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 individual alternative minimum tax. Interest on the Notes included in adjusted financial statement income of certain corporations is not excluded from the federal corporate alternative minimum tax. Bond Counsel is also of the opinion that interest on the Notes is exempt from personal income taxes imposed by the State of New York or any political subdivision thereof (including The City of New York). Bond Counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of, or the amount, accrual or receipt of interest on, the Notes. See "TAX MATTERS" herein.

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

$10,857,500

BAINBRIDGE-GUILFORD CENTRAL SCHOOL DISTRICT

BROOME, CHENANGO, DELAWARE, AND OTSEGO COUNTIES, NEW YORK

GENERAL OBLIGATIONS
CUSIP BASE: 261135

$10,857,500 Bond Anticipation Notes, 2025
(referred to herein as the "Notes")

Dated: June 25, 2025 | **Due: June 25, 2026**

The Notes are general obligations of the Bainbridge-Guilford Central School District, Broome, Chenango, Delaware, and Otsego Counties, New York (the "School District" or "District"), all the taxable real property within which is subject to the levy of ad valorem taxes to pay the Notes and interest thereon, without limitation as to rate or amount. See "NATURE OF OBLIGATION" and "TAX LEVY LIMITATION LAW" herein. The Notes will be issued without the option of prior redemption.

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

If the 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 the office of the District Clerk. A single note certificate will be issued for Notes bearing the same rate of interest in the aggregate principal amount awarded to such purchaser at such interest rate.

If the Notes are issued in book-entry-only form, such notes will be delivered to DTC, which will act as securities depository for the Notes. Beneficial owners will not receive certificates representing their interest in the Notes. Individual purchases may be made in denominations of $5,000 or integral multiples thereof, except for one necessary odd denomination of or including $7,500. A single note certificate will be issued for those Notes bearing the same rate of interest and CUSIP number in the aggregate principal amount awarded to such purchaser at such interest rate. Principal of and interest on said Notes will be paid in Federal Funds by the District to Cede & Co., as nominee for DTC, which will in turn remit such principal and interest to its participants for subsequent distribution to the beneficial owners of the Notes as described herein. Transfer of principal and interest payments to beneficial owners by participants of DTC will be the responsibility of such participants and other nominees of beneficial owners. The District will not be responsible or liable for payments by DTC to its participants or by DTC participants to beneficial owners or for maintaining, supervising or reviewing the records maintained by DTC, its participants or persons acting through such participants. (See "BOOK-ENTRY-ONLY SYSTEM" herein).

The Notes are offered when, as and if issued and received by the purchaser(s) and subject to the receipt of the approving legal opinion as to the validity of the Notes of Orrick, Herrington & Sutcliffe LLP, New York, New York. It is anticipated that the Notes will be available for delivery through the facilities of DTC located in Jersey City, New Jersey, or as may be agreed upon on with the purchaser(s), or about June 25, 2025.

ELECTRONIC BIDS for the Notes must be submitted on Fiscal Advisors Auction website ("Fiscal Advisors Auction") accessible via www.FiscalAdvisorsAuction.com, on June 10, 2025 by no later than 11:00 A.M. ET. Bids may also be submitted by facsimile at (315) 930-2354. No other form of electronic bidding services will be accepted. No phone bids will be accepted. Once the bids are communicated electronically via Fiscal Advisors Auction or via facsimile to the District, each bid will constitute an irrevocable offer to purchase the Notes pursuant to the terms provided in the Notice of Sale for the Notes.

June 3, 2025

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

BAINBRIDGE-GUILFORD CENTRAL SCHOOL DISTRICT

BROOME, CHENANGO, DELAWARE, AND OTSEGO COUNTIES, NEW YORK

SCHOOL DISTRICT OFFICIALS

2024-2025 BOARD OF EDUCATION

KEITH HANVEY
President

THOMAS AKSHAR
Vice President

SHELLY BARTOW
JOHN L. GLIHA
MIA GRAY
MAREK RAJNER
REBECCA SULLIVAN

* * * * * * *

TIMOTHY R. RYAN
Superintendent of Schools

JANICE RIDEOUT
School Business Manager/District Treasurer

KELLY GRIGOLI
School District Clerk

FERRARA FIORENZA, PC
School District Attorney

FISCAL ADVISORS & MARKETING, INC.
Municipal Advisor

ORRICK, HERRINGTON & SUTCLIFFE LLP
Bond Counsel

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

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PREPARED WITH THE ASSISTANCE OF

Fiscal Advisors & Marketing, Inc.
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http://www.fiscaladvisors.com

OFFICIAL STATEMENT

of the

BAINBRIDGE-GUILFORD CENTRAL SCHOOL DISTRICT
BROOME, CHENANGO, DELAWARE, AND OTSEGO COUNTIES, NEW YORK

Relating To

$10,857,500 Bond Anticipation Notes, 2025

This Official Statement, which includes the cover page and appendices, has been prepared by the Bainbridge-Guilford Central School District, Broome, Chenango, Delaware, and Otsego Counties, New York (the "School District" or "District", "Counties", and "State", respectively) in connection with the sale by the District of $10,857,500 principal amount of Bond Anticipation Notes, 2025 (the "Notes").

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

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

NATURE OF OBLIGATION

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

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

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

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

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

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

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

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

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

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

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

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

THE NOTES

Description of the Notes

The Notes are general obligations of the District, and will contain a pledge of its faith and credit for the payment of the principal thereof and interest thereon as required by the Constitution and laws of the State of New York (State Constitution, Art. VIII, Section 2: Local Finance Law, Section 100.00). All the taxable real property within the 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 will be dated June 25, 2025 and will mature June 25, 2026. The Notes are not subject to redemption prior to maturity. Interest will be calculated on a 30-day month and 360-day year basis, payable at maturity.

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

No Optional Redemption

The Notes are not subject to redemption prior to maturity.

Purpose of Issue

The Notes are issued pursuant to the Constitution and Status of the State of New York, including the Education Law and the Local Finance Law, pursuant to a bond resolution duly adopted by the Board of Education on January 19, 2023, authorizing a $15.4 million capital project which includes various reconstruction and improvements to District buildings and facilities with $4,000,000 capital reserve fund money and $11,400,000 bonds and notes.

On December 18, 2024 the District issued $3,620,000 bond anticipation notes to mature on June 26, 2025 as the initial borrowing against the aforementioned authorization. The proceeds of the Notes along with $332,000 available funds of the District, will partially redeem and renew the outstanding bond anticipation notes and provide an additional $7,569,500 in new money for the aforementioned capital project.

BOOK-ENTRY-ONLY SYSTEM

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

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

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

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

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

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

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

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

Source: The Depository Trust Company.

THE DISTRICT CANNOT AND DOES NOT GIVE ANY ASSURANCES THAT DTC, DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS OF DTC WILL DISTRIBUTE TO THE BENEFICIAL OWNERS OF THE NOTES (1) PAYMENTS OF PRINCIPAL OF OR INTEREST OR REDEMPTION PREMIUM 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 OR REDEMPTION PREMIUM ON THE NOTES; (3) THE DELIVERY BY DTC OR ANY DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS OF DTC OF ANY NOTICE TO ANY BENEFICIAL OWNER; OR (4) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC AS THE REGISTERED HOLDER OF THE NOTES.

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

Certificated Notes

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

The Notes will be issued in registered form in denominations of $5,000 or integral multiples thereof, except for one necessary odd denomination of or including $7,500. Principal of and interest on the Notes will be payable at a principal corporate trust office of a bank or trust company located and authorized to do business in the State of New York to be named as fiscal agent by the District. The Notes will remain not subject to redemption prior to their stated final maturity date.

THE SCHOOL DISTRICT

General Information

The District is located in the south central sector of New York State, approximately 35 miles northeast of the City of Binghamton, approximately 45 miles northeast of the Pennsylvania border, and approximately 30 miles southwest of the City of Oneonta. It has a land area of approximately 230 square miles, principally in the southern sector of Chenango County and includes minor portions of the Counties of Delaware, Broome and Otsego.

Major highways bisecting the District include Interstate 88, which connects Albany and the Capital District with the City of Binghamton. Other highways include State Highways 7, 8 and 206. Other modes of transportation are afforded residents through terminals located in the greater Binghamton metropolitan area and the City of Oneonta.

The District is residential and agricultural in nature. Commercial and professional services and employment opportunities are available to residents in the Village of Bainbridge, which is located within the District. Services and employment opportunities are also available in, and in close proximity to, the Cities of Binghamton and Oneonta as well as in the Villages of Sidney and Greene.

High Bridge Wind, LLC has received approval for the creation of a wind farm of up to 25 wind turbines, generating capacity of up to 100 megawatts and will produce enough electricity to power 25,000 average-sized homes. High Bridge Wind, LLC has entered into a PILOT agreement, of which the District and Gilbertsville-Mount Upton Central School District shall divide their share of, based on the portion of the project located in each respective school district boundaries.

Payne Solar Farm, LLC Facility, Payne Solar Farm 2, LLC Facility, Payne Solar Farm 3, LLC Facility, and Payne Solar Farm 4, LLC Facility have been approved for the creation of a 4.95 megawatt AC solar photovoltaic electricity generating facility on each parcel (4 in total) within the Village of Bainbridge. On December 19, 2023, The Chenango County IDA adopted an inducement resolution granting preliminary approval for financial assistance in support of the project in the form of exemptions from sales and use taxes on materials, and/or equipment used or incorporated in the Project Facility, potential exemptions from mortgage recording taxes and abatement of real property taxes for twenty (20) years on the assessed value of the Project Facilities.

Source: District officials.

Population

The total population of the School District is currently estimated to be 5,601.

(Source: U.S. Census Bureau, 2019-2023 American Community Survey 5-Year Estimates)

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Larger Employers

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

Name	Type	Approximate Number of Employees
Amphenol Aerospace	Manufacturing	1,000
Bainbridge-Guilford CSD	Education (includes 192 regular staff & 98 subs)	290
Egli Machine	Manufacturing	34
Quality Hardwoods	Manufacturing	35
Upturn Industries	Manufacturing	23
Lambrecht Auction	Commercial	53
Waste Recovery Enterprises	Sanitation	36
Conklin Fashions	Manufacturing	25
Sidney Federal Credit Union	Financial Institution	15
Madison Vinyl Windows & Doors	Manufacturing	15

Source: District officials.

Selected Wealth and Income Indicators

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

	Per Capita Income			Median Family Income		
	2006-2010	2016-2020	2019-2023	2006-2010	2016-2020	2019-2023
Towns of:						
Afton	$ 23,645	$ 33,617	$ 32,523	$ 50,260	$ 60,000	$ 75,506
Bainbridge	22,473	27,436	33,384	60,347	59,844	87,831
Coventry	18,525	28,596	34,547	51,667	65,298	78,798
Guilford	21,131	27,170	34,516	46,169	73,750	87,538
Norwich	25,237	29,071	30,499	47,028	71,915	86,250
Oxford	19,421	27,494	30,732	52,237	66,026	66,914
Masonville	21,458	25,634	28,261	52,955	61,875	58,409
Sidney	23,892	23,237	28,035	50,625	61,134	67,679
Sanford	20,007	27,965	38,983	43,542	66,680	89,643
Unadilla	21,076	27,434	34,268	61,039	58,848	79,063
Counties of:						
Chenango	22,036	28,780	32,986	52,229	65,537	76,894
Otsego	22,902	30,223	36,506	56,797	71,686	84,415
Broome	24,314	29,721	35,116	57,545	69,596	83,422
Delaware	22,928	28,139	35,996	53,590	65,755	76,474
State of:						
New York	30,948	40,898	49,520	67,405	87,270	105,060

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

Source: U.S. Census Bureau, 2006-2010, 2016-2020, and 2019-2023 American Community Survey data.

Unemployment Rate Statistics

Unemployment statistics are not available for the School District as such. The smallest area for which such statistics are available (which includes the School District) are the Counties listed below. The information set forth below with respect to the Counties is included for informational purposes only. It should not be implied from the inclusion of such data in this Continuing Disclosure Statement that the Counties are necessarily representative of the School District, or vice versa.

Annual Average

	2018	2019	2020	2021	2022	2023	2024
Chenango County	4.7%	4.3%	6.9%	4.6%	3.4%	3.4%	3.4%
Otsego County	4.4%	4.1%	7.0%	4.7%	3.7%	4.0%	4.1%
Broome County	4.7%	4.4%	8.1%	5.2%	3.8%	3.7%	4.0%
Delaware County	4.7%	4.4%	6.9%	4.7%	3.7%	3.9%	4.0%
New York State	4.1%	3.9%	9.8%	7.1%	4.3%	4.1%	4.3%

2025 Monthly Figures

	Jan	Feb	Mar	Apr	May	Jun
Chenango County	4.4%	4.6%	4.2%	3.0%	N/A	N/A
Otsego County	5.3%	5.4%	4.8%	3.5%	N/A	N/A
Broome County	4.8%	5.0%	4.4%	3.3%	N/A	N/A
Delaware County	4.9%	5.2%	4.6%	3.4%	N/A	N/A
New York State	4.6%	4.3%	4.1%	3.6%	N/A	N/A

Note: Unemployment rates for May and June 2025 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.

Budgetary Procedures

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

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

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

If the proposed budget is not approved by the required margin, the Board of Education may resubmit the original budget or a revised budget to the voters on the 3rd 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 2024-25 fiscal year was adopted by qualified voters on May 21, 2024 by a vote of 136 to 44. The adopted budget included a total tax levy increase of 2.73%, which equaled the District’s tax levy limit of 2.73%.

The budget for the 2025-26 fiscal year was adopted by qualified voters on May 20, 2025 by a vote of 180 to 78. The adopted budget included a total tax levy increase of 2.68%, which equaled the District’s tax levy limit of 2.68%.

Investment Policy

Pursuant to the statutes of the State of New York, 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 of New York; (2) obligations of the United States of America; (3) obligations guaranteed by agencies of the United States of America where the payment of principal and interest is guaranteed by the United States of America; (4) obligations of the State of New York; (5) with the approval of the New York State Comptroller, tax anticipation notes and Bond 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 of New York; 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) certificates of deposit or time deposit accounts that are fully secured as required by statute, (2) obligations of the United States of America or (3) obligations guaranteed by agencies of the United States of America where the payment of principal and interest is guaranteed by the United States of America. In the case of obligations of the United States government, the School District may purchase such obligations pursuant to a written repurchase agreement that requires the purchased securities to be delivered to a third party custodian with collateral and valuation, as required by law.

State law and the District policy does not permit the District to enter into reverse repurchase agreements or make other derivative type investments.

State Aid

The District receives financial assistance from the State. In its budget for the 2025-2026 fiscal year, approximately 68.02% of the revenues of the District are estimated to be received in the form of State aid. If the State should not adopt its budget in a timely manner in any year municipalities and school districts in the State, including the District, may be affected by a delay in the payment of State aid.

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

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

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

The amount of State aid to school districts can vary from year to year and is dependent in part upon the financial condition of the State. During the 2011 to 2019 fiscal years of the State, State aid to school districts was paid in a timely manner; however, during the State's 2010 and 2020 fiscal years, State budgetary restrictions resulted in delayed payments of State aid to school districts in the State. In addition, the availability of State aid and the timeliness of payment of State aid to school districts could be affected by a delay in the adoption of the State budget, which is due at the start of the State's fiscal year of April 1. With the exception of the State's fiscal year 2025-26 Enacted Budget (which was adopted on May 9, 2025, twenty-eight (28) days after the April 1 deadline, the State's fiscal year 2024-25 Enacted Budget (which was adopted on April 22, 2024, twenty-one (21) days after the April 1 deadline) and the State's fiscal year 2023-24 Enacted Budget (which was adopted on May 2, 2023, thirty-one (31) days after the April 1 deadline), the State's budget has been adopted by April 1 or shortly thereafter for over ten (10) years. No assurance can be given that the State will not experience delays in the adoption of the budget in future fiscal years. Significant delays in the adoption of the State budget could result in delayed payment of State aid to school districts in the State which could adversely affect the financial condition of school districts in the State.

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

Federal aid received by the State

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

Reductions in Federal funding levels could have a materially adverse impact on the State budget. In addition to the potential fiscal impact of policies that may be proposed and adopted by the new administration and Congress, the State budget may be adversely affected by other actions taken by the Federal government, including audits, disallowances, and changes to Federal participation rates or other Medicaid rules.
President Trump signed an executive order that directs the Secretary of Education to take all necessary steps to facilitate the closure of the U.S. Department of Education. The executive order aims to minimize the federal role in education but stops short of completely closing the Department as this would require 60 votes in the U.S. Senate. President Trump also indicated his preference that critical functions, like distributing Individuals with Disabilities Education Act funding, would be the responsibility of other federal agencies. The impact that the executive order will have on the State and school districts in the State is unknown at this time.

Building Aid

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

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

Pursuant to the provisions of Chapter 760 of the Laws of 1963, the District is eligible to receive a Building Aid Estimate from the New York State Department of Education. Since the gross indebtedness of the District is within the debt limit, the District is not required to apply for a Building Aid Estimate. Based on 2025-2026 preliminary building aid ratios, the District expects to receive State building aid of approximately 87.8% of debt service on State Education Department approved expenditures from July 1, 2004 to the present.

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

State aid history

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

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

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

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

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

State Aid Litigation

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

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

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

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

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

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

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State Aid Revenues

The following table illustrates the percentage of total General Fund revenues of the School District for each of the last five completed fiscal years and budgeted figures for the current fiscal year comprised of State aid.

Fiscal Year	Total Revenues	Total State Aid	Percentage of Total Revenues Consisting of State Aid
2019-2020	$ 18,701,195	$ 11,521,912	61.61%
2020-2021	19,295,646	11,781,060	61.06
2021-2022	19,918,901	12,656,674	63.54
2022-2023	21,309,356	13,538,206	63.53
2023-2024	23,287,027	15,065,623	64.70
2024-2025 (Budgeted)	24,292,902	15,706,809	64.66
2025-2026 (Budgeted)	25,560,016	17,012,285	66.56

Source: 2019 through 2024 audited financial statements and 2024-2025 and 2025-2026 adopted budgets of the District. This table is not audited.

District Facilities

Name	Grades	Capacity	Year(s) Built
Bainbridge-Guilford Middle/High School	6-12	750	1929, '34, '52, '97, '99
Greenlawn Elementary School	2-5	500	1958, '67, '99
Guilford Elementary School	Pre-K-1	250	1932, '55

Source: District officials.

Enrollment Trends

School Year	Actual Enrollment	School Year	Projected Enrollment
2020-2021	795	2025-2026	795
2021-2022	794	2026-2027	803
2022-2023	794	2027-2028	793
2023-2024	782	2028-2029	807
2024-2025	810	2028-2029	805

Source: District officials.

Employees

The District employs a total of 187 full-time and 5 part-time employees, with employees that are represented by various bargaining units outlined below:

Employees	Bargaining Unit	Contract Expiration Date
99	Faculty (NYSUT)	June 30, 2026
65	Support Staff (NYSUT)	June 30, 2025 (1)
13	Drivers	June 30, 2027
4	Administrative Staff (SAANYS)	June 30, 2025 (1)
4	Managerial/Confidential Staff	June 30, 2029
3	Mechanic/Assistant Director of Facilities	June 30, 2026
1	Superintendent of Schools	June 30, 2026
1	Business Manager	June 30, 2028
1	Director of Facilities	June 30, 2027
1	Transportation Supervisor	June 30, 2026

(1) Currently in negotiations

Source: District officials.

Status and Financing of Employee Pension Benefits

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

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

- Raising the minimum age at which most civilians can retire without penalty from 55 to 62 and imposing a penalty of up to 38% for any civilian who retires prior to age 62.
- Requiring ERS employees to continue contributing 3% of their salaries and TRS employees to continue contributing 3.5% toward pension costs so long as they accumulate additional pension credits.
- Increasing the minimum years of service required to draw a pension from 5 years to 10 years, which has since been changed to 5 years as of April 9, 2022 (for both Tier V and Tier VI).
- 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, a new Tier VI pension program was signed into law, 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%, an increase in the retirement age from 62 years to 63 years, a readjustment of the pension multiplier, and a change in the time period for the final average salary calculation from 3 years to 5 years. Tier VI employees would vest in the system after ten years of employment; and employees will continue to make employee contribution throughout employment. As of April 9, 2022, vesting requirements were modified, resulting in employees becoming vested after five years.

The District is required to contribute at an actuarially determined rate. The actual contributions for the last five years and the budgeted figures for the 2024-25 and 2025-2026 fiscal years are as follows:

Fiscal Year	TRS	ERS
2019-2020	$ 510,721	$ 283,774
2020-2021	521,093	273,289
2021-2022	561,293	269,387
2022-2023	518,803	265,508
2023-2024	652,834	308,876
2024-2025 (Budgeted)	757,177	442,162
2025-2026 (Budgeted)	705,032	450,038

Source: 2019 through 2024 audited financial statements and the 2024-25 and 2025-26 budgeted figures of the District. This table is not audited.

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 School District currently has early retirement incentive programs.

The District offered early retirement incentives for the last three years as follows:

Fiscal Year	Staff Participants	Replacement Cost	Savings
2022-2023	4	$171,862.65	$ 186,274
2023-2024	4	125,137.46	130,849
2024-2025	2	43,665.24	39,510

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

A chart of average ERS and TRS rates as a percent of payroll (2021 to 2026) is shown below:

Year	ERS	TRS
2020-21	14.6%	9.53%
2021-22	16.2	9.80
2022-23	16.1	10.29
2023-24	13.1	9.76
2024-25	15.2	10.11
2025-26	16.5	9.59*

* Estimated. Final contribution rate expected to be adopted at the July 31, 2025 TRS Retirement Board meeting.

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

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

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

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

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

The 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. As of the date of this Continuing Disclosure Statement, the District has not yet determined if it will establish such a fund.

Retirement System Assumptions. The investment of monies and assumptions underlying same, of the Retirement Systems covering the School District's employees is not subject to the direction of the School 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 School 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.

Other Post Employment Benefits

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

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

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

GASB 75. In 2015, the Governmental Accounting Standards Board ("GASB") released new accounting standards for public Other Post-Employment Benefits ("OPEB") plans and participating employers. These standards, GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* ("GASB 75"), have substantially revised the valuation and accounting requirements previously mandated under GASB Statements No. 43 and 45. The District implemented GASB 75. 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.

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The following outlines the changes to the total OPEB liability during the 2023 and 2024 fiscal years, by source.

Balance beginning at July 1:	2022	2023
Changes for the year:	$ 4,394,116	$ 4,631,629
Service cost	246,228	302,631
Interest on OPEB liability	160,309	175,524
Changes to benefit terms	-	981
Difference between expected and actual experience	-	781,204
Changes in assumptions or other inputs	56,615	(127,426)
Benefit payments	(225,639)	(253,014)
Net Changes	$ 237,513	$ 879,900
Balance ending at June 30:	**2023**	**2024**
	$ 4,631,629	**$ 5,511,529**

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

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.

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.

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 estoppel procedure for the Notes as recommended by Bond Counsel.

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

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

Except to the extent shown in the section "STATUS OF INDEBTEDNESS – Estimated Overlapping Indebtedness", this Continuing Disclosure 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, 2024 and has been filed with the Electronic Municipal Market Access ("EMMA") website. It is also attached hereto as "APPENDIX-C" to this Official Statement. Certain financial information of the School District can also be found attached as Appendices to the Continuing Disclosure 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, 2004, the District has prepared its financial statements in accordance with GASB Statement No. 34. This statement requires reporting of all assets, including infrastructure and depreciation in the Government Wide Statement of Activities, as well as a Management's Discussion and Analysis section.

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 its most recent audit report of the District on October 8, 2021. The purpose of the audit was to determine whether Bainbridge-Guilford Central School District (District) officials adequately managed network user accounts for the period July 1, 2019 through April 22, 2021.

Key Findings:

- District officials did not adequately manage network user accounts. The State Comptroller's office identified 66 unneeded user accounts including 52 generic accounts and 14 former employees' accounts.
- District officials adequately managed network administrative permissions.

Key Recommendations:

- Disable former employees' network user accounts as soon as they leave District employment.
- Periodically evaluate existing network user accounts, including generic accounts and disable any deemed unneeded.

The District provided a complete response to the State Comptroller's office on September 28, 2021. A copy of the complete report and response can be found via the website of the Office of the New York State Comptroller.

There are no other State Comptrollers audits of the District that are currently in progress or pending release.

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 classification of the District for the three most recent available fiscal years are as follows:

Fiscal Year Ending In	Stress Designation	Fiscal Score
2024	No Designation	3.3
2023	No Designation	13.3
2022	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, nor inclusion herein by reference.

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TAX INFORMATION

Taxable Assessed Valuations

Fiscal Year Ending June 30:	2021	2022	2023	2024	2025
Towns of:					
Afton	$ 8,093,655	$ 8,037,330	$ 8,046,684	$ 8,279,103	$ 8,414,403
Bainbridge	171,103,923	171,449,711	172,152,752	173,249,301	173,898,920
Coventry	3,397,314	3,370,227	3,240,893	3,428,158	3,432,870
Guilford	92,909,936	93,320,944	93,417,968	94,409,720	95,367,232
Norwich	620,288	693,917	692,404	706,150	745,756
Oxford	12,781,411	12,835,582	12,978,349	12,926,891	12,969,492
Masonville	10,993,123	10,883,283	10,932,301	11,014,959	10,981,253
Sanford	2,156,807	2,168,379	2,322,919	2,323,002	2,348,252
Sidney	404,248	403,755	403,827	403,593	403,352
Unadilla	3,952,248	3,827,087	3,879,152	3,883,317	4,033,807
Total Assessed Values	$ 306,412,953	$ 306,990,215	$ 308,067,249	$ 310,624,194	$ 312,595,337
State Equalization Rates					
Towns of:					
Afton	65.00%	65.00%	58.00%	50.00%	47.00%
Bainbridge	98.00%	91.98%	87.00%	80.00%	74.00%
Coventry	100.00%	100.00%	94.00%	85.00%	77.00%
Guilford	98.00%	100.00%	89.00%	83.00%	81.00%
Norwich	47.00%	45.00%	40.00%	36.00%	34.00%
Oxford	63.00%	60.00%	51.60%	44.68%	42.10%
Masonville	93.92%	86.78%	84.83%	70.95%	66.60%
Sanford	56.00%	56.00%	52.00%	46.00%	44.90%
Sidney	74.00%	70.10%	64.28%	58.55%	54.80%
Unadilla	68.00%	63.00%	53.00%	47.00%	44.00%
Total Taxable Full Valuation	$ 328,773,328	$ 341,453,922	$ 372,346,779	$ 411,319,956	$ 439,719,031

Tax Rate Per $1,000 (Assessed)

Fiscal Year Ending June 30:	2021	2022	2023	2024	2025
Towns of:					
Afton	$ 31.38	$ 30.59	$ 32.05	$ 34.28	$ 35.04
Bainbridge	20.82	21.62	21.37	21.42	22.26
Coventry	20.40	19.88	19.78	20.16	21.39
Guilford	20.82	19.88	20.89	20.65	20.33
Norwich	43.40	44.18	46.47	47.61	48.44
Oxford	32.38	33.14	36.03	38.36	39.12
Masonville	21.72	22.91	21.91	24.16	24.73
Sanford	36.43	35.50	35.75	37.26	36.68
Sidney	27.57	28.36	28.92	29.27	30.05
Unadilla	30.00	31.56	35.07	36.47	37.43

Tax Collection Procedure

In September each year, taxes will be collected during the first thirty (30) days with no penalty, during the second thirty (30) days with a two (2%) percent penalty and for at least one day in November with a three (3%) percent penalty. Uncollected taxes will be returned to the applicable County Treasurer by November 15th for collection. The School District receives the uncollected amounts from the Counties prior to the end of the School District's fiscal year, thereby assuring 100% tax collection annually. Tax sales are held annually by the Counties.

Tax Levy and Tax Collection Record

Fiscal Year Ending June 30:	2021	2022	2023	2024	2025
Total Tax Levy	$ 6,706,790	$ 6,789,108	$ 6,921,638	$ 7,049,513	$ 7,241,777
Amount Uncollected (1)	767,888	823,265	835,326	794,672	847,687
% Uncollected	11.45%	12.13%	12.07%	11.27%	11.71%

(1) The District receives 100% of its tax levy each year. See "Tax Collection Procedures".

Real Property Tax Revenues

The following table illustrates the percentage of total General Fund revenues of the District for each of the five completed fiscal years as well as budgeted figures for the current fiscal year comprised of Real Property Taxes and Tax Items.

Fiscal Year	Total Revenues	Total Real Property Taxes & Tax Items	Percentage of Total Revenues Consisting of Real Property Tax
2019-2020	$ 18,701,195	$ 6,642,284	35.52%
2020-2021	19,295,646	6,863,210	35.57
2021-2022	19,918,901	6,950,362	34.89
2022-2023	21,309,356	7,090,925	33.28
2023-2024	23,287,029	7,214,922	30.98
2024-2025 (Budgeted)	24,292,902	7,405,462	30.48
2025-2026 (Budgeted)	25,560,016	7,598,695	29.72

Source: 2019 through 2024 audited financial statements and 2024-25 and 2025-26 budgeted figures of the District. This table is not audited.

Ten Largest Taxpayers – 2024 Assessment Roll for 2024-25 School District Tax Roll

Name	Type	Taxable Full Valuation
NYS Electric & Gas Corporation	Utility	$ 14,117,244
Norfolk Southern Railway Comp	Railroad	7,366,942
Mesorahland LLC	Camps	2,856,543
Frontier Communications	Utility	2,962,122
Hess Realty, LLC	Commercial	2,110,455
Copeland Holdings, LLC	Mobile Home Park	1,719,824
Twin Valley LLC	Lumberyard	1,599,864
Decker Property Holdings LLC	Lumberyard	1,463,514
Kurtz, Daniel J	Manufacturing & Residential	1,211,014
Storage Center, LLC	Storage, Warehouse	1,134,190

The larger taxpayers listed above have a total full valuation of $36,541,712 which represents 8.31% of the total full valuation of the District's tax base.

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

Source: District Tax Rolls.

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STAR – School Tax Exemption

The STAR (School Tax Relief) program provides State-funded exemptions from school property taxes to homeowners for The STAR (School Tax Relief) program provides State-funded exemptions from school property taxes to homeowners for their primary residences. School districts are reimbursed by the State for real property taxes exempted pursuant to the STAR Program. Homeowners over 65 years of age with household adjusted gross incomes, less the taxable amount of total distributions from individual retirement accounts and individual retirement annuities ("STAR Adjusted Gross Income") of $107,300 or less in 2025--2026, increased annually according to a cost of living adjustment, are eligible for a "full value" exemption of the first $86,100 for the 2025-26 school year (adjusted annually). Other homeowners with household STAR Adjusted Gross income not in excess of $250,000 ($500,000 in the case of a STAR credit, as discussed below) are eligible for a $30,000 "full value" exemption on their primary residence.

The 2019-20 Enacted State Budget made several changes to the STAR program, which went into effect immediately. The changes are intended to encourage homeowners to switch from the STAR exemption to the STAR credit. The income limit for the exemption was lowered to $250,000, compared with a $500,000 limit for the credit. The amount received for the STAR exemption will remain the same each year, while the amount of the STAR credit can increase up to two percent annually. Homeowners with STAR Adjusted Gross Income of $250,000 or less have the option to select the credit or the exemption.

The 2020-21 Enacted State Budget further modified the STAR program. Under such legislation, property owners with property tax delinquencies greater than one year are not eligible for the Basic STAR exemption or the Basic STAR credit. Recipients of the Enhanced STAR exemptions and credits are not impacted by this program; they may continue to receive STAR benefits even if their property taxes are delinquent.

The below table lists the basic and enhanced exemption amounts for the 2025-26 District tax roll for the municipalities applicable to the District:

Towns of:	Enhanced Exemption	Basic Exemption	Date Certified
Afton	$ 40,470	$ 14,100	4/10/2025
Bainbridge	63,710	22,200	4/10/2025
Coventry	66,300	23,100	4/10/2025
Guilford	69,740	24,300	4/10/2025
Norwich	29,270	10,200	4/10/2025
Oxford	36,250	12,690	4/10/2025
Masonville	57,340	20,160	4/10/2025
Sanford	38,660	13,470	4/10/2025
Sidney	47,180	16,440	4/10/2025
Unadilla	37,880	13,320	4/10/2025

$754,836 of the District's $7,241,777 school tax levy for the 2024-2025 fiscal year was exempted by the STAR Program. The District received full reimbursement of such exempt taxes from the State in January 2025.

The expected STAR exemption amount for the 2025-2026 fiscal year will be available in August 2025.

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Additional Tax Information

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

Senior citizens' exemptions are offered to those who qualify.

Total assessed valuation of the School District is estimated to be categorized as follows: Agricultural-4.0%, Residential-65.2%, Vacant-7.0%, Commercial-6.4%, Recreational-1.0%, Community-4.5%, Industrial-3.4%, for Public Services-6.6% and Conservation Lands-1.7%

The estimated total annual property tax bill of a $100,000 market value residential property located in the School District is approximately $3,710 including County, Town or Village, School District and Fire District taxes.

TAX LEVY LIMITATION LAW

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

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

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

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

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

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

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

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

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 and Local Finance Law limit the power of the School District (and other municipalities and certain school districts of the State) to issue obligations and to otherwise contract indebtedness. Such constitutional and statutory limitations in summary form, and as generally applicable to the School District and the Notes, include the following:

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

The School District may contract indebtedness only for a school district purpose and shall pledge its faith and credit for the payment of the 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. The School District is required to provide an annual appropriation for the payment of interest due during the year on its indebtedness and for the amounts required in such year for amortization and redemption of its serial bonds and such required annual installments on its Notes.

Statutory Procedure

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

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

The School 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 School 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 Board of Education, as the finance board of the School 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 School District, pursuant to the Local Finance Law.

The School 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 School District to levy taxes on real estate for the payment of interest on or principal of indebtedness theretofore contracted. See "TAX LEVY LIMITATION LAW" for a discussion of the limitations on the power of the School District to levy taxes imposed by Chapter 97.

Debt Outstanding End of Fiscal Year

Fiscal Years Ending June 30th:	2020	2021	2022	2023	2024
Bonds	$ 1,615,000	$ 1,340,000	$ 11,465,000	$ 10,750,000	$ 9,820,000
Bond Anticipation Notes	13,088,325	12,544,729	240,000	428,273	573,935
Other Obligations [1]	167,573	97,643	314,628	328,052	283,636
Total Debt Outstanding	$ 14,870,898	$ 13,982,372	$ 12,019,628	$ 11,506,325	$ 10,677,571

(1) Represents lease obligations of the District, such indebtedness is subject to appropriation but does not involve a pledge of faith and credit of the District, and therefore do not technically constitute indebtedness of the District. Such obligations are, however, counted against the debt limit of the District. (See "Other Obligations" herein.)

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Details of Outstanding Indebtedness

The following table sets forth the indebtedness of the District evidenced by bonds and notes as of June 3, 2025.

Type of Indebtedness	Maturity		Amount
Bonds	2025-2026		$ 9,820,000
Bond Anticipation Notes			
Capital Project	June 26, 2025		3,620,000 [1]
Bus Purchase	September 25, 2025		751,337
		Total Indebtedness:	$ 14,191,337

(1) To be partially redeemed and renewed at maturity with the proceeds of the Notes and $332,000 available funds of the District

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Debt Statement Summary

Summary of Indebtedness, Debt Limit and Net Debt-Contracting Margin as of June 3, 2025:

Full Valuation of Taxable Real Property			$ 439,719,031
Debt Limit 10% thereof			43,971,903
Inclusions:			
Bonds	$ 9,820,000		
Bond Anticipation Notes (BANs):	4,371,337		
Total Inclusions prior to issuance of the Notes	14,191,337		
Less: BANs being redeemed from appropriations	332,000		
Add: New money proceeds of the Notes	7,569,500		
Total Net Inclusions after issuance of the Notes		$ 21,428,837	
Exclusions:			
State Building Aid [(1)]	$ 0		
Total Exclusions		$ 0	
Total Net Indebtedness after issuance of the Notes			$ 21,428,837
Net Debt-Contracting Margin			$ 22,543,066
The percent of debt contracting power exhausted is			48.73%

(1) Pursuant to the Provisions of Chapter 760 of the Laws of New York State of 1963, the School District receives aid on existing bonded debt. Since the gross indebtedness of the School District is within the debt limit, the School District is not required to apply for a Building Aid Estimate. Over the years the building aid ratio has been adjusted based on State legislative changes with an effective date tied to voter authorization dates. Based on preliminary 2025-26 Building Aid Ratios, the School District anticipates State building aid of 87.7% for debt service on SED approved expenditures from July 1, 2004 to the present. The School District has no reason to believe that it will not ultimately receive all of the building aid it anticipates, however, no assurance can be given as to when and how much building aid the School District will receive in relation to its capital project indebtedness.

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

Note: The above debt statement summary does not include any outstanding lease or installment purchase obligations, which are subject to appropriation but do not involve a pledge of faith and credit of the District, and therefore do not technically constitute indebtedness of the District. Such obligations are, however, counted against the debt limit of the District. The District remains within its debt limit after taking into account the outstanding balance of such obligations. (See "Other Obligations" herein.)

Bonded Debt Service

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

Capital Project Plans

The District typically issues bond anticipation notes on an annual basis to finance the purchase of school buses. On May 21, 2024, the qualified voters of the District approved a proposition for the purchase of two school buses at a cost not to exceed $320,000. The District issued $751,337 bond anticipation notes on September 26, 2024 maturing September 25, 2025 to finance the acquisition of buses, including renewal of outstanding notes issued for the purchase of buses.

On December 7, 2022 the qualified voters of the District approved a proposition for a $15.4 million capital project. On March 13, 2024 the District issued $210,500 bond anticipation notes as the initial borrowing against this authorization, the District paid off the $210,500 notes in full, with available funds of the District on June 26, 2024. On December 18, 2024 the District issued $3,620,000 bond anticipation notes as the second borrowing against this authorization. The proceeds of the Notes along with $332,000 available funds of the District, will partially redeem and renew the outstanding bond anticipation notes and provide an additional $7,569,500 in new money for the aforementioned project to fully exhaust the borrowing authorization.

Other than as stated above, there are no other capital projects authorized or unissued by the District at this time.

Cash Flow Borrowings

The District historically does not issue tax anticipation notes and/or revenue anticipation notes nor budget or deficiency notes and does not plan to do so in the foreseeable future.

Other Obligations

The District has entered into various lease purchase obligations for equipment. The total payments remaining for such obligations are as follows.

Fiscal Year ended June 30th:	Lease Principal	Lease Interest
2025	$ 104,690	$ 14,422
2026	86,553	10,007
2027	60,893	5,839
2028	31,500	2,205
Total lease payments:	$ 283,636	$ 32,473

Source: Audited financial statements of the District. Table itself is not audited.

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Estimated Overlapping Indebtedness

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

Municipality	Status of Debt as of	Gross Indebtedness [1]	Exclusions [2]	Net Indebtedness	District Share	Applicable Indebtedness
Counties of:						
Chenango	12/31/2023	$ - [4]	$ - [5]	$ -	12.37%	$ -
Otsego	12/31/2023	- [4]	- [5]	-	0.12%	-
Broome	4/1/2025	179,616,581 [3]	9,915,000	169,701,581	0.04%	65,279
Delaware	6/28/2024	3,485,000 [3]	-	3,485,000	0.21%	7,308
Town of:						
Afton	12/31/2023	- [4]	- [5]	-	7.81%	-
Bainbridge	12/31/2023	191,400 [4]	- [5]	191,400	98.86%	189,218
Coventry	12/31/2023	- [4]	- [5]	-	3.74%	-
Guilford	5/7/2024	533,184 [3]	113,184	420,000	57.51%	241,542
Norwich	12/31/2023	24,500 [4]	- [5]	24,500	0.60%	147
Oxford	12/31/2023	- [4]	- [5]	-	12.41%	-
Masonville	12/31/2023	294,300 [4]	- [5]	294,300	10.38%	30,548
Sanford	12/31/2023	580,000 [4]	- [5]	580,000	1.28%	7,424
Sidney	12/31/2023	- [4]	- [5]	-	0.17%	-
Unadilla	12/31/2023	144,801 [4]	- [5]	144,801	2.94%	4,257
Village of:						
Bainbridge	5/31/2023	2,469,879 [4]	- [5]	2,469,879	100.00%	2,469,879
					Total:	$ 3,015,603

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

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

(3) Gross Indebtedness, Exclusions, and Net Indebtedness sourced from annual financial information & operating data filings and/or official statements of the respective municipality.

(4) Gross Indebtedness sourced from local government data provided by the State Comptroller's office dated as of February 13, 2024.

(5) Information regarding excludable debt not available.

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Debt Ratios

The following table sets forth certain ratios relating to the District's indebtedness as of June 3, 2025:

	Amount	Per Capita [a]	Percentage of Full Value [b]
Net Indebtedness [c]	$ 21,428,837	$ 3,825.89	4.87%
Net Indebtedness Plus Net Overlapping Indebtedness [d]	24,444,440	4,364.30	5.56

[a] The 2023 estimated population of the District is 5,601. (See "THE SCHOOL DISTRICT - Population" herein.)
[b] The District's full value of taxable real estate for the 2024-2025 tax roll is $439,719,031. (See "TAX INFORMATION - Taxable Valuations" herein.)
[c] See "Debt Statement Summary" herein for the calculation of Net Direct Indebtedness.
[d] Estimated net overlapping indebtedness is $3,015,603. (See "Estimated Overlapping Indebtedness" herein.)

Note: The above ratios do not take into account State building aid the District will receive for past and current construction building projects.

SPECIAL PROVISIONS AFFECTING REMEDIES UPON DEFAULT

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

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

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

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

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

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

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

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

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

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

MARKET AND RISK FACTORS

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

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

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

The enactment and continued implementation of the Tax Levy Limitation Law, which imposes a tax levy limitation upon municipalities, school districts and fire districts in the State, including the District could have an impact upon the market price of the Notes. See "Tax Levy Limitation Law" herein.

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

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

Federal Policy Risk. Federal policies on trade, immigration, and other topics can shift dramatically from one administration to another. From time to time, such shifts can result in reductions to the State's level of federal funding for a variety of social services, health care, public safety, transportation, public health, and other federally funded programs. There can be no prediction of future changes in federal policy or the potential impact on any related federal funding that the State may or may not receive in the future.

TAX MATTERS

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

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.

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 – E" hereto.

LITIGATION

The District is subject to a number of lawsuits in the ordinary conduct of its affairs. Other than the tax certioraris petitions referenced under "Larger Taxpayers", 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.

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

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

Historical Compliance

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

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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 the Municipal Advisor are partially contingent on the successful closing of the Notes.

CUSIP IDENTIFICATION NUMBERS

If the Notes are issued in book-entry-only format, 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 at the expense of the purchaser(s) pending the approval of the District, 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 – C", attached hereto), and may require a supplement to the Final Official Statement depending on the timing of the receipt.

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

MISCELLANEOUS

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

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

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

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

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

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

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

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

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

The School District's contact information is as follows: Mrs. Janice Rideout, School Business Manager, 18 Juliand Street, Bainbridge, New York 13733, Phone: (607) 967-6335, Email: janice@bgcsd.org .

The District's Bond Counsel contact information is as follows: Douglas E. Goodfriend, Esq., Orrick, Herrington & Sutcliffe LLP, 51 West 52nd Street, 15th Floor, New York, New York 10019-6142, Phone: (212) 506-5211, Fax: (212) 506-5151, Email: dgoodfriend@orrick.com.

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

BAINBRIDGE-GUILFORD CENTRAL SCHOOL DISTRICT

Dated: June 3, 2025

KEITH HANVEY
PRESIDENT OF THE BOARD OF EDUCATION AND
CHIEF FISCAL OFFICER

GENERAL FUND

Balance Sheets

Fiscal Years Ending June 30:	2020	2021	2022	2023	2024
ASSETS					
Unrestricted Cash	$ 2,492,994	$ 1,200,866	$ 2,353,718	$ 589,473	$ 334,376
Restricted Cash	4,476,390	5,431,133	6,453,045	5,954,273	8,959,642
Accounts Receivables	134,878	97,016	57,593	17,096	15,049
Due from Other Funds	233,500	495,866	556,435	591,026	407,881
State and Federal Aid	168,433	510,031	182,444	309,766	190,228
Prepaid Items	-	1,099,670	852,857	1,215,092	1,226,654
Due from Other Governments	522,483	544,852	577,582	576,586	663,131
TOTAL ASSETS	$ 8,028,678	$ 9,379,434	$ 11,033,674	$ 9,253,312	$ 11,796,961
LIABILITIES AND FUND EQUITY					
Accrued Liabilities	$ 178,513	$ 76,674	$ 178,562	$ 88,357	$ 57,051
Accounts Payable	36,820	21,298	30,756	39,515	26,962
Compensated Absences	-	-	-	-	-
Due to Other Funds	-	-	-	217,299	173
Other Liabilities	-	59,853	51,783	64,944	55,706
Due to Other Governments	-	-	4	-	-
Deferred Revenue	-	-	-	-	-
Due to Teachers' Retirement System	556,371	589,516	665,427	639,482	706,289
Due to Employees' Retirement System	90,384	80,961	56,405	72,216	92,695
TOTAL LIABILITIES	862,088	828,302	982,937	1,121,813	938,876
FUND EQUITY					
Nonspendable	$ 4,476,390	$ 6,530,803	$ 852,857	$ 1,215,092	$ 1,226,654
Restricted	-	-	6,453,045	5,954,273	7,900,538
Assigned	634,351	838,585	782,633	61,691	794,057
Unassigned	2,055,849	1,181,744	1,962,202	900,443	936,836
TOTAL FUND EQUITY	7,166,590	8,551,132	10,050,737	8,131,499	10,858,085
TOTAL LIABILITIES & FUND EQUITY	$ 8,028,678	$ 9,379,434	$ 11,033,674	$ 9,253,312	$ 11,796,961

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:	2020	2021	2022	2023	2024
REVENUES					
Real Property Taxes	$ 5,526,425	$ 5,729,170	$ 5,850,103	$ 6,054,750	$ 6,258,013
Real Property Tax Items	1,115,859	1,134,040	1,100,259	1,036,175	956,909
Charges for Services	133,183	101,957	94,223	211,553	207,752
Use of Money & Property	102,387	37,128	18,713	221,022	485,074
Sale of Property and Compensation for Loss	20,645	64,119	14,444	18,744	52,002
Miscellaneous	247,379	244,350	161,098	217,717	216,935
Revenues from State Sources	11,521,912	11,781,060	12,656,674	13,538,206	15,065,623
Revenues from Federal Sources	33,405	203,822	23,387	11,189	13,566
Total Revenues	$ 18,701,195	$ 19,295,646	$ 19,918,901	$ 21,309,356	$ 23,255,874
Other Sources:					
Interfund Transfers	-	-	-	-	31,153
Total Revenues and Other Sources	18,701,195	19,295,646	19,918,901	21,309,356	23,287,027
EXPENDITURES					
General Support	$ 3,028,409	$ 2,892,940	$ 2,827,529	$ 3,477,956	$ 3,594,789
Instruction	8,262,886	7,995,061	8,253,078	8,144,093	8,989,986
Pupil Transportation	942,226	896,435	771,694	838,848	993,382
Community Services	13,205	-	-	-	-
Employee Benefits	4,066,970	4,325,660	4,422,477	4,881,315	4,831,208
Debt Service	-	-	236,262	159,428	216,998
Total Expenditures	$ 16,313,696	$ 16,110,096	$ 16,511,040	$ 17,501,640	$ 18,626,363
Other Uses:					
Interfund Transfers	970,564	1,801,008	1,908,256	5,726,954	1,934,078
Total Expenditures and Other Uses	17,284,260	17,911,104	18,419,296	23,228,594	20,560,441
Excess (Deficit) Revenues Over Expenditures	1,416,935	1,384,542	1,499,605	(1,919,238)	2,726,586
FUND BALANCE					
Fund Balance - Beginning of Year	5,749,655	7,166,590	8,551,132	10,050,737	8,131,499
Prior Period Adjustments (net)	-	-		-	-
Fund Balance - End of Year	$ 7,166,590	$ 8,551,132	$ 10,050,737	$ 8,131,499	$ 10,858,085

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:	2024			2025	2026
	Adopted Budget	Modified Budget	Audited Actual	Adopted Budget	Adopted Budget
REVENUES					
Real Property Taxes	$ 6,260,012	$ 6,260,012	$ 6,258,013	$ 7,241,777	$ 7,435,661
Real Property Tax Items	951,080	951,080	956,909	-	-
Charges for Services	119,500	119,500	207,752	-	-
Use of Money & Property	81,000	81,000	485,074	-	-
Sale of Property and			-		
Compensation for Loss	5,000	30,939	52,002	-	-
Miscellaneous	122,249	137,730	216,935	694,316	562,070
Revenues from State Sources	15,104,133	15,104,133	15,065,623	15,706,809	17,012,285
Revenues from Federal Sources	12,500	12,500	13,566	-	-
Total Revenues	$ 22,655,474	$ 22,696,894	$ 23,255,874	$ 23,642,902	$ 25,010,016
Other Sources:					
Interfund Transfers		-	31,153	-	-
Total Revenues and Other Sources	22,655,474	22,696,894	23,287,027	23,642,902	25,010,016
EXPENDITURES					
General Support	$ 4,120,982	$ 4,083,106	$ 3,594,789	$ 4,301,083	$ 4,570,426
Instruction	9,588,888	9,667,762	8,989,986	10,856,306	11,621,627
Pupil Transportation	1,045,042	1,011,483	993,382	1,137,633	1,195,279
Community Services	400	400	-	-	-
Employee Benefits	5,913,140	5,722,391	4,831,208	5,866,171	5,657,528
Debt Service	-	269,905	216,998	-	-
Total Expenditures	$ 20,668,452	$ 20,755,047	$ 18,626,363	$ 22,161,193	$ 23,044,860
Other Uses:					
Interfund Transfers	2,048,713	2,048,713	1,934,078	2,131,709	2,515,156
Total Expenditures and Other Uses	22,717,165	22,803,760	20,560,441	24,292,902	25,560,016
Excess (Deficit) Revenues Over Expenditures	(61,691)	(106,866)	2,726,586	(650,000)	(550,000)
FUND BALANCE					
Fund Balance - Beginning of Year	61,691	106,866	8,131,499	650,000	550,000
Prior Period Adjustments (net)	-	-	-	-	-
Fund Balance - End of Year	$ -	$ -	$ 10,858,085	$ -	$ -

Source: 2023-24 audited financial statements and 2024-25 and 2025-26 adopted budgets (unaudited) of the School District.
This Appendix is not itself audited.

BONDED DEBT SERVICE

Fiscal Year Ending June 30th	Principal	Interest	Total
2025	$ 975,000	$ 481,600	$ 1,456,600
2026	865,000	438,950	1,303,950
2027	750,000	399,000	1,149,000
2028	790,000	361,500	1,151,500
2029	825,000	322,000	1,147,000
2030	870,000	280,750	1,150,750
2031	910,000	237,250	1,147,250
2032	955,000	191,750	1,146,750
2033	1,005,000	144,000	1,149,000
2034	1,035,000	93,750	1,128,750
2035	685,000	42,000	727,000
2036	75,000	7,750	82,750
2037	80,000	4,000	84,000
TOTALS	$ 9,820,000	$ 3,004,300	$ 12,824,300

Note: The table above does not include any energy performance contract, capital lease or installment purchase indebtedness, to the extent any such indebtedness may be applicable to the District.

Fiscal Year Ending June 30th	2012 Capital Project Principal	2012 Capital Project Interest	2012 Capital Project Total	2022A DASNY Principal	2022A DASNY Interest	2022A DASNY Total
2025	$ 305,000	$ 14,100	$ 319,100	$ 670,000	$ 467,500	$ 1,137,500
2026	165,000	4,950	169,950	700,000	434,000	1,134,000
2027	-	-	-	750,000	399,000	1,149,000
2028	-	-	-	790,000	361,500	1,151,500
2029	-	-	-	825,000	322,000	1,147,000
2030	-	-	-	870,000	280,750	1,150,750
2031	-	-	-	910,000	237,250	1,147,250
2032	-	-	-	955,000	191,750	1,146,750
2033	-	-	-	1,005,000	144,000	1,149,000
2034	-	-	-	1,035,000	93,750	1,128,750
2035	-	-	-	685,000	42,000	727,000
2036	-	-	-	75,000	7,750	82,750
2037	-	-	-	80,000	4,000	84,000
TOTALS	$ 470,000	$ 19,050	$ 489,050	$ 9,350,000	$ 2,985,250	$ 12,335,250

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 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 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 Note holders, if material

(h) note calls, if material and tender offers

(i) defeasances

(j) release, substitution, or sale of property securing repayment of the Note

(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

(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 Note.

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.

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 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 Note; 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.

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 District acknowledges that its undertaking pursuant to the Rule described under this heading is intended to be for the benefit of the holders of the Note (including holders of beneficial interests in the Note). The right of holders of the Note to enforce the provisions of the undertaking will be limited to a right to obtain specific enforcement of the 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 Note nor entitle any holder of the Note to recover monetary damages.

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

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

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BAINBRIDGE-GUILFORD CENTRAL SCHOOL DISTRICT
BROOME, CHENANGO, DELAWARE, AND OTSEGO COUNTIES, NEW YORK

FINANCIAL STATEMENTS
AND OTHER FINANCIAL INFORMATION

JUNE 30, 2024

Such Financial Report and opinions 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.

BAINBRIDGE-GUILFORD CENTRAL SCHOOL DISTRICT

Bainbridge, New York

FINANCIAL REPORT

For the Year Ended June 30, 2024

insero&co
Certified Public Accountants | Business Advisors

BAINBRIDGE-GUILFORD CENTRAL SCHOOL DISTRICT

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BAINBRIDGE-GUILFORD CENTRAL SCHOOL DISTRICT

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INDEPENDENT AUDITORS' REPORT

Board of Education
Bainbridge-Guilford Central School District
Bainbridge, New York

Report on the Audit of the Financial Statements

Opinions
We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Bainbridge-Guilford Central School District (the School District) as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the School District, as of June 30, 2024, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions
We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States *(Government Auditing Standards)*. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the School District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the School District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

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

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the School District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information
Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis; budgetary comparison schedules; the Schedules of School District's Contributions - NYSLRS and NYSTRS Pension Plans; the Schedules of the School District's Proportionate Share of the Net Pension (Asset)/Liability; Schedule of Changes in the District's Total OPEB Liability and Related Ratios; and related notes be presented to supplement the basic financial statements. Such information, 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 Information
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School District's basic financial statements. The Balance Sheet - Non-Major Governmental Funds; Statement of Revenues, Expenditures, and Changes in Fund Balance - Non-Major Governmental Funds; Schedules of Change from Adopted Budget to Final Budget and the Real Property Tax Limit; Schedule of Project Expenditures - Capital Projects Fund; Schedule of Net Investment in Capital Assets; and Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit* Requirements for Federal Awards, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the supplementary information and the Schedule of Expenditures of Federal Awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 7, 2024, on our consideration of the 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 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 the School District's internal control over financial reporting and compliance.

Respectfully submitted,

Insero & Co. CPAs, LLP

Insero & Co. CPAs, LLP
Certified Public Accountants

Ithaca, New York
October 7, 2024

BAINBRIDGE-GUILFORD CENTRAL SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024

The following is a discussion and analysis of Bainbridge-Guilford Central School District's (the School District) financial performance for the fiscal year ended June 30, 2024. This section is a summary of the School District's financial activities based on currently known facts, decisions, or conditions. It is also based on both the District-wide and fund-based financial statements. The results of the current year are discussed in comparison with the prior year, with an emphasis placed on the current year. The Management's Discussion and Analysis (MD&A) section is only an introduction and should be read in conjunction with the School District's financial statements, which immediately follow this section.

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

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

- The remaining statements are Governmental Fund financial statements that focus on individual parts of the School District, reporting the School District's operations in greater detail than the District-wide financial statements. The Governmental Fund financial statements concentrate on the School District's most significant funds.

The financial statements also include notes that explain some of the information in the statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the financial statements with a comparison of the School District's budget for the year and a Schedule of Changes in the District's Total Other Postemployment Benefits (OPEB) Liability and Related Ratios related to the School District's unfunded actuarial liability for postemployment benefits, and information related to the School District's pension obligations.

District-Wide Financial Statements
The District-wide financial statements report information about the School District as a whole using accounting methods similar to those used by private-sector companies. The Statement of Net Position includes all of the School District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources. All of the current year's revenues and expenses are accounted for in the Statement of Activities regardless of when cash is received or paid.

The two District-wide financial statements report the School District's net position and how it has changed. Net position (the difference between the School District's assets, deferred outflows of resources, deferred inflows of resources, and liabilities) is one way to measure the School District's financial health or position. Over time, increases or decreases in the School District's net position are an indicator of whether its financial position is improving or deteriorating, respectively.

To assess the School District's overall health, one needs to consider additional nonfinancial factors such as changes in the School District's property tax base and the condition of school buildings and other facilities.

In the District-wide financial statements, the School District's activities are shown as Governmental Activities. Most of the School District's basic services are included here, such as regular and special education, transportation, and administration. Property taxes and state formula aid finance most of these activities.

Fund Financial Statements

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

- Governmental Funds: Most of the School District's basic services are included in Governmental Funds, which generally focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out, and (2) the balances left at year end that are available for spending. Consequently, the Governmental Funds statements provide a detailed short-term view that helps one determine whether there are more or fewer financial resources that can be spent in the near future to finance the School District's programs. Because this information does not encompass the additional long-term focus of the District-wide financial statements, additional information following the Governmental Funds statements explains the relationship (or differences) between them.

- Fiduciary Funds: The School District is the trustee, or fiduciary, for assets that belong to others, such as the Student Activities Funds. The School District is responsible for ensuring that the assets reported in these funds are used only for their intended purposes and by those to whom the assets belong. The School District excludes these activities from the District-wide financial statements because it cannot use these assets to finance its operations.

FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT AS A WHOLE

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

Figure 1

Condensed Statement of Net Position	Governmental Activities and Total School District		Total Dollar Change
	2024	2023	
Current Assets	**$ 4,883,117**	$ 7,117,979	$ (2,234,862)
Noncurrent Assets	**10,878,796**	6,250,255	4,628,541
Capital Assets, Net	**29,002,281**	28,826,021	176,260
Total Assets	**44,764,194**	42,194,255	2,569,939
Total Deferred Outflows of Resources	**4,415,883**	4,630,251	(214,368)
Current Liabilities	**2,688,524**	2,497,460	191,064
Noncurrent Liabilities	**17,125,811**	17,916,251	(790,440)
Total Liabilities	**19,814,335**	20,413,711	(599,376)
Total Deferred Inflows of Resources	**1,603,231**	1,152,767	450,464
Net Investment in Capital Assets	**18,324,710**	17,319,696	1,005,014
Restricted	**11,209,774**	9,783,364	1,426,410
Unrestricted	**(1,771,973)**	(1,845,032)	73,059
Total Net Position	**$ 27,762,511**	$ 25,258,028	$ 2,504,483

Significant changes from the prior year are as follows:

- Total assets increased 6.09%. The increase is based on higher returns on investments made by the School District along with capital additions that exceeded depreciation expense for the current year.

- The changes in deferred inflows of resources and deferred outflows of resources are related to changes in NYS pension systems, and the School District's OPEB plan, as recognized under GASB Statements No. 68 and No. 75.

- Total liabilities decreased 2.94%. This decrease is mainly due to the School District recognizing lower net pension liabilities for both ERS and TRS pensions in the current year. These pension liabilities accounted for $1,578,731 of the liabilities versus $2,296,851 in the prior year.

- The School District experienced an increase in net investment in capital assets, primarily due to capital and intangible lease assets exceeding debt activity. Restricted net position increased by 14.58%, primarily due to increased additions to General Fund reserves. Finally, unrestricted net deficit decreased based on operations of the School District.

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

Figure 2

Changes in Net Position	*Governmental Activities and Total School District*		*Total Dollar Change*
	2024	*2023*	
REVENUES			
Program Revenues:			
Charges for Services	**$ 241,434**	$ 252,680	$ (11,246)
Operating Grants	**2,469,443**	2,353,093	116,350
Capital Grants	**14,000**	477,060	(463,060)
General Revenues:			
Real Property Taxes	**6,258,013**	6,054,750	203,263
Real Property Tax Items	**956,909**	1,036,175	(79,266)
State Sources	**15,065,623**	13,538,206	1,527,417
Use of Money and Sale of Property	**374,650**	873,261	(498,611)
Other General Revenues	**252,839**	245,027	7,812
Total Revenues	**$ 25,632,911**	$ 24,830,252	$ 802,659
PROGRAM EXPENSES			
General Support	**$ 4,885,909**	$ 4,873,866	$ 12,043
Instruction	**15,562,444**	14,861,843	700,601
Pupil Transportation	**1,406,775**	1,251,505	155,270
School Lunch Program	**715,538**	717,657	(2,119)
Interest on Debt	**557,762**	718,022	(160,260)
Total Expenses	**$ 23,128,428**	$ 22,422,893	$ 705,535
CHANGE IN NET POSITION	**$ 2,504,483**	$ 2,407,359	$ 97,124

Significant changes from the prior year are as follows:

- Capital grants for the current year decreased due to a decline in revenue from the Small Schools Bond Act associated with an ongoing capital project.
- State sources increased based on increases in general and BOCES aid.
- Instruction increased due primarily to the higher OPEB and pension costs
- Interest on Debt decreased due to the paydown of debt in the current year. Interest associated with this debt in the current year amounted to $522,200.

FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT'S FUNDS

Figure 3 shows the changes in fund balance for the year for the School District's Major Funds. As the School District completed the year, total fund balance increased 18.40%, primarily due to revenues exceeding expenditures in the General Fund.

Figure 3

Governmental Fund Balances	*2024*	*2023*	*Total Dollar Change*
Major Funds:			
General Fund	**$ 10,858,085**	$ 8,131,499	$ 2,726,586
Capital Projects Fund - Construction	**2,562,071**	3,320,413	(758,342)
Non-Major Funds	**773,890**	536,631	237,259
Total Governmental Funds	**$ 14,194,046**	$ 11,988,543	$ 2,205,503

GENERAL FUND BUDGETARY HIGHLIGHTS

Over the course of the year, the School District revised the budget several times. These budget amendments consisted of budget transfers between functions and budget revisions as noted in the footnotes to required supplementary information. Actual charges to appropriations (expenditures and encumbrances) were below the final budget amounts, and actual revenues were above budgeted amounts as shown below.

Figure 4 summarizes the original and final budgets, the actual expenditures (including encumbrances), and the variances for the year ended June 30, 2024.

Figure 4

Condensed Budgetary Comparison General Fund - 2024	Original Budget	Revised Budget	Actual w/ Encumbrances	Favorable (Unfavorable) Variance
REVENUES				
Real Property Taxes	$ 6,260,012	$ 6,260,012	$ 6,258,013	$ (1,999)
Other Tax Items	951,080	951,080	956,909	5,829
State Sources	15,104,133	15,104,133	15,065,623	(38,510)
Other, Including Financing Sources	340,249	381,669	1,006,482	624,813
Total Revenues and Other Financing Sources	**$ 22,655,474**	**$ 22,696,894**	**$ 23,287,027**	**$ 590,133**
Appropriated Fund Balance and Reserves	**$ -**	**$ 45,175**		
Encumbrances Carried Forward	**$ 61,691**	**$ 61,691**		
EXPENDITURES				
General Support	$ 4,120,982	$ 4,083,106	$ 3,714,035	$ 369,071
Instruction	9,588,888	9,667,762	9,012,524	655,238
Pupil Transportation	1,045,042	1,011,483	995,655	15,828
Community Services	400	400	-	400
Employee Benefits	5,913,140	5,722,391	4,831,208	891,183
Debt Service	-	269,905	216,998	52,907
Other Financing Uses	2,048,713	2,048,713	1,934,078	114,635
Total Expenditures and Other Financing Uses	**$ 22,717,165**	**$ 22,803,760**	**$ 20,704,498**	**$ 2,099,262**

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At June 30, 2024, the School District had invested in a broad range of capital and intangible lease assets totaling $61,849,258 offset by accumulated depreciation and amortization of $32,846,977. *Figure 5* shows the changes in the School District's capital assets.

Figure 5

Changes in Capital Assets	*Governmental Activities and Total School District*		*Total Dollar Change*
	2024	*2023*	
Land	**$ 91,577**	$ 91,577	$ -
Construction in Progress	**1,241,792**	1,009,412	232,380
Buildings and Improvements, Net	**26,001,356**	25,636,304	365,052
Furniture and Equipment, Net	**1,300,694**	1,759,954	(459,260)
Intangible Lease Assets, Net	**366,862**	328,774	38,088
Total	**$ 29,002,281**	$ 28,826,021	$ 176,260

Capital asset activity for the year ended June 30, 2024 included the following:

Construction Projects	$ 1,091,023
Equipment	188,207
Intangible Lease Assets	215,693
Total Additions	1,494,923
(Less) Net Book Value of Disposed Equipment	(1,510)
(Less) Amortization Expense	(177,605)
(Less) Depreciation Expense	(712,335)
(Less) Adjustments	$ (427,213)
Net Change in Capital Assets	**$ 176,260**

Debt Administration
Figure 6 shows the changes in the School District's outstanding debt. Total indebtedness represented 33.5% of the constitutional debt limit, exclusive of building aid estimates.

Figure 6

Outstanding Debt	*Governmental Activities and Total School District*		*Total Dollar Change*
	2024	*2023*	
Bond Anticipation Notes	**$ 573,935**	$ 428,273	$ 145,662
Serial Bonds	**9,820,000**	10,750,000	(930,000)
Lease Liabilities	**283,636**	328,052	(44,416)
Total	**$ 10,677,571**	$ 11,506,325	$ (828,754)

Additional information on the maturities and terms of the School District's outstanding debt can be found in the notes to these financial statements.

The School District's bond rating is AAA, which did not change from the prior year.

FACTORS BEARING ON THE SCHOOL DISTRICT'S FUTURE

- The voter approved $15.4 million 2022 Capital Project work has begun. Current work has included reconstructed tennis courts including pickle ball lines and a new inground fuel tank at the Greenlawn Elementary school, a new inground fuel tank and sidewalks at the Guilford Elementary building, and new pavement with infrastructure for the electric bus mandate, new fencing and an electric gate at the Transportation Facility. A new artificial turf field, resurfaced track, and an additional parking lot are planned to begin in the spring at the Football Field/Track complex as well as additional improvements in all the School District's buildings. The School District initiated a Bond Anticipation Note in the spring of 2024 to begin this project.

- The School District is in the final stages of utilizing the CRSSA and ARPA stimulus funds granted in 2021. The funds were used to address students' academic, social and emotional needs because of the COVID-19 pandemic. We instituted solid programming support in those areas for our students and are working to financially sustain these necessary supports beyond the timeframe of the stimulus funding. The General Fund budget for 2024-25 included several of these positions and the afterschool program that were previously funded by stimulus funds.

- The School District settled the largest bargaining unit's contract this past school year. To remain competitive in our hiring practices in the region, we addressed the lower starting pay rates. In addition, the School District raised the starting pay in the other largest unit as minimum wage increases continue to rise. The School District intends to continue to look at creative ways to attract and retain qualified employees during the next few contract negotiation periods.

- The School District has begun to prepare for the state mandate to change our transportation fleet to electric buses in the future. We have incorporated infrastructure at the Transportation facility in the current capital project to prepare for necessary electric delivery in the future. In addition, the Board of Education authorized the transfer of $1,450,000 to the Transportation Vehicle Capital Reserve to prepare for the purchase of electric buses in the future which are approximately twice the cost of the current gas or diesel-powered buses.

CONTACTING THE SCHOOL DISTRICT'S FINANCIAL MANAGEMENT

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 Business Office, Bainbridge-Guilford Central School District, at 18 Juliand Street, Bainbridge, New York 13733.

BAINBRIDGE-GUILFORD CENTRAL SCHOOL DISTRICT

STATEMENT OF NET POSITION
JUNE 30, 2024

ASSETS	
Current Assets	
Cash - Unrestricted	$ 928,515
Cash - Restricted	271,333
Investments - Unrestricted	1,059,104
Investments - Restricted	187,729
Receivables:	
State and Federal Aid	672,832
Due From Other Governments	682,232
Other	15,722
Inventories	26,725
Cash Held for HRA	1,226,654
Total Current Assets	5,070,846
Noncurrent Assets	
Cash - Restricted	2,660
Investments - Restricted	10,688,407
Capital Assets, Net:	
Nondepreciable Capital Assets	1,333,369
Depreciable Capital Assets, Net	27,302,050
Intangible Lease Assets, Net	366,862
Total Noncurrent Assets	39,693,348
Total Assets	44,764,194
DEFERRED OUTFLOWS OF RESOURCES	
Other Postemployment Benefits	756,787
Pensions	3,659,096
Total Deferred Outflows of Resources	4,415,883
LIABILITIES	
Current Liabilities	
Payables:	
Accounts Payable	27,234
Accrued Liabilities	63,867
Due to Other Governments	36
Bond Interest and Matured Bonds	40,967
Bond Anticipation Notes Payable	573,935
Other Current Liabilities	55,706
Unearned Revenue	48,105
Due to Teachers' Retirement System	706,289
Due to Employees' Retirement System	92,695
Current Portion of Long-Term Liabilities:	
Bonds Payable	975,000
Lease Payable	104,690
Total Current Liabilities	2,688,524

See Notes to Basic Financial Statements

BAINBRIDGE-GUILFORD CENTRAL SCHOOL DISTRICT

STATEMENT OF NET POSITION (CONTINUED)
JUNE 30, 2024

LIABILITIES (CONTINUED)	
Noncurrent Liabilities	
Bonds Payable	$ 8,845,000
Leases Payable	178,946
Compensated Absences Payable	1,011,605
Other Postemployment Benefits Liability	5,511,529
Net Pension Liability - Proportionate Share	1,578,731
Total Noncurrent Liabilities	17,125,811
Total Liabilities	19,814,335
DEFERRED INFLOWS OF RESOURCES	
Other Postemployment Benefits	718,124
Pensions	885,107
Total Deferred Inflows of Resources	1,603,231
NET POSITION	
Net Investment in Capital Assets	18,324,710
Restricted	11,209,774
Unrestricted	(1,771,973)
Total Net Position	**$ 27,762,511**

See Notes to Basic Financial Statements

BAINBRIDGE-GUILFORD CENTRAL SCHOOL DISTRICT

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2024

		Program Revenues			Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges for Services	Operating Grants	Capital Grants	
FUNCTIONS/PROGRAMS					
General Support	$ 4,885,909	$ -	$ -	$ -	$ (4,885,909)
Instruction	15,562,444	178,031	1,691,750	14,000	(13,678,663)
Pupil Transportation	1,406,775	-	-	-	(1,406,775)
Community Services	-	29,721	-	-	29,721
School Lunch Program	715,538	33,682	777,693	-	95,837
Interest on Debt	557,762	-	-	-	(557,762)
Total Functions and Programs	**$ 23,128,428**	**$ 241,434**	**$ 2,469,443**	**$ 14,000**	(20,403,551)
	GENERAL REVENUES				
	Real Property Taxes				6,258,013
	Real Property Tax Items				956,909
	Use of Money and Property				751,214
	Unrestricted State Sources				15,065,623
	Sale of Property and Compensation for Loss				(376,564)
	Miscellaneous				252,839
	Total General Revenues				22,908,034
	Change in Net Position				2,504,483
	Total Net Position - Beginning of Year				25,258,028
	Total Net Position - End of Year				**$ 27,762,511**

See Notes to Basic Financial Statements

BAINBRIDGE-GUILFORD CENTRAL SCHOOL DISTRICT

BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2024

	Major Funds				
	General Fund	Capital Projects Fund	Special Reserve Fund Special Aid Fund	Non - Major Funds	Total Governmental Funds
ASSETS					
Cash - Unrestricted	$ 334,376	$ 559,935	$ 34,204	$ -	$ 928,515
Cash - Restricted	-	-	-	273,993	273,993
Investments					
Unrestricted	1,059,104	-	-	-	1,059,104
Restricted	7,900,538	2,749,800	-	225,798	10,876,136
Receivables:					
Due From Other Funds	407,881	-	173	187,729	595,783
State and Federal Aid	190,228	14,000	422,068	46,536	672,832
Due From Other Governments	663,131	-	-	19,101	682,232
Other	15,049	-	-	673	15,722
Inventories	-	-	-	26,725	26,725
Cash Held for HRA	1,226,654	-	-	-	1,226,654
Total Assets	**$11,796,961**	**$ 3,323,735**	**$ 456,445**	**$ 780,555**	**$ 16,357,696**
LIABILITIES					
Payables:					
Accounts Payable	$ 26,962	$ -	$ 74	$ 198	$ 27,234
Accrued Liabilities	57,051	-	2,464	4,352	63,867
Due to Other Funds	173	187,729	407,881	-	595,783
Due to Other Governments	-	-	-	36	36
Other Liabilities	55,706	-	-	-	55,706
Unearned Revenue	-	-	46,026	2,079	48,105
Bond Anticipation Notes Payable	-	573,935	-	-	573,935
Due to Teachers' Retirement System	706,289	-	-	-	706,289
Due to Employees' Retirement System	92,695	-	-	-	92,695
Total Liabilities	938,876	761,664	456,445	6,665	2,163,650
FUND BALANCES					
Nonspendable	1,226,654	-	-	26,725	1,253,379
Restricted	7,900,538	2,562,071	-	747,165	11,209,774
Assigned	794,057	-	-	-	794,057
Unassigned	936,836	-	-	-	936,836
Total Fund Balances	10,858,085	2,562,071	-	773,890	14,194,046
Total Liabilities and Fund Balances	**$11,796,961**	**$ 3,323,735**	**$ 456,445**	**$ 780,555**	**$ 16,357,696**

See Notes to Basic Financial Statements

RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION JUNE 30, 2024

Fund Balance - Total Governmental Funds		**$ 14,194,046**
Amounts reported for Governmental Activities in the Statement of Net Position are different because:		
Capital assets, net of accumulated depreciation, used in Governmental Activities are not financial resources and, therefore, are not reported in the Governmental Funds.		
Total Historical Cost	$ 61,849,258	
(Less) Accumulated Depreciation	(32,086,345)	
(Less) Accumulated Amortization	(760,632)	29,002,281
Long-term liabilities, including bonds payable and installment purchase debt are not due and payable in the current period and, therefore, are not reported in the funds.		
Bonds Payable	$ (9,820,000)	
Lease Liabilities	(283,636)	(10,103,636)
Certain accrued obligations and expenses reported in the Statement of Net Position do not require the use of current financial resources and, therefore, are not reported in the Governmental Funds.		
Accrued Interest on Long-Term Debt	$ (40,967)	
Compensated Absences Payable	(1,011,605)	
Other Postemployment Benefits Liability	(5,511,529)	(6,564,101)
The School District's proportionate share of the collective net pension (asset)/liability is not reported in the Governmental Funds.		
ERS Net Pension Liability - Proportionate Share	$ (1,193,784)	
TRS Net Pension Liability - Proportionate Share	(384,947)	(1,578,731)
Deferred outflows of resources represent a consumption of net position that applies to future periods and, therefore, is not reported in the Governmental Funds. Deferred inflows of resources represents an acquisition of net position that applies to future periods and, therefore, is not reported in the Governmental Funds.		
Other Postemployment Benefits Deferred Outflows of Resources	$ 756,787	
ERS Deferred Outflows of Resources - Pension	999,523	
TRS Deferred Outflows of Resources - Pension	2,659,573	
Other Postemployment Benefits Deferred Inflows of Resources	(718,124)	
ERS Deferred Inflows of Resources - Pension	(652,988)	
TRS Deferred Inflows of Resources - Pension	(232,119)	2,812,652
Net Position of Governmental Activities		**$ 27,762,511**

See Notes to Basic Financial Statements

BAINBRIDGE-GUILFORD CENTRAL SCHOOL DISTRICT

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - GOVERNMENTAL FUNDS FOR THE YEAR ENDED JUNE 30, 2024

	Major Funds				
	General Fund	Capital Projects Fund	Special Reserve Fund Special Aid Fund	Non - Non-Major Funds	Total Governmental Funds
REVENUES					
Real Property Taxes	$ 6,258,013	$ -	$ -	$ -	$ 6,258,013
Real Property Tax Items	956,909	-	-	-	956,909
Charges for Services	207,752	-	-	-	207,752
Use of Money and Property	485,074	187,729	-	25,540	698,343
Sale of Property and Compensation for Loss	52,002	-	-	157	52,159
Miscellaneous	216,935	-	-	46,901	263,836
State Sources	15,065,623	14,000	168,520	160,921	15,409,064
Medicaid Reimbursement	11,529	-	-	-	11,529
Federal Sources	2,037	-	1,521,193	594,246	2,117,476
Sales - School Lunch	-	-	-	33,682	33,682
Total Revenues	23,255,874	201,729	1,689,713	861,447	26,008,763
EXPENDITURES					
General Support	3,594,789	-	134,158	-	3,728,947
Instruction	8,989,986	-	1,271,529	297,138	10,558,653
Pupil Transportation	993,382	-	22,467	-	1,015,849
Employee Benefits	4,831,208	-	383,222	111,688	5,326,118
Debt Service:					
Principal	207,238	-	-	1,238,838	1,446,076
Interest	9,760	-	-	538,023	547,783
Cost of Sales	-	-	-	311,597	311,597
Capital Outlay	-	1,394,571	-	-	1,394,571
Total Expenditures	18,626,363	1,394,571	1,811,376	2,497,284	24,329,594
Excess (Deficiency) of Revenues Over Expenditures	4,629,511	(1,192,842)	(121,663)	(1,635,837)	1,679,169
OTHER FINANCING SOURCES AND (USES)					
Proceeds From Obligations	-	215,693	-	1,803	217,496
BANs Redeemed From Appropriations	-	308,838	-	-	308,838
Operating Transfers In	31,153	98,555	152,816	1,871,293	2,153,817
Operating Transfers (Out)	(1,934,078)	(188,586)	(31,153)	-	(2,153,817)
Total Other Sources (Uses)	(1,902,925)	434,500	121,663	1,873,096	526,334
Net Change in Fund Balances	2,726,586	(758,342)	-	237,259	2,205,503
Fund Balances - Beginning of Year	8,131,499	3,320,413	-	536,631	11,988,543
Fund Balances - End of Year	**$ 10,858,085**	**$ 2,562,071**	**$ -**	**$ 773,890**	**$ 14,194,046**

See Notes to Basic Financial Statements

BAINBRIDGE-GUILFORD CENTRAL SCHOOL DISTRICT

RECONCILIATION OF GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE TO THE STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2024

Net Change in Fund Balances - Total Governmental Funds		**$ 2,205,503**
Amounts reported for Governmental Activities in the Statement of Activities are different because:		
Governmental Funds report capital outlay and purchases of capitalizable assets as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation/amortization expense.		
Capital Outlay	$ 1,494,923	
Depreciation and Amortization Expense	(889,940)	
Net Book Value of Disposals	(428,723)	176,260
Long-term debt proceeds, and related issue costs and deferred amounts on refunding, provide current financial resources to Governmental Funds, but issuing debt and the related premiums increase long-term liabilities in the Statement of Net Position. Repayment of debt principal is an expenditure in the Governmental Funds, but the repayment reduces long-term liabilities in the Statement of Net Position.		
Repayment of Bond Principal	$ 930,000	
Principal Payments - Leases	260,109	
Lease Proceeds	(215,693)	974,416
Long-term obligations are reported in the Statement of Net Position. Therefore, expenses which result in an (increase) or decrease in these long-term obligations are not reflected in the Governmental Fund financial statements.		
Other Postemployment Benefits Liability	$ (201,267)	
Compensated Absences	(13,302)	(214,569)
Interest on long-term debt in the Statement of Activities differs from the amount reported in the Governmental Funds because interest is recorded as an expenditure in the funds when it is due and thus requires the use of current financial resources. In the Statement of Activities, however, interest expense is recognized as the interest accrues, regardless of when it is due. The difference in interest reported in the Statement of Activities is the result of accrued interest on bonds.		
Changes in Accrued Interest		(11,782)
Changes in the School District's proportionate share of net pension liabilities have no effect on current financial resources and, therefore, are not reported in the Governmental Funds. In addition, changes in the School District's deferred outflows of resources and deferred inflows of resources related to pensions do not affect current financial resources and are, also, not reported in the Governmental Funds.		
ERS	$ (212,208)	
TRS	(413,137)	(625,345)
Net Change in Net Position of Governmental Activities		**$ 2,504,483**

See Notes to Basic Financial Statements

STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2024

	Custodial Fund
ASSETS	
Cash - Unrestricted	$ 64,683
Total Assets	**$ 64,683**
NET POSITION	
Unrestricted	$ 64,683
TOTAL	**$ 64,683**

See Notes to Basic Financial Statements

BAINBRIDGE-GUILFORD CENTRAL SCHOOL DISTRICT

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED JUNE 30, 2024

	Custodial Fund
ADDITIONS	
Extraclassroom Activities - Receipts	$ 112,017
DEDUCTIONS	
Extraclassroom Activities - Disbursements	110,053
Change in Net Position	1,964
Net Position - Beginning of Year	62,719
Net Position - End of Year	**$ 64,683**

See Notes to Basic Financial Statements

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

Note 1 **Summary of Significant Accounting Policies**

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

Reporting Entity

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

The financial reporting entity consists of the following, as defined by Governmental Accounting Standards Board (GASB) Statement No. 14, as amended.

- The primary government, which is the Bainbridge-Guilford Central School District;
- Organizations for which the primary government is financially accountable; and
- Other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's basic financial statements to be misleading or incomplete.

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

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

The Extraclassroom Activity Funds of the School District represent funds of the students of the School District. The Board of Education exercises general oversight of these funds. The Extraclassroom Activity Funds are independent of the School District with respect to its financial transactions and the designation of student management. While the Extraclassroom Activity Funds are not considered a component unit of the School District, due to the School District’s fiduciary responsibility in relation to the Funds, they are reported in the School District’s Agency Fund. Separate audited financial statements (cash basis) of the Extraclassroom Activity Funds can be obtained from the School District's Business Office, located at 18 Juliand Street, Bainbridge, New York 13733.

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

Joint Venture
The Bainbridge-Guilford Central School District is in the Delaware-Chenango-Madison-Otsego Board of Cooperative Educational Services (BOCES). A BOCES is a voluntary, cooperative association of school districts in a geographic area that shares planning, services, and programs that provide educational and support activities.

BOCES are organized under §1950 of the Education Law. A BOCES Board is considered a corporate body. 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 General Municipal Law (GML).

A BOCES budget is comprised of separate budgets for administrative, program, and capital costs. Each component school district's share of administrative and capital cost is determined by resident public school district enrollment as defined in Education Law §1950(4)(b)(7).

There is no authority or process by which a school district can terminate its status as a BOCES component. In addition, component school districts pay tuition or a service fee for programs in which its students participate. Members of a BOCES Board are nominated and elected by their component member boards in accordance with provisions of §1950 of the Education Law. BOCES' financial statements may be obtained from the Delaware-Chenango-Madison-Otsego BOCES administration office at 6678 County Road 32, Norwich, New York 13815.

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

The Statement of Activities presents a comparison between direct expenses and 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 relate to the administration and support of the School District's programs, including personnel, overall administration, and finance. Employee benefits are allocated to functional expenses as a percentage of related payroll expense. 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.

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

Basis of Presentation - Fund Financial Statements

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

The School District reports the following Major Governmental Funds:

- General Fund: The School District's primary operating fund. It accounts for all financial transactions not required to be accounted for in another fund.

- Capital Projects Fund - Construction - This fund is used to account for the financial resources used for acquisition, construction, or major repair of capital facilities.

- Special Revenue Funds: These funds account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specified purposes. Special revenue funds include the following:

  - Special Aid Fund: Used to account for proceeds received from state and federal grants restricted for special educational programs.

The School District reports the following Non-Major Governmental Funds:

- Special Revenue Funds: These funds account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specified purposes. Special revenue funds include the following:

  - School Lunch Fund: Accounts for revenues and expenditures in connection with the School District's food service program.

  - Miscellaneous Special Revenue Fund: Used to account for student scholarships whose funds are restricted as to use.

- Debt Service Fund - This fund accounts for the accumulation of resources and the payment of principal and interest on long-term general obligation debt of governmental activities. When a capital asset is sold and all or a portion of the bonds used to finance the capital asset are outstanding, this fund must be used to account for the proceeds from the sale of capital assets up to the balance of related bonds outstanding.

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.

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

Basis of Presentation - Fund Financial Statements - Continued
The School District reports the following Fiduciary Funds:

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

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

The Governmental Fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The School District considers all revenues reported in the Governmental Funds to be available if the revenues are collected within 90 days after the end of the fiscal year.

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

Cash and Investments
The School District's cash and cash equivalents consist of cash on hand, demand deposits, and short-term investments with original maturities of three months or less from date of acquisition. New York State law governs the School District's investment policies. Resources must be deposited in Federal Deposit Insurance Corporation insured (FDIC) 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.

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

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

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

Inventories and Prepaid Items
Inventories of food in the School Lunch Fund are recorded at cost on a first-in, first-out basis, or in the case of surplus food, at stated value, which approximates fair value. Purchases of items of an inventory nature in other funds are recorded as expenditures at the time of purchase, and are considered immaterial in amount. Prepaid items represent payments made by the School District for which benefits extend beyond year-end. These payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the District-wide and Governmental Fund financial statements. These items are reported as assets on the Statement of Net Position or Balance Sheet using the consumption method. A current asset for the prepaid amounts is recorded at the time of purchase and an expense/expenditure is reported in the year the goods or services are consumed.

Nonspendable fund balances for these non-liquid assets (inventories and prepaid items) have been recognized to signify that a portion of fund balance is not available for other subsequent expenditures.

Capital Assets
Capital assets are reported at actual costs for acquisitions, including the right to use assets acquired through financed lease arrangements. Donated assets are reported at estimated fair market value at the time received.

Capitalization thresholds (the dollar value above which asset acquisitions are added to the capital asset accounts), depreciation methods, and estimated useful lives of capital assets reported in the District-wide financial statements are as follows:

	Capitalization Threshold	Estimated Useful Life
Buildings	$ 5,000	40 Years
Building Improvements	5,000	15-40 Years
Furniture, Equipment and Vehicles	5,000	5-20 Years

Note 1 Summary of Significant Accounting Policies - Continued

Capital Assets - Continued
Capital assets are depreciated over their estimated useful lives using the straight-line method. Intangible lease assets are amortized in line with its amortization schedule.

Vested Employee Benefits - Compensated Absences
Compensated absences consist of unpaid accumulated annual sick leave, vacation, and sabbatical time.

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

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

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

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

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

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

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

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

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

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

In addition to providing pension benefits, the School District provides health insurance coverage and survivor benefits for retired employees and their survivors. Substantially all of the School District's employees may become eligible for these benefits if they reach normal retirement age while working for the School District. Health care benefits are provided through plans whose premiums are based on the benefits paid during the year. The cost of providing post-retirement benefits is shared between the School District and the retired employee. The School District recognizes the cost of providing health insurance by recording its share of insurance premiums as an expenditure or operating transfer to other funds in the General Fund in the year paid.

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

Deferred Outflows and Deferred Inflows of Resources
In addition to assets, the Statement of Net Position reports a separate section for deferred outflows of resources. This separate financial statement element, 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 School District reports deferred outflows of resources related to pensions plans in the District-wide Statement of Net Position. The types of deferred outflows of resources related to pensions and OPEB plans are described in Notes 11 and 12, respectively.

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

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

Unearned and Unavailable Revenues
Unearned revenues arise when resources are received by the School District before it has legal claim to them, as when grant monies are received prior to the incidence of qualifying expenditures. In subsequent periods, when the School District has legal claim to the resources, the liability for unearned revenues is removed and revenues are recorded.

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

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

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

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

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

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

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

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

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

Equity Classifications - Governmental Fund Financial Statements - Continued

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

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

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

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

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

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

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

Legally Adopted Reserves
Fund balance reserves are created to satisfy legal restrictions, plan for future expenditures or relate to resources not available for general use or appropriation. The following reserve funds are available to school districts within New York State. Except for the Encumbrance Reserve, these reserve funds are established through board action or voter approval and a separate identity must be maintained for each reserve. Earnings on the invested resources become part of the respective reserve funds; however, separate bank accounts are not necessary for each reserve fund. These reserves are reported in the fund financial statements as Restricted Fund Balance. Reserves currently in use by the School District include the following:

- Capital Reserve (Education Law §3651): Used to pay the cost of any object or purpose for which bonds may be issued. The creation of a Capital Reserve Fund requires authorization by a majority of the voters establishing the purpose of the reserve, the ultimate amount, its probable term, and the source of the funds. Expenditures may be made from the reserve only for a specific purpose further authorized by the voters. The form for the required legal notice for the vote on establishing and funding the reserve and the form of the proposition to be placed on the ballot are set forth in §3651 of the Education Law. This reserve is accounted for in the General Fund.

- Liability Reserve (Education Law §1709(8-c): Used to reserve funds for the payment of potential property loss and liability claims. This reserve may be established by a majority vote of the Board, and is funded by budgetary appropriations and such other reserves and funds that may be legally appropriated. This reserve is accounted for in the General Fund.

- Unemployment Insurance Reserve (GML §6-m): 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 60 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.

- Workers Compensation Reserve (GML §6-j): Used to pay for compensation benefits and other expenses authorized by Article 2 of the Workers' Compensation Law and for payment of expenses for 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 60 days after the end of any fiscal year, excess amounts may either be transferred to another reserve or applied to the appropriations of the succeeding fiscal year's budget. This reserve is accounted for in the General Fund.

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

Legally Adopted Reserves - Continued

- Retirement Contributions Reserves (GML §6-r): Used to reserve funds for the payment of retirement contributions, due to volatility in the economic marketplace. 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. Effective April 1, 2019, a Board may adopt a resolution establishing a sub-fund for contributions to the New York State Teachers' Retirement System. During a fiscal year, the Board may authorize payment into the sub-fund of up to 2% of the total covered salaries paid during the preceding fiscal year, with the total amount funded not to exceed 10% of the total covered salaries during the preceding fiscal year. The sub-fund is separately administered, but must comply with all the existing provisions of General Municipal Law §6-r. These reserves are accounted for in the General Fund.

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

Property Taxes
Real property taxes are levied annually by the Board of Education no later than September 1, 2023 and became effective on August 3, 2023. Taxes were collected during the period September 1, 2023 to November 1, 2023.

Uncollected real property taxes are subsequently enforced by the counties of Broome, Chenango, Delaware, and Otsego. The counties pay an amount representing uncollected real property taxes transmitted to the Counties for enforcement to the School District no later than the following April 1.

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

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

Use of Estimates
The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amount of assets 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 encumbrances, compensated absences, potential contingent liabilities and useful lives of long-lived assets.

New Accounting Standards
The School District adopted and implemented the following current Statements of the GASB effective for the year ended June 30, 2024:

- GASB Statement No. 100, "Accounting Changes and Error Corrections - an Amendment of GASB Statement No. 62;" School District management has determined there was no material effect on the financial statements.

Future Changes in Accounting Standards

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

- GASB has issued Statement No. 102, "Certain Risk Disclosures," effective for the year ending June 30, 2025.

- GASB has issued Statement No. 103, "Financial Reporting Model Improvements," effective for the year ending June 30, 2026.

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

Error Correction
During the year ended June 30, 2024, the School District became aware of an error regarding the classifications of Cash - Unrestricted, Cash - Restricted, Investments - Unrestricted, and Investments - Restricted which impacted the audit report dated September 25, 2023. The error has since been corrected by properly classifying investments in the audit report dated October 7, 2024. The reclassification impacted current and long term assets, but had no effect on net position, fund balance, or fund net position in the prior year.

Note 2 **Participation in BOCES**

During the year ended June 30, 2024, the School District's share of BOCES income amounted to $1,516,072. The School District was billed $3,508,402 for BOCES administration and program costs. Financial statements for Delaware-Chenango-Madison-Otsego BOCES are available from the BOCES Administrative Office at 6678 County Road 32, Norwich, New York 13815.

Note 3 **Cash and Cash Equivalents - Custodial and Concentration of Credit Risk**

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

The School District's aggregate bank balances of $1,727,611, excluding investments, are either insured or collateralized with securities held by the pledging financial institution in the School District's name.

The School District also participates in a local government external investment pool through the New York Cooperative Liquid Assets Securities System (NYCLASS). The cooperative is actively managed and invests exclusively in investments legally permissible for New York State school districts and municipal corporations. These permissible investments include: U.S. Treasury securities, obligations backed by the full faith and credit of the U.S. government, collateralized bank deposits, and repurchase agreements collateralized at 102% by Treasury securities and agency securities backed by the full faith and credit of the U.S. government. All counterparties to repurchase agreements are highly-rated primary dealers, and a custodial bank holds all collateral supporting the transactions in constructive possession on the cooperative's behalf.

Credit rate risk is the risk of loss attributed to the magnitude of the School District's investment in a single issuer. The School District's external investment pool is rated AAAm by S&P Global Ratings.

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In order to limit its exposure, the School District's external investment pool limits the purchase of investments to a maximum final maturity per fixed rate security of 13 months (397 days) and maximum final maturity per floating rate security of two years (762 days). In addition, the weighted average maturity to reset cannot exceed 60 days and weighted average maturity to final cannot exceed 120 days. The dollar weighted average days to maturity of NYCLASS at June 30, 2024, was 38 days and the weighted average life was 72 days.

Note 3 **Cash and Cash Equivalents - Custodial and Concentration of Credit Risk - Continued**

NYCLASS financial statements may be obtained from NYCLASS Client Services, at 717 17th Street, Suite 1850, Denver, Colorado 80202.

The School District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles.

The hierarchy is base on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The following investments are held by the School District:

Fund	Cost	Carrying Amount Fair Value	Type of Investment	Category
General Fund	$ 8,959,642	$ 8,959,642	NYCLASS	(1)
Capital Fund	2,749,800	2,749,800	NYCLASS	(1)
Miscellaneous Special Revenue Fund	225,798	225,798	NYCLASS	(1)
Total	**$ 11,935,240**	**$ 11,935,240**		

Restricted cash and investments at June 30, 2024 consisted of the following:

Restricted for Debt Service	$ 2,660
Restricted for School Lunch	271,333
Restricted for Capital Projects	2,749,800
Restricted for General Fund Reserves	7,900,538
Restricted for Scholarships	-
Total	**$ 10,924,331**

Note 4 **Due From Other Governments**

Due from other governments consisted of the following, which are stated at net realizable value.

Description	Amount
BOCES September Aid	$ 682,232
Total	**$ 682,232**

Note 5 Interfund Balances and Activity

Interfund balances at June 30, 2024 are as follows.

	Interfund Receivable	Interfund Payable	Interfund Revenues	Interfund Expenditures
General Fund	$ 407,881	$ 173	$ 31,153	$ 1,934,078
Capital Projects Fund - Construction	-	187,729	98,555	188,586
Special Aid Fund	173	407,881	152,816	31,153
Non-Major Funds	187,729	-	1,871,293	-
Total	**$ 595,783**	**$ 595,783**	**$ 2,153,817**	**$ 2,153,817**

Interfund receivables and payables, other than between Governmental Activities and Fiduciary Funds, are eliminated on the Statement of Net Position.

The School District typically transfers, from the General Fund to the Special Aid Fund, the School District's share of the cost to accommodate the mandated accounting for the School District's share of expenditures of a Special Aid Fund project. The School District also transfers funds from the Capital Reserve in the General Fund to Capital Funds, as needed, to fund capital projects. Periodically, the School District transfers funds as needed to subsidize the School Lunch Fund. All interfund payables are expected to be repaid within one year.

Note 6 Capital Assets

Capital asset balances and activity for the year ended June 30, 2024 were as follows.

Governmental Activities	Beginning Balance	Additions	Reclassifications and Disposals	Adjustments	Ending Balance
Capital Assets That Are Not Depreciated					
Land	$ 91,577	$ -	$ -	$ -	$ 91,577
Construction in Progress	1,009,412	1,091,023	(858,643)	-	1,241,792
Total Nondepreciable Historical Cost	1,100,989	1,091,023	(858,643)	-	1,333,369
Capital Assets That Are Depreciated					
Buildings and Improvements	52,971,644	-	858,643	(77,029)	53,753,258
Furniture and Equipment	6,555,610	188,207	(58,944)	(1,049,736)	5,635,137
Total Depreciable Historical Cost	59,527,254	188,207	799,699	(1,126,765)	59,388,395
Intangible Lease Assets					
Equipment	911,801	215,693	-	-	1,127,494
Total Historical Cost	61,540,044	1,494,923	(58,944)	(1,126,765)	61,849,258
Less Accumulated Depreciation					
Buildings and Improvements	(27,335,340)	(491,361)	-	74,799	(27,751,902)
Furniture and Equipment	(4,795,656)	(220,974)	57,434	624,753	(4,334,443)
Total Accumulated Depreciation	(32,130,996)	(712,335)	57,434	699,552	(32,086,345)
Accumulated Amortization					
Equipment	(583,027)	(177,605)	-	-	(760,632)
Total Historical Cost, Net	**$ 28,826,021**	**$ 604,983**	**$ (1,510)**	**$ (427,213)**	**$ 29,002,281**

Note 6 **Capital Assets - Continued**

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

General Support	$	261,545
Instruction		563,660
Pupil Transportation		60,216
School Lunch Program		4,519
Total	**$**	**889,940**

Note 7 **Short-Term Debt**

The School District may issue revenue anticipation notes (RANs) in anticipation of the receipt of revenues. These notes are recorded as a liability of the fund that will actually receive the proceeds from the issuance of the notes. The RANs represent a liability that will be extinguished by the use of expendable, available resources of the fund. The School District did not issue or redeem any RANs during the year.

The School District may issue budget notes up to an amount not to exceed 5% of the amount of the annual budget during any fiscal year for expenditures for which an insufficient or no provision is made in the annual budget. The budget note must be repaid no later than the close of the second fiscal year succeeding the year in which the note was issued. The School District did not issue or redeem any budget notes during the year.

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

The following is a summary of the School District's BANs for the year ended June 30, 2024:

	Beginning Balance	Issued	Redeemed	Renewed	Ending Balance
BAN Maturing 09/29/2023 at 3.08%	$ 428,273	$ -	$ (98,338)	$ (329,935)	-
BAN Maturing 06/26/2024 at 4.37%	-	210,500	(210,500)	-	-
BAN Maturing 09/27/2024 at 3.85%	-	244,000	-	329,935	573,935
Total Short-Term Debt	**$ 428,273**	**$ 454,500**	**$ (308,838)**	**$ -**	**$ 573,935**

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

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

Interest Paid	$	15,823
(Less) Interest Accrued in the Prior Year		(10,260)
Plus Interest Accrued in the Current Year		20,901
Less Amortization of BAN Premium		(1,803)
Total	**$**	**24,661**

Note 8 **Long-Term Debt**

At June 30, 2024, the total outstanding indebtedness of the School District represented 33.5% of its statutory debt limit, exclusive of building aids. Long-term debt is classified as follows:

Serial Bonds

The School District borrows money in order to acquire land or equipment or construct buildings and improvements. This enables the cost of these capital assets to be borne by the present and future taxpayers receiving the benefit of the capital assets.

The following is a summary of the School District's long-term debt for the year ended June 30, 2024.

	Issue Date	Final Maturity	Interest Rate	Outstanding June 30, 2024
Serial Bonds				
Construction	06/15/2012	06/15/2026	2.25-3.00%	$ 470,000
Revenue Bonds	06/15/2022	06/15/2037	5.00%	9,350,000
Total Serial Bonds				**$ 9,820,000**

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

Interest Paid	$	522,200
(Less) Interest Accrued in the Prior Year		(18,925)
Interest Accrued in the Current Year		20,066
Total	**$**	**523,341**

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

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

Governmental Activities	Beginning Balance	Issued	Redeemed	Ending Balance	Amounts Due Within One Year
Serial Bonds	$ 10,750,000	$ -	$ (930,000)	**$ 9,820,000**	$ 975,000

Interest paid on the Serial Bonds varies from year to year, in accordance with the interest rates specified in the bond agreements.

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

Year	Principal	Interest	Total
2025	$ 975,000	$ 481,600	$ 1,456,600
2026	865,000	438,950	1,303,950
2027	750,000	399,000	1,149,000
2028	790,000	361,500	1,151,500
2029	825,000	322,000	1,147,000
2030-2034	4,775,000	947,500	5,722,500
2035-2037	840,000	53,750	893,750
Total	**$ 9,820,000**	**$ 3,004,300**	**$ 12,824,300**

Note 9 **Compensated Absences**

Compensated Absences represents funds accrued to pay for the School District's share of sick and vacation time. This liability is liquidated through the General Fund.

Compensated absences balances and activity for the year ended June 30, 2024 are summarized below:

	Beginning Balance	Additions	Deletions	Ending Balance	Amounts Due Within One Year
Compensated Absences	$ 998,303	$ 13,302	$ -	**$1,011,605**	$ -

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

Note 10 **Lease Liabilities**

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

At June 30, 2024, the School District reported $249,398 offset by accumulated amortization of $155,260, in intangible lease assets that were not included in the lease liability below.

Lease liabilities as of June 30, 2024 are as follows:

Description	Issue Date	Final Maturity	Discount Rate	Outstanding June 30, 2024
2021 IPA	07/01/2020	08/01/2024	2.09%	$ 22,088
2022 IPA	07/01/2021	08/01/2025	2.56%	57,442
2023 IPA	07/01/2022	08/01/2026	5.00%	89,938
2024 IPA	07/01/2023	08/01/2027	7.00%	114,168
				283,636

The following is a summary of the maturity of lease liabilities:

Fiscal Year Ending June 30,	Principal	Interest	Total
2025	$ 104,690	$ 14,422	$ 119,112
2026	86,553	10,007	96,560
2027	60,893	5,839	66,732
2028	31,500	2,205	33,705
	$ 283,636	**$ 32,473**	**$ 316,109**

Interest paid for the current year amounted to $9,760.

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

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

Tier 3 and Tier 4 members are required by law to contribute 3% of salary to the System. Effective October 2000, contributions were eliminated for Tier 3 and 4 members with 10 or more years of service or membership. Effective January 1, 2010, Tier 5 members are required by law to contribute 3.5% of salary throughout their active membership. Effective April 1, 2012, Tier 6 members are required by law to contribute between 3% and 6% of salary throughout their active membership in accordance with a salary based upon salary earned. Pursuant to Article 14 and Article 15 of the RSSL, those member contributions are used to help fund the benefits provided by the System. However, if a member dies or leaves covered employment with less than 5 years of credited service for Tiers 3 and 4, or 10 years of credited service for Tiers 5 and 6, the member contributions with interest calculated at 5% per annum are refunded to the employee or designated beneficiary.

Eligible Tier 1 and Tier 2 members may make member contributions under certain conditions pursuant to the provisions of Article 11 of the Education Law and Article 11 of the RSSL. Upon termination of membership, such accumulated member contributions are refunded. At retirement, such accumulated member contributions can be withdrawn or are paid as a life annuity.

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

Plan Descriptions and Benefits Provided - Employees' Retirement System (ERS) (System)

The School District participates in the New York State and Local Employees' Retirement System (ERS). This is a cost-sharing, multiple-employer, defined benefit pension plan (Plan). The System provides retirement benefits as well as death and disability benefits. The net position of the System is held in the New York State Common Retirement Fund (the Fund), which was established to hold all net assets and record changes in plan net position allocated to the System. The Comptroller of the State of New York serves as the trustee of the Fund and is the administrative head of the System. System benefits are established under the provisions of RSSL. Once a public employer elects to participate in the System, the election is irrevocable. The New York State Constitution provides that pension membership is a contractual relationship and plan benefits cannot be diminished or impaired. Benefits can be changed for future members only by enactment of a state Statute. The School District also participates in the Public Employees' Group Life Insurance Plan (GLIP), which provides death benefits in the form of life insurance. The System is included in the state's financial report as a pension trust fund. That report, including information with regard to benefits provided, may be found at www.osc.state.ny.us/retire/publications/index.php or obtained by writing to the New York State and Local Retirement System, 110 State Street, Albany, New York 12244.

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

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

Summary of Significant Accounting Policies

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

Contributions

Contributions for the current year and two preceding plan years were equal to 100% of the contributions required, and were as follows:

	ERS	TRS
2024	**$301,548**	**$570,909**
2023	264,909	594,576
2022	304,721	533,278

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2024, the School District reported the following liability for its proportionate share of the net pension (asset)/liability for each of the Systems. The net pension (asset)/liability was measured as of March 31, 2024 for ERS and June 30, 2023 for TRS. The total pension liability used to calculate the net pension (asset)/liability was determined by an actuarial valuation. The School District's proportionate share of the net pension (asset)/liability was based on a projection of the School District's long-term share of contributions to the Systems relative to the projected contributions of all participating members, actuarially determined. This information was derived from reports provided to the School District by the ERS and TRS Systems.

	ERS	TRS
Actuarial Valuation Date	April 1, 2023	June 30, 2022
Net Pension (Asset)/Liability	$ 14,724,050,185	$ 1,143,585,019
School District's Proportionate Share of the Plan's Total Net Pension (Asset)/Liability	1,193,784	384,947
School District's Share of the Net Pension (Asset)/Liability	0.0081077%	0.033661%

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

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - Continued

For the year ended June 30, 2024, the School District recognized pension expense of $534,247 for ERS and $1,102,712 for TRS in the District-wide financial statements. At June 30, 2024 the School District's reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources		Deferred Inflows of Resources	
	ERS	TRS	ERS	TRS
Differences Between Expected and Actual Experience	$ 384,517	$ 933,393	$ 32,551	$ 2,307
Changes of Assumptions	451,343	828,779	-	180,628
Net Differences Between Projected and Actual Earnings on Pension Plan Investments	-	196,777	583,157	-
Changes in Proportion and Differences Between the School District's Contributions and Proportionate Share of Contributions	70,622	79,666	37,280	49,184
School District's Contributions Subsequent to the Measurement Date	93,041	620,958	-	-
Total	**$ 999,523**	**$ 2,659,573**	**$ 652,988**	**$ 232,119**

School District contributions subsequent to the measurement date, reported as deferred outflows of resources, will be recognized as a reduction of the net pension liability in the year ending June 30, 2025. 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 Ending	ERS	TRS
2025	$ (205,445)	$ 169,082
2026	227,616	(186,261)
2027	354,433	1,556,087
2028	(123,110)	115,729
2029	-	90,980
Thereafter	-	60,879

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

Actuarial Assumptions

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

Significant actuarial assumptions used in the valuations were as follows:

	ERS	TRS
Measurement Date	March 31, 2024	June 30, 2023
Actuarial Valuation Date	April 1, 2023	June 30, 2022
Investment Rate of Return	5.9%	6.95%
Salary Increases	4.4%	1.95% - 5.18%
Cost of Living Adjustments	1.5%	1.3%
Inflation Rate	2.9%	2.4%

For ERS, annuitant mortality rates are based on April 1, 2015 - March 31, 2020 System experience with adjustments for mortality improvements based on the Society of Actuaries' Scale MP-2021. For TRS, annuitant mortality rates are based on plan member experience with adjustments for mortality improvements based on Society of Actuaries Scale MP-2021, applied on a generational basis.

For ERS, the actuarial assumptions used in the April 1, 2023 valuation are based on the results of an actuarial experience study for the period April 1, 2015 - March 31, 2020. For TRS, the actuarial assumptions used in the June 30, 2022 valuation were based on the results of an actuarial experience study for the period July 1, 2015 - June 30, 2020.

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

Actuarial Assumptions - Continued
For ERS, the long-term rate of return on pension plan investments was determined using a building block method in which best estimate ranges of expected future real rates of return (expected returns net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by each the target asset allocation percentage and by adding expected inflation. For TRS, 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 the arithmetic real rates of return for each major asset class included in the target asset allocation are summarized as follows.

	ERS	TRS
Measurement Date	March 31, 2024	June 30, 2023
Asset Type		
Domestic Equities	4.00%	6.80%
International Equities	6.65%	7.60%
Global Equities	-	7.20%
Real Estate	4.60%	6.30%
Private Equity	7.25%	10.10%
Opportunistic/Absolute Return Strategy	5.25%	-
Real Assets	5.79%	-
Cash	0.25%	-
Credit	5.40%	-
Fixed Income	1.50%	-
Domestic Fixed Income	-	2.20%
Global Bonds	-	1.60%
Private Debt	-	6.00%
Real Estate Debt	-	3.20%
High-Yield Bonds	-	4.40%
Cash Investments	-	0.30%

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

Discount Rate
The discount rate used to calculate the total pension liability was 5.9% for ERS and 6.95% for TRS. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and contributions from employers will be made at statutorily required rates, actuarially. Based on the assumptions, the Systems' fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The following presents the School District's proportionate share of the net pension liability calculated using the discount rate of 5.9% for ERS and 6.95% for TRS, as well as what the School District's proportionate share of the net pension (asset)/liability would be if it were calculated using a discount rate that is 1 percentage point lower or higher than the current rate.

ERS	1% Decrease (4.9%)	Current Assumption (5.9%)	1% Increase (6.9%)
School District's Proportionate Share of the Net Pension (Asset)/Liability	$ 3,753,379	$ 1,193,784	$ (944,009)

TRS	1% Decrease (5.95%)	Current Assumption (6.95%)	1% Increase (7.95%)
School District's Proportionate Share of the Net Pension (Asset)/Liability	$ 5,862,933	$ 384,947	$ (4,222,277)

Pension Plan Fiduciary Net Position
The components of the current-year net pension liability of the employers as of the respective valuation dates were as follows.

	Dollars in Thousands	
	ERS	TRS
Measurement Date	March 31, 2024	June 30, 2023
Employers' Total Pension (Asset)/Liability	$ 240,696,851	$ 138,365,122
Plan Net Position	(225,972,801)	(137,221,537)
Employers' Net Pension (Asset)Liability	**$ 14,724,050**	**$ 1,143,585**
Ratio of Plan Net Position to the Employers' Total Pension (Asset)/Liability	93.9%	99.2%

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

Payables to the Pension Plan
For ERS, employer contributions are paid annually based on the System's fiscal year which ends on March 31. Employee contributions are remitted monthly. Accrued retirement contributions as of June 30, 2024 represent the projected employer contribution for the period of April 1, 2024 through June 30, 2024 based on estimated ERS wages multiplied by the employer's contribution rate, by tier. Accrued retirement contributions as of June 30, 2024 amounted to $92,695.

For TRS, employer and employee contributions for the fiscal year ended June 30, 2024 are paid to the System in September, October, and November 2024 through a state aid intercept. Accrued retirement contributions as of June 30, 2024 represent employee and employer contributions for the fiscal year ended June 30, 2024 based on paid TRS wages multiplied by the employer's contribution rate, by tier and employee contributions for the fiscal year as reported to the TRS System. Accrued retirement contributions as of June 30, 2024 amounted to $706,289.

Current Year Activity
The following is a summary of current year activity:

	Beginning Balance	Change	Ending Balance
ERS			
Net Pension (Asset)/Liability	$ 1,639,709	$ (445,925)	$ 1,193,784
Deferred Outflows of Resources	(1,104,959)	105,436	(999,523)
Deferred Inflows of Resources	100,291	552,697	652,988
Subtotal	635,041	212,208	847,249
TRS			
Net Pension (Asset)/Liability	657,142	(272,195)	384,947
Deferred Outflows of Resources	(3,461,363)	801,790	(2,659,573)
Deferred Inflows of Resources	348,577	(116,458)	232,119
Subtotal	(2,455,644)	413,137	(2,042,507)
Total	**$ (1,820,603)**	**$ 625,345**	**$ (1,195,258)**

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

General Information About the OPEB Plan (Plan)

Plan Description
The Plan is a single employer, defined benefit healthcare plan administered by Excellus Blue Cross Blue Shield. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75. The Plan does not issue separate financial statements, as there are no assets legally segregated for the sole purpose of paying benefits under the plan.

Benefits Provided
The School District provides healthcare benefits for eligible retirees and their spouses. Benefit provisions are established through negotiations between the School District and bargaining units and are renegotiated each as each contract expires.

Employees Covered by Benefit Terms
At June 30, 2024, the following employees were covered by the benefit terms:

Retirees	17
Spouses of Retirees	1
Active Employees	160
Total	**178**

The School District's total OPEB liability of $5,511,529 was measured as of June 30, 2024, and was determined by an actuarial valuation as of July 1, 2023.

Actuarial Assumptions and Other Inputs
The total OPEB liability in the July 1, 2023 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Long-Term Bond Rate:	3.93%
Discount Rate	3.93%
Actuarial Cost Method	Entry Age Normal
Salary Scale	2.40%
Dental Trend Rate	3.00%
Medical Trend Rate	6.8% to 3.8% from 2024 to 2073

The single discount rate above is based on the Bond Buyer General Obligation 20-Bond Municipal Index.

The Pub-2010 Mortality Table for employees, sex distinct, with generational mortality and projected forward with scale MP-2021 Ultimate Scale.

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

Actuarial Assumptions and Other Inputs - Continued
Rates of turnover and retirement rates are based on rates of decrement due to turnover and retirement based on the experience under the New York State and Local Retirement System as prepared by the Department of Civil Service's actuarial consultant in the report titled, Development of Recommended Actuarial Assumptions for New York State/SUNY GASB 45 Valuation.

Retirement rates are based on tables used by the New York State Teachers' Retirement System and New York State and Local Retirement System.

The actuarial assumptions used in the July 1, 2023 valuation were consistent with the requirements of GASB Statement No. 75 and Actuarial Standards of Practice (ASOPs).

Changes in the Total OPEB Liability

Changes for the Year		
Service Cost	$	302,631
Interest Cost		175,524
Changes of Benefit Terms		981
Differences Between Expected and Actual Experience		781,204
Changes in Assumptions or Other Inputs		(127,426)
Benefit Payments		(253,014)
Net Change		879,900
Balance at June 30, 2024	**$**	**5,511,529**

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

	1% Decrease (2.93%)	Discount Rate (3.93%)	1% Increase (4.93%)
Total OPEB Liability	$ 5,979,823	$ 5,511,529	$ 5,079,820

Changes of assumptions and other inputs reflect a change in the discount rate from 3.65% in 2023 to 3.93% in 2024.

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

Changes in the Total OPEB Liability - Continued

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

	1% Decrease	Healthcare Cost Trend Rate	1% Increase
Total OPEB Liability	$ 4,901,445	$ 5,511,529	$ 6,239,189

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

For the year ended June 30, 2024, the School District recognized OPEB expense of $454,281.

At June 30, 2024, the School District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	$ 699,829	$ 491,569
Changes in Assumptions or Other Inputs	56,958	226,555
Total	**$ 756,787**	**$ 718,124**

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows.

Fiscal Year Ending June 30,	Amount
2025	$ (24,855)
2026	(6,171)
2027	(1,501)
2028	(1,501)
2029	(1,307)
Thereafter	73,998

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

Current Year Activity
The following is a summary of current year activity:

	Beginning Balance	Change	Ending Balance
OPEB			
Other Postemployment Benefits Liability	$ 4,631,629	$ 879,900	$ 5,511,529
Deferred Outflows of Resources	(63,929)	(692,858)	(756,787)
Deferred Inflows of Resources	703,899	14,225	718,124
Total	**$ 5,271,599**	**$ 201,267**	**$ 5,472,866**

Note 13 **Commitments and Contingencies**

Risk Financing and Related Insurance

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

Worker's Compensation
The School District incurs costs related to a workers' compensation insurance plan (Plan) sponsored by BOCES and its component districts. The Plan's objectives are to formulate, develop, and administer a program of insurance to obtain lower costs for that coverage and to develop a comprehensive loss control program. Plan members include 11 school districts, with the School District bearing a proportionate share of the Plan's assets and claims liabilities. Plan members are subject to a supplemental assessment in the event of deficiencies. If the Plan's assets were to be exhausted, members would be responsible or the Plan's liabilities. Plan financial statement may be obtained from the BOCES administrative office at 435 Glenwood Rd., Binghamton NY 13905.

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

Note 13 **Commitments and Contingencies - Continued**

Workers' Compensation - Continued

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

During the year ended June 30, 2024, the School District incurred premiums or contribution expenditures of $84,150.

Other Items

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

Note 14 **Fund Balance Detail**

At June 30, 2024, nonspendable, restricted, and assigned fund balances in the governmental funds were as follows:

	General Fund	Capital Project Fund	Non-Major Funds
Nonspendable			
Prepaid Expenses	$ 1,226,654	$ -	$ -
Inventory	-		26,725
Total Nonspendable Fund Balance	**$ 1,226,654**	**$ -**	**$ 26,725**
Restricted			
Workers Compensation Reserve	$ 533,565	$ -	$ -
Liability Reserve	262,187	-	
Unemployment Insurance Reserve	105,544	-	-
ERS Contribution Reserve	1,494,335	-	-
TRS Contribution Reserve	376,660	-	-
Employee Benefit Accrued Liability Reserve	1,011,583	-	-
Capital Reserve	4,116,664	-	-
Capital Projects	-	2,562,071	-
Scholarships	-	-	225,798
School Lunch	-	-	330,978
Debt	-	-	190,389
Total Restricted Fund Balance	**$ 7,900,538**	**$ 2,562,071**	**$ 747,165**
Assigned			
Appropriated for Next Year's Budget	$ 650,000	$ -	$ -
Encumbered for:			
General Support	119,246	-	-
Instruction	22,538	-	-
Pupil Transportation	2,273		
Total Assigned Fund Balance	**$ 794,057**	**$ -**	**$ -**

Note 15 **Restricted Fund Balances**

Portions of fund balance are reserved and not available for current expenditures as reported in the Governmental Funds Balance Sheet. The balances and activity for the year ended June 30, 2024 of the General Fund reserves were as follows.

General Fund	Beginning Balance	Additions	Interest Earned	Appropriated	Ending Balance
Workers Compensation Reserve	$ 510,792	$ -	$ 22,773	$ -	$ 533,565
Unemployment Insurance Reserve	101,602	-	5,452	(1,510)	105,544
ERS Contribution Reserve	1,312,907	117,810	63,618	-	1,494,335
TRS Contribution Reserve	240,997	124,339	11,324	-	376,660
Reserve for Liability	250,000	-	12,187	-	262,187
Employee Benefit Accrued Liability Reserve	997,784	5,700	51,764	(43,665)	1,011,583
Capital Reserve	2,540,191	1,450,000	126,473	-	4,116,664
Total Restricted Fund Balance	**$ 5,954,273**	**$ 1,697,849**	**$ 293,591**	**$ (45,175)**	**$ 7,900,538**

Note 16 **Stewardship, Compliance, and Accountability**

Deficit Net Position

The School District reported a deficit unrestricted net position of $1,771,973 at June 30, 2024. This is primarily the result of the requirement to record other postemployment benefits liability with no requirement or mechanism to fund this liability (see Note 12). This deficit is not expected to be eliminated during the normal course of operations.

BAINBRIDGE-GUILFORD CENTRAL SCHOOL DISTRICT

SCHEDULE OF REVENUES COMPARED TO BUDGET (NON-U.S. GAAP)
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2024

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES				
Local Sources				
Real Property Taxes	$ 6,260,012	$ 6,260,012	$ 6,258,013	$ (1,999)
Real Property Tax Items	951,080	951,080	956,909	5,829
Charges for Services	119,500	119,500	207,752	88,252
Use of Money And Property	81,000	81,000	485,074	404,074
Sale of Property and Compensation for Loss	5,000	30,939	52,002	21,063
Miscellaneous	122,249	137,730	216,935	79,205
Total Local Sources	7,538,841	7,580,261	8,176,685	596,424
Federal Sources	-	-	2,037	2,037
State Sources	15,104,133	15,104,133	15,065,623	(38,510)
Medicaid Reimbursement	12,500	12,500	11,529	(971)
Total Revenues and Other Financing Sources	22,655,474	22,696,894	23,255,874	558,980
Operating Transfers In	-	-	31,153	31,153
Total Revenues and Other Financing Sou	22,655,474	22,696,894	**$ 23,287,027**	**$ 590,133**
Appropriated Fund Balance and Reserves	-	45,175		
Designated Fund Balance and Encumbrances Carried Forward From Prior Year	61,691	61,691		
Total Revenues, Appropriated Reserves, and Designated Fund Balance	**$ 22,717,165**	**$ 22,803,760**		

See Notes to Required Supplementary Information

BAINBRIDGE-GUILFORD CENTRAL SCHOOL DISTRICT

SCHEDULE OF EXPENDITURES COMPARED TO BUDGET (NON-U.S. GAAP)
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2024

	Original Budget	Final Budget	Actual	Encumbrances	Variance Favorable (Unfavorable)
EXPENDITURES					
General Support					
Board of Education	$ 23,097	$ 25,340	$ 15,209	$ -	$ 10,131
Central Administration	209,819	210,597	207,563	-	3,034
Finance	418,468	418,468	402,575	-	15,893
Staff	158,156	158,155	121,654	-	36,501
Central Services	2,752,788	2,776,476	2,355,612	119,246	301,618
Special Items	558,654	494,070	492,176	-	1,894
Total General Support	4,120,982	4,083,106	3,594,789	119,246	369,071
Instruction					
Instruction, Administration, and Improvement	840,614	847,528	788,336	5,121	54,071
Teaching - Regular School	4,101,967	4,170,588	3,929,780	14,632	226,176
Programs for Children With Handicapping Conditions	2,274,776	2,398,077	2,174,817	280	222,980
Occupational Education	734,110	734,110	726,093	-	8,017
Instructional Media	405,976	256,797	247,353	2,043	7,401
Pupil Services	1,231,445	1,260,662	1,123,607	462	136,593
Total Instruction	9,588,888	9,667,762	8,989,986	22,538	655,238
Pupil Transportation	1,045,042	1,011,483	993,382	2,273	15,828
Community Services	400	400	-	-	400
Employee Benefits	5,913,140	5,722,391	4,831,208	-	891,183
Debt Service					
Principal	-	260,109	207,238	-	52,871
Interest	-	9,796	9,760	-	36
Total Debt Service	-	269,905	216,998	-	52,907
Total Expenditures	20,668,452	20,755,047	18,626,363	144,057	1,984,627
OTHER FINANCING USES					
Operating Transfers Out	2,048,713	2,048,713	1,934,078	-	114,635
Total Expenditures and Other Financing Uses	**$ 22,717,165**	**$ 22,803,760**	20,560,441	**$ 144,057**	**$ 2,099,262**
Net Change in Fund Balance			2,726,586		
Fund Balance - Beginning of Year			8,131,499		
Fund Balance - End of Year			**$ 10,858,085**		

See Notes to Required Supplementary Information

BAINBRIDGE-GUILFORD CENTRAL SCHOOL DISTRICT

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

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually Required Contribution	**$ 301,548**	$ 264,909	$ 304,721	$ 273,289	$ 284,954	$ 329,564	$ 293,859	$ 237,557	$ 270,501	*
Contributions in Relation to the Contractually Required Contribution	**(301,548)**	(264,909)	(304,721)	(273,289)	(284,954)	(329,564)	(293,859)	(237,557)	(270,501)	*
Contribution Deficiency (Excess)	**-**	-	-	-	-	-	-	-	-	*
School District's Covered Employee Payroll for Year Ending June 30,	**2,438,147**	2,199,919	2,099,602	2,040,913	1,882,602	1,902,909	1,880,871	1,752,195	1,473,603	*
Contributions as a Percentage of Covered Employee Payroll	**12.4%**	12.0%	14.5%	13.4%	15.1%	17.3%	15.6%	13.6%	18.4%	*

* *Information not readily available.*

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

	2024	2023	2022	2021	2019	2019	2018	2017	2016	2015
Contractually Required Contribution	**$ 620,958**	$ 570,909	$ 594,576	$ 533,278	$ 510,721	$ 659,556	$ 602,967	$ 711,585	$ 772,307	*
Contributions in Relation to the Contractually Required Contribution	**(620,958)**	(570,909)	(594,576)	(533,278)	(510,721)	(659,556)	(602,967)	(711,585)	(772,307)	*
Contribution Deficiency (Excess)	**-**	-	-	-	-	-	-	-	-	*
School District's Covered Employee Payroll for Year Ending June 30,	**6,362,275**	5,548,192	6,067,102	5,595,779	5,764,344	5,852,527	5,891,848	5,755,592	5,630,648	*
Contributions as a Percentage of Covered Employee Payroll	**9.8%**	10.3%	9.8%	9.5%	8.9%	11.3%	10.2%	12.4%	13.7%	*

* *Information not readily available.*

See Notes to Required Supplementary Information

BAINBRIDGE-GUILFORD CENTRAL SCHOOL DISTRICT

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

	2024	2023	2022	2021	2020	2019	2018	2017	2016
School District's Proportion of the Net Pension (Asset)/Liability	**0.0081077%**	0.0076465%	0.0070898%	0.0066088%	0.0066088%	0.0064818%	0.0062826%	0.0058304%	0.0055387%
School District's Proportionate Share of the Net Pension (Asset)/Liability	**$ 1,193,784**	$ 1,639,709	$ (579,561)	$ 7,345	$ 1,750,046	$ 1,750,046	$ 202,767	$ 547,837	$ 888,973
School District's Covered Employee Payroll During the Measurement Period	**2,400,391**	2,179,106	2,073,100	2,030,184	1,875,215	1,902,909	1,880,871	1,752,195	1,473,603
School District's Proportionate Share of the Net Pension (Asset)/Liability as a Percentage of its Covered Employee Payroll	**49.7%**	75.2%	28.0%	0.4%	93.3%	92.0%	10.8%	31.3%	60.3%
Plan Fiduciary Net Position as a Percentage of the Total Pension (Asset)/Liability	**93.9%**	90.8%	103.7%	99.9%	86.4%	96.3%	98.2%	94.7%	90.7%
The Following is a Summary of Changes of Assumptions									
Inflation	**2.90%**	2.90%	2.70%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Salary Increases	**4.40%**	4.40%	4.40%	4.50%	4.20%	3.80%	3.80%	3.80%	3.80%
Cost of Living Adjustments	**1.50%**	1.50%	1.40%	1.30%	1.30%	1.30%	1.30%	1.30%	1.30%
Investment Rate of Return	**5.90%**	5.90%	5.90%	6.80%	6.80%	7.00%	7.00%	7.00%	7.00%
Discount Rate	**5.90%**	5.90%	5.90%	6.80%	6.80%	7.00%	7.00%	7.00%	7.00%
Society of Actuaries' Mortality Scale	**MP-2021**	MP-2021	MP-2020	MP-2019	MP-2018	MP-2014	MP-2014	MP-2014	MP-2014

** Information for the year ended June 30, 2015 is not available.*

See Notes to Required Supplementary Information

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

	2024	2023	2022	2021	2020	2019	2018	2017	2016
School District's Proportion of the Net Pension (Asset)/Liability	**0.0336610%**	0.0342460%	0.0332080%	0.0348020%	0.0352800%	0.035280%	0.035707%	0.036155%	0.035805%
School District's Proportionate Share of the Net Pension (Asset)/Liability	**$ 384,947**	$ 657,142	$ (5,754,577)	$ 934,415	$ (904,164)	$ (637,958)	$ (271,410)	$ 387,237	$ (3,719,030)
School District's Covered Employee Payroll During the Measurement Period	**5,548,192**	6,067,102	5,595,779	5,764,344	5,852,527	5,891,848	5,755,592	5,630,648	5,630,648
School District's Proportionate Share of the Net Pension (Asset)/Liability as a Percentage of its Covered Employee Payroll	**6.9%**	10.8%	102.8%	16.2%	15.4%	10.8%	4.7%	6.9%	66.0%
Plan Fiduciary Net Position as a Percentage of the Total Pension (Asset)/Liability	**99.2%**	98.6%	113.2%	97.8%	102.2%	101.5%	100.7%	99.0%	110.5%
The Following is a Summary of Changes of Assumptions									
Inflation	**2.40%**	2.40%	2.20%	2.20%	2.25%	2.25%	2.50%	3.00%	3.00%
Salary Increases	**1.95% - 5.18%**	1.95% - 5.18%	1.90% - 4.72%	1.90% - 4.72%	1.90% - 4.72%	1.90% - 4.72%	1.90% - 4.72%	4.0% - 10.9%	4.0% - 10.9%
Cost of Living Adjustments	**1.30%**	1.30%	1.30%	1.30%	1.50%	1.50%	1.50%	1.50%	1.63%
Investment Rate of Return	**6.95%**	6.95%	7.10%	7.10%	7.25%	7.25%	7.50%	8.00%	8.00%
Discount Rate	**6.95%**	6.95%	7.10%	7.10%	7.25%	7.25%	7.50%	8.00%	8.00%
Society of Actuaries' Mortality Scale	**MP-2021**	MP-2020	MP-2019	MP-2018	MP-2014	MP-2014	MP-2014	AA	AA

** Information for the year ended June 30, 2015 is not available*

See Notes to Required Supplementary Information

BAINBRIDGE-GUILFORD CENTRAL SCHOOL DISTRICT

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

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Service Cost	$ **302,631**	$ 246,228	$ 156,724	$ 155,571	$ 156,981	$ 178,604	$ 173,402	$ *	$ *	$ *
Interest Cost	**175,524**	160,309	91,664	92,613	155,860	135,874	132,759	*	*	*
Changes of Benefit Terms	**981**	-	652,660	-	-	-	-	*	*	*
Differences Between Expected and Actual Experience	**781,204**	-	(483,609)	-	(221,554)	-	(23,098)	*	*	*
Changes in Assumptions or Other Inputs Benefit Payments	**(127,426)**	56,615	(1,852)	17,645	(148,882)	(168,148)	-	*	*	*
Benefit Payments	**(253,014)**	(225,639)	(215,797)	(211,985)	(194,513)	(207,032)	(162,143)	*	*	*
	879,900	237,513	199,790	53,844	(252,108)	(60,702)	120,920	*	*	*
Total OPEB Liability - Beginning	**4,631,629**	4,394,116	4,194,326	4,140,482	4,392,590	4,453,292	4,332,372	*	*	*
Total OPEB Liability - Ending	$ **5,511,529**	$ 4,631,629	$ 4,394,116	$ 4,194,326	$ 4,140,482	$ 4,392,590	$ 4,453,292	$ *	$ *	$ *
Covered Employee Payroll	$ **7,736,647**	$ 7,047,587	$ 7,047,587	$ 5,567,253	$ 5,567,253	$ 6,040,467	$ 6,040,467	$ *	$ *	$ *
Total OPEB Liability as a Percentage of Covered Payroll	**71%**	66%	62%	75%	74%	73%	74%	*	*	*
The Following is a Summary of Changes of Assumptions										
Healthcare Cost Trend Rates	**6.8% - 3.8%**	5.10% - 4.10%	5.10% - 4.10%	6.60% - 4.10%	6.60% - 4.10%	6.50% - 4.50%	*	*	*	*
Salary Increases	**2.40%**	2.40%	2.60%	2.60%	2.60%	2.60%	*	*	*	*
Discount Rate	**3.93%**	3.65%	3.54%	2.16%	2.21%	3.50%	*	*	*	*
Society of Actuaries' Mortality Scale	**MP-2021**	MP-2021	MP-2021	MP-2018	MP-2018	MP-2017	*	*	*	*

** Information for periods prior to implementation of GASB Statement No. 75 is unavailable.*

See Notes to Required Supplementary Information

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2024

Note 1 **Budget Procedures and Budgetary Accounting**

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

Appropriations are adopted at the program line level. Appropriations established by the adoption of the budget constitute a limitation on expenditures (and encumbrances), which may be incurred. Appropriations lapse at the end of the fiscal year unless expended or encumbered. Encumbrances will lapse if not expended in the subsequent year. Supplemental appropriations may occur subject to legal restrictions, if the Board approves them because of a need that exists which was not determined at the time the budget was adopted.

The following supplemental appropriations occurred during the year:

Adopted Budget	$ 22,655,474
Carryover Encumbrances	61,691
Original Budget	22,717,165
Appropriated Reserves	45,175
Insurance Recoveries	25,939
Gifts and Donations	15,481
Final Budget	**$ 22,803,760**

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

An annual legal budget is not adopted for the Special Revenue Funds (Special Aid, School Lunch, and Miscellaneous Special Revenue). Budgetary controls are established in accordance with applicable grant agreements and management estimates.

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

No adjustment is necessary to convert the General Fund's excess of revenues and other sources over expenditures and other uses on the U.S. GAAP basis to the budget basis, as encumbrances are shown in a separate column and are not included in the actual results at June 30, 2024.

BAINBRIDGE-GUILFORD CENTRAL SCHOOL DISTRICT

BALANCE SHEET - NON-MAJOR GOVERNMENTAL FUNDS
JUNE 30, 2024

	Special Revenue Funds			Total
	School Lunch Fund	Miscellaneous Special Revenue Fund	Debt Service Fund	Non-Major Governmental Funds
ASSETS				
Cash - Restricted	$ 271,333	$ -	$ 2,660	$ 273,993
Investments				
Restricted		225,798		225,798
Receivables:				
Due From Other Funds	-	-	187,729	187,729
State and Federal Aid	46,536	-	-	46,536
Due From Other Governments	19,101	-	-	19,101
Other	673	-	-	673
Inventories	26,725	-	-	26,725
Total Assets	**$ 364,368**	**$ 225,798**	**$ 190,389**	**$ 780,555**
LIABILITIES				
Payables:				
Accounts Payable	$ 198	$ -	$ -	$ 198
Accrued Liabilities	4,352	-	-	4,352
Due to Other Governments	36	-	-	36
Unearned Revenue	2,079	-	-	2,079
Total Liabilities	6,665	-	-	6,665
FUND BALANCES				
Nonspendable	26,725	-	-	26,725
Restricted	330,978	225,798	190,389	747,165
Total Fund Balances	357,703	225,798	190,389	773,890
Total Liabilities and Fund Balances	**$ 364,368**	**$ 225,798**	**$ 190,389**	**$ 780,555**

BAINBRIDGE-GUILFORD CENTRAL SCHOOL DISTRICT

**STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - NON-MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2024**

	Special Revenue Funds			Total
	School Lunch Fund	Miscellaneous Special Revenue Fund	Debt Service Fund	Non-Major Governmental Funds
REVENUES				
Use of Money And Property	$ -	$ 11,799	$ 13,741	$ 25,540
Sale of Property and Compensation for Loss	157	-	-	157
Miscellaneous	22,526	24,375	-	46,901
State Sources	160,921	-	-	160,921
Federal Sources	594,246	-	-	594,246
Sales - School Lunch	33,682	-	-	33,682
Total Revenues	811,532	36,174	13,741	861,447
EXPENDITURES				
Instruction	271,193	25,945	-	297,138
Employee Benefits	111,688	-	-	111,688
Debt Service:				
Principal	-	-	1,238,838	1,238,838
Interest	-	-	538,023	538,023
Cost of Sales	311,597	-	-	311,597
Total Expenditures	694,478	25,945	1,776,861	2,497,284
Excess (Deficiency) of Revenues Over Expenditures	117,054	10,229	(1,763,120)	(1,635,837)
OTHER FINANCING SOURCES AND (USES)				
Premium of obligations	-	-	1,803	1,803
Operating Transfers In	-	-	1,871,293	1,871,293
Total Other Sources (Uses)	-	-	1,873,096	1,873,096
Net Change in Fund Balances	117,054	10,229	109,976	237,259
Fund Balances - Beginning of Year	240,649	215,569	80,413	536,631
Fund Balances - End of Year	**$ 357,703**	**$ 225,798**	**$ 190,389**	**$ 773,890**

BAINBRIDGE-GUILFORD CENTRAL SCHOOL DISTRICT

SCHEDULES OF CHANGE FROM ADOPTED BUDGET TO FINAL BUDGET
AND THE REAL PROPERTY TAX LIMIT
FOR THE YEAR ENDED JUNE 30, 2024

CHANGE FROM ADOPTED BUDGET TO FINAL BUDGET

Adopted Budget	$ 22,655,474
Prior Year's Encumbrances	61,691
Original Budget	22,717,165
Budget Additions:	
Insurance Recoveries	25,939
Gifts and Donations	15,481
Use of Reserves	45,175
Total Additions	86,595
Final Budget	**$ 22,803,760**

§1318 OF REAL PROPERTY TAX LAW LIMIT CALCULATION

Next Year's Budget is a Voter Approved Budget	**$ 24,292,902**	
2024-2025 Voter-Approved Expenditure Budget Maximum Allowed (4% of 2024-2025 Budget)		**$ 971,716**
General Fund Fund Balance Subject to §1318 of Real Property Tax Law		
Unrestricted Fund Balance:		
Assigned Fund Balance	$ 794,057	
Unassigned Fund Balance	936,836	
Total Unrestricted Fund Balance	1,730,893	
(Less)		
Appropriated Fund Balance	$ 650,000	
Encumbrances Included in Committed and Assigned Fund Balance	144,057	
Total Adjustments	794,057	
General Fund Fund Balance Subject to §1318 of Real Property Tax Law		**$ 936,836**
Actual Percentage		**3.86%**

BAINBRIDGE-GUILFORD CENTRAL SCHOOL DISTRICT

SCHEDULE OF PROJECT EXPENDITURES
CAPITAL PROJECTS FUND
JUNE 30, 2024

			Expenditures				Methods of Financing					
PROJECT TITLE	Original Budget	Revised Budget	Prior Years	Current Year	Total	Unexpended Balance	Proceeds of Obligations	State Aid	Local Sources	Transfers	Total	Fund Balance (Deficit) June 30, 2024
Capital Project - 2022	$ 4,464,300	$ 4,464,300	$ 251,314	$ 978,468	$ 1,229,782	$ 3,234,518	$ -	$ -	$ 210,500	$ 4,000,000	4,210,500	$ 2,980,718
Smart Schools Bond Act Project	700,000	700,000	660,088	-	660,088	39,912	-	659,814	274	-	660,088	-
Capital Outlay Projects (21-22)	100,000	100,000	100,000	-	100,000	-	-	-	100,000	-	100,000	-
Capital Outlay Projects (23-24)	100,000	100,000	-	98,555	98,555	1,445	-	-	-	98,555	98,555	-
District-Wide Reconstruction	-	-	-	14,000	14,000	(14,000)	-	14,000	-	-	14,000	-
Buses and Transfer to Debt Service	-	-	674,947	276,441	951,388	(951,388)	573,935	-	532,741	-	1,106,676	155,288
GASB 87 Leases	-	-		215,693	215,693	(215,693)	215,693	-	-	-	215,693	-
Unredeemed BANs Construction	-	-	-	-	-	-	-	-	-	-	-	-
Unredeemed BANs- Buses	-	-	-	-	-	-	(573,935)	-	-	-	(573,935)	(573,935)
Total	**$ 5,364,300**	**$ 5,364,300**	**$ 1,686,349**	**$ 1,583,157**	**$ 3,269,506**	**$ 2,094,794**	**$ 215,693**	**$ 673,814**	**$ 843,515**	**$ 4,098,555**	**$ 5,831,577**	**$ 2,562,071**

BAINBRIDGE-GUILFORD CENTRAL SCHOOL DISTRICT

SCHEDULE OF NET INVESTMENT IN CAPITAL ASSETS
FOR THE YEAR ENDED JUNE 30, 2024

Capital Assets, Net	**$ 29,002,281**
(Deduct):	
Bond Anticipation Notes	(573,935)
Short-Term Portion of Lease Liabilities	(104,690)
Long-Term Portion of Lease Liabilities	(178,946)
Short-Term Portion of Bonds Payable	(975,000)
Long-Term Portion of Bonds Payable	(8,845,000)
Net Investment in Capital Assets	**$ 18,324,710**

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Board of Education
Bainbridge-Guilford Central School District
Bainbridge, New York

We have audited, in accordance with the auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States *(Government Auditing Standards)*, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information the Bainbridge-Guilford Central School District (the School District) as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements, and have issued our report thereon dated October 7, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the School District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the School District's internal control. Accordingly, we do not express an opinion on the effectiveness of the School District's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the School District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards.*

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully submitted,

Insero & Co. CPAs, LLP

Insero & Co. CPAs, LLP
Certified Public Accountants

Ithaca, New York
October 7, 2024

inseroco
Certified Public Accountants | Business Advisors

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

Board of Education
Bainbridge-Guilford Central School District
Bainbridge, New York

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Bainbridge-Guildford Central School District's (the School District) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the School District's major federal programs for the year ended June 30, 2024. The School District's major federal programs are identified in the summary of auditors' results section of the accompanying Schedule of Findings and Questioned Costs.

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

Basis for Opinion on Each Major Federal Program

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

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

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

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

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

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

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

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

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

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

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

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

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

Respectfully submitted,

Insero & Co. CPAs, LLP

Insero & Co. CPAs, LLP
Certified Public Accountants

Ithaca, New York
October 7, 2024

BAINBRIDGE-GUILFORD CENTRAL SCHOOL DISTRICT

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2024

Federal Grantor/Pass-Through Grantor Program Title	Federal ALN #	Pass-Through Grantor #	Pass-Through to Subrecipients	Expenditures
U.S. Department of Education				
Passed Through NYS Department of Education				
Title I Grants to Local Educational Agencies	84.010	0021240430	$ -	$ 255,062
Title I Grants to Local Educational Agencies	84.010	0147240430	-	29,639
Title I Grants to Local Educational Agencies	84.010	0204240430	-	14,064
Subtotal			-	298,765
Special Education Cluster:				
Special Education - Grants to States	84.027	0032240124	-	211,337
Special Education - Preschool Grants	84.173	0033240124	-	2,939
Total Special Education Cluster			-	214,276
Education Stabilization Fund (ESF):				
(COVID-19) Elementary and Secondary School Emergency Relief (ESSER)	84.425D	5891210430	-	44,059
(COVID-19) ARP SLR Comprehension	84.425U	5833210430	-	184,662
(COVID-19) ARP SLR Summer Enrichment	84.425U	5882210430	-	74,083
(COVID-19) ARP SLR Learning Loss	84.425U	5884210430	-	492,830
(COVID-19) CARES - ESSER	84.425D	5880210430	-	212,518
Total Education Stabilization Fund			-	1,008,152
Total U.S. Department of Education			-	1,521,193
U.S. Department of Agriculture				
Passed Through NYS Department of Education				
Child Nutrition Cluster:				
Summer Food Service Program for Children	10.559	(1)	-	66,583
School Breakfast Program	10.553	(1)	-	146,890
National School Lunch Program	10.555	(1)	-	355,206
Total Child Nutrition Cluster			-	568,679
(COVID-19) Supply Chain Assistance	10.649	(1)	-	25,567
Total U.S. Department of Agriculture			-	594,246
Total Expenditures of Federal Awards			**$ -**	**$ 2,115,439**

(1) - Unable to Determine

See Notes to Schedule of Expenditures of Federal Awards

BAINBRIDGE-GUILFORD CENTRAL SCHOOL DISTRICT

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
JUNE 30, 2024

Note 1 **Basis of Presentation**

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

Note 2 **Basis of Accounting**

The basis of accounting varies by federal program consistent with the underlying regulations pertaining to each program. The information is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore some amounts presented in this schedule may differ from amounts presented in, or used in preparation of the financial statements.

Note 3 **Indirect Costs**

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

Note 4 **Matching Costs**

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

Note 5 **Non-Monetary Federal Program**

The School District is the recipient of a Federal award program that does not result in cash receipts or disbursements, termed a “non-monetary program.” During the year ended June 30, 2024, the School District received $46,547 of commodities under the National School Lunch Program (ALN #10.555).

Note 6 **Subrecipients**

No amounts were provided to subrecipients.

Note 7 **Other Disclosures**

No insurance is carried specifically to cover equipment purchased with federal funds. Any equipment purchased with federal funds has only a nominal value and is covered by the School District’s casualty insurance policies.

There were no loans or loan guarantees outstanding at year end.

Note 8 **Transferability**

As allowed by federal regulations, the School District elected to transfer program funds. The School District expended $29,639 from its Supporting Effective Instruction State Grants (ALN #84.367) and $14,064 from its Student Support and Academic Enrichments Program (ALN #84.424) on allowable activities of the Title I Grants to Local Education Agencies (ALN #84.010). This amount is reflected in the expenditures of Title I Grants to Local Education Agencies (ALN #84.010).

BAINBRIDGE-GUILFORD CENTRAL SCHOOL DISTRICT

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2024

Section I **Summary of Auditors' Result**

Financial Statements

Type of auditors' report issued: Unmodified

Internal control over financial reporting

Material weakness(es) identified? ____ yes __X__ no

Significant deficiency(ies) identified that are not considered to be material weakness(es)? ____ yes __X__ none reported

Noncompliance material to financial statements noted? ____ yes __X__ no

Federal Awards

Internal control over major programs:

Material weakness(es) identified? ____ yes __X__ no

Significant deficiency(ies) identified that are not considered to be material weakness(es)? ____ yes __X__ none reported

Type of auditors' report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR §200.516(a)? ____ yes __X__ no

Identification of major programs:

ALN Numbers	Name of Federal Program or Cluster
84.425D/84.425U	Education Stabilization Funds (ESF)

Dollar threshold used to distinguish between Type A and Type B Programs $ 750,000

Auditee qualified as low-risk? __X__ yes ___ no

Section II **Financial Statement Findings** None.

Section III **Federal Award Findings and Questioned Costs** None.

FORM OF BOND COUNSEL'S OPINION

June 25, 2025

Bainbridge-Guilford Central School District
Broome, Chenango, Delaware, and Otsego Counties
State of New York

Re: Bainbridge-Guilford Central School District, Broome, Chenango, Delaware, and Otsego Counties, New York
$10,857,500 Bond Anticipation Notes, 2025

Ladies and Gentlemen:

We have been requested to render our opinion as to the validity of a $10,857,500 Bond Anticipation Notes, 2025 (the "Obligation"), of the Bainbridge-Guilford Central School District, Broome, Chenango, Delaware, and Otsego Counties, New York (the "Obligor"), dated June 25, 2025, numbered 1, of the denomination of $10,857,500, bearing interest at the rate of ___% per annum, payable at maturity, and maturing June 25, 2026.

We have examined:

(1) the Constitution and statutes of the State of New York;

(2) the Internal Revenue Code of 1986, including particularly Sections 103 and 141 through 150 thereof, and the applicable regulations of the United States Treasury Department promulgated thereunder (collectively, the "Code");

(3) an arbitrage certificate executed on behalf of the Obligor which includes, among other things, covenants, relating to compliance with the Code, with the owners of the Obligation that the Obligor will, among other things, (i) take all actions on its part necessary to cause interest on the Obligation not to be includable in the gross income of the owners thereof for Federal income tax purposes, including, without limitation, restricting, to the extent necessary, the yield on investments made with the proceeds of the Obligation and investment earnings thereon, making required payments to the Federal government, if any, and maintaining books and records in a specified manner, where appropriate, and (ii) refrain from taking any action which would cause interest on the Obligation to be includable in the gross income of the owners thereof for Federal income tax purposes, including, without limitation, refraining from spending the proceeds of the Obligation and investment earnings thereon on certain specified purposes (the "Arbitrage Certificate"); and

(4) a certificate executed on behalf of the Obligor which includes, among other things, a statement that compliance with such covenants is not prohibited by, or violative of, any provision of local or special law, regulation or resolution applicable to the Obligor.

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

In our opinion:

(a) The Obligation has been authorized and issued in accordance with the Constitution and statutes of the State of New York and constitutes a valid and legally binding general obligation of the Obligor, all the taxable real property within which is subject to the levy of ad valorem taxes to pay the Obligation and interest thereon, without limitation as to rate or amount; provided, however, that the enforceability (but not the validity) of the Obligation: (i) may be limited by any applicable bankruptcy, insolvency or other law now existing or hereafter enacted by said State or the Federal government affecting the enforcement of creditors' rights, and (ii) may be subject to the exercise of judicial discretion in appropriate cases.

(b) The Obligor has the power to comply with its covenants with respect to compliance with the Code as such covenants relate to the Obligation; provided, however, that the enforceability (but not the validity) of such covenants may be limited by any applicable bankruptcy, insolvency or other law now existing or hereafter enacted by said State or the Federal government affecting the enforcement of creditors' rights.

(c) Interest on the Obligation is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, and is exempt from personal income taxes imposed by the State of New York and any political subdivision thereof (including The City of New York). Interest on the Obligation is not a specific preference item for purposes of the federal individual alternative minimum tax. We observe that interest on the Obligation included in adjusted financial statement income of certain corporations is not excluded from the federal corporate alternative minimum tax. We express no opinion regarding other tax consequences related to the ownership or disposition of, or the amount, accrual or receipt of interest on, the Obligation.

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

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

Very truly yours,

/s/ ORRICK, HERRINGTON & SUTCLIFFE LLP