporate taxpayers and employers, as well as natural catastrophes, could adversely affect the assessed valuation of District property and its ability to maintain fund balances and other statistical indices commensurate with its current credit rating. As a consequence, a decline in the District's credit rating could adversely affect the market value of the Notes.

If and when an owner of any of the Notes should elect to sell all or a part of the Notes prior to maturity, there can be no assurance that a market will have been established, maintained and continue in existence for the purchase and sale of any of those Notes. The market value of the Notes is dependent upon the ability of holder to potentially incur a capital loss if such Notes are sold prior to its maturity.

There can be no assurance that adverse events including, for example, the seeking by another municipality in the State or elsewhere of remedies pursuant to the Federal Bankruptcy Act or otherwise, will not occur which might affect the market price of and the market for the Notes. In particular, if a significant default or other financial crisis should occur in the affairs of the State or any of its municipalities, public authorities or other political subdivisions thereby possibly further impairing the acceptability of obligations issued by those entities, both the ability of the District to arrange for additional borrowing(s) as well as the market for and market value of outstanding debt obligations, including the Notes, could be adversely affected.

The District relies in part on State aid to fund its operations. There can be no assurance that the State appropriation for State aid to school districts will be continued in future years, either pursuant to existing formulas or in any form whatsoever. State aid appropriated and apportioned to the District can be paid only if the State has such monies available therefore. The availability of such monies and the timeliness of such payment may also be affected by a delay in the adoption of the State budget, the impact to the State's economy and financial condition due to the COVID19 outbreak and other circumstances, including State fiscal stress. In any event, State aid appropriated and apportioned to the District can be paid only if the State has such monies available therefore. (See "*State Aid*" herein). Should the District fail to receive State aid expected from the State in the amounts or at the times expected, occasioned by a delay in the payment of such monies or by a reduction in State aid, the District is authorized by the Local Finance Law to provide operating funds by borrowing on account of the uncollected State aid

Future amendments to applicable statutes whether enacted by the State or the United States of America affecting the treatment of interest paid on municipal obligations, including the Notes, for income taxation purposes could have an adverse effect on the market value of the Notes (see "TAX MATTERS" herein).

The enactment of the Tax Levy Limit Law, which imposes a tax levy limitation upon municipalities, school districts and fire districts in the State, including the District, without providing exclusion for debt service on obligations issued by municipalities and fire districts, may affect the market price and/or marketability for the Notes. (See "TAX LEVY LIMITATION LAW" herein.)

Federal or State legislation imposing new or increased mandatory expenditures by municipalities, school districts and fire districts in the State, including the District could impair the financial condition of such entities, including the District and the ability of such entities, including the District to pay debt service on the Notes.

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 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. A complete copy of the proposed form of opinion of Bond Counsel is set forth in "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 approving legal opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel. Bond Counsel expects to deliver an opinion at the time of issuance of the Notes substantially in the form set forth in "APPENDIX – F" hereto.

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LITIGATION

The District is subject to a number of lawsuits in the ordinary conduct of its affairs. The 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 District.

The District is the subject of a claim under the New York Child Victims Act. The litigation is in the early stages of discovery, but is not expected to have a material impact on the District's financial status.

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 District, threatened against or affecting the 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 District taken with respect to the authorization, issuance or sale of the Notes or contesting the corporate existence or boundaries of the District.

CONTINUING DISCLOSURE COMPLIANCE

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

Except as noted below, the District is in compliance within the last five years with all previous undertakings made pursuant to the Rule 15c2-12.:

On December 27, 2022, the District had a 2022 AFIOD filing due. The filing was not made until December 29, 2022. A failure to file notice was submitted to EMMA on January 10, 2023.

MUNICIPAL ADVISOR

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

CUSIP IDENTIFICATION NUMBERS

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

RATING

The Notes are not rated. The purchaser(s) of the Notes may choose to have a rating completed after the sale pending the approval of the District and at the expense of the purchaser(s), including any fees to be incurred by the District, as such rating action will result in a material event notification to be posted to EMMA which is required by the District's Continuing Disclosure Undertakings. (See "APPENDIX - D" herein.)

S&P Global Ratings, a business unit of Standard & Poor's Financial Services LLC ("S&P") has assigned their underlying rating of "A+" with a stable outlook to the District's outstanding serial bonds. A rating reflects only the view of the rating agency assigning such rating and an explanation of the significance of such rating may be obtained from such rating agency. Any desired explanation of the significance of such rating should be obtained from Standard & Poor's Credit Market Services, Public Finance Ratings, 55 Water Street, 38th Floor, New York, New York 10041, Phone: (212) 553-0038, Fax: (212) 553-1390.

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

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.

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: Mr. James Rowley, Assistant Superintendent for Finance, City School District of the City of Oneida, 565 Sayles Street, Oneida, New York 13421, Phone: (315) 363-2550 x2002 , Fax: (315) 363-6728, Email: jrowley@oneidacsd.org.

This Official Statement has been duly executed and delivered by the President of the Board of Education of the City School District of the City of Oneida.

CITY SCHOOL DISTRICT OF THE CITY OF ONEIDA

Dated: May 25, 2023

JAMES MAIO
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					
Cash and Cash Equivalents	$ 4,925,425	$ 5,252,176	$ 5,237,761	$ 5,677,654	$ 4,326,843
Restricted Cash	5,205,216	4,972,948	5,638,273	7,209,968	9,310,995
Net Taxes Receivable	438,736	423,161	578,592	441,496	377,146
Net Accounts Receivable	-	-	-	-	-
Due from Other Governments	1,483,556	1,374,497	1,490,328	1,645,989	1,331,685
Due from Other Funds	648,655	687,323	661,801	1,418,997	4,724,162
Due from State and Federal Government	-	-	-	-	-
Lease Receivables	-	-	-	-	74,621
Other Receivables	314,546	312,589	250,893	207,236	363,661
TOTAL ASSETS	$ 13,016,134	$ 13,022,694	$ 13,857,648	$ 16,601,340	$ 20,509,113
LIABILITIES AND FUND EQUITY					
Accounts Payable	$ 89,118	$ 63,358	$ 101,619	$ 135,570	$ 169,454
Accrued Liabilities	226,382	303,499	281,311	853,858	416,745
Agency Liabilities	-	-	-	-	603,736
Due to Other Funds	194,159	247,091	328,087	876,477	2,391,687
Due to Other Governments	239,221	203,951	-	-	-
Due to Teachers' Retirement System	1,538,350	1,667,554	1,411,663	1,541,130	1,671,873
Due to Employees' Retirement System	130,996	130,835	130,342	144,537	112,601
Deferred Revenue	90,607	62,727	386,904	31,071	99,162
Other Liabilities	-	-	-	-	-
TOTAL LIABILITIES	2,508,833	2,679,015	2,639,926	3,582,643	5,465,258
FUND EQUITY					
Nonspendable	$ -	$ -	$ -	$ -	$ -
Restricted	5,205,216	4,972,948	5,638,273	7,209,968	9,310,995
Assigned	2,696,497	2,413,871	2,432,433	2,585,813	2,681,952
Unassigned	2,605,588	2,956,860	3,147,016	3,222,916	3,050,908
TOTAL FUND EQUITY	10,507,301	10,343,679	11,217,722	13,018,697	15,043,855
TOTAL LIABILITIES and FUND EQUITY	$ 13,016,134	$ 13,022,694	$ 13,857,648	$ 16,601,340	$ 20,509,113

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	$ 13,730,652	$ 14,081,747	$ 14,668,716	$ 15,153,349	$ 15,589,749
Real Property Tax Items	3,074,281	3,004,444	2,961,002	2,828,540	2,840,029
Charges for Services	99,300	111,610	97,567	42,649	35,075
Use of Money & Property	105,284	135,006	191,418	195,939	149,719
Sale of Property and	-				
Compensation for Loss	21,433	238,707	31,557	37,525	39,179
Miscellaneous	521,516	783,841	633,761	844,922	1,399,876
Oneida Indian Nation Settlement	198,840	101,277	1,331	4,596	7,771
Interfund Revenues	-	-	-	-	-
Revenues from State Sources	23,403,659	23,857,844	25,219,595	25,170,472	24,278,566
Revenues from Federal Sources	115,885	310,829	276,658	270,016	1,078,083
Total Revenues	$ 41,270,850	$ 42,625,305	$ 44,081,605	$ 44,548,008	$ 45,418,047
Other Sources:					
Interfund Transfers	-	26,440	50,000	50,897	50,000
Total Revenues and Other Sources	41,270,850	42,651,745	44,131,605	44,598,905	45,468,047
EXPENDITURES					
General Support	$ 3,231,319	$ 3,481,463	$ 3,457,545	$ 3,540,621	$ 3,569,792
Instruction	20,865,656	22,109,865	22,351,211	22,320,366	22,122,041
Pupil Transportation	1,749,479	1,854,739	2,013,718	1,975,734	2,158,953
Community Services	-	-	-	-	-
Employee Benefits	10,888,384	11,230,441	11,944,583	12,120,706	12,802,261
Debt Service	3,624,638	3,603,339	4,113,363	3,544,893	2,868,288
Total Expenditures	$ 40,359,476	$ 42,279,847	$ 43,880,420	$ 43,502,320	$ 43,521,335
Other Uses:					
Interfund Transfers	171,618	187,901	414,807	222,542	145,737
Total Expenditures and Other Uses	40,531,094	42,467,748	44,295,227	43,724,862	43,667,072
Excess (Deficit) Revenues Over Expenditures	739,756	183,997	(163,622)	874,043	1,800,975
FUND BALANCE					
Fund Balance - Beginning of Year	9,583,548	10,323,304	10,507,301	10,343,679	11,217,722
Prior Period Adjustments (net)	-	-	-	-	-
Fund Balance - End of Year	$ 10,323,304	$ 10,507,301	$ 10,343,679	$ 11,217,722	$ 13,018,697

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 Adopted Budget	2022 Final Budget	2022 Actual	2023 Adopted Budget	2024 Adopted Budget
REVENUES					
Real Property Taxes	$ 15,768,676	$ 15,768,676	$ 15,957,006	$ 16,241,532	$ 17,005,917
Real Property Tax Items	2,933,028	2,933,028	2,741,955	3,140,194	2,866,206
Charges for Services	40,300	40,300	51,447	40,300	40,000
Use of Money & Property	103,000	103,000	74,489	103,000	387,000
Sale of Property and Compensation for Loss	3,500	3,500	46,586	3,500	3,500
Miscellaneous	500,000	500,000	720,552	515,000	561,000
Lease Revenue	-	-	66,921	-	-
Oneida Indian Nation Settlement	-	-	8,127	-	-
Revenues from State Sources	25,681,399	25,681,399	25,327,727	26,322,874	27,711,217
Revenues from Federal Sources	115,000	115,000	289,754	150,000	150,000
Total Revenues	$ 45,144,903	$ 45,144,903	$ 45,284,564	$ 46,516,400	$ 48,724,840
Other Sources:					
Appropriated Reserve	$ -	$ -	$ -	$ 386,000	$ 400,000
Appropriated Fund Balance	2,585,813	2,585,213	-	2,542,803	4,122,106
Interfund Transfers	350,000	350,000	1,494,615	-	-
Total Revenues and Other Sources	48,080,716	48,080,116	46,779,179	49,445,203	53,246,946
EXPENDITURES					
General Support	$ 3,896,990	$ 4,013,901	$ 3,695,016	$ 4,105,981	$ 4,096,264
Instruction	24,074,398	23,965,408	22,255,733	24,677,682	26,194,275
Pupil Transportation	2,520,545	1,855,170	1,675,256	2,725,702	2,897,535
Community Services	-	-	-	-	-
Employee Benefits	14,478,068	14,237,143	13,166,849	14,820,138	15,436,972
Debt Service	2,910,715	3,809,277	3,808,091	2,915,700	4,466,900
Total Expenditures	$ 47,880,716	$ 47,880,899	$ 44,600,945	$ 49,245,203	$ 53,091,946
Other Uses:					
Interfund Transfers	200,000	199,217	153,076	200,000	155,000
Total Expenditures and Other Uses	48,080,716	48,080,116	44,754,021	49,445,203	53,246,946
Excess (Deficit) Revenues Over Expenditures	-	-	2,025,158	-	-
FUND BALANCE					
Fund Balance - Beginning of Year	-	-	13,018,697	-	-
Prior Period Adjustments (net)	-	-	-	-	-
Fund Balance - End of Year	$ -	$ -	$ 15,043,855	$ -	$ -

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

BONDED DEBT SERVICE

Fiscal Year Ending June 30th	Principal	Interest	Total
2023	$ 2,270,000	$ 593,188	$ 2,863,188
2024	2,375,000	482,538	2,857,538
2025	1,640,000	383,288	2,023,288
2026	845,000	322,038	1,167,038
2027	895,000	279,788	1,174,788
2028	935,000	243,938	1,178,938
2029	970,000	205,325	1,175,325
2030	1,015,000	165,138	1,180,138
2031	1,065,000	122,431	1,187,431
2032	1,105,000	77,550	1,182,550
2033	605,000	30,250	635,250
TOTALS	$ 13,720,000	$ 2,905,469	$ 16,625,469

CURRENT BONDS OUTSTANDING

Fiscal Year Ending June 30th	2011 Construction			2014 Refunding		
	Principal	Interest	Total	Principal	Interest	Total
2023	$ 110,000	$ 11,500	$ 121,500	$ 355,000	$ 173,788	$ 528,788
2024	115,000	5,875	120,875	375,000	156,038	531,038
2025	60,000	1,500	61,500	400,000	137,288	537,288
2026				415,000	117,288	532,288
2027				445,000	96,538	541,538
2028				465,000	83,188	548,188
2029				475,000	68,075	543,075
2030				495,000	52,638	547,638
2031				515,000	35,931	550,931
2032				530,000	18,550	548,550
TOTALS	$ 285,000	$ 18,875	$ 303,875	$ 4,470,000	$ 939,319	$ 5,409,319

Fiscal Year Ending June 30th	2017 DASNY Refunding		
	Principal	Interest	Total
2023	$ 1,430,000	$ 144,400	$ 1,574,400
2024	1,495,000	75,875	1,570,875
2025	770,000	19,250	789,250
TOTALS	$ 3,695,000	$ 239,525	$ 3,934,525

APPENDIX - B2
Oneida City SD

CURRENT BONDS OUTSTANDING

Fiscal Year Ending June 30th	DASNY - 2018A Construction		
	Principal	Interest	Total
2023	$ 375,000	$ 263,500	$ 638,500
2024	390,000	244,750	634,750
2025	410,000	225,250	635,250
2026	430,000	204,750	634,750
2027	450,000	183,250	633,250
2028	470,000	160,750	630,750
2029	495,000	137,250	632,250
2030	520,000	112,500	632,500
2031	550,000	86,500	636,500
2032	575,000	59,000	634,000
2033	605,000	30,250	635,250
TOTALS	$ 5,270,000	$ 1,707,750	$ 6,977,750

COMPUTATION OF FULL VALUATION

Using Regular Equalization Rates

Fiscal Year Ending June 30:		2019	2020	2021	2022	2023
Assessed Valuation						
Cities of:	Oneida	$ 443,632,063	$ 449,812,071	$ 451,142,414	$ 459,779,326	$ 458,280,171
	Sherill	771,732	779,851	784,567	785,411	786,235
Towns of:	Lenox	35,840,564	35,865,034	35,868,145	35,824,058	35,938,273
	Lincoln	17,469,052	17,500,111	17,337,576	17,336,177	17,250,870
	Vernon	51,405,326	51,500,278	51,791,695	51,965,419	52,141,520
	Verona	76,139,669	76,798,832	76,845,135	77,514,781	78,214,846
	Vienna	29,689,708	29,720,917	29,800,134	30,005,566	30,418,659
Total Assessed Valuation		$ 654,948,114	$ 661,977,094	$ 663,569,666	$ 673,210,738	$ 673,030,574
State Equalization Rates						
Cities of:	Oneida	100.00%	97.00%	97.00%	93.00%	83.00%
	Sherill	73.50%	66.20%	64.50%	61.00%	52.00%
Towns of:	Lenox	100.00%	96.00%	95.50%	91.50%	85.00%
	Lincoln	100.00%	96.00%	95.50%	91.50%	81.00%
	Vernon	73.50%	66.20%	64.50%	61.00%	52.00%
	Verona	72.00%	64.00%	64.00%	63.00%	57.00%
	Vienna	56.00%	55.00%	53.00%	52.00%	47.00%
Full Valuation						
Cities of:	Oneida	$443,632,063	$463,723,785	$465,095,272	$494,386,372	$552,144,784
	Sherill	1,049,976	1,178,023	1,216,383	1,287,559	1,511,990
Towns of:	Lenox	35,840,564	37,359,410	37,558,267	39,151,976	42,280,321
	Lincoln	17,469,052	18,229,282	18,154,530	18,946,642	21,297,370
	Vernon	69,939,219	77,794,982	80,297,202	85,189,211	100,272,154
	Verona	105,749,540	119,998,175	120,070,523	123,039,335	137,219,028
	Vienna	53,017,336	54,038,031	56,226,668	57,703,012	64,720,551
Total Full Valuation		$ 726,697,750	$ 772,321,688	$ 778,618,845	$ 819,704,106	$ 919,446,199

COMPUTATION OF FULL VALUATION

Using Special Equalization Ratios

Fiscal Year Ending June 30:		2019	2020	2021	2022	2023
Assessed Valuation						
Cities of:	Oneida	$ 443,632,063	$ 449,812,071	$ 451,142,414	$ 459,779,326	$ 458,280,171
	Sherill	771,732	779,851	784,567	785,411	786,235
Towns of:	Lenox	35,840,564	35,865,034	35,868,145	35,824,058	35,938,273
	Lincoln	17,469,052	17,500,111	17,337,576	17,336,177	17,250,870
	Vernon	51,405,326	51,500,278	51,791,695	51,965,419	52,141,520
	Verona	76,139,669	76,798,832	76,845,135	77,514,781	78,214,846
	Vienna	29,689,708	29,720,917	29,800,134	30,005,566	30,418,659
Total Assessed Valuation		$ 654,948,114	$ 661,977,094	$ 663,569,666	$ 673,210,738	$ 673,030,574
Special Equalization Ratios						
Cities of:	Oneida	96.73%	93.09%	92.77%	92.50%	80.91%
	Sherill	64.00%	60.60%	59.66%	58.71%	48.29%
Towns of:	Lenox	95.57%	91.54%	90.95%	90.47%	82.93%
	Lincoln	95.57%	91.54%	90.95%	90.47%	78.09%
	Vernon	64.00%	60.60%	59.66%	58.71%	48.29%
	Verona	64.07%	62.40%	60.88%	59.50%	52.74%
	Vienna	52.57%	51.57%	50.52%	49.57%	44.06%
Full Valuation						
Cities of:	Oneida	$458,629,239	$483,201,279	$486,302,052	$497,058,731	$566,407,330
	Sherill	1,205,831	1,286,883	1,315,064	1,337,781	$1,628,153
Towns of:	Lenox	37,501,898	39,179,631	39,437,213	39,597,721	$43,335,672
	Lincoln	18,278,803	19,117,447	19,062,755	19,162,349	$22,091,010
	Vernon	80,320,822	84,983,957	86,811,423	88,512,041	$107,975,813
	Verona	118,838,253	123,075,051	126,223,941	130,276,943	$148,302,704
	Vienna	56,476,523	57,632,183	58,986,805	60,531,705	$69,039,172
Total Full Valuation		$ 771,251,370	$ 808,476,432	$ 818,139,253	$ 836,477,269	$ 958,779,854

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 "Commission") pursuant to the Securities Exchange Act of 1934, the 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 Commission 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 Notes; 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 Note, or other material events affecting the tax status of the Notes;

(g) modifications to rights of holders of the Notes, 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 District

(m) the consummation of a merger, consolidation, or acquisition involving the District or the sale of all or substantially all of the assets of the 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; and

(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 in 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 Note holders, 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 Notes.

With respect to event (d) the 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 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 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 District.

The 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 District determines that any such other event is material with respect to the Notes; but the District does not undertake to commit to provide any such notice of the occurrence of any material event except those events listed above.

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

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

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CITY SCHOOL DISTRICT OF THE CITY OF ONEIDA

FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED JUNE 30, 2022
TOGETHER WITH INDEPENDENT AUDITOR'S REPORT

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.

CITY SCHOOL DISTRICT
OF THE CITY OF ONEIDA,
NEW YORK

MANAGEMENT'S
DISCUSSION AND
ANALYSIS

AND

BASIC FINANCIAL
STATEMENTS

For the Year Ended
June 30, 2022

CITY SCHOOL DISTRICT OF THE CITY OF ONEIDA, NEW YORK
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D'Arcangelo & Co., LLP
Certified Public Accountants & Consultants

200 E. Garden St., P.O. Box 4300, Rome, N.Y. 13442-4300
315-336-9220 Fax: 315-336-0836

Independent Auditor's Report

Board of Education
Oneida City School District

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Oneida City School District, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Oneida City School District's basic financial statements as listed in the table of contents.

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

Basis for Opinions

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

New Accounting Standard

As discussed in Notes 1 and 21 to the financial statements, the School District changed its accounting policies related to the accounting and reporting of leases by adopting the Governmental Accounting Standards Board's (GASB) Statement No. 87, *Leases*. The new pronouncement changes the criteria used, and provides guidance on accounting and reporting for leases. Our opinion is not modified with respect to this matter.

Correction of Error – Capital Assets

As discussed in Notes 20 to the financial statements, the School District had an inventory for its capital assets conducted. As a result of the new inventory, a prior period adjustment was required decreasing the District-wide net position and net capital assets in the amount of $1,955,278. 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 Oneida City 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.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Oneida City 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 Oneida City 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 and other required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Oneida City School District's basic financial statements. The other supplementary information as listed in the table of contents is presented for purposes of additional analysis as required by the New York State Education Department and is not a required part of the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis 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*, and is also not a required part of the financial statements.

The Schedule of Expenditures of Federal Awards and other supplementary information are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 11, 2022, on our consideration of the Oneida City School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Oneida City School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Oneida City School District's internal control over financial reporting and compliance.

D'Arcangelo + Co., LLP

October 11, 2022

Rome, New York

The City School District of the City of Oneida, New York's discussion and analysis of financial performance provides an overall review of the District's financial activities for the fiscal years ended June 30, 2022 and 2021. The intent of this discussion and analysis is to look at the District's financial performance as a whole. This should be read in conjunction with the financial statements, which immediately follow this section.

1. FINANCIAL HIGHLIGHTS

Key financial highlights for the fiscal year ended June 30, 2022, are as follows:

- The District's total Net Position, as reflected in the District-wide financial statements, increased by $641,952.

- The current total net position is a deficit in the amount of $55,764,831. The deficit is primarily the result of the requirement to accrue other postemployment benefits, which required the recognition of an unfunded liability of $115,763,494 at June 30, 2022. Since New York State Laws provide no mechanism for funding the liability, any subsequent accruals are expected to increase the deficit in subsequent years.

- The District's expenses for the year, as reflected in the District-wide financial statements, totaled $52,676,426. This amount was offset with $75,756 for program charges for services and $7,926,307 for operating and capital grants to support instructional and food service programs. General revenues of $45,316,315 amount to 85.0% of total revenues.

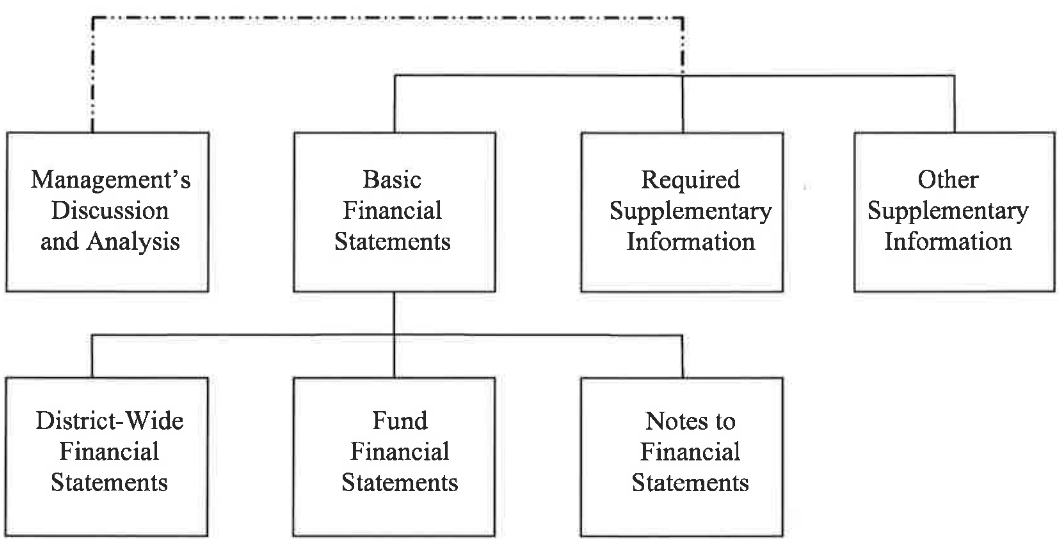
- State and federal revenue increased by 2.2% to $25,617,481 in 2022 from $25,060,649 in 2021. This increase was primarily due to an increase in foundation and transportation State aid and which was offset by a decrease in CARES Act funding.

- The total fund balance, as reflected in the fund financial statements on pages 15 and 17, increased by $495,459 to $13,836,446. This was mainly due to a surplus of $2,025,158 in the General Fund due to federal grant reimbursement expenditures incurred in the prior year before the grant was approved. This surplus was partially offset by a deficit in the Capital Fund for planned project expenditures.

- The General Fund's unassigned fund balance is 6.2% of the subsequent year's budget.

2. OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of four parts – Management's Discussion and Analysis (MD&A), the basic financial statements, required supplementary information, and other supplementary information. The basic financial statements consist of District-wide financial statements, fund financial statements, and notes to the financial statements. A graphic display of the relationship of these statements is as follows:



A. District-wide Financial Statements

The District-wide financial statements are organized to provide an understanding of the fiscal performance of the District as a whole in a manner similar to a private sector business. There are two District-wide financial statements - the Statement of Net Position and the Statement of Activities. These statements provide both an aggregate and long-term view of the District's finances.

These statements utilize the accrual basis of accounting. This basis of accounting recognizes the financial effects of events when they occur, without regard to the timing of cash flows related to the events.

The Statement of Net Position

The Statement of Net Position presents information on all of the District's assets, deferred outflows of resources, liabilities and deferred inflows of resources with the difference as net position. Increases or decreases in Net Position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating, respectively.

The Statement of Activities

The Statement of Activities presents information showing the change in Net Position during the fiscal year. All changes in Net Position are recorded at the time the underlying financial event occurs. Therefore, revenues and expenses are reported in the statement for some items that will result in cash flow in future fiscal periods.

B. Fund Financial Statements

The fund financial statements provide more detailed information about the District's funds, not the District as a whole. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District also uses fund accounting to ensure compliance with finance-related legal requirements. The funds of the District are reported in the governmental funds and the fiduciary funds.

These statements utilize the modified accrual basis of accounting. This basis of accounting recognizes revenues in the period that they become measurable and available. It recognizes expenditures in the period that they become measurable, funded through available resources and payable within a current period.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the District-wide financial statements. However, the governmental fund financial statements focus on shorter term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year for spending in future years. Consequently, the governmental fund statements provide a detailed short-term view of the District's operations and the services it provides.

Because the focus of governmental funds is narrower than that of District-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the District-wide financial statements. By doing so, you may better understand the long-term impact of the District's near-term financing decisions. Both the governmental fund Balance Sheet and the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District maintains six individual governmental funds; general fund, school lunch fund, special aid fund, miscellaneous special revenue fund, debt service fund, and capital projects fund, each of which is considered to be a major fund and is presented separately in the fund financial statements.

Fiduciary Funds

Fiduciary funds are used to account for assets held by the District in its capacity as agent or trustee. All of the District's fiduciary activities are reported in a separate Statement of Fiduciary Net Position. The fiduciary activities have been excluded from the District's District-wide financial statements because the District cannot use these assets to finance its operations.

3. FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

A. Net Position

The District's total Net Position increased by $641,952 between fiscal year 2021 and 2022. A summary of the District's Statement of Net Position for June 30, 2022 and 2021 is as follows:

	2022	(Restated) 2021	Increase (Decrease)	Percentage Change
Current and Other Assets	$ 19,158,907	$ 17,769,682	$ 1,389,225	7.8%
Net Pension Asset - Proportionate Share	16,448,820		16,448,820	100.0%
Capital and Right to Use Assets, Net	49,582,294	48,251,666	1,330,628	2.8%
Total Assets	85,190,021	66,021,348	19,168,673	29.0%
Deferred Outflows of Resources	27,747,628	31,379,231	(3,631,603)	(11.6%)
Current Liabilities	5,312,973	4,446,543	866,430	19.5%
Net Pension Liability - Proportionate Share		2,457,036	(2,457,036)	(100.0%)
Non-Current Liabilities	133,291,661	138,922,597	(5,630,936)	(4.1%)
Total Liabilities	138,604,634	145,826,176	(7,221,542)	(5.0%)
Deferred Inflows of Resources	30,097,846	7,981,186	22,116,660	277.1%
Net Investment in Capital Assets	31,494,577	28,620,440	2,874,137	10.0%
Restricted	10,077,429	8,027,696	2,049,733	25.5%
Unrestricted (Deficit)	(97,336,837)	(93,054,919)	(4,281,918)	(4.6%)
Total Net (Deficit)	$ (55,764,831)	$ (56,406,783)	$ 641,952	1.1%

Current and other assets increased by $1,389,225, as compared to the prior year. This increase is primarily due to an increase in the District's cash balances and State Aid receivable amounts.

The Net Pension Asset increased from the prior year due to a change in the actuarially calculated portion of the statewide Teachers' Retirement System Asset (Liability). In the current year, both retirement systems have a net asset.

Capital and right to use leased assets, net of accumulated depreciation and amortization, increased by $1,330,628, as compared to the prior year. This increase is due to additions to Capital and right to use leased assets exceeding depreciation and amortization expense. The main additions were the result of $2,253,855 spent for capital projects and $1,696,662 for new leases for buses and vehicles.

Government accounting standards requires the inclusion of the District's proportionate share of net assets and/or liabilities in the New York State Teachers' Retirement System and Employees' Retirement System. The net change in the proportionate share of net assets and/or liabilities and the amounts of deferred inflows and outflows resulted in an increase in financial position of $2,864,596.

Current liabilities increased by $866,430, as compared to the prior year. This increase is primarily a result of an increase of $130,743 in due to Teachers' Retirement System liability, and construction contract retainage payable of $603,736.

Non-current liabilities decreased by $5,630,936 as compared to the prior year. This decrease is primarily the result of a decrease in Other Postemployment Liabilities of $4,059,854, and a decrease in Serial Bonds debt of $2,160,000, due to repayments.

The Net Investment in Capital Assets is calculated by subtracting the amount of outstanding debt used for construction and for leasing assets from the total cost of all asset acquisitions, net of accumulated depreciation and amortization. The total cost of these acquisitions includes expenditures to purchase land, construct and improve buildings and purchase vehicles, equipment and furniture to support District operations.

The unrestricted Net Position at June 30, 2022, is a deficit of $97,336,837, which represents the amount by which the District's liabilities and deferred inflows of resources, excluding debt related to capital construction, exceeded the District's assets other than capital assets and deferred outflows of resources, and excluding restricted amounts. This deficit is primarily due to the recognition of the $115,763,494 liability for other postemployment benefits.

The restricted Net Position at June 30, 2022 is $10,077,429 which represents the amount of the District's restricted funds in the General, Miscellaneous Special Revenue, and Debt Service.

B. Changes in Net Position

The results of this year's operations as a whole are reported in the Statement of Activities in a programmatic format in the accompanying financial statements. In the accompanying financial statements STAR (school tax relief) revenue is included in the other tax items line. However, in this MD&A, STAR revenue has been combined with property taxes. A summary of this statement for the years ended June 30, 2022 and 2021 is as follows:

Revenues	2022	2021	Increase (Decrease)	Percentage Change
Program Revenues				
Charges for Services	$ 75,756	$ 38,882	$ 36,874	94.8%
Operating Grants	7,621,020	2,783,029	4,837,991	173.8%
Capital Grants and Contributions	305,287	300,688	4,599	1.5%
General Revenues				
Property Taxes and STAR	18,692,431	18,369,945	322,486	1.8%
State and Federal Sources	25,617,481	25,060,649	556,832	2.2%
Oneida Indian Nation Settlement	8,127	7,771	356	4.6%
Other	998,276	1,628,237	(629,961)	(38.7%)
Total Revenues	53,318,378	48,189,201	5,129,177	10.6%
Expenses				
General Support	4,300,391	5,962,059	(1,661,668)	(27.9%)
Instruction	43,658,107	44,311,436	(653,329)	(1.5%)
Pupil Transportation	3,574,952	4,156,154	(581,202)	(14.0%)
Food Service Program	516,405	901,982	(385,577)	(42.7%)
Debt Service-Unallocated Interest	626,571	629,478	(2,907)	(0.5%)
Total Expenses	52,676,426	55,961,109	(3,284,683)	(5.9%)
Total Change in Net Position	$ 641,952	$ (7,771,908)	$ 8,413,860	(108.3%)

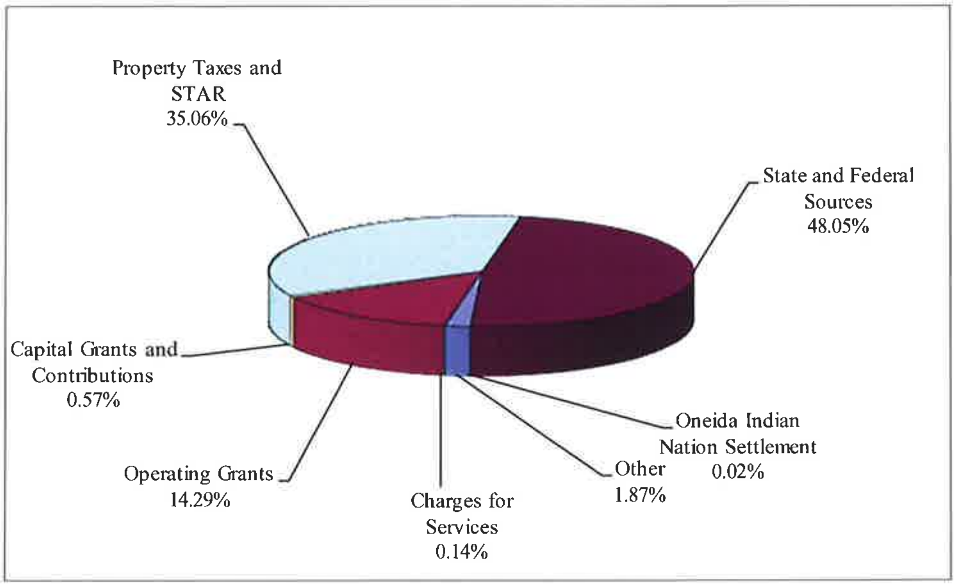
The District's revenues increased by $5,129,177 in 2022 or 10.6%. The major factors that contributed to the increase were:

- The District received an additional $4,837,991 in operating grants mainly due to $4,351,710 in federal grants as the result of the American Rescue Plan Act of 2021 and the Coronavirus Response and Relief Supplemental Appropriations Act, 2021.
- The District's Property Taxes and STAR revenue increased by $322,486 due to increase in property taxes of 1.8%.
- The District's State and federal increase was primarily due to an increase in foundation and transportation State aid and which was partially offset by a decrease in CARES Act funding.

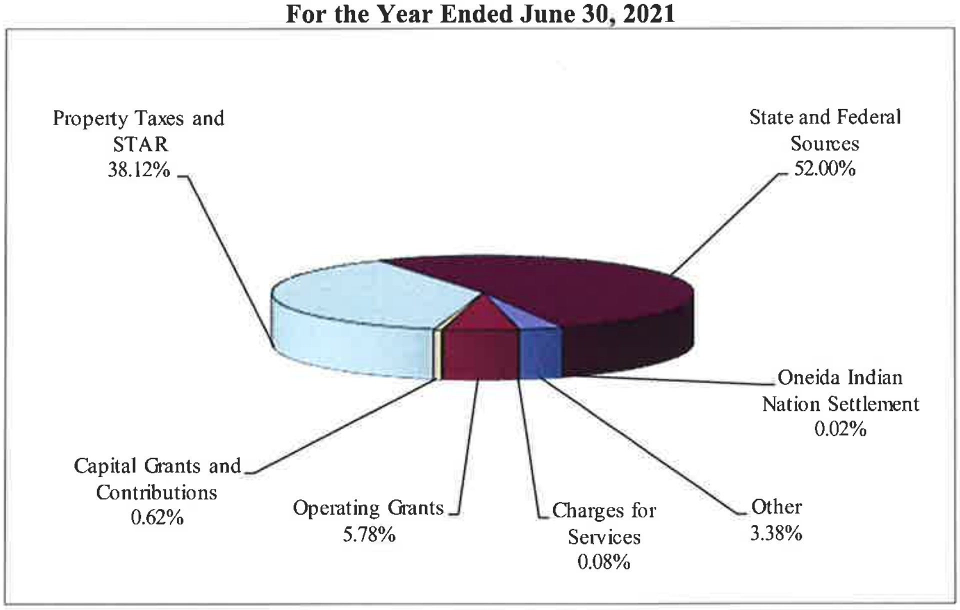
The District's expenses for the year decreased by $3,284,683 or 5.9% mainly due to a decrease in the other postemployment benefit expense by $1,371,918 and a decrease in pension expense by $4,532,390.

A graphic display of the distribution of revenues for the two years follows:

For the Year Ended June 30, 2022

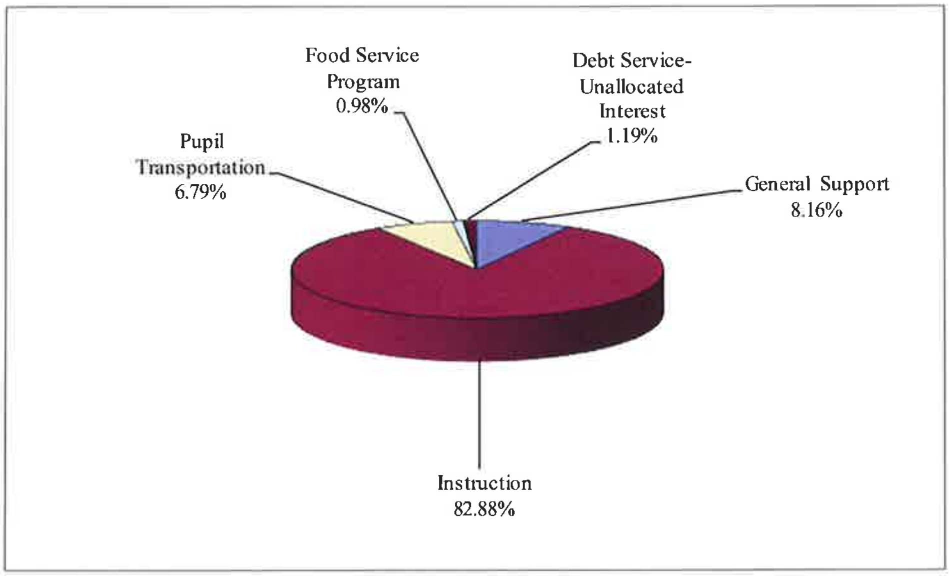


For the Year Ended June 30, 2021

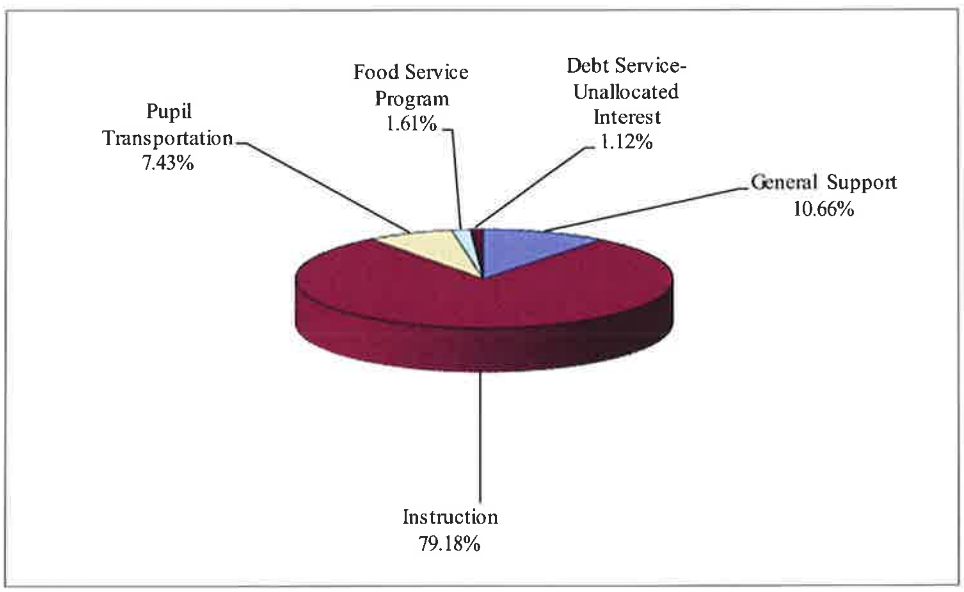


A graphic display of the distribution of expenses for the two years follows:

For the Year Ended June 30, 2022



For the Year Ended June 30, 2021



4. FINANCIAL ANALYSIS OF THE DISTRICT'S FUND BALANCES

At June 30, 2022, the District's governmental funds reported a combined fund balance of $13,836,446 which is an increase of $495,459 over the prior year. This increase is due to a surplus of revenues over expenditures for the year. A summary of the change in fund balance by fund is as follows:

General Fund	2022	2021	Increase (Decrease)
Mandatory Debt Service	$ 3,826	$ 3,826	$
Workers' Compensation	250,000		250,000
Unemployment Insurance	483,379	483,311	68
Employee Benefit Accrued Liability	1,103,436	803,321	300,115
Retirement Contribution - ERS	2,393,779	1,993,493	400,286
Retirement Contribution - TRS	350,266	300,223	50,043
Property Loss	928,144	678,047	250,097
Liability	966,090	665,996	300,094
Capital	1,022,029	721,926	300,103
Repairs	814,047	563,967	250,080
Insurance	900,128	900,000	128
Tax Certiorari	95,871	95,858	13
Total Restricted	9,310,995	7,209,968	2,101,027
Assigned			
Appropriated for Subsequent Year's Budget	2,612,218	2,578,040	34,178
General Support	9,776	36	9,740
Instruction	36,885	7,737	29,148
Pupil Transportation	23,073		23,073
Total Assigned	2,681,952	2,585,813	96,139
Unassigned			
Unassigned	3,050,908	3,222,916	(172,008)
Total General Fund	15,043,855	13,018,697	2,025,158
School Lunch Fund			
Nonspendable	62,392	45,177	17,215
Assigned	336,876	56,493	280,383
Total School Lunch Fund	399,268	101,670	297,598
Miscellaneous Special Revenue Fund			
Restricted	64,504	66,081	(1,577)
Debt Service Fund			
Restricted	701,930	751,647	(49,717)
Capital Fund			
Unassigned (Deficit)	(2,373,111)	(597,108)	(1,776,003)
Total Fund Balance	$ 13,836,446	$ 13,340,987	$ 495,459

5. GENERAL FUND BUDGETARY HIGHLIGHTS

A. 2021-2022 Budget

The District's General Fund original budget for the year ended June 30, 2022, was $48,080,716. This is an increase of $1,426,123 over the prior year's original budget.

The budget was funded through a combination of revenues and designated fund balance. The majority of this funding source was $18,701,704 in estimated property taxes and STAR and $25,681,399 in State Aid.

B. Change in General Fund's Unassigned Fund Balance (Budget to Actual)

The General Fund's unassigned fund balance is the component of total fund balance that is the residual of prior years' excess revenues over expenditures, net of transfers to reserves and designations to fund the subsequent year's budget. It is this balance that is commonly referred to as the "fund balance". The change in this balance demonstrated through a comparison of the actual revenues and expenditures for the year compared to budget follows:

Opening, Unassigned Fund Balance	$ 3,222,916
Revenues and Transfers under Budget and Appropriated Fund Balance	(1,300,937)
Increase in Appropriated Fund Balance	(34,178)
Expenditures and Encumbrances under Budget	3,256,361
Encumbrances at June 30, 2021	7,773
Net Increase to Restricted Funds	(2,101,027)
Closing, Unassigned Fund Balance	$ 3,050,908

Opening, Unassigned Fund Balance

The $3,222,916 shown in the table is the portion of the District's June 30, 2021, fund balance that was retained as unassigned. This was 6.7% of the District's 2021-2022 voter and Board approved operating budget.

Revenues and Other Financing Sources Under Budget

The 2021-2022 final budget for revenues and other financing sources was $48,080,116. The actual revenues received for the year were $46,779,179. The actual revenue and other financing sources was under the budgeted revenue and other financing sources by $1,300,937. This variance contributes directly to the change to the unassigned portion of the General Fund balance from June 30, 2021 to June 30, 2022.

Appropriated Fund Balance

The District has chosen to use $2,612,218 of its available June 30, 2022, fund balance to partially fund its 2022-2023 approved operating budget. This appropriation is $34,178 more than the appropriated fund balance of $2,578,040 in the 2021-2022 budget.

Expenditures and Encumbrances Under Budget

The 2021-2022 final budget for expenditures was $48,080,116. The actual expenditures and encumbrances were $44,823,755. The final budget was under expended and encumbered by $3,256,361. This under expenditure contributes to the change to the unassigned portion of the General Fund balance from June 30, 2021 to June 30, 2022.

Net Increase to Restricted Funds

Combined increase of $2,101,027 to the General Fund restricted fund balances during the year ended June 30, 2022 represents interest on existing balances as well as an increase of $2,100,000 to the various reserves listed above.

Closing, Unassigned Fund Balance

Based upon the summary changes shown in the above table, the District will begin the 2022-2023 fiscal year with an unassigned fund balance of $3,050,908. This is a decrease of $172,008 over the unassigned balance from the prior year as of June 30, 2022. This was 6.2% of the District's 2022-2023 voter and Board approved operating budget.

6. CAPITAL ASSET AND DEBT ADMINISTRATION

A. Capital Assets

At June 30, 2022, the District had invested in a broad range of capital and right to use leased assets, including land, construction in progress, buildings and improvements, vehicles, and equipment. The net decrease in capital right to use leased assets is due to depreciation and amortization exceeding capital and lease additions for the year ended June 30, 2022. A summary of the District's capital and right to use leased assets, net of depreciation and amortization at June 30, 2022 and 2021, is as follows:

	2022	(Restated) 2021	Increase (Decrease)
Land	$ 3,787,300	$ 3,787,300	$
Construction in Progress	3,144,611	346,012	2,798,599
Buildings and Improvements	38,967,332	43,293,665	(4,326,333)
Furniture, Equipment and Vehicles	1,203,931	1,191,705	12,226
Risght to Use Leased Assets	2,479,120	1,588,262	890,858
Capital and Right to Use Leased Assets, Net	$ 49,582,294	$ 50,206,944	$ (624,650)

B. Debt Administration

At June 30, 2022, the District had total long term debt payable of $13,720,000. At June 30, 2022, the School District exhausted 33.8% of its Statutory Debt Limit. A summary of the outstanding debt at June 30, 2022 and 2021 is as follows:

Issue Date	Interest Rate %	2022	2021	(Decrease)
Serial Bonds				
12/15/11	3.00-5.00	$ 285,000	$ 1,755,000	$ (1,470,000)
08/19/14	2.00-5.00	4,470,000	4,805,000	(335,000)
11/09/17	2.00-5.00	3,695,000	3,700,000	(5,000)
06/07/18	5.00	5,270,000	5,620,000	(350,000)
Total Serial Bonds		$ 13,720,000	$ 15,880,000	$ (2,160,000)

7. ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

On May 17, 2022 the voters of the District approved a budget of $49,445,203 for the 2022-23 school year, and approved a separate proposition for the leasing of school busses and incidental equipment for a term not to exceed five years at a cost not to exceed $202,000.

The 2022-23 budget increased appropriations 2.85% as the District realized cost increases primarily in salaries, benefits and bus leasing expenses. Overall State Aid increased 2.66% with Foundation Aid being the largest category of increase. The tax levy increase of 3.0% complied with the New York State Tax Cap Law limit. The budget maintained all existing programing and compliance with state education standards. The District entered into a new collective bargaining agreement with the Oneida Administrators Association that expires June 30, 2025.

8. CONTACTING THE DISTRICT

This financial report is designed to provide the 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 School District's Business Office, City School District of the City of Oneida, New York, P.O. Box 327, Oneida, New York 13421.

CITY SCHOOL DISTRICT OF THE CITY OF ONEIDA, NEW YORK
STATEMENT OF NET POSITION
June 30, 2022

Assets		
Cash and Cash Equivalents	$	4,925,996
Restricted Cash and Cash Equivalents		10,628,645
Receivables		
Tax Receivables		377,146
Other Governments		2,722,189
Other Receivables		367,918
Lease Receivables		74,621
Inventory		62,392
Net Pension Asset-Proportionate Share		16,448,820
Right To Use Leased Assets, Net		2,479,120
Capital Assets, Net		47,103,174
Total Assets		85,190,021
Deferred Outflows of Resources		
Pensions		10,926,794
OPEB		16,533,420
Deferred Charge from Refunding of Debt, Net		287,414
Total Deferred Outflows of Resources		27,747,628
Total Assets and Deferred Outflows of Resources	$	112,937,649
Liabilities		
Accounts Payable	$	656,490
Accrued Liabilities		430,129
Retainage Payable		603,736
Accrued Interest Payable		89,674
Due To		
Other Governments		1,861
Teachers' Retirement System		1,671,873
Employees' Retirement System		112,601
Short-Term Notes Payables		
Bond Anticipation Notes		1,453,000
Unearned Revenue		293,609
Noncurrent Liabilities		
Due Within One Year		3,105,478
Due in More Than One Year		130,186,183
Total Liabilities		138,604,634
Deferred Inflows of Resources		
Leases		74,621
Pensions		20,621,359
OPEB		9,401,866
Total Deferred Inflows of Resources		30,097,846
Total Liabilities and Deferred Inflows of Resources		168,702,480
Net Position		
Net Investment in Capital Assets		31,494,577
Restricted		10,077,429
Unrestricted (Deficit)		(97,336,837)
Total Net Position (Deficit)		(55,764,831)
Total Liabilities, Deferred Inflows of Resources and Net Position (Deficit)	$	112,937,649

The Accompanying Notes are an Integral Part of These Financial Statements.

CITY SCHOOL DISTRICT OF THE CITY OF ONEIDA, NEW YORK
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2022

		Program Revenues			Net (Expense)
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants	Revenue and Changes in Net Position
General Support	$ 4,300,391	$	$	$	$ (4,300,391)
Instruction	43,658,107	51,447	6,607,033	305,287	(36,694,340)
Pupil Transportation	3,574,952				(3,574,952)
Food Service Program	516,405	24,309	1,013,987		521,891
Debt Service-Unallocated Interest	626,571				(626,571)
Total Functions/Programs	$ 52,676,426	$ 75,756	$ 7,621,020	$ 305,287	(44,674,363)
General Revenues					
Real Property Taxes					15,950,476
STAR and Other Real Property Tax Items					2,741,955
Use of Money and Property					74,789
Oneida Indian Nation Settlement					8,127
Sale of Property and Compensation for Loss					46,586
State and Federal Sources					25,617,481
Lease Revenue					66,921
Miscellaneous					809,980
Total General Revenues					45,316,315
Change in Net Position					641,952
Net Position (Deficit), Beginning of Year					(54,831,374)
Cumulative Effect of Change in Accounting Principle					379,869
Prior Period Adjustment					(1,955,278)
Net Position (Deficit), Beginning of Year (Restated)					(56,406,783)
Net Position (Deficit), End of Year					$ (55,764,831)

CITY SCHOOL DISTRICT OF THE CITY OF ONEIDA, NEW YORK

BALANCE SHEET - GOVERNMENTAL FUNDS

June 30, 2022

	General	School Lunch	Special Aid	Miscellaneous Special Revenue	Debt Service	Capital	Total
Assets							
Cash and Cash Equivalents	$ 4,326,843	$ 304,617	$ 294,536	$	$	$	$ 4,925,996
Restricted Cash and Cash Equivalents	9,310,995			64,989	614,324	638,337	10,628,645
Receivables							
Tax Receivables	377,146						377,146
Other Governments	1,331,685	195,336	1,195,168				2,722,189
Due from Other Funds	4,724,162		2,191,021	15	137,606	57,601	7,110,405
Lease Receivable	74,621						74,621
Other Receivables	363,661	721	3,536				367,918
Inventory		62,392					62,392
Total Assets	$ 20,509,113	$ 563,066	$ 3,684,261	$ 65,004	$ 751,930	$ 695,938	$ 26,269,312
Liabilities							
Payables							
Accounts Payable	$ 169,454	$ 2,592	$ 90,514	$	$	$ 393,930	$ 656,490
Accrued Liabilities	416,745	5,959	7,425				430,129
Agency Liabilities	603,736						603,736
Due To							
Other Governments		335	1,526				1,861
Other Funds	2,391,687	110,304	3,552,413	500	50,000	1,005,501	7,110,405
Teachers' Retirement System	1,671,873						1,671,873
Employees' Retirement System	112,601						112,601
Short-Term Notes Payables							
Bond Anticipation Notes						1,453,000	1,453,000
Unearned Revenue		44,608	32,383			216,618	293,609
Total Liabilities	5,366,096	163,798	3,684,261	500	50,000	3,069,049	12,333,704
Deferred Inflows of Resources							
Deferred Inflow of Resources - Leases	74,621						74,621
Unavailable - Real Property Taxes	24,541						24,541
Total Deferred Inflows of Resources	99,162						99,162
Fund Balance							
Nonspendable		62,392					62,392
Restricted	9,310,995			64,504	701,930		10,077,429
Assigned	2,681,952	336,876					3,018,828
Unassigned (Deficit)	3,050,908					(2,373,111)	677,797
Total Fund Balance (Deficit)	15,043,855	399,268		64,504	701,930	(2,373,111)	13,836,446
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	$ 20,509,113	$ 563,066	$ 3,684,261	$ 65,004	$ 751,930	$ 695,938	$ 26,269,312

The Accompanying Notes are an Integral Part of These Financial Statements.

CITY SCHOOL DISTRICT OF THE CITY OF ONEIDA, NEW YORK
RECONCILIATION OF THE GOVERNMENTAL FUND BALANCES
TO THE DISTRICT-WIDE NET POSITION
June 30, 2022

Total Governmental Fund Balances		$ 13,836,446
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Revenues that do not provide current financial resources are recognized in the Statement of Net Position but not the fund financial statements.		
	Real Property Taxes	24,541
The cost of building, acquiring, or leasing capital or right to use leased assets financed from the governmental funds are reported as expenditures in the year they are incurred, and the assets do not appear on the balance sheet. However, the Statement of Net Position includes those capital assets among the assets of the School District as a whole, and their original costs are expensed annually over their useful lives.		
	Original Cost Right To Use Leased Assets	4,100,148
	Accumulated Amortization	(1,621,028)
	Original Cost of Capital Assets	102,620,755
	Accumulated Depreciation	(55,517,581)
		49,582,294
Deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources until that time. Deferred outflows of resources at year end consisted of:		
	Deferred Outflows - OPEB	16,533,420
	Deferred Outflows - Pensions	10,926,794
	Deferred Charge on Advance Refunding	287,414
		27,747,628
Deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources until that time. Deferred inflows of resources at year end consisted of:		
	Deferred Inflows - Pensions	(20,621,359)
	Deferred Inflows - OPEB	(9,401,866)
		(30,023,225)
Proportionate share of long-term asset and liability associated with participation in state retirement system are not current financial resources or obligations and are not reported in the funds.		
	Net Pension Asset - Proportionate Share	16,448,820
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported as liabilities in the funds. Long-term liabilities at year end consist of:		
	Bonds Payable	(13,720,000)
	Unamortized Premium	(1,223,932)
	Accrued Interest on Bonds Payable	(89,674)
	Lease Liability	(1,978,199)
	Other Post Employment Liabilities	(115,763,494)
	Compensated Absences Payable	(606,036)
		(133,381,335)
Total Net Position (Deficit)		$ (55,764,831)

The Accompanying Notes are an Integral Part of These Financial Statements.

CITY SCHOOL DISTRICT OF THE CITY OF ONEIDA, NEW YORK
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
ALL GOVERNMENTAL FUNDS
For the Year Ended June 30, 2022

	General	School Lunch	Special Aid	Miscellaneous Special Revenue	Debt Service	Capital	Total
Revenues							
Real Property Taxes	$ 15,957,006	$	$	$	$	$	$ 15,957,006
STAR and Other Real Property Tax Items	2,741,955						2,741,955
Charges for Services	51,447						51,447
Use of Money and Property	74,489	17			283		74,789
Lease Revenue	66,921						66,921
Sale of Property and Compensation for Loss	46,586						46,586
Miscellaneous	720,552	41,896	9,936	16,748		20,848	809,980
Oneida Indian Nation Settlement	8,127						8,127
State Aid	25,327,727	22,188	467,445			305,287	26,122,647
Federal Aid	289,754	991,799	6,139,588				7,421,141
School Lunch Sales		24,309					24,309
Total Revenues	45,284,564	1,080,209	6,616,969	16,748	283	326,135	53,324,908
Expenditures							
General Support	3,695,016			18,325		1,000,823	4,714,164
Instruction	22,255,733		5,081,597			1,923,598	29,260,928
Pupil Transportation	1,675,256					928,078	2,603,334
Food Service Program		795,711					795,711
Employee Benefits	13,166,849	130,172	1,345				13,298,366
Debt Service - Principal	3,041,339						3,041,339
Debt Service - Interest	766,752						766,752
Total Expenditures	44,600,945	925,883	5,082,942	18,325		3,852,499	54,480,594
Excess (Deficit) Revenues Over Expenditures	683,619	154,326	1,534,027	(1,577)	283	(3,526,364)	(1,155,686)
Other Financing Sources (Uses)							
Proceeds of Long Term Debt						47,000	47,000
Proceeds from Leases						1,604,145	1,604,145
Transfers from Other Funds	1,494,615	143,272	53,860			104,717	1,796,464
Transfers to Other Funds	(153,076)		(1,587,887)		(50,000)	(5,501)	(1,796,464)
Total Other Financing Sources (Uses)	1,341,539	143,272	(1,534,027)		(50,000)	1,750,361	1,651,145
Excess (Deficit) Revenues Over Expenditures and Other Financing Sources (Uses)	2,025,158	297,598		(1,577)	(49,717)	(1,776,003)	495,459
Fund Balance (Deficit), Beginning of Year	13,018,697	101,670		66,081	751,647	(597,108)	13,340,987
Fund Balance (Deficit), End of Year	$ 15,043,855	$ 399,268	$	$ 64,504	$ 701,930	$ (2,373,111)	$ 13,836,446

The Accompanying Notes are an Integral Part of These Financial Statements.

CITY SCHOOL DISTRICT OF THE CITY OF ONEIDA, NEW YORK
RECONCILIATION OF THE STATEMENT OF REVENUES AND EXPENDITURES OF THE GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2022

Net Changes in Fund Balance - Total Governmental Funds		$ 495,459
Capital Outlays to purchase, build capital, or right to use leased assets are reported in governmental funds as expenditures. However, for governmental activities, those costs are shown in the statement of Net Position and allocated over their useful lives as depreciation and amortization expense in the statement of activities. This is the amount by which capital and lease outlays exceeded depreciation and amortization in the period.		
Amortization of Right To Use Leased Assets	(805,804)	
Cost of Right To Use Assets	1,696,662	
Depreciation Expense	(2,468,291)	
Capital Outlays	2,908,061	1,330,628
Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of Net Position. Repayment of bond and lease principal is an expenditure in governmental funds, but the repayment reduces long-term liabilities in the statement of Net Position. This is the amount of repayments and issuances of leases in the period.		
Issuance of Lease Obligation	(1,604,145)	
Repayment of Lease Principal	834,339	
Repayment of Bond Principal	2,160,000	1,390,194
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds.		
Real Property Taxes		(6,530)
Certain expenses in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
Change in Accrued Interest on Serial Bonds	33,866	
Amortization of Deferred Premium	206,668	
Amortization of Deferred Charge on Advance Refunding	(100,353)	
Change in Other Post Employment Liabilities	(5,546,796)	
Change in Compensated Absences	(25,780)	
Change in Pension Expense	2,864,596	(2,567,799)
Change in Net Position Governmental Activities		$ 641,952

CITY SCHOOL DISTRICT OF THE CITY OF ONEIDA, NEW YORK
STATEMENT OF FIDUCIARY NET POSITION
June 30, 2022

	Custodial Fund
Assets	
Cash and Cash Equivalents - Restricted	$ 91,076
Net Position	
Restricted for Extraclassroom Activities	$ 91,076

The Accompanying Notes are an Integral Part of These Financial Statements.

CITY SCHOOL DISTRICT OF THE CITY OF ONEIDA, NEW YORK
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
For the Year Ended June 30, 2022

	Custodial Fund
Additions	
Charges for Services, Sale of Property, and Miscellaneous	$ 112,696
Deductions	
Club Expenses	112,388
Change in Net Position	308
Net Position, Beginning of Year	90,768
Net Position, End of Year	$ 91,076

The Accompanying Notes are an Integral Part of These Financial Statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of The City of Oneida School District (the School District) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP). Those principles are prescribed by the Governmental Accounting Standards Board (GASB), which is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

Certain significant accounting principles and policies utilized by the School District are described below:

Reporting Entity

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 consisting of 7 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 reporting entity of the School District is based upon criteria set forth by GASB. The financial reporting entity consists of the primary government, organizations for which the primary government is financially accountable and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The accompanying financial statements present the activities of the 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 following is a brief description of certain entities included in the School District's reporting entity.

(a) Extraclassroom Activity Funds

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 found at the School District's business office. The School District accounts for assets held as an agent for various student organizations in the Fiduciary Custodial Fund.

Joint Venture

The School District is a component district in Madison-Oneida Board of Cooperative Education Services (BOCES). A BOCES is a voluntary, cooperative association of school districts in a geographic area that shares 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.

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

Basis of Presentation

(a) District-Wide 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.

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 that are specifically associated with and are clearly identifiable to a particular function. Indirect expenses, principally employee benefits and depreciation expense for the year, are allocated to functional areas in proportion to their expenditures. Program revenues include charges paid by the recipients of goods or services offered by the programs, and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

(b) Fund Financial Statements

The fund 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 fund financial statements is on major governmental funds, each displayed in a separate column. All funds of the School District are displayed as major funds. The School District reports the following governmental funds:

General Fund: This is the School District's primary operating fund used to account for and report all financial resources not accounted for in another fund.

Special Revenue Funds:

Special Aid Fund: This fund accounts for and reports the proceeds of specific revenue sources, such as Federal and State grants, that are legally restricted to expenditures for specified purposes.

School Lunch Fund: This fund is used to account for and report transactions of the School District's lunch and breakfast programs.

Miscellaneous Special Revenue Fund: This fund is used to account for and report transactions of the Districts' scholarship funds. The District has both custody and administrative control over the various scholarships. Established criteria govern the use of the funds and members of the District or representatives of the donors may serve on committees to determine who benefits.

Debt Service Fund: This fund accounts for and reports financial resources that are restricted to expenditures for principal and interest. Debt service funds should be used to report resources if legally mandated.

Capital Project Fund: This fund is used to account for and report financial resources that are restricted or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

(c) Fiduciary Funds

Fiduciary funds are used to account for and report fiduciary activities. 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. There is one class of fiduciary funds:

Custodial Funds: These funds are strictly custodial in nature. Assets are held by the School District as agent for various student groups or 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, State aid, grants, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

The governmental fund statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The 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, other postemployment benefits, 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.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amount of assets and liabilities 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 other postemployment liabilities, encumbrances, compensated absences, potential contingent liabilities, and useful lives of long-lived assets.

Cash and Cash Equivalents

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 Districts.

Property Taxes

Real property taxes are levied annually by the Board of Education no later than September 1. Taxes are collected during the period September 1 to October 31. Uncollected real property taxes are subsequently enforced by the City of Oneida, Madison County, and Oneida County. An amount representing uncollected real property taxes must be transmitted by the City to the School District within two years from the return of the unpaid taxes to the City. Real property taxes collected within six months subsequent to June 30, less similar amounts collected during preceding years, are recognized as revenues. Otherwise, the real property taxes receivable are offset by deferred revenues.

Uncollected real property taxes for property taxes outside the City of Oneida are subsequently enforced by the Counties of Oneida or Madison. The County of Oneida pays an amount representing uncollected real property taxes transmitted to the County for enforcement no later than the following April 1. The County of Madison pays an amount representing uncollected real property taxes transmitted to the County for enforcement within two years of the return of the unpaid taxes to the County. A portion of the taxes receivable transferred to the County of Madison for enforcement are offset by deferred revenues.

Receivables

Receivables are shown gross, with uncollectible amounts recognized under the direct write-off method. No allowance for uncollectible accounts has been provided since it is believed that such allowance would not be material.

Interfund Transactions and Transfers

The operations of the School District include transactions between funds. These transactions may be temporary in nature, such as with interfund borrowings. The School District typically loans resources between funds for the purpose of providing cash flow. These interfund receivables and payables are expected to be repaid within one year. Permanent transfers of funds include the transfer of expenditure and revenues to provide financing or other services. Such transfers are made in accordance with state and local laws.

The amounts reported on the Statement of Net position for due to and due from other funds represents amounts due between different fund types (governmental activities and fiduciary funds). Eliminations have been made for amounts due to and due from within the same fund type. A detailed description of the interfund transactions for governmental funds throughout the year is shown in Note 15 to the financial statements.

Capital Assets

Capital assets are reported at actual cost. Donated assets are reported at estimated fair market value at the time received.

The School District uses a capitalization threshold of $1,000, (the dollar value above which asset acquisitions are added to the capital asset accounts for grouped like assets or individual assets). Depreciation methods and estimated useful lives of capital assets reported in the District-wide statements are as follows:

	Lives	Depreciation Method
Land Improvements	15-30 Years	Straight Line
Buildings and Improvements	15-50 Years	Straight Line
Furniture, Equipment, and Vehicles	5-20 Years	Straight Line

Right to Use Leased Assets

The School District has recorded right to use lease assets as a result of implementing GASB 87, *Leases*. The right to use assets are initially measured at an amount equal to the initial measurement of the related lease liability plus any lease payments made prior to the lease term. The right to use assets are amortized on a straight-line basis over the life of the related lease, which range from 3-5 years.

Deferred Outflow of Resources

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

Inventories

The inventory, which consists of surplus food, purchased food and supplies in the School Lunch Fund, is recorded at cost on a first-in, first-out basis, in the case of surplus food, at stated value which approximates market. Purchases of inventoriable items in other funds are recorded as expenditures at the time of purchase, and year-end balances are not maintained.

Short-Term Debt

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

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 judgments, and compensated absences that will be paid from governmental funds, are reported as a liability in the fund 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 District's future obligations or future economic outflows. The liabilities are reported as due within one year or due in more than one year in the Statement of Net Position.

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities statement of net position.

Compensated Absences

The School District employees are granted vacation 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.

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

Consistent with GASB, an accrual for accumulated sick leave is included in the compensated absences liability at year end. The compensated absences liability is calculated based on the pay rates in effect at year end.

In the Funds statements, only the amount of matured liabilities is accrued within the General Fund based upon expendable and available financial resources.

Retirement Plans

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

Postemployment Benefits

In addition to providing pension benefits, the District provides post-employment health insurance coverage and survivor benefits for retired employees and their survivors. Collective bargaining agreements determine if District employees are eligible for these benefits if they reach normal retirement age while working for the District. Health care benefits are provided through plans whose premiums are based on the benefits paid during the year. The cost of providing postemployment benefits is shared between the District and the retired employee. Other postemployment benefit costs are measured and disclosed using the accrual basis of accounting (see Note 10).

Unearned Revenue

Unearned revenues are reported when potential revenues do not meet both the measurable and available criteria for recognition in the current period. Unearned revenues also arise when resources are received by the 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 both recognition criteria are met, or when the School District has legal claim to the resources, the liability for unearned revenues is removed and revenues are recorded.

Statute provides the authority for the School District to levy taxes to be used to finance expenditures within the first 120 days of the succeeding fiscal year. Consequently, such amounts are recognized as revenue in the subsequent fiscal year, rather than when measurable and available.

Deferred Inflows of Resources

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has three items that qualify for reporting in this category. The first item is related to pensions reported in the District-wide Statement of Net Position. This represents the effect of the net change in the District's proportion of the collective net pension liability or asset and difference during the measurement periods between the District's contributions and its proportionate share of total contributions to the pension systems not included in pension expense. The second item is related to OPEB reported in the District-wide Statement of Net Position. This represents the effect of the net changes of assumptions or other inputs. The third item is related to agreements in which the District acts as a lessor and is deferring the lease receivable and any initial payments received over the term of the lease.

In addition to liabilities in the governmental funds balance sheet, the School District will also sometimes report a separate section for deferred inflows of resources. The School District has one item that qualifies for reporting in this category, which only arises under the modified accrual basis of accounting, which is unavailable real property taxes. Accordingly, this item is only reported in the governmental funds balance sheet.

Equity Classifications

(a) District-Wide Financial Statements

In the District-Wide statements there are three classes of net position:

Net Investment in Capital Assets – consists of net capital and right to use leased assets (cost less accumulated depreciation and amortization) reduced by outstanding balances of related debt obligations from the acquisition, constructions or improvements of those assets.

Restricted Net Position – reports net position when constraints placed on the assets are either externally imposed by creditors (such as through debt covenants), grantors, contributors, laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation.

Unrestricted Net Position – reports the balance of the net position that does not meet the definition of the above two classifications and are deemed to be available for general use by the District.

(b) Fund Statements

The following classifications describe the relative strength of the spending constraints:

Non-spendable

This category includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. This category consists of the inventories in the School Lunch Fund.

Restricted Resources

This category includes amounts with constraints placed on the use of resources either externally imposed by creditors, grantors, contributors or laws or regulations of other governments; or imposed by law through constitutional provisions or enabling legislation. Generally, the District's policy is to use restricted resources only when appropriated by the Board of Education. When an expenditure is incurred for purposes for which both restricted and unrestricted net position are available, the School District's policy concerning which to apply first varies with the intended use, and with associated legal requirements. The School District has established the following restricted fund balances:

- ***Reserve for Tax Certiorari***

  This reserve is used to account for funds set aside to refund taxes of the current year in tax certiorari proceedings. Voter approval is not required to establish the fund or expend from the reserve. Amounts in this reserve not necessary to refund taxes must be returned to the unreserved fund balance of the General Fund by the first day of the fourth fiscal year following the year for which the reserve was created.

- ***Capital Reserve***

  The Capital Reserve Fund is 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 reserve, the ultimate amount, its probable term, and the source of the funds. Expenditures may be made from the reserve only for a specific purpose further authorized by the voters. The reserve is accounted for in the General Fund.

- ***Reserve for Repairs***

  The Repair Reserve (GML §6-d) is used to pay the cost of repairs to capital improvements or equipment, which repairs are of a type not recurring annually. The Board of Education without voter approval may establish a repair reserve fund by a majority vote of its members. Voter approval is required to fund this reserve (Opinion of the New York State Comptroller 81-401). Expenditures from this reserve may be made only after a public hearing has been held, except in emergency situations. If no hearing is held, the amount expended must be repaid to the reserve fund over the next two subsequent fiscal years. This reserve is accounted for in the General Fund.

- ***Unemployment Insurance Reserve***

  The Unemployment Insurance Reserve (GML §6-m) is used to pay the cost of reimbursement to the State Unemployment Insurance Fund for payments made to claimants where the employer has elected to use the benefit reimbursement method. The reserve may be established by Board action and is funded by budgetary appropriations and such other funds as may be legally appropriated. Within sixty days after the end of any fiscal year, excess amounts may either be transferred to another reserve or the excess applied to the appropriations of the next succeeding fiscal year's budget. If the School District elects to convert to tax (contribution) basis, excess resources in the fund over the sum sufficient to pay pending claims may be transferred to any other reserve fund. This reserve is accounted for in the General Fund.

- ***Mandatory Reserve for Debt Service***

  The Mandatory Reserve for Debt Service (GML §6-l) is used to establish a reserve for the purpose of retiring the outstanding obligations upon the sale of School District property or capital improvement that was 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. The reserve is accounted for in the General Fund.

- ***Property Loss Reserve and Liability Reserve***

  The Property Loss Reserve and Liability Reserve [Education Law §1709(8)(c)] are used to pay for property loss and liability claims incurred. Separate funds for property loss and liability claims are required, and these reserves may not in total exceed 3% of the annual budget or $15,000, whichever is greater. These reserves are accounted for in the General Fund.

- ***Reserve for Employee Benefit Accrued Liability***

  The Reserve for Employee Benefit Accrued Liability (GML §6-p) is used to reserve funds for the payment of accrued employee benefit 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. The reserve is accounted for in the General Fund.

- ***Reserve for Retirement Contribution***

  The Retirement Contribution Reserve Fund (GML §6-r) (Chapter 260 of the NYS Laws of 2004) is used to reserve funds for the payment of retirement contributions to the New York State and Local Employees' Retirement System. This reserve was established by a Board resolution and is funded by budgetary appropriation and such other reserves and funds that may be legally appropriated. A detailed report of the operation and condition of the fund must be provided to the Board. The Board adopted a resolution establishing a sub-fund for contributions to the New York State Teachers' Retirement System. During a fiscal year, the Board may authorize payment into the sub-fund of up to 2% of the total covered salaries paid during the preceding fiscal year, not to exceed a total of 10%. The sub-fund is separately administered, but must comply with all the existing provisions of General Municipal Law §6-r. The reserve is accounted for in the General Fund.

- ***Reserve for Insurance***

  The Reserve for Insurance (GML §6-n) is used to pay liability, casualty, and other types of uninsured losses, except losses incurred for which the following types of insurance may be purchases; life, accident, health, annuities, fidelity and surety, credit, title residual value, and mortgage guarantee. The reserve is funded by budgetary appropriations or fund from other reserves subject to permissive referendum. May not be used for any purpose for which a special reserve may be established pursuant to law e.g. Unemployment Compensation Insurance. There is no limit on the amount that may be accumulated in the reserve balance however, the annual contribution to this reserve may not exceed greater of $33,000 or 5 percent 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.

- ***Reserve for Workers' Compensation***

  Workers' Compensation Reserve (GML §6-j) is used to pay for compensation benefits and other expenses authorized by Article 2 of the Workers' Compensation Law and for payment of expenses of administering this self-insurance program. The reserve may be established by Board action and is funded by budgetary appropriations and such other funds as may be legally appropriated. Within sixty days after the end of any fiscal year, excess amounts may either be transferred to another reserve or the excess applied to the appropriations of the next succeeding fiscal year's budget. The reserve is accounted for in the General Fund.

- ***Miscellaneous Special Revenue Fund***

  This fund is used to account for various endowment and scholarship awards.

- ***Debt Service***

  This fund is used to account for and report the financial resources that are restricted to pay debt service. The funds include unused debt proceeds and interest and earnings on the temporary investment of debt proceeds.

- ***Capital Projects***

  Used to account for the financial resources that are restricted by voter approved propositions for acquisition, construction, or major repair of capital facilities. This reserve is accounted for in the Capital Fund.

Unrestricted Resources

When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the School District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the School District has provided otherwise in its commitment or assignment actions.

- ***Committed*** – Includes amounts that can only be used for the specific purposes pursuant to constraints imposed by formal action of the school districts highest level of decision making authority, i.e., the Board of Education. The School District has no committed fund balances as of June 30, 2022.
- ***Assigned*** – Includes amounts that are constrained by the School District's intent to be used for specific purposes, but are neither restricted nor committed. Intent is expressed by (a) the Board of Education or (b) the designated official, such as the District's Purchasing Agent, to which the Board has delegated the authority to assign amounts to be used for specific purposes. All encumbrances, other than in the Capital Fund, are classified as Assigned Fund Balance in the applicable fund. The amount appropriated for the subsequent year's budget of the General fund is also classified as Assigned Fund Balance in the General Fund.
- ***Unassigned*** – Includes all other fund resources that do not meet the definition of the above classifications and are deemed to be available for general use by the School District. In other governmental funds, if expenditures incurred for specific purposes exceeded the amounts restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in the respective fund.

(c) Restriction for Extraclassroom Activities

This restricted fund is used to account for Extraclassroom activities. This account is accounted for in the fiduciary fund.

(d) Order of Use of Fund Balance

In circumstances where an expenditure is incurred for the purpose for which amounts are available in multiple fund balance classifications, (e.g. expenditures related to reserves) the Board will assess the current financial condition of the School District and then determine the order of application of expenditures to which the fund balance classification will be charged.

New Accounting Standards

Effective July 1, 2021, the District implemented Governmental Accounting Standards Board (GASB) Statement No. 87, *Leases*. GASB Statement No. 87 enhances the relevance and consistency of information of the District's leasing activities. It establishes requirements for lease accounting based on the principle that leases are financings of the right to use an underlying asset. A lessee is required to recognize a lease liability and an intangible right to use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources.

Future Changes in Accounting Standards

GASB has issued Statement No. 96, *Subscription-Based Information Technology Arrangements*, effective for the year ending June 30, 2023. The District will evaluate the impact this pronouncement may have on its financial statements and will implement it as applicable and when material.

2. EXPLANATION OF DIFFERENCES BETWEEN GOVERNMENTAL FUND STATEMENTS AND DISTRICT-WIDE STATEMENTS

Due to the differences in the measurement focus and basis of accounting used in the governmental fund statements and the District-wide statements, certain financial transactions are treated differently. The basic financial statements contain a full reconciliation of these items. The differences result primarily from the economic resource management focus of the Statement of Activities, compared with the current financial resource management focus of the governmental funds.

Total Fund Balances of Governmental Funds Compared to Net Position of Governmental Activities

A total fund balance of the School District's governmental funds differs from "net position" of governmental activities reported in the Statement of Net Position. This difference primarily results from the additional long-term economic focus of the Statement of Net Position versus the solely current financial resources focus of the governmental fund Balance Sheet.

Statement of Revenues, Expenditures, and Changes in Fund Balance Compared to Statement of Activities

Differences between the governmental funds Statement of Revenues, Expenditures, and Changes in Fund Balance and the Statement of Activities fall into one of six broad categories.

(a) Long-Term Revenue Differences

Long-term revenue differences arise because governmental funds report revenues only when they are considered "available," whereas the Statement of Activities reports revenues when earned. Differences in long-term expenses arise because governmental funds report on a modified accrual basis, whereas the accrual basis of accounting is used on the Statement of Activities.

(b) Capital Related Differences

Capital related differences include the difference between proceeds for the sale of capital assets reported on governmental fund statements and the gain or loss on the sale of assets as reported on the Statement of Activities, and the difference between recording an expenditure for the purchase or lease of capital items in the governmental fund statements and depreciation and amortization expense on those items as recorded in the Statement of Activities.

(c) Long-Term Debt Transaction Differences

Long-term debt transaction differences occur because both interest and principal payments are recorded as expenditures in the governmental fund statements, whereas interest payments are recorded in the Statement of Activities as incurred, and principal payments are recorded as a reduction of liabilities in the Statement of Net Position.

(d) Employee Benefit Allocation

Expenditures for employee benefits are not allocated to a specific function on the Statement of Revenues, Expenditures, and changes in fund equity based on the requirements of New York State. These costs have been allocated based on total salary for each function.

(e) Pension Differences

Pension differences occur as a result of changes in the School District's proportion of the collective net pension asset/liability and differences between the District's contributions and its proportionate share of the total contributions to the pension systems.

(f) OPEB Differences

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

3. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

General Fund – Statutory Unassigned Fund Balance Limit

The School District's unassigned fund balance was over the New York State Real Property Tax Law §1318 limit, which restricts it to an amount not greater than 4% of the School District's budget for the upcoming school year. At June 30, 2022, the School District's unassigned fund balance was 6.2% of the 2022-2023 budget.

Budgetary Procedures and Budgetary Accounting

The School District administration prepares a proposed budget for approval by the Board of Education for the General Fund, the only fund with a legally adopted budget.

The voters of the School District approved the proposed appropriation budget for the General Fund.

Appropriations are adopted at the program line item 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.

Adopted Budget	$ 48,072,943
Add: Prior Year's Encumbrances	7,773
Original Budget	48,080,716
Adjustments:	
Cancelled Encumbrances	(600)
Final Budget	$ 48,080,116

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

Encumbrances

Encumbrance accounting is used for budget control and monitoring purposes and is reported as a part of the governmental funds. Under this method, purchase orders, contracts and other commitments for the expenditure of monies are recorded to reserve applicable appropriations. Outstanding encumbrances as of year-end are presented as assigned fund balance and do not represent expenditures or liabilities. These commitments will be honored in the subsequent period. Related expenditures are recognized at that time, as the liability is incurred or the commitment is paid.

NYS Real Property Tax Cap

Chapter 97 of the Laws of 2011 established a property tax levy limit (generally referred to as the tax cap) that restricts the amount of property taxes local governments including school districts can levy. The tax levy for the 2021-2022 school year was in compliance with the NYS Tax Cap Limit.

4. CASH AND CASH EQUIVALENTS

Custodial Credit Risk

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. While the District does not have a specific policy for custodial credit risk, New York State statutes govern the District's investment policies, as discussed previously in these Notes.

As of June 30, 2022, the School District's bank balances of $16,764,766 were fully covered by the FDIC and collateralized with securities held by an agent of the pledging financial institutions in the School District's name and not exposed to custodial credit risk.

Restricted Cash and Cash Equivalents

Restricted Cash and Cash Equivalents of $9,310,995 in the General Fund represent the following:

Description	Amount
Workers' Compensation	$ 250,000
Unemployment Insurance	483,379
Retirement Contribution - ERS	2,393,779
Retirement Contribution - TRS	350,266
Employee Benefit Accrued Liability	1,103,436
Liability	966,090
Property Loss	928,144
Tax Certiorari	95,871
Capital Reserve	1,022,029
Repair Reserve	814,047
Reserve for Mandatory Debt Service	3,826
Insurance Reserve	900,128
Total	$ 9,310,995

Restricted Cash and Cash Equivalents of $91,076 in the Fiduciary Custodial Fund represent funds for the School District's Extraclassroom funds.

Restricted Cash and Cash Equivalents of $64,989 in the Miscellaneous Special Revenue Fund represents gifted funds held by the District for scholarships and awards.

Restricted Cash and Cash Equivalents of $614,324 in the Debt Service Fund represents money held for the payment of future debt service. Also, a net amount due from other funds of $137,606 is restricted for the payment of future debt service.

Restricted Cash and Cash Equivalents of $638,337 in the Capital Fund represents funds for current capital projects.

5. PARTICIPATION IN BOCES

During the year, the School District was billed $7,110,741 for BOCES' administrative and program costs.

During the year ended June 30, 2022, the School District issued no debt on behalf of BOCES. However, during 2003, the BOCES issued $15,500,000 in Revenue Lease Bonds with the Dormitory Authority of the State of New York (DASNY). These bonds will be repaid by the component districts of the BOCES as a lease payment included in the administrative budget of the BOCES over the term of the bonds. During 2022, a $865,000 principal payment was made for the bond, leaving $715,000 outstanding at June 30, 2022.

Financial statements for the BOCES are available from the BOCES' administrative office.

6. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2022, is as follows:

	Beginning Balance	Prior Period Adjustment	Additions	Deletions	Ending Balance
Capital Assets Not Being Depreciated					
Land	$ 3,787,300	$	$	$	$ 3,787,300
Construction in Progress	346,012		2,798,599		3,144,611
Total	4,133,312		2,798,599		6,931,911
Capital Assets Being Depreciated					
Buildings and Improvements	91,182,505	(159,567)			91,022,938
Furniture, Equipment and Vehicles	5,097,305	(529,971)	109,462	10,890	4,665,906
Total	96,279,810	(689,538)	109,462	10,890	95,688,844
Accumulated Depreciation					
Buildings and Improvements	47,888,840	1,964,712	2,202,054		52,055,606
Furniture, Equipment and Vehicles	3,905,600	(698,972)	266,237	10,890	3,461,975
Total	51,794,440	1,265,740	2,468,291	10,890	55,517,581
Net Capital Assets Being Depreciated	44,485,370	(1,955,278)	(2,358,829)		40,171,263
Net Capital Assets	$ 48,618,682	$ (1,955,278)	$ 439,770	$	$ 47,103,174

Depreciation is allocated and charged as follows based on estimated usage by function:

Function/Program	
General Support	$ 1,299,003
Instruction	914,654
Pupil Transportation	247,869
School Lunch	6,765
Total Depreciation	$ 2,468,291

Right to use leased asset activity for the year ended June 30, 2022, is as follows:

	(Restated) Beginnning Balance	Additions	Deletions	Ending Balance
Right to Use Leased Assets				
Leased Equipment	$ 2,877,733	$ 1,696,662	$ 474,247	$ 4,100,148
Accumulated Amortization				
Leased Equipment	1,289,471	805,804	474,247	1,621,028
Net Right To Use Leased Assets	$ 1,588,262	$ 890,858	$	$ 2,479,120

Amortization expense is charged as follows:

Function/Program	
Instruction	$ 182,784
Transportation	623,020
	$ 805,804

7. SHORT-TERM DEBT

The District had an outstanding BAN at June 30, 2022, as follows:

Payable From/Description	Date of Original Issue	Original Amount	Date of Final Maturity	Interest Rate (%)	Outstanding Amount
Capital Fund					
2021 BAN	06/22	$ 1,453,000	06/23	3.50%	$ 1,453,000

Changes in the School District's short-term outstanding debt for the year ended June 30, 2022, is as follows:

Description	Balance 7/1/21	Issued	Paid	Balance 6/30/22
Governmental Activities				
2021 BAN	$ 1,500,000	$	$ (47,000)	$ 1,453,000

8. NONCURRENT LIABILITIES

Summary of Noncurrent Liabilities

Noncurrent liability balances and activity are as follows:

Description	(Restated) Outstanding Beginning Balance	Issued	Paid	Outstanding Ending Balance	Due Within One Year
Governmental Activities					
Serial Bonds Payable	$ 15,880,000	$	$ (2,160,000)	$ 13,720,000	$ 2,270,000
Unamortized Premium	1,430,600		(206,668)	1,223,932	206,667
	17,310,600		(2,366,668)	14,943,932	2,476,667
Other Liabilities					
Lease Liability	1,208,393	1,604,145	(834,339)	1,978,199	628,811
OPEB Liability	119,823,348	8,999,255	(13,059,109)	115,763,494	
Compensated Absences	580,256	25,780		606,036	
Total Governmental Activities	$ 138,922,597	$ 10,629,180	$ (16,260,116)	$ 133,291,661	$ 3,105,478

Serial Bonds

The School District borrows funds on a long-term basis for the purpose of financing acquisitions of land and equipment on construction of buildings and improvements. This policy enables the cost of these capital assets to be borne by the present and future taxpayers receiving the benefit of the capital assets. These long-term liabilities for governmental funds are maintained separately and represent a reconciling item between the fund and District-wide statements. Interest associated with long-term debt is recorded as expenditure when such amounts are due. In the event of a default in the payment of the principal and/ or interest on the Bonds, 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 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 Bonds.

The following is a breakdown of serial bonds with corresponding maturity schedules:

Payable From/Description	Date of Original Issue	Original Amount	Date of Final Maturity	Interest Rate (%)	Outstanding Amount
General Fund					
Serial Bond – Reconstruction					
2007 Capital Project	12/15/11	$ 15,695,000	07/15/25	3.00-5.00	$ 285,000
Advance Refunding of 2005 Bonds	08/19/14	$ 10,455,000	06/15/32	2.00-5.00	4,470,000
Serial Bond – Refunded 2011 Bonds	11/09/17	$ 3,715,000	07/15/24	2.00-5.00	3,695,000
Serial Bond – DASNY	06/07/18	$ 6,485,000	06/15/33	5.00	5,270,000
Total					$ 13,720,000

Principal and interest payments due on general obligation debt are as follows:

For the Year Ending June 30,	Serial Bonds Principal	Serial Bonds Interest	Serial Bonds Total	Lease Liability Principal	Lease Liability Interest	Lease Liability Total
2023	$ 2,270,000	$ 593,188	$ 2,863,188	$ 628,811	$ 78,556	$ 707,367
2024	2,375,000	482,537	2,857,537	558,648	40,836	599,484
2025	1,640,000	383,287	2,023,287	472,159	26,455	498,614
2026	845,000	322,037	1,167,037	318,581	11,156	329,737
2027	895,000	279,787	1,174,787			
2028-2032	5,090,000	814,380	5,904,380			
2033	605,000	30,250	635,250			
Total	$ 13,720,000	$ 2,905,466	$ 16,625,466	$ 1,978,199	$ 157,003	$ 2,135,202

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

Interest Paid - Serial Bonds	$ 703,312
Interest Paid - Leases	63,440
Amortization of Deferred Charge on Advance Refunding	100,353
Amortization of Deferred Premium	(206,668)
Less: Interest Accrued in the Prior Year	(123,540)
Plus: Interest Accrued in the Current Year	89,674
Total Interest Expense on Long-Term Debt	$ 626,571

Prior-Year Defeasance of Debt

In prior years, the School District defeased certain general obligation bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the School District's financial statements. On June 30, 2022, $8,940,000 of bonds outstanding are considered defeased.

Unamortized Premium

The original issue premiums on bonds has been deferred and recorded as an addition to long-term liabilities on the District-wide financial statements. The premiums are being amortized using the straight-line method over 6 to 18 years, the remaining time to maturity of the respective bond issue. The current year amortization is $206,668 and is included as a reduction to interest expense on the statement of activities.

Deferred Premium from Debt	$	2,321,048
Less: Amount Recognized		(1,097,116)
Unamortized Premium	$	1,223,932

Deferred Outflows of Resources

The cost of issuing the serial bonds has been capitalized and recorded as a deferred outflow on the District-wide financial statements. The cost is being amortized using the straight-line method over 6 to 18 years, the remaining time to maturity of the bonds. The current year amortization is $100,353 and is included as an addition to interest expense on the statement of activities.

Deferred Charge from Refunding of Debt	$	851,534
Less: Accumulated Amortization		(564,120)
Net Capitalized Refunding of Debt Costs	$	287,414

Lease Liability

The District has entered into agreements with the BOCES and other vendors to lease certain vehicles and equipment such as copiers and other technology equipment. The lease agreements qualify as other than short-term leases under GASB 87 and, therefore, have been recorded at the present value of the future minimum lease payments as of the date of the inception of the agreements. The agreements were executed on various dates ranging from July 20, 2017 to December 1, 2021 and are for a term of 3-5 years. Annual lease payments for these agreements range from $55,134 to $197,829. The lease liability is measured at a discount rate of 2.05% to 7.78% which is stated in the lease agreements. As a result of these leases, the District has recorded a right to use asset with a net book value of $2,255,909 at June 30, 2022. The District has made some lump sum payments at the beginning of certain lease agreements and thus there are right to use assets with a net book value of $223,211 at June 30, 2022 with no corresponding lease liability.

9. PENSION PLANS

A. New York State and Local Employees' Retirement System (ERS)

(a) Plan Description

The School District participates in the New York State and Local Employees' Retirement System (ERS). This is a cost-sharing multiple-employer public employee retirement system. The system provides retirement benefits as well as death and disability benefits.

The net position of the System is held in the New York State Common Retirement Fund (the Fund), which was established to hold all net assets and record changes in plan net position allocated to the System. The Comptroller of the State of New York serves as the trustee of the Fund and is the administrative head of the System. The Comptroller is an elected official determined in a direct statewide election and serves a four-year term. System benefits are established under the provisions of the New York State Retirement and Social Security Law (RSSL). Once a public employer elects to participate in the System, the election is irrevocable. The New York State Constitution provides that pension membership is a contractual relationship and plan benefits cannot be diminished or impaired. Benefits can be changed for future members only by enactment of a State statute. The 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 maintains records and accounts, and prepares financial statements using the accrual basis of accounting. Contributions are recognized when due. Benefit payments are recognized when due and payable. Investments are recognized at fair value. 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, NY 12244.

b) Contributions

The System is noncontributory for employees who joined prior to July 28, 1976. For employees who joined after July 27, 1976, and prior to January 1, 2010, employees contribute 3% of their salary for the first ten years of membership. Employees who joined on or after January 1, 2010 are required to contribute 3% of their annual salary for their entire working career. Employees who joined on or after April 1, 2012 must contribute at a specific percentage of earnings (between 3 and 6%) for their entire career. Under the authority of the RSSL, the Comptroller certifies the actuarially determined rates expressly used in computing the employers' contributions based on salaries paid during the Systems' fiscal year ending March 31. All required contributions for the NYSERS fiscal year ended March 31, 2022, were paid.

The required contributions for the current year and two preceding years were:

	Amount
2020	$ 523,338
2021	$ 528,688
2022	$ 447,294

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

At June 30, 2022, the School District reported an asset of $983,695 for its proportionate share of the net pension asset. The net pension asset was measured as of March 31, 2022, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of April 1, 2021. The School District's proportion of the net pension asset was based on a projection of the School District's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined.

At June 30, 2022, the School District's proportion was .0120336% which represents a decrease of .0002276 percent over the .0118060% District's proportion at June 30, 2021.

For the year ended June 30, 2022, the School District recognized pension expense of $108,758. At June 30, 2022, the School District 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
Differences Between Expected and Actual Experience	$ 74,497	$ 96,626
Change of Assumptions	1,641,676	27,702
Net Difference Between Projected and Actual Earnings on Pensions Plan Investments		3,221,189
Changes in Proportion and Differences Between Contributions and Proportionate Share of Contributions	114,177	1,975
Contributions Subsequent to the Measurement Date	112,601	
Total	$ 1,942,951	$ 3,347,492

At June 30, 2022, $112,601 was reported as deferred outflow of resources related to pensions resulting from School District contributions subsequent to the measurement date and will be recognized as a reduction of the net pension liability in the year ended June 30, 2022. 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 June 30:	
2023	$ (199,642)
2024	(333,034)
2025	(819,631)
2026	(164,835)
2027	0
Thereafter	0

(d) Actuarial Assumptions

The total pension liability at March 31, 2022 was determined by using an actuarial valuation as of April 1, 2021, with update procedures used to roll forward the total pension liability to March 31, 2022. The actuarial valuation used the following actuarial assumptions.

Significant actuarial assumptions used in the April 1, 2021 valuation were as follows:

Investment Rate of Return (Net of Investment Expense, including Inflation)	5.90%
Cost of Living Adjustments	1.40%
Salary Scale	4.40%
Decrement Tables	April 1, 2016 - March 31, 2020 System's Experience
Inflation Rate	2.70%

Annuitant mortality rates are based on April 1, 2015 - March 31, 2020 System's experience with adjustments for mortality improvements based on MP-2020.

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.

The long term expected 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 the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of March 31, 2021 are summarized below.

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	32.00%	3.00%
International Equity	15.00%	6.00%
Private Equity	10.00%	7.00%
Real Estate	9.00%	5.00%
Opportunistic/Absolute Return Strategy	3.00%	4.00%
Credit	4.00%	4.00%
Real Assets	3.00%	6.00%
Fixed Income	23.00%	0.00%
Cash	1.00%	-1.00%
	100%	

The real rate of return is net of the long-term inflation assumption of 2.50%.

(e) Discount Rate

The discount rate used to calculate the total pension asset/liability was 5.9%. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at statutorily required rates, actuarially. Based upon the assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension asset/liability.

(f) Sensitivity of the Proportionate Share of the Net Pension Asset to the Discount Rate Assumption

The following presents the School District's proportionate share of the net pension liability calculated using the discount rate of 5.9 percent, as well as what the School District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage-point higher than the current rate:

	1% Decrease (4.90%)	Current Assumption (5.90%)	1% Increase (6.90%)
Proportionate Share of the Net Pension Liability	$ 2,532,020	$ (983,695)	$ (3,924,421)

(g) Pension Plan Fiduciary Net Position

Detailed information about the Plan's fiduciary net position is available in the separately issued ERS financial report.

(h) Payables to the Pension Plan

The School District has recorded an amount due to ERS in amount of $112,601 at June 30, 2022. This amount represents the three months of the School District's fiscal year that will be covered in the ERS 2022-2023 billing cycle and has been accrued as an expenditure in the current year.

B. New York State Teachers' Retirement System (TRS)

(a) Plan Description

The School District participates in the New York 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.

The TRS was created and exists pursuant to Article 11 of the New York State Education Law. TRS is administered by the system and governed by a ten member board to provide these benefits to teachers employed by participating employers in the State of New York, excluding New York City. The System provides benefits to plan members and beneficiaries as authorized by the New York State Law and may be amended only by the Legislature with the Governor's approval. Benefit provisions vary depending on date of membership and membership class (6 tiers). The System's financial statements are prepared using the accrual basis of accounting. Contributions are recognized when due. Benefit payments are recognized when due and payable. Investments are recognized at fair value. TRS issues a publicly available financial report that contains basic financial statements and required supplementary information for the System. For additional plan information please refer to the NYSTRS Comprehensive Annual Financial Report which can be found on the TRS website located at www.nystrs.org.

(b) Contributions

Pursuant to Article 11 of the New York State Education Law, employers are required to contribute at an actuarially determined rate adopted annually by the Retirement Board. Tier 3 and Tier 4 members who have less than 10 years of service or membership are required by law to contribute 3% of salary to the System. Tier 5 members are required by law to contribute 3.5% of salary throughout their active membership. Tier 6 members are required by law to contribute between 3% and 6% of salary throughout their active membership in accordance with a schedule based upon salary earned. Pursuant to Article 14 and Article 15 of the Retirement and Social Security Law, 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 Retirement and Social Security Law. 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.

The required employer contributions for the current year and two preceding years were:

		Amount
2020	$	1,329,780
2021	$	1,443,563
2022	$	1,553,677

(c) Pension Asset, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2022, the School District reported an asset of $15,465,125 for its proportionate share of the net pension asset. The net pension asset was measured as of June 30, 2021, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of June 30, 2020. The School District's proportion of the net pension asset was based on a projection of the School District's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined.

At June 30, 2021, the School District's proportion was .089244%, which was a decrease of .000752 percent from its .088492% proportion measured as of June 30, 2020.

For the year ended June 30, 2022, the School District recognized a pension credit of $875,650. At June 30, 2022, the School District 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
Differences Between Expected and Actual Experience	$	2,131,703	$	80,348
Changes of Assumptions		5,086,803		900,798
Net Difference Between Projected and Actual Earnings on Pensions Plan Investments				16,185,853
Changes in Proportion and Differences Between Contributions and Proportionate Share of Contributions		211,660		106,868
Contributions Subsequent to the Measurement Date		1,553,677		
Total	$	8,983,843	$	17,273,867

At June 30, 2022, $1,553,677 was reported as a deferred outflow of resources related to pensions resulting from School District contributions subsequent to the measurement date, and, will be recognized as a reduction of the net pension asset. 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 June 30:		
2022	$	(1,985,401)
2023		(2,308,011)
2024		(2,936,495)
2025		(3,871,503)
2026		744,383
Thereafter		513,326

(d) Actuarial Assumptions

The total pension liability at June 30, 2021 measurement date was determined by using an actuarial valuation as of June 30, 2020, with update procedures used to roll forward the total pension asset to June 30, 2021. The actuarial valuation used the following actuarial assumptions.

Significant actuarial assumptions used in the June 30, 2020 valuation were as follows:

Investment Rate of Return	6.95 % compounded annually, net of pension plan investment expense, including inflation.
Salary Scale	Rates of increase differ based on service. They have been calculated based upon recent NYSTRS member experience.

Service	Rate
5	5.18%
15	3.64%
25	2.50%
35	1.95%

Projected COLAs	1.30% compounded annually.
Inflation Rate	2.40%

Annuitant mortality rates are based on plan member experience, with adjustments for mortality improvements based on the Society of Actuaries Scale MP 2020, applied on a generational basis. Active member mortality rates are based on plan member experience.

The actuarial assumptions were based on the results of an actuarial experience study for the period July 1, 2015 to June 30, 2020.

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

Best estimates of arithmetic real rates of return for each major asset class included in the System's target asset allocation as of the measurement date of June 30, 2021 is summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return*
Domestic equities	33.0%	6.8%
International equities	16.0%	7.6%
Global equities	4.0%	7.1%
Real estate equities	11.0%	6.5%
Private Equities	8.0%	10.0%
Domestic fixed income	16.0%	1.3%
Global bonds	2.0%	80.0%
High-yield bonds	1.0%	3.8%
Private debt	1.0%	5.9%
Real estate debt	7.0%	3.3%
Cash Equivalents	1.0%	-0.2%
	100.0%	

**** Real rates of return are net of the long-term inflation assumption of 2.4% for 2021.***

(e) Discount Rate

The discount rate used to measure the pension liability (asset) was 6.95 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from school districts will be made at statutorily required rates, actuarially determined. Based on those assumptions, the System's 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.

(f) Sensitivity of the Proportionate Share of the Net Pension Asset to the Discount Rate Assumption

The following presents the School District's proportionate share of the net pension asset calculated using the discount rate of 6.95 percent, as well as what the School District's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	1% Decrease (5.95%)	Current Assumption (6.95%)	1% Increase (7.95%)
Proportionate Share of the Net Pension (Asset)	$ (1,622,839)	$ (15,465,125)	$ (27,098,561)

(g) Pension Plan Fiduciary Net Position

Detailed information about the Plan's fiduciary net position is available in the separately issued TRS financial report.

(h) Payables to the Pension Plan

The School District has recorded an amount due to TRS in the amount of $1,671,873 (including the employees portion of $118,196) in the General Fund at June 30, 2022. This amount includes the School District and the Employees' contribution for the 2021-2022 fiscal year that will be made in 2022-2023.

10. OTHER POSTEMPLOYMENT BENEFITS (OPEB)

(a) Plan Descriptions

The District provides medical and prescription drug coverage to retirees and their covered dependents. The School District pays a portion of the cost for retirees, disabled retirees, and spouses and dependents. Benefit provisions are established and amended through negotiations between the District and the respective unions. All active employees who retire or are disabled directly from the School District and meet eligibility criteria will participate. Employees are required to reach age 55 and have 10 years of service to qualify for the plan. The District pays 100% of the retiree's benefits depending on the employee's group. Spouses are required to pay from 0% to 29% for coverage. Surviving spouses are required to pay 100% of the cost following the death of the retiree.

The Plan does not issue a stand alone publicly available report since no assets are accumulated in a trust that meets all of the criteria in GASB No. 75, paragraph 4.

(b) Benefits Provided

For the District Retired Employee Health Plan (DREHP), contribution requirements of the plan members and the District are established by applicable collective bargaining and employment agreements.

(c) Employees Covered by Benefit Terms

	Total
Inactive employees currently receiving benefit payments	325
Beneficiaries	2
Spouses of Retirees	134
Active employees	271
Total	732

(d) Total OPEB Liability

The District's total OPEB liability of $115,763,494 was measured as of June 30, 2022 and was determined by an actuarial valuation as of July 1, 2021.

(e) Changes in the Total OPEB Liability

Changes in the District's total OPEB liability were as follows:

	Total OPEB Liability
Balances, June 30, 2021	$ 119,823,348
Changes recognized for the year:	
Service cost	3,871,434
Interest on Total OPEB Liability	2,630,759
Effect of demographic gains or losses	2,497,062
Effect of assumptions changes or inputs	(9,237,977)
Benefit payments	(3,821,132)
Net changes	(4,059,854)
Balances, June 30, 2022	$ 115,763,494

(f) Actuarial Methods and Assumptions

The total OPEB liability was determined by an actuarial valuation as of July 1, 2021 rolled forward to June 30, 2022, the measurement date. The following actuarial assumptions applied to all periods in the measurement, unless otherwise specified:

Valuation Date	July 1, 2021
Measurement Date	June 30, 2022
Actuarial Cost Method	Entry Age Normal - Level Percent of Pay
Plan Type	Single Employer Defined Benefit Plan
Inflation Rate	2.60%
Medical Trend Rates	5.1% in 2020, decreasing to an ultimate rate of 4.1% over 54 years (6.6% in 2020, decreasing to an ultimate rate of 4.1% over 56 years)
Discount Rate	3.54% (Prior Year 2.16%) (based on the S&P Municipal Bond 20-year Municipal Bond Index for bonds with an average rating of AA/Aa or higher)
Mortality Rates	Mortality rates were based on the Society of Actuaries' Scale RP-2014 adjusted to 2006 Total Dataset Mortality Table projected to the valuation date with Scale MP-2018

There was a change in discount rate from 2.16% at June 30, 2021 to 3.54% at June 30, 2022.

Discount Rate – The selected discount rate of 3.54% is based on the prescribed discount interest rate methodology under GASB 75 based on an average of three 20-year bond indices (S&P-20 Municipal Bond Index) as of June 30, 2022.

Cash Flows – The cash flows into and out of the Plan are expected to be consistent with the above assumptions and Plan descriptions of participant contributions.

(g) Sensitivity of the total OPEB liability to changes in the discount rate

The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current discount rate:

	1% Decrease 2.54%	Discount Rate 3.54%	1% Increase 4.54%
Total OPEB liability	$ 135,384,404	$ 115,763,494	$ 100,036,824

(h) Sensitivity of the total OPEB liability to changes in the healthcare cost trend

The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower or 1 percentage point higher than the current healthcare cost trend rate:

	1% Decrease	Trend Rate	1% Increase
Total OPEB liability	$ 97,833,507	$ 115,763,494	$ 138,798,923

Sensitivity analysis for healthcare cost inflation (trend) rate is illustrated as of end of year.

(i) OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2022, the District recognized OPEB expense of $9,367,928. At June 30, 2022, the 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	$ 6,150,319	$
Changes of assumptions	10,383,101	9,401,866
Total	$ 16,533,420	$ 9,401,866

Contributions subsequent to the measurement date will be recognized in the subsequent year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended June 30:	Amount
2023	$ 2,865,735
2024	3,473,557
2025	2,502,616
2026	(1,211,024)
2027	(499,330)

11. RISK MANAGEMENT

General Information

The School District is exposed to various risks of loss related to tax certioraris, torts, theft, damage, injuries, errors and omissions, natural disasters, and other risks. Except for tax certiorari, these risks are covered by commercial insurance purchased from independent third parties. Settled claims from these risks have not exceeded commercial insurance coverage for the past two years.

Risk Financing and Related Insurance

The School District participates in the Madison-Oneida-Herkimer Consortium consisting of 16 other governmental entities for their health insurance coverage, as well as, in the Madison-Oneida-Herkimer Workers' Compensation Consortium consisting of 28 other school districts for its workers' compensation insurance coverage. Entities joining the plans must remain members for a minimum of one year; a member may withdraw from the plans after that time by submitting a notice of withdrawal 30 days prior to the plans' year end. Plan members are subject to a supplemental assessment in the event of deficiencies. If the plans' assets were to be exhausted, members would be responsible for the plan's liabilities. The plans use 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. The plans establish 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. The Consortiums are shared-risk public entity risk pools whereby each entity pays annual premiums as follows: Health Consortium - Monthly premium from individual members based on the type of coverage selected. The Health Consortium is a minimum premium insured plan through an insurance carrier. Workers' Compensation - Premiums are computed based upon an established rate of covered payroll. Premiums paid to the Health and Workers' Compensation Consortium totaled \$9,781,814 and \$259,736, respectively, for the year ended June 30, 2022. Paid claims are accounted for in the aggregate with individual entity activity not being tracked separately.

The School District continues to carry commercial insurance for all other risks of loss such as general liability insurance.

12. CONTINGENCIES AND COMMITMENTS

Grantors

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.

Bargaining Unit Agreements

The School District has the following bargaining unit agreements in place with the related expiration dates:

Employees	Bargaining Unit	Contract Expiration Date
187	Oneida Teachers' Association (NYSUT)	June 30, 2024
85	Oneida Support Staff (NYSUT)(OSEU)	June 30, 2024
11	Oneida Principals / Psychologists (OAA)	June 30, 2025
15	Oneida Confidential/Supervisors/Maintenance	June 30, 2023
35	Oneida Bus Drivers / Transportation	June 30, 2023

Encumbrances

Encumbrance accounting is employed as an extension of formal budgetary integration for the General Fund, special revenue funds, and capital projects funds. At June 30, 2022, certain amounts which were previously restricted, committed, or assigned for specific purposes have been encumbered in the governmental funds. The General Fund encumbrances are reflected as part of the assigned fund balance. The other encumbrances are not reflected on the fund financial statements because the assignment would result in a negative unassigned fund balance. At June 30, 2022, there were no significant encumbrances outstanding.

14. CONSTRUCTION COMMITTMENTS

The School District had open capital projects at June 30, 2022. Various construction contracts have been awarded for these projects totaling $17,003,468 of which $16,089,537 remain unexpended at June 30, 2022.

13. BUILDING LEASED TO MADISON-ONEIDA BOCES

In November 2013, the School District renewed an agreement to lease building space at the Bus Maintenance Garage to the Madison-Oneida BOCES. The term of the lease is ten years. In addition to the minimum lease payment, the BOCES is also responsible for heat, light, water, and sewer charges. The BOCES is also required to maintain building insurance, including fire and extended risk coverage, at the replacement cost of the leased premises. The building's cost is $6,916,113, of which $2,354,992 was depreciated as of June 30, 2022. The term of the original lease will expire June 30, 2023, and is presently leased at $71,167 per year. Future lease payments are increased with the Consumer Price Index.

During the year ended June 30, 2022, the BOCES paid $71,167 to the School District with respect to the lease.

The following is a schedule of the minimum lease payments:

Fiscal Year Ended June 30,	Minimum Payment
2023	$ 76,860

14. FUND BALANCE

(a) The following is a summary of the change in General Fund restricted fund balances during the year ended June 30, 2022:

	Beginning Balance	Increases	Decreases	Ending Balance
General Fund				
Workers' Compensation	$	$ 250,000	$	$ 250,000
Unemployment Insurance	483,311	68		483,379
Retirement Contribution - ERS	1,993,493	400,286		2,393,779
Retirement Contribution - TRS	300,223	50,043		350,266
Employee Benefit Accrued Liability	803,321	300,115		1,103,436
Liability	665,996	300,094		966,090
Property Loss	678,047	250,097		928,144
Tax Certiorari	95,858	13		95,871
Capital Reserve	721,926	300,103		1,022,029
Repair Reserve	563,967	250,080		814,047
Insurance Reserve	900,000	128		900,128
Reserve for Mandatory Debt Service	3,826			3,826
Total General Fund Restricted	$ 7,209,968	$ 2,101,027	$	$ 9,310,995

(b) The following is the disaggregation of the fund balance that is reported in summary on the Governmental Fund's Balance Sheet at June 30, 2022:

	General	School Lunch	Miscellaneous Special Revenue	Debt Service	Capital	Total
Nonspendable	$	$ 62,392	$	$	$	$ 62,392
Restricted						
Workers' Compensation	250,000					250,000
Unemployment Insurance	483,379					483,379
Retirement Contribution - ERS	2,393,779					2,393,779
Retirement Contribution - TRS	350,266					350,266
Employee Benefit Accrued Liability	1,103,436					1,103,436
Liability	966,090					966,090
Property Loss	928,144					928,144
Tax Certiorari	95,871					95,871
Capital Reserve	1,022,029					1,022,029
Repair Reserve	814,047					814,047
Reserve for Mandatory Debt Service	3,826					3,826
Insurance Reserve	900,128					900,128
Scholarships and Donations			64,504			64,504
Debt Service				701,930		701,930
Total Restricted	9,310,995		64,504	701,930		10,077,429
Assigned						
General Support	9,776					9,776
Instruction	36,885					36,885
Pupil Transportation	23,073					23,073
School Lunch		336,876				336,876
Appropriated for Subsequent Year's Budget	2,612,218					2,612,218
Total Assigned	2,681,952	336,876				3,018,828
Unassigned (Deficit)	3,050,908				(2,373,111)	677,797
Total Fund Balances (Deficit)	$ 15,043,855	$ 399,268	$ 64,504	$ 701,930	$ (2,373,111)	$ 13,836,446

15. INTERFUND TRANSACTIONS – GOVERNMENTAL AND FIDUCIARY FUNDS

	Interfund		Interfund	
Fund Type	Receivables	Payables	Revenues	Expenditures
General	$ 4,724,162	$ 2,391,687	$ 1,494,615	$ 153,076
School Lunch		110,304	143,272	
Special Aid	2,191,021	3,552,413	53,860	1,587,887
Debt Service	137,606	50,000		50,000
Capital Fund	57,601	1,005,501	104,717	5,501
Miscellaneous Special Revenue	15	500		
Total	$ 7,110,405	$ 7,110,405	$ 1,796,464	$ 1,796,464

- The School District transferred $1,494,615 to the General Fund and $143,272 to the School Lunch Fund from the federal Educational Stabilization Fund grant to reimburse for grant costs incurred in the year ended June 30, 2021 prior to the grant being approved.
- The School District typically transfers from the General Fund to the Special Aid Fund, to fund a percentage of the Summer Handicapped Program.
- The School District transferred a total of $99,216 from the General Fund to the Capital Fund for the 2021-2022 Small Capital Project.
- The School District transferred a total of $50,000 from the Debt Service Fund to the General Fund for the 2021-2022 debt payments.
- Interfund receivables and payables are considered temporary. The School District intends to repay the amounts within the next fiscal year.

17. CAPITAL FUND DEFICIT

At June 30, 2022, the Capital Fund had a deficit fund balance of $2,373,111. The deficit will be eliminated when the current capital project is financed with long term debt.

18. DEFICIT NET POSITION

At June 30, 2022, the District Wide Statement of Net Position had a deficit net position of $55,764,831 and an unrestricted net deficit of $99,315,036. The deficit is primarily the result of GASB Statement 75, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, which required the recognition of an unfunded liability of $115,763,494 at June 30, 2022. Since New York State Laws provide no mechanism for funding the liability, any subsequent accruals are expected to increase the deficit in subsequent years.

19. TAX ABATEMENTS

The District is subject to tax abatements that are granted by the Madison County Industrial Development Agency (MCIDA) and the Town of Verona. Article 18-A of the New York State Municipal Law, "New York Industrial Development Agency Act" was enacted to provide for the creation of Industrial Development Agencies (IDA's) to facilitate economic development in specific localities, and delineate their powers and status as public benefit corporation. The legislation established the power of New York IDA's, including the authority to grant tax abatements and enter into agreements to require payment in lieu of taxes. Each IDA must adopt and follow a tax exemption policy with input from the effected taxing jurisdictions, however once created the IDA can independently grant abatements in conformity with their policy. The MCIDA enters into agreements to abate property tax for the purpose of increasing or retaining employment in the County.

Property abatements may be partially offset by an agreement that requires payments in lieu of taxes. These agreements specify the annual amount to be remitted by the property owner and are allocated to the effected jurisdiction based on the proportion of taxes abated. The District has chosen to disclose information about its tax abatement by purpose. At June 30, 2022, there are no amounts receivable from MCIDA.

Abatement agreements of OCIDA resulted in a revenue impact to the District for the year ended June 30, 2022 as follows:

Purpose	Gross Tax Amounts	Payments in Lieu of Taxes	Net Revenue Reduction
Economic Development and Job Creation	$495,370	$143,328	$352,042

20. PRIOR PERIOD ADJUSTMENTS

During the fiscal year ended June 30, 2022, the District had an inventory for its capital assets conducted. As a result of the new inventory, a prior period adjustment was required decreasing the District-wide net position and net capital assets in the amount of $1,955,278.

21. CUMULATIVE EFFECT OF IMPLEMENTING NEW ACCOUNTING STANDARD

The following adjustments were made to the prior year's net position and fund balance due to the implementation of GASB 87, *Leases*:

	General Fund	District - Wide
Net Position (Deficit) Beginning of Year, As Previously St	$ 13,018,697	$ (54,831,374)
GASB Statement No. 87 Implementation:		
Lease Receivables	141,542	141,542
Deferred Inflow from Leases	(141,542)	(141,542)
Net Book Value Leased Asset		1,588,262
Lease Liability		(1,208,393)
Cummaltive Effect of Change in Accounting Principle		379,869
Net Position (Deficit) Beginning of Year, As Restated	$ 13,018,697	$ (54,451,505)

CITY SCHOOL DISTRICT OF THE CITY OF ONEIDA, NEW YORK
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
For the Year Ended June 30, 2022

	Original Budget	Final Budget	Actual		Final Budget Variance With Actual
Revenues					
Local Sources					
Real Property Taxes	$ 15,768,676	$ 15,768,676	$ 15,957,006		$ 188,330
Other Real Property Tax Items	2,933,028	2,933,028	2,741,955		(191,073)
Oneida Indian Nation Settlement			8,127		8,127
Charges for Services	40,300	40,300	51,447		11,147
Use of Money and Property	103,000	103,000	74,489		(28,511)
Lease Revenue			66,921		66,921
Sale of Property and Compensation for Loss	3,500	3,500	46,586		43,086
Miscellaneous	500,000	500,000	720,552		220,552
State Aid	25,681,399	25,681,399	25,327,727		(353,672)
Federal Aid	115,000	115,000	289,754		174,754
Total Revenues	45,144,903	45,144,903	45,284,564		139,661
Other Financing Sources					
Transfers from Other Funds	350,000	350,000	1,494,615		1,144,615
Appropriated Fund Balance	2,585,813	2,585,213			(2,585,213)
Total Revenues and Other Financing Sources	$ 48,080,716	$ 48,080,116	46,779,179		$ (1,300,937)

	Original Budget	Final Budget	Actual	Year-End Encumbrances	Final Budget Variance With Actual And Encumbrances
Expenditures					
Board of Education	$ 16,200	$ 16,070	15,690	$	$ 380
Central Administration	244,087	253,708	231,056		22,652
Finance	621,618	608,648	593,144		15,504
Staff	116,532	171,932	163,809		8,123
Central Services	2,363,403	2,428,778	2,172,203	9,776	246,799
Special Items	535,150	534,765	519,114		15,651
Total General Support	3,896,990	4,013,901	3,695,016	9,776	309,109
Instruction					
Instruction, Administration, and Improvement	2,055,644	2,062,886	1,881,416		181,470
Teaching - Regular School	12,198,179	12,023,592	11,017,235	17,844	988,513
Programs for Children With Special Needs	5,574,772	5,810,494	5,651,382	68	159,044
Occupational Education	1,455,478	1,458,084	1,448,182		9,902
Teaching - Special School	336,197	238,875	62,792		176,083
Instructional Media	923,017	717,548	603,240	18,155	96,153
Pupil Services	1,531,111	1,653,929	1,591,486	818	61,625
Total Instruction	24,074,398	23,965,408	22,255,733	36,885	1,672,790
Pupil Transportation	2,520,545	1,855,170	1,675,256	23,073	156,841
Employee Benefits	14,478,068	14,237,143	13,166,849		1,070,294
Debt Service - Principal	2,160,000	3,041,339	3,041,339		
Debt Service - Interest	750,715	767,938	766,752		1,186
Total Expenditures	47,880,716	47,880,899	44,600,945	69,734	3,210,220
Other Financing Uses					
Transfers to Other Funds	200,000	199,217	153,076		46,141
Total Expenditures and Other Financing Uses	$ 48,080,716	$ 48,080,116	44,754,021	$ 69,734	$ 3,256,361
Net Change in Fund Balance			2,025,158		
Fund Balance - Beginning of Year			13,018,697		
Fund Balance - End of Year			$ 15,043,855		

Notes to Required Supplementary Information:

The School District administration prepares a proposed budget for approval by the Board of Education for the General Fund, the only fund with a legally adopted budget.

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

CITY SCHOOL DISTRICT OF THE CITY OF ONEIDA, NEW YORK
SCHEDULES OF CHANGES IN THE DISTRICT'S TOTAL OPEB LIABILITY AND RELATED RATIOS
For the Year Ended June 30, 2022

	2022	2021	2020	2019	2018 *
Measurement Date	6/30/2022	6/30/2021	6/30/2020	6/30/2019	6/30/2018
Total OPEB Liability					
Service cost	$ 3,871,434	$ 3,739,273	$ 2,556,170	$ 2,837,191	$ 2,754,554
Interest on Total OPEB Liability	2,630,759	2,608,386	3,086,070	2,787,921	2,700,749
Effect of plan changes			(2,476,137)		
Effect of demographic gains or losses	2,497,062		8,364,754		579,615
Effect of assumptions changes or inputs	(9,237,977)	969,618	20,660,204	(6,873,621)	
Benefit payments	(3,821,132)	(3,542,997)	(3,488,476)	(2,975,100)	(3,444,997)
Net change in total OPEB Liability	(4,059,854)	3,774,280	28,702,585	(4,223,609)	2,589,921
Total OPEB Liability - Beginning	119,823,348	116,049,068	87,346,483	91,570,092	88,980,171
Total OPEB Liability - Ending	$ 115,763,494	$ 119,823,348	$ 116,049,068	$ 87,346,483	$ 91,570,092
Covered payroll	$ 16,693,758	$ 15,766,645	$ 15,766,645	$ 18,635,022	$ 18,635,022
Total OPEB Liability as a percentage of covered payroll	759.98%	759.98%	736.04%	468.72%	491.39%

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

Notes to Required Supplementary Information:

The District's net OPEB liability is not funded. Therefore, the liability is the net position of the plan. The District currently contributes enough money to the plan to satisfy current obligations on a pay-as-you-go basis.

Actuarial Assumptions

The actuarial methods and assumptions used to calculate the total OPEB liability are described in Note 10 to the financial statements.

Changes to Assumptions

The discount rate changed from 2.16% to 3.54% at 6/30/2022.

The medical trend rate increase from 5.1% -4.1% over 54 years to 6.6%-4.1% over 56 years at June 30, 2022.

CITY SCHOOL DISTRICT OF THE CITY OF ONEIDA, NEW YORK
SCHEDULES OF LOCAL GOVERNMENT PENSION CONTRIBUTIONS
For the Year Ended June 30, 2022

ERS Pension Plan
Last 10 Fiscal Years

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Contractually Required Contribution	$ 447,294	$ 528,688	$ 523,338	$ 530,442	$ 526,767	$ 532,903	$ 527,116	$ 613,919	$ 667,271	$ 616,875
Contributions in Relation to the Contractually Required Contribution	447,294	528,688	523,338	530,442	526,767	532,903	527,116	613,919	667,271	616,875
Contribution Deficiency (Excess)	$	$	$	$	$	$	$	$	$	$
School District's Covered-ERS Employee Payroll	$ 4,113,934	$ 3,768,402	$ 3,802,982	$ 3,679,215	$ 3,544,608	$ 3,503,272	$ 3,947,276	$ 3,213,730	$ 3,302,950	$ 3,411,671
Contributions as a Percentage of Covered-Employee Payroll	10.87%	14.03%	13.76%	14.42%	14.86%	15.05%	19.10%	20.20%	18.08%	15.55%

TRS Pension Plan
Last 10 Fiscal Years

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Contractually Required Contribution	$ 1,553,677	$ 1,443,563	$ 1,329,780	$ 1,597,289	$ 1,469,044	$ 1,683,164	$ 1,901,628	$ 2,352,237	$ 2,185,697	$ 1,586,312
Contributions in Relation to the Contractually Required Contribution	1,553,677	1,443,563	1,329,780	1,597,289	1,469,044	1,683,164	1,901,628	2,352,237	2,185,697	1,586,312
Contribution Deficiency (Excess)	$	$	$	$	$	$	$	$	$	$
School District's Covered-TRS Employee Payroll	$ 15,853,843	$ 15,147,566	$ 15,008,804	$ 15,040,386	$ 14,990,245	$ 16,225,495	$ 13,418,351	$ 13,450,443	$ 13,397,905	$ 13,373,879
Contributions as a Percentage of Covered-Employee Payroll	9.80%	9.53%	8.86%	10.62%	9.80%	11.72%	13.26%	17.53%	16.25%	11.84%

CITY SCHOOL DISTRICT OF THE CITY OF ONEIDA, NEW YORK
SCHEDULES OF THE LOCAL GOVERNMENT'S PROPORTIONATE SHARE OF THE NET PENSION ASSET (LIABILITY)
For the Year Ended June 30, 2022

ERS Pension Plan

	2022	2021	2020	2019	2018	2017	2016	2015	2014
District's proportion of the net pension liability (asset)	0.0120336%	0.0118060%	0.0118206%	0.0118603%	0.0113734%	0.0115545%	0.0112272%	0.0113419%	0.0113419%
District's proportionate share of the net pension liability (asset)	$ (983,695)	$ 11,756	$ 3,130,163	$ 840,340	$ 367,069	$ 1,085,687	$ 1,801,995	$ 383,158	$ 515,526
District's covered-employee payroll	$ 4,113,934	$ 3,768,402	$ 3,802,982	$ 3,679,215	$ 3,544,608	$ 3,503,272	$ 3,947,276	$ 3,213,730	$ 3,302,950
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	(23.91%)	0.31%	82.31%	22.84%	10.36%	30.99%	45.65%	11.92%	15.61%
Plan fiduciary net position as a percentage of total pension liability (asset)	103.65%	99.95%	86.39%	96.30%	98.20%	94.70%	90.70%	97.90%	97.20%

TRS Pension Plan

	2021	2020	2019	2018	2017	2016	2015	2014	2013
District's Proportion of the net pension liability (asset)	0.089244%	0.088492%	0.090107%	0.092027%	0.090627%	0.092937%	0.089328%	0.091056%	0.000000%
District's proportionate share of the net pension asset liability (asset)	$ (15,465,125)	$ 2,445,280	$ (2,340,996)	$ (1,664,099)	$ (688,859)	$ 995,392	$ (9,278,383)	$(10,143,110)	$ (602,083)
District's covered-employee payroll	$ 15,147,566	$ 15,008,804	$ 15,040,386	$ 14,990,245	$ 16,225,495	$ 13,418,351	$ 13,450,443	$ 13,397,905	$ 13,397,905
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	(102.10%)	16.29%	(15.56%)	(11.10%)	(4.25%)	7.42%	(68.98%)	(75.71%)	(4.49%)
Plan fiduciary net position as a percentage of total pension liability (asset)	113.20%	97.80%	102.20%	101.53%	100.66%	99.01%	110.46%	111.48%	100.70%

Information is presented only for the years available.

CITY SCHOOL DISTRICT OF THE CITY OF ONEIDA, NEW YORK
SCHEDULES OF CHANGE FROM ORIGINAL BUDGET TO REVISED BUDGET AND REAL PROPERTY TAX LIMIT - GENERAL FUND
For the Year Ended June 30, 2022

Change from Adopted Budget to Revised Budget

Adopted Budget	$ 48,072,943
Add: Prior Year's Encumbrances	7,773
Original Budget	48,080,716
Adjustments:	
Cancelled Encumbrances	(600)
Final Budget	$ 48,080,116

Section 1318 of Real Property Tax Law Limit Calculation

2022-23 Voter-Approved Expenditure Budget		$ 49,445,203
Maximum Allowed (4% of 2022-23 budget)		**$ 1,977,808**
General Fund - Fund Balance Subject to Section 1318 of Real Property Tax Law :		
Unrestricted Fund Balance:		
Assigned Fund Balance	$ 2,681,952	
Unassigned Fund Balance	3,050,908	
Total Unrestricted Fund Balance		5,732,860
Less:		
Appropriated Fund Balance	2,612,218	
Encumbrances Included in Committed and Assigned Fund Balance	69,734	
Total adjustments		2,681,952
General Fund's Fund Balance Subject to Section 1318 of Real Property Tax Law		**$ 3,050,908**
Actual Percentage		**6.2%**

See Independent Auditor's Report.

CITY SCHOOL DISTRICT OF THE CITY OF ONEIDA, NEW YORK
SCHEDULE OF PROJECT EXPENDITURES - CAPITAL PROJECTS FUND
For the Year Ended June 30, 2022

			Expenditures				Methods of Financing				Fund
PROJECT TITLE	Original Authorization	Revised Authorization	Prior Years	Current Year	Total	Unexpended Balance	Proceeds of Obligations	Federal and State Aid	Local Sources	Total	Balance (Deficit) June 30, 2022
Smart Bonds Phase 1	$ 430,863	$ 430,863	$ 430,863	$	$ 430,863	$	$	$ 425,362	$ 5,501	$ 430,863	$
Smart Bonds Phase 2	557,273	557,273	250,724	305,286	556,010	1,263		550,510		550,510	(5,500)
Smart Bonds Phase 3	1,079,153	1,079,153				1,079,153					
Oneida Castle Building Sale Proceeds Project Account	221,099	221,099	217,116	3,258	220,374	725			221,099	221,099	725
2020-21 High School Capital Outlay	100,000	100,000		99,216	99,216	784			99,216	99,216	
2020 Reconstruction and Improvement Project	21,600,000	21,600,000	595,590	1,840,594	2,436,184	19,163,816			67,848	67,848	(2,368,336)
Leased Equipment and Vehicles	1,604,145	1,604,145		1,604,145	1,604,145		1,604,145			1,604,145	
Totals	$ 25,592,533	$ 25,592,533	$ 1,494,293	$ 3,852,499	$ 5,346,792	$ 20,245,741	$ 1,604,145	$ 975,872	$ 393,664	$ 2,973,681	$ (2,373,111)

See Independent Auditor's Report.

CITY SCHOOL DISTRICT OF THE CITY OF ONEIDA, NEW YORK
NET INVESTMENT IN CAPITAL ASSETS
For the Year Ended June 30, 2022

Capital Assets, Net	$ 47,103,174
Right To Use Leased Assets, Net	2,479,120
Total Assets	49,582,294
Add:	
Unamortized Bond Issuance Costs	287,414
Deduct:	
Bond Anticipation Notes	1,453,000
Premium on Bonds Payable	1,223,932
Serial Bonds Payable	13,720,000
Lease Liability	1,978,199
	18,375,131
Net Investment in Capital Assets	$ 31,494,577

See Independent Auditor's Report.

D'Arcangelo & Co., LLP
Certified Public Accountants & Consultants

200 E. Garden St., P.O. Box 4300, Rome, N.Y. 13442-4300
315-336-9220 Fax: 315-336-0836

Independent Auditor's 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
Oneida City School District

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Oneida City School District, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise Oneida City 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 Oneida City 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 Oneida City School District's internal control. Accordingly, we do not express an opinion on the effectiveness of Oneida City 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 school district's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Oneida City 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.

D'Arcangelo + Co., LLP

October 11, 2022

Rome, New York

Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance

Board of Education
Oneida City School District, New York

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Oneida City School District's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of Oneida City School District's major federal programs for the year ended June 30, 2022. Oneida City School District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Oneida City 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; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Oneida City 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 Oneida City 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 Oneida City School District's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Oneida City 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 generally accepted auditing standards, *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 Oneida City School District's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *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 Oneida City 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 Oneida City 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 Oneida City 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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

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

D'Arcangelo + Co., LLP

October 11, 2022

Rome, New York

CITY SCHOOL DISTRICT OF THE CITY OF ONEIDA, NEW YORK
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2022

Federal Grantor/Pass-Through Grantor/Program Title	Federal ALN Number	Agency or Pass-through Number	Current Year Expenditures	Expenditures to Subrecipients
U.S. Department of Agriculture				
(Passed Through the State Education Department of the State of New York - Pass-Through Grantor's No. 411-8000-10000)				
National School Lunch Program (Noncash)	10.555	N/A	$ 71,447	$
Nutrition Cluster				
School Breakfast Program	10.553	N/A	168,119	
National School Lunch Program	10.555	N/A	724,889	
Summer Food Service Program	10.559	N/A	27,344	
Total Cash Assistance Subtotal			920,352	
Total Child Nutrition Cluster			991,799	
Total U.S. Department of Agriculture			991,799	
U.S. Department of Education				
(Passed Through the State Education Department of the State of New York)				
Education Stabilization Fund				
COVID 19- Elementary and Secondary School Emergency Relief (ESSERF)	84.425D	5890-21-1315	2,511,492	
COVID 19- American Rescue Plan -Elementary and Secondary School Emergency Relief (ARP ESSER)	84.425U	5880-21-1315	1,728,919	
COVID 19- American Rescue Plan – Elementary and Secondary School Emergency Relief –Homeless Children and Youth	84.425W	5218-21-1315	19,134	
Total Education Stabilization Cluster			4,259,545	
Title I Grants to Local Educational Agencies	84.010	0011-21-2154	85,620	
Title I Grants to Local Educational Agencies	84.010	0011-22-2154	195,182	
Title I Grants to Local Educational Agencies	84.010	0021-22-1315	709,465	
Title I Grants to Local Educational Agencies	84.010	0021-21-1315	55,793	
Total			1,046,060	
Special Education Cluster				
COVID 19- Special Education - Grants to States	84.027X	5532-22-0350	102,511	
COVID 19- Special Education - Preschool Grants (IDEA Preschool)	84.173X	5533-22-0350	8,788	
Special Education - Grants to States	84.027A	0032-22-0350	553,325	
Special Education - Preschool Grants (IDEA Preschool)	84.173A	0033-22-0350	23,715	
Total Special Education Cluster			688,339	
Rural Education Achievement Program	84.358	0006-22-1315	3,460	
Improving Teacher Quality State Grants	84.367	0147-21-1315	13,087	
Improving Teacher Quality State Grants	84.367	0147-22-1315	72,449	
Total			85,536	
Title IV, Part A, Student Support and Academic Enrichment (SSAE) Program	84.424A	0204-21-1315	143	
Title IV, Part A, Student Support and Academic Enrichment (SSAE) Program	84.424A	0204-22-1315	56,505	
			56,648	
Total U.S. Department of Education			6,139,588	
Total Federal Financial Assistance			$ 7,131,387	$

See Notes to Schedule of Expenditures of Federal Awards and Independent Auditor's Report.

CITY SCHOOL DISTRICT OF THE CITY OF ONEIDA, NEW YORK
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2022

1. SIGNIFICANT ACCOUNTING POLICIES

Organization

The accompanying Schedule of Expenditures of Federal Awards represents all Federal awards administered by the City School District of the City of Oneida, New York. The School District's organization is defined in Note 1 to the School District's basic financial statements.

Basis of Accounting

The expenditures in the accompanying schedule are presented on an accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

Cluster Programs

The following programs are identified by "OMB Compliance Supplement" to be part of a cluster of programs:

U.S. Department of Agriculture
Nutrition Cluster

AL #10.553	School Breakfast Program
AL #10.555	National School Lunch Program

U.S. Department of Education
Special Education Cluster

AL #84.027	Special Education - Grants to States (IDEA, Part B)
AL #84.173	Special Education - Preschool Grants (IDEA Preschool)

Indirect Cost Rate

The School District has not elected to use the 10% de minimis indirect cost rate as allowed under the Uniform Guidance.

Food Donation

Nonmonetary assistance is reported in the schedule at fair market value of the food commodities received. At June 30, 2022, the School District had food commodities totaling $30,295 in inventory.

D'Arcangelo & Co., LLP
Certified Public Accountants & Consultants

CITY SCHOOL DISTRICT OF THE CITY OF ONEIDA, NEW YORK
SCHEDULE OF FINDINGS AND QUESTIONED COSTS – FEDERAL COMPLIANCE REQUIREMENTS
For the Year Ended June 30, 2022

Summary of Auditor's Results

(d)(1)(i)	Type of Financial Statement Opinion	Unmodified
(d)(1)(ii)	Were there any material control weakness conditions reported at the financial statement level (GAGAS)?	No
(d)(1)(ii)	Were there any other significant deficiencies reported at the financial statement level (GAGAS)?	No
(d)(1)(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
(d)(1)(iv)	Were there any material internal control weakness conditions reported for major Federal programs?	No
(d)(1)(iv)	Were there any other significant deficiencies reported for major Federal programs?	No
(d)(1)(v)	Type of Major Programs' Compliance Opinion	Unmodified
(d)(1)(vi)	Are there any reportable findings under 2 CFR Section 200.516 (a)?	No
(d)(1)(vii)	Major Programs (list):	U.S. Department of Education **Education Stabilization Fund** ALN#84.425D COVID-19 – ESSERF ALN#84.425U COVID-19 – ARP ESSER ALN#84.425W COVID-19 – ARP-ESSER-Homeless Children and Youth Special Education Cluster ALN#84.027A Special Education - Grants to States ALN#84.027X COVID-19 - Special Education – Grants to States ALN#84.173A Special Education - Preschool Grants (IDEA Preschool) ALN#84.173X COVID 19- Special Education - Preschool Grants (IDEA Preschool) U.S. Department of Agriculture Child Nutrition Cluster ALN#10.553 School Breakfast Program ALN#10.555 National School Lunch Program ALN#10.559 Summer Food Service Program
(d)(1)(viii)	Dollar Threshold: Type A\B Programs	Type A: > $ 750,000 Type B: all others
(d)(1)(ix)	Low Risk Auditee?	Yes

Findings – Financial Statement Audit

None noted in the current year.

Findings and Questioned Costs – Major Federal Award Programs Audit

None noted.

(Continued)

CITY SCHOOL DISTRICT OF THE CITY OF ONEIDA, NEW YORK
STATUS OF PRIOR YEAR'S FINDINGS AND QUESTIONED COSTS – FEDERAL COMPLIANCE REQUIREMENTS
For the Year Ended June 30, 2022

No items noted.

FORM OF BOND COUNSEL'S OPINION

June 22, 2023

City School District of the City of Oneida,
Counties of Madison and Oneida,
State of New York

Re: City School District of the City of Oneida, Madison and Oneida Counties, New York
$21,533,000 Bond Anticipation Notes, 2023

Ladies and Gentlemen:

We have been requested to render our opinion as to the validity of an issue of $21,533,000 Bond Anticipation Notes, 2023 (the "Obligation"), of the City School District of the City of Oneida, Counties of Madison and Oneida, State of New York (the "Obligor"), dated June 22, 2023 in the denomination of $_________, bearing interest at the rate of _______________% per annum, payable at maturity, and maturing June 21, 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 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. 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,

Orrick, Herrington & Sutcliffe LLP