PRELIMINARY OFFICIAL STATEMENT

NEW ISSUE **BOND ANTICIPATION NOTES**

In the opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel, based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the Notes is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"). In the further opinion of Bond Counsel, interest on the Notes is not a specific preference item for purposes of the federal individual alternative minimum tax. For tax years beginning after December 31, 2022, interest on the Notes included in adjusted financial statement income of certain corporations is not excluded from the federal corporate alternative minimum tax. Bond Counsel is also of the opinion that interest on the Notes is exempt from personal income taxes imposed by the State of New York or any political subdivision thereof (including The City of New York). Bond Counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of, or the amount, accrual or receipt of interest on, the Notes. See "TAX MATTERS" herein.

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

$9,000,000

CHENANGO VALLEY CENTRAL SCHOOL DISTRICT

BROOME COUNTY, NEW YORK

GENERAL OBLIGATIONS

$9,000,000 Bond Anticipation Notes, 2023

(the "Notes")

Dated: June 27, 2023 **Due: June 27, 2024**

The Notes are general obligations of the Chenango Valley Central School District, Broome County, 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. 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 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, or about June 27, 2023.

ELECTRONIC BIDS for the Notes must be submitted on Fiscal Advisors Auction website ("Fiscal Advisors Auction") accessible via www.FiscalAdvisorsAuction.com, on June 13, 2023 by no later than 10:30 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.

May 25, 2023

THE DISTRICT DEEMS THIS OFFICIAL STATEMENT TO BE FINAL FOR PURPOSES OF SECURITIES AND EXCHANGE COMMISSION RULE 15c2-12 (THE "RULE"), EXCEPT FOR CERTAIN INFORMATION THAT HAS BEEN OMITTED HEREFROM IN ACCORDANCE WITH SAID RULE AND THAT WILL BE SUPPLIED WHEN THIS OFFICIAL STATEMENT IS UPDATED FOLLOWING THE SALE OF THE OBLIGATIONS HEREIN DESCRIBED. THIS OFFICIAL STATEMENT WILL BE SO UPDATED UPON REQUEST OF THE SUCCESSFUL BIDDER(S), AS MORE FULLY DESCRIBED IN THE 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.

CHENANGO VALLEY
CENTRAL SCHOOL DISTRICT

BROOME COUNTY, NEW YORK

SCHOOL DISTRICT OFFICIALS

2022-2023 BOARD OF EDUCATION

CHRISTINE LOMONACO
President

SCOTT WILSON
Vice President

SHAUN BOOROM
STEVE CARR
PATRICK DOYLE
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JUDITH MITROWITZ
DAWN PITCHER
TIMOTHY SLOCUM

* * * * * * * * * * *

MICHELLE FEYERABEND
Interim Superintendent of Schools

ELIZABETH DONAHUE
School Business Executive

MING YUAN
District Treasurer

LISA PETRYLAK
District Clerk

Coughlin & Gerhart LLP
School District Attorney

FISCAL ADVISORS & MARKETING, INC.
Municipal Advisor

ORRICK, HERRINGTON & SUTCLIFFE LLP
Bond Counsel

No person has been authorized by Chenango Valley 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 Chenango Valley Central School District.

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PREPARED WITH THE ASSISTANCE OF

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Syracuse, New York 13202
(315) 752-0051
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OFFICIAL STATEMENT

OF THE

CHENANGO VALLEY CENTRAL SCHOOL DISTRICT
BROOME COUNTY, NEW YORK

RELATING TO

$9,000,000 Bond Anticipation Notes, 2023

This Official Statement, which includes the cover page and appendices, has been prepared by the Chenango Valley Central School District, Broome County, New York (the "School District" or "District", "County", and "State", respectively) in connection with the sale by the District of $9,000,000 principal amount of Bond Anticipation Notes, 2023 (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.

This Official Statement should be read with the understanding that the ongoing COVID-19 global pandemic has created prevailing economic conditions (at the global, national, State and local levels) that are highly uncertain, generally negative, and rapidly changing, and these conditions are expected to continue for an indefinite period of time. Accordingly, the District's overall economic situation and outlook (and all of the specific District-related information contained herein) should be carefully reviewed, evaluated and understood in the full light of this unprecedented world-wide event, the effects of which are extremely difficult to predict and quantify. See "STATE AID" and "MARKET AND RISK FACTORS - COVID-19" herein.

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 27, 2023 and will mature June 27, 2024. The Notes are not subject to redemption prior to maturity. Interest will be calculated on a 30-day month and 360-day year basis, payable at maturity.

The Notes will be issued in registered form at the option of the purchaser 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 bond resolutions duly adopted by the Board of Education on December 13, 2021 authorizing the issuance of up to $17,574,000 serial bonds and $2,000,000 building capital reserve funds, with a maximum estimated cost of $19,574,000, to finance a capital project consisting of certain renovations and reconstruction of the various district buildings. The Notes will provide $9,000,000 new money for the aforementioned purpose. The Notes will be the first borrowing for the aforementioned authorization.

BOOK-ENTRY-ONLY SYSTEM

The Depository Trust Company ("DTC"), Jersey City, NJ, 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, a "banking organization" within the meaning of the New York Banking Law, is 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 ON THE NOTES; (2) CONFIRMATIONS OF THEIR OWNERSHIP INTERESTS IN THE NOTES; OR (3) OTHER NOTICES SENT TO DTC OR CEDE & CO., ITS PARTNERSHIP NOMINEE, AS THE REGISTERED OWNER OF THE NOTES, OR THAT THEY WILL DO SO ON A TIMELY BASIS, OR THAT DTC, DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS WILL SERVE AND ACT IN THE MANNER DESCRIBED IN THIS OFFICIAL STATEMENT.

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

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

Certificated Notes

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

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

FINANCIAL POSITION OF THE DISTRICT

Prior History

The District experienced fiscal problems beginning with its fiscal year ended June 30, 2005 as a result of an under-estimation of expenditures, specifically for instruction and employee benefits. The cumulative General Fund Balance at June 30, 2005 was $413,267, which was a decrease of $1,115,015 from the prior year. For the year ended June 30, 2006, the District had similarly underestimated expenditures and ended fiscal year 2006 with a fund balance of ($599,235).

Again similar budgetary practices resulted in operating losses in 2007. For fiscal year ending June 30, 2007, the District ended with a fund balance of ($3,043,717). The District had overestimated State Aid by $1,502,694, Use of Money and Property by $47,212 and Proceeds of Obligations by $510,000. Additionally, for 2007, expenditures for Instruction and Operating Transfers were underestimated by $69,458 and $193,219, respectively. For the fiscal year ending June 30, 2008, the District ended with a fund balance of ($3,572,068).

The School Lunch Fund also experienced negative variances in revenues from both sales and federal aid and in the cost of sales and service. These negative variances occurred in each of the three fiscal years described above resulting in a balance of ($183,018).

Pursuant to Special State Legislation enacted upon behalf of the District and Section 10.10 of the Local Finance Law on November 21, 2008, the Office of the State Comptroller certified the deficit in the General Fund in the amount of $3,573,611 and the deficit in the School Lunch Fund of $183,018. See “DEFICIT FINANCING LEGISLATION” herein.

As part of its recovery plan, the District issued $3,500,000 deficit bonds on April 15, 2009 to fund its cumulative deficits. The District has also implemented corrective measures including conservative spending and budget structures in order to control and minimize expenditures and to improve the financial position of the District. Property tax increases of approximately 5% for the 2007-2008 fiscal year and approximately 12% for the 2008-2009 fiscal year have helped to reduce the cumulative deficit. In addition, for the 2008-2009 budget the District received an increase in State Aid of approximately $644,000.

Budget Year 2009-10

The budget for the 2009-10 fiscal year was approved by the voters on May 19, 2009. Total General Fund budget was slightly less than that of 2008-09, with an approximate 2.9% increase in real property taxes. The total budget was for $31,893,093 and the actual was $31,079,467. The District budgeted a small increase in State aid of $53,362. Budgeted expenditures increased in the areas of general support, transportation, employee benefits, instruction, and debt service, which is reflecting debt service for the EXCEL capital project. Total revenues exceeded expenditures by $566,292 allowing the District to increase fund balance to $3,905,431.

Budget Year 2010-11

The budget for the 2010-11 fiscal year was approved by the voters on May 18, 2010. Total General Fund budget shows remains relatively constant decrease when compared to 2009-10. The District has budgeted a decrease in State aid of $1,749,462 and taxes were increased approximately 3.9%. Budgeted expenditures increased in the areas of general support and employee benefits has been increased. Expenditures for instruction and debt service have been reduced. Total revenues came in as budgeted, and expenditures were approximately $1.3 million less than anticipated. This allowed the District to further increase fund balance to $5,223,698 as of June 30, 2011.

Budget Year 2011-12

The budget for the 2011-12 fiscal year was approved by the voters on May 17, 2011. Total General Fund budget is slightly more than that of 2010-11, with an approximate 3.9% increase in real property taxes. The total budget was for $31,841,655. The District budgeted a decrease in State aid of $827,433. Budgeted expenditures increased most in the areas of transportation and employee benefits. The District appropriated $1,007,000 fund balance to the budget, and the fund balance increased slightly for the year ending June 30, 2012.

Budget Year 2012-13

The budget for the 2012-13 fiscal year was approved by the voters on May 15, 2012. The total budget is for $32,333,016. The District has budgeted a small increase in State aid of $40,929 and taxes were increased by 1.99% which is below the 2% tax cap and below the allowable 2.65% tax increase when exclusions are applied. Budgeted expenditures increased in the areas of general support and instruction, and a significant increase can be seen in employee benefits. The estimated savings from the refinancing were not included in the budget. The District appropriated $1,033,800 fund balance to balance the budget, and only used a small portion of this appropriation.

Budget Year 2013-14

The budget for the 2013-14 fiscal year was approved by the voters on May 21, 2013. The total budget is for $33,308,654 which is an increase from the 2012-13 budget. The District budgeted an increase in State aid of $644,331 and taxes were increased by 2.13% which is below the 2% tax cap and below the allowable 6.0% tax increase when exclusions are applied. Budgeted expenditures increased in the areas of general support and instruction, and a significant increase can be seen in employee benefits. The District budgeted to appropriate $933,800 fund balance to balance the budget.

Budget Year 2014-15

The budget for the 2014-15 fiscal year was approved by the voters on May 20, 2014. The total budget is for $34,060,502 which is an increase from the 2013-14 budget. The District budgeted an increase in State aid of $1,228,694 and taxes were decreased by 0.44% which was equal to the allowable maximum tax levy limit when the required formula was applied. Budgeted expenditures increased in the areas of general support and instruction, and a significant increase can be seen in employee benefits. The District did appropriate $350,000 fund balance to balance the budget. The District ended the year with a Total Fund Balance of $5,287,968, which was a decrease of $775,660.

Budget Year 2015-16

The budget for the 2015-16 fiscal year was approved by the voters on May 19, 2015. The total budget is for $34,761,317 which is an increase from the 2014-15 budget. The District budgeted an increase in State aid of $734,423 and taxes were increased by 0.60% which is equal to the allowable maximum tax levy limit of 0.60%. Budgeted expenditures increased in the areas of general support and instruction. The District appropriated $350,000 fund balance to balance the budget.

Budget Year 2016-17

The budget for the 2016-17 fiscal year was approved by the voters on May 17, 2016. The total budget is for $35,741,512.00 which is a decrease from the 2015-16 budget. The District budgeted an increase in State aid of $644,632 and taxes were increased by 0.2% which is equal to the allowable maximum tax levy limit of 0.2%. Budgeted expenditures increased in the areas of general support and instruction. The District appropriated $550,000 fund balance to balance the budget.

Budget Year 2017-18

The budget for the 2017-18 fiscal year was approved by the voters on May 16, 2017. The total budget is for $37,342,387.00 which is an increase from the 2016-17 budget. The District budgeted an increase in State aid of $1,239,187 and taxes were increased by 1.38% which is equal to the allowable maximum tax levy limit of 1.38%. Budgeted expenditures increased in the areas of general support and instruction. The District appropriated $550,000 fund balance to balance the budget.

Budget Year 2018-19

The budget for the 2018-19 fiscal year was approved by the voters on May 15, 2018. The total budget is for $38,457,793 which is an increase from the 2017-18 budget. The District budgeted an increase in State aid of $723,804 and taxes were increased by 2.10% which is equal to the allowable maximum tax levy limit of 2.10%. Budgeted expenditures increased in the areas of salaries, benefits, equipment and debt service. The District appropriated $250,000 fund balance to balance the budget.

Budget Year 2019-20

The budget for the 2019-20 fiscal year was approved by the voters on May 21, 2019. The total budget is for $39,727,755 which is an increase from the 2018-19 budget. The District budgeted an increase in State aid of $684,486 and taxes were increased by 2.86% which was below the allowable maximum tax levy limit of 5.09%. Budgeted expenditures increased in the areas of salaries, instruction, transportation, equipment and debt service. The District appropriated $250,000 fund balance to balance the budget.

Budget Year 2020-21

The school district budget vote for the 2020-21 fiscal year was originally scheduled to be held on May 19, 2020, however, annual school budget votes across the State were postponed under an Executive Order from Governor Andrew Cuomo that extends and expands restrictions aimed at limiting the spread of COVID-19. The budget vote took place on June 9, 2020. The total budget is for $40,897,582 which is an increase from the 2019-20 budget. The District budgeted an increase in State aid of $1,156,984 and taxes were increased by 2.02% which is within the allowable maximum tax levy limit. Budgeted expenditures increased in the areas of salaries, instruction, transportation, equipment and debt service. The District appropriated $250,000 fund balance to balance the budget.

Budget Year 2021-22

The budget for the 2021-22 fiscal year was approved by the voters on May 18, 2021. The total budget is for $42,328,929 which is an increase of 3.50% from the 2020-2021 budget. The District budgeted an increase in State aid of $888,047 or 4.60% and taxes were increased by $271,544 or 1.34% which was equal to allowable maximum tax levy limit of 1.34%. Budgeted expenditures increased in the areas of salaries, instruction, transportation, equipment and debt service. The District appropriated $500,000 fund balance to balance the budget.

Budget Year 2022-23

The budget for the 2022-23 fiscal year was approved by the voters on May 17, 2022. The total budget is for $44,322,437 which is an increase of 4.71% from the 2021-2022 budget. The District budgeted an increase in State aid of $406,880 or 8.14% and taxes were increased by $406,880 or 1.98% which was equal to allowable maximum tax levy limit of 1.98%. Budgeted expenditures increased in the areas of salaries, instruction, transportation, equipment and debt service. The District appropriated $500,000 fund balance to balance the budget.

Budget Year 2023-24

The budget for the 2023-24 fiscal year was approved by the voters on May 16, 2023. The total budget is for $45,950,593 which is an increase of 3.67% from the 2022-2023 budget. The District budgeted an increase in State aid of $1,127,586 or 5.17% and taxes were increased by $423,325 or 2.02% which was equal to allowable maximum tax levy limit of 2.02%. Budgeted expenditures increased in the areas of salaries and instruction. The District appropriated $500,000 fund balance to balance the budget.

THE SCHOOL DISTRICT

General Information

The District is located in the central southern portion of upstate New York commonly referred to as the Southern Tier. The District is located approximately 2 miles north of the City of Binghamton and is primarily a suburban community serving the Village of Port Dickinson (the "Village"), Hamlet of Hillcrest, Chenango Bridge and surrounding areas.

The District is served by the Binghamton Regional Airport, and has connections for Interstates 81 and 88, as well as Route 17. Binghamton University and Broome Community College are located in the area offering higher educational opportunities for area residents.

Police protection is provided by the County of Broome and the Village of Port Dickinson. Gas and electric power are provided by the New York State Electric and Gas Company.

Source: District officials.

Population

The current estimated population of the District is 12,877. (Source: 2021 U.S. Census Bureau estimate)

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Selected Wealth and Income Indicators

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

	Per Capita Income			Median Family Income		
	2000	2006-2010	2017-2021	2000	2006-2010	2017-2021
Towns of:						
Chenango	$ 22,431	$ 29,219	$ 38,243	$ 54,381	$ 67,379	$ 92,922
Colesville	15,816	18,938	26,251	40,333	55,553	73,767
Dickinson	19,246	19,829	26,148	49,583	58,344	72,885
Fenton	19,780	24,705	28,889	45,869	60,648	68,583
Kirkwood	19,228	24,661	28,901	45,993	60,313	80,676
County of:						
Broome	19,168	24,314	31,224	45,422	57,545	73,171
State of:						
New York	23,389	30,948	43,208	51,691	67,405	92,731

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

Source: U.S. Census Bureau, 2000 census, 2006-2010 and 2017-2021 American Community Survey data.

Major Employers

The following is a list of the largest employers within Broome County where the District is located:

Employer	Type	Number of Employees
Binghamton University	Education	5,943
United Health Services	Private Hospital	5,428
Lockheed Martin	Technology	2,700
Broome County	Government	2,500
Our Lady of Lourdes Hospital	Private Hospital	2,311
BAE Control Systems	Electronics	1,300
I3 Electronics	Electronics	1,100
Maines Paper & Food Service	Grocer	1,100

Source: Greater Binghamton Chamber of Commerce – Broome County's 2020 Economic Outlook Guide.

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Unemployment Rate Statistics

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

Annual Average

	2016	2017	2018	2019	2020	2021	2022
Broome County	5.5%	5.5%	4.8%	4.5%	8.3%	5.2%	3.8%
New York State	4.9	4.6	4.1	3.8	9.9	7.0	4.3

2023 Monthly Figures

	Jan	Feb	Mar	Apr	May	Jun
Broome County	4.7%	4.2%	3.7%	2.7%	N/A	N/A
New York State	4.6	4.5	4.0	3.7	N/A	N/A

Note: Unemployment rates for May and June 2023 are not available as 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 District, consists of nine members with overlapping five-year terms so that as nearly as possible, an equal number is elected to the Board each year. Each Board member must be a qualified voter of the District. The President and the Vice President are selected by the Board members.

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

Budgetary Procedures

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

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

Pursuant to Chapter 97 of the Laws of 2011 (“Chapter 97”), beginning with the 2012 – 2013 fiscal year, if the proposed budget requires a tax levy increase that does not exceed the lesser of 2% or the rate of inflation (the “School District Tax Cap”), then a majority vote is required for approval. If the proposed budget requires a tax levy that exceeds the School District Tax Cap, the budget proposition must include special language and a 60% vote is required for approval. Any separate proposition that would cause the 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 2022-23 fiscal year was adopted by the qualified voters on May 17, 2022 by a margin of 408 yes to 131 no. The District's budget for the 2022-23 fiscal year remains within the Tax Cap imposed by Chapter 97 of the Laws of 2011. The budget called for a total tax levy increase of 1.98%.

The budget for the 2023-24 fiscal year was adopted by the qualified voters on May 16, 2023 by a margin of 254 yes to 64 no. The District's budget for the 2023-24 fiscal year remains within the Tax Cap imposed by Chapter 97 of the Laws of 2011. The budget called for a total tax levy increase of 2.02%.

Investment Policy

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

Consistent with the above statutory limitations, it is the District's current policy to invest in: (1) certificates of deposit or time deposit accounts that are fully secured as required by statute, (2) obligations of the United States of America or (3) obligations guaranteed by agencies of the United States of America where the payment of principal and interest is guaranteed by the United States of America, and (4) repurchase agreements involving the purchase and resale of obligations of the United States of America or obligations of agencies of the federal government, if principal and interest is guaranteed by the United States of America and the securities are registered in the name of the District and held by a custodial bank in accordance with the policies established by the New York State Comptroller, with valuation and margin requirements. The District is not authorized to invest in reverse repurchase obligations or similar derivative type investments.

State Aid

The District receives financial assistance from the State. In its adopted budget for the 2023-2024 fiscal year, approximately 49.94% 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.

Federal Aid Received by the State

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

The State receives a substantial amount of federal aid for other health care, education, transportation and other governmental purposes, as well as federal funding to respond to, and recover from, severe weather events and other disasters. Many of the policies that drive this federal aid may be subject to change under the federal administration and Congress. Current federal aid projections, and the assumptions on which they rely, are subject to revision in the future as a result of changes in federal policy, the general condition of the global and national economies and other circumstances, including the diversion of federal resources to address the current COVID-19 outbreak.

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

Building Aid

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

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

Pursuant to the provisions of Chapter 760 of the Laws of 1963, the District is eligible to receive a Building Aid Estimate from the New York State Department of Education. Since the gross indebtedness of the District is within the debt limit, the District is not required to apply for a Building Aid Estimate. Based on 2023-2024 preliminary building aid ratios, the District expects to receive State building aid of approximately 89.8% 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 (2018-2019): The State 2018-19 Enacted Budget included nearly $1 billion in additional education funding, representing a 3.9% increase over 2017-18. Approximately $859 million of that increase is comprised of traditional public school aid, including increased Foundation Aid and full-funding of expense-based aids. Formula-based school aid now stands at $26.03 billion statewide, a 3.4% increase over the last year. The State 2018-19 Enacted Budget included an increase of $618 million in Foundation Aid for school districts. Foundation Aid totaled nearly $17.8 billion statewide. For the seventh consecutive year, the Foundation Aid increase was distributed using a one year, off formula methodology. The State 2018-19 Enacted Budget guaranteed that all school districts received an increase in Foundation Aid over their 2017-18 levels. $50 million of the Foundation Aid increase was "set aside" for certain school districts to fund community schools. The State 2018-19 Enacted Budget fully funded all expense-based aid for 2018-19, including building, transportation, BOCES and special education aid. These categories serve as State reimbursements for school district expenses made in the prior year, based on school district-specific aid ratios. A total of $240 million was approved for increases in all expense-based aids in 2018-19. The State 2018-19 Enacted Budget allows the Governor to reduce aid to school districts mid-year if receipts from the federal government were less than what was expected.

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

School district fiscal year (2020-2021): Due to the anticipated impact of the COVID-19 pandemic on State revenues, State aid in the State's 2020-2021 Enacted Budget was 3.7 percent lower than in the State's 2019-2020 Enacted Budget but was offset in part with increased Federal support. This reduction in State Operating Funds support was offset by approximately $1.1 billion in funding provided to the State through the Federal CARES Act, including the Elementary and Secondary School Emergency Education Relief Fund and the Governor's Emergency Education Relief Fund. With these Federal funds, State aid in the school district fiscal year 2020-2021 was $27.9 billion, an annual increase of approximately $100 million or 0.4 percent. The State's 2020-2021 Enacted Budget continued prior year funding levels for existing programs, including Foundation Aid, Community Schools and Universal Prekindergarten. The 2020-2021 Enacted Budget also provided over $200 million in support for competitive grant programs, including

$1 million for development of a new Civics Education curriculum and $10 million for a Student Mental Health program. Funding for expense-based aids, such as Building Aid, Transportation Aid, and Boards of Cooperative Educational Services (BOCES) Aid was continued under existing aid formulas. Out-year growth in School Aid reflects current projections of the ten-year average growth in State personal income. The State's 2020-2021 Enacted Budget authorized the State's Budget Director to make periodic adjustments to State Aid, in the event that actual State revenues come in below 99% percent of estimates or if actual disbursements exceed 101% of estimates. Pursuant to that provision, in October, 2020, the State announced that, in the absence of Federal funding to offset such lost revenue, the State had begun to take steps to reduce spending, including but not limited to, temporarily holding back 20% of most aid payments to local governments and school districts. However, the 2020-2021 State aid declines were offset, in part, by $1.1 billion of increased federal funding through the Coronavirus Aid, Relief, and Economic Security Act. With these federal funds, State aid totaled $27.9 billion in the State's 2020-2021 Enacted Budget, an annual increase of approximately $100 million or 0.4 percent from the 2019-2020 Enacted Budget. As of February 1, 2021, the State Education Department ("SED") advised school districts that the State Division of the Budget would, at some point, provide approval for SED to make the payments to school districts for State aid and other Pre-K-12 grant programs that had been subject to the above-referenced 20% withholding.

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

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

School District fiscal year (2023-2024): The State's 2023-24 Enacted Budget includes $34.5 billion for school aid, an increase of $3.1 billion or 10%, which is the highest level of State aid to date. The States 2023-24 Budget also provides a $2.6 billion increase in Foundation Aid, fully funding the program for the first time in history. The State's 2023-24 Enacted Budget provides $134 million to increase access to free school meals. An additional $20 million in grant funding will establish 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 will be made to promote job readiness. An additional $150 million will be used to expand high-quality full-day prekindergarten, resulting in universal prekindergarten to be phased into 95% of the State.

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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. (See both "*School district fiscal year (2022-2023)*" and the following paragraphs herein.)

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

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

- FY 2022: $19.8 billion, covering 30% of the existing shortfall
- FY 2023: Approximately $21.3 billion, covering 50% of the anticipated shortfall
- FY 2024: Approximately $23.2 billion, eliminating the anticipated shortfall, and funding the full amount of Foundation Aid for all school districts

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State Aid Revenues

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

Fiscal Year	Total Revenues [1]	Total State Aid	Percentage of Total Revenues Consisting of State Aid
2017-2018	$ 37,390,622	$ 16,772,267	44.86%
2018-2019	37,980,832	17,255,585	45.43
2019-2020	39,219,935	18,008,747	45.92
2020-2021	39,557,806	18,138,912	45.85
2021-2022	42,382,777	19,763,706	46.63
2022-2023 (Budgeted)	44,322,437	21,822,489	49.24
2022-2023 (Unaudited)	44,560,764	21,954,666	49.26
2023-2024 (Budgeted)	45,950,583	22,950,075	49.94

[1] General fund only. Figures include interfund transfers, appropriated reserves or appropriated fund balance.

Note 2022-2023 unaudited figures are preliminary and subject to change.

Source: Audited financial statements for the 2017-2018 through 2021-2022 fiscal years, unaudited financials for the 2022-2023 fiscal year and the adopted budget for the 2023-2024 fiscal year. This table is not audited.

District Facilities

The District currently operates the following facilities:

Name	Grades	Capacity	Year Originally Built
Port Dickinson Elementary	Pre-K-2	800	1919, '29, '91, '92
Chenango Bridge Elementary	3-5	600	1950, '55, '92
Junior-Senior High School	6-12	1,100	1955, '60, '67. '02

Source: District officials.

Enrollment Trends

School Year	Actual Enrollment	School Year	Projected Enrollment
2018-2019	1,818	2023-2024	1,730
2019-2020	1,778	2024-2025	1,730
2020-2021	1,672	2025-2026	1,730
2021-2022	1,729	2026-2027	1,730
2022-2023	1,729	2027-2028	1,730

Note: Due to COVID-19, the District does not have Pre-K during the 2020-2021 year which is why enrollment has a large decrease.

Source: District officials.

Employees

The District employs a total of 257 full-time and 79 part-time employees with representation by the various bargaining units listed below:

Number of Employees	Bargaining Unit	Contract Expiration Date
170	Chenango Valley Teachers' Association	June 30, 2025
147	Chenango Valley Support Staff Association	June 30, 2024
10	Chenango Valley Administrators' Association	June 30, 2024
2	Chenango Valley Non-Instructional Supervisors' Assoc.	June 30, 2024
7	Personal Service Agreements	N/A

Source: District officials.

Status and Financing of Employee Pension Benefits

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

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

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

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

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

Fiscal Year	ERS	TRS
2018-2019	$399,699	$1,156,545
2019-2020	394,764	993,913
2020-2021	402,707	1,031,214
2021-2022	376,468	1,019,069
2022-2023 (Budgeted)	400,000	1,276,000
2022-2023 (Unaudited)	354,769	1,073,149
2023-2024 (Budgeted)	434,000	1,306,686

Note 2022-2023 unaudited figures are preliminary and subject to change.

Source: District officials.

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

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

A chart of average ERS and TRS rates as a percent of payroll (2020 to 2024) is shown below:

Year	ERS	TRS
2019-20	14.6%	8.86%
2020-21	14.6	9.53
2021-22	16.2	9.80
2022-23	16.1	10.29
2023-24	13.1	9.76*

* Estimated. Final contribution rate to be adopted at the July 26, 2023 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 the State Comptroller, which approximates a market rate of return on taxable fixed rate securities of a comparable duration issued by comparable issuers. The interest rate is established annually for that year's amortized amount and then applies to the entire ten years of the amortization cycle of that amount. When in any fiscal year, the participating employer's graded payment eliminates all balances owed on prior amortized amounts, any remaining graded payments are to be paid into an employer contribution reserve fund established by the State Comptroller for the employer, to the extent that amortizing employer has no currently unpaid prior amortized amounts, for future such use.

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

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

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

The State's 2019-2020 Enacted Budget, which was signed into law on March 31, 2019, will allow school districts in the State to establish a reserve fund for the purpose of funding/offsetting the cost of TRS contributions. School districts may pay into such fund, during any particular fiscal year, an amount not to exceed two percent of the total compensation or salaries of all district-employed teachers who are members of the TRS paid during the immediately preceding fiscal year; provided that the balance of such fund may not exceed ten percent of the total compensation or salaries of all district-employed teachers who are members of the TRS paid during the immediately preceding fiscal year. The District established a reserve fund on June 26, 2019 for the purpose of funding the cost of TRS contributions. The balance as of June 30, 2021 was $663,814. The District expects to fund this reserve by $201,000 prior to the fiscal year end.

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

Other Post-Employment Benefits

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

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

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

GASB 75. In 2015, the Governmental Accounting Standards Board ("GASB") released new accounting standards for public Other Post-Employment Benefits ("OPEB") plans and participating employers. These standards, GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* ("GASB 75"), have substantially revised the valuation and accounting requirements previously mandated under GASB Statements No. 43 and 45. For the fiscal year ended June 30, 2018, the District implemented GASB 75. The implementation of this statement requires District's to report OPEB liabilities, OPEB expenses, deferred outflow of resources and deferred inflow of resources related to OPEB. GASB Statement No. 75 replaced GASB Statement 45, which also required the District to calculate and report a net OPEB obligation. However, under GASB 45 districts could amortize the OPEB liability over a period of years, whereas GASB 75 requires districts to report the entire OPEB liability on the statement of net position.

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

Balance beginning at:	June 30, 2020	June 30, 2021
	$ 108,689,700	$ 124,479,212
Changes for the year:		
Service cost	3,181,884	4,556,404
Interest	2,429,018	2,744,117
Change in benefit terms	-	-
Differences between expected and actual experience	(8,417,817)	-
Changes in assumptions or other inputs	22,540,560	(24,553,597)
Benefit payments	(3,944,133)	(4,007,712)
Net Changes	$ 15,789,512	$ (21,260,788)
Balance ending at:	June 30, 2021	June 30, 2022
	$ 124,479,212	**$ 103,218,424**

Source: Audited financial statements of the District, attached hereto as "APPENDIX – D". The above table is not audited.

Actuarial valuation will be required every 2 years for OPEB plans with more than 200 members, every 3 years if there are fewer than 200 members.

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

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

Other Information

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

The District has complied with the procedure for the publication of the Estoppel Notice with respect to the Notes as provided in Title 6 of Article 2 of the Local Finance Law.

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

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

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

Financial Statements

The District retains independent Certified Public Accountants. The last audit report covers the period ending June 30, 2021 and is attached hereto as "APPENDIX – D". The audit report that covers the period ending June 30, 2022 is not available as of the date of this Official Statement. Certain financial information of the District can be found attached as Appendices to the Official Statement. Certain financial information of the District can be found attached as Appendices to the Official Statement.

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

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

Unaudited Results for Fiscal Year Ending June 30, 2023

The District expects to end the fiscal year ending June 30, 2023 with an unassigned fund balance of $1,724,086.

Summary unaudited information for the General Fund for the period ending June 30, 2023 is as follows:

Revenues:	$44,565,632
Expenditures:	42,674,543
Excess (Deficit) Revenues Over Expenditures:	$ 1,891,090
Total Fund Balance at June 30, 2022	$ 9,504,084
Total Estimated Fund Balance at June 30, 2023	$11,395,174

The audited report for the fiscal year ending June 30, 2023 is expected to be available on or about September 1, 2023.

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

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New York State Comptroller Report of Examination

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

The State Comptroller’s office released its most recent audit report of the District on April 12, 2019. The purpose of the audit was to provide an independent evaluation of the District’s proposed budget for the 2019-20 fiscal year.

Key Finding

- Found that the significant revenue and expenditure projections and appropriations of fund balance and reserves in the proposed budget are reasonable.

Key Recommendations

- This budget review did not contain any recommendations.

A copy of the complete report and the District’s response, as well as prior audit reports of the District conducted over the past five years, can be found via the website of the Office of the New York State Comptroller.

The State Comptroller’s office is in the process of completing an audit on Information Technology for the period July 1, 2020 – present. The audit is nearing completion and the District anticipates release in the near future.

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

Note: Reference to website implies no warranty of accuracy of information therein, nor inclusion herein by reference

The State Comptroller’s Fiscal Stress Monitoring System

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

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

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

Fiscal Year Ending In	Stress Designation	Fiscal Score
2022	No Designation	10.0
2021	No Designation	13.3
2020	No Designation	16.7
2019	No Designation	10.0

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

Note: Reference to website implies no warranty of accuracy of information therein, nor inclusion herein by reference.

TAX INFORMATION

Taxable Assessed Valuations

Fiscal Year Ending June 30:	2019	2020	2021	2022	2023
Towns of:					
Chenango	$ 238,813,486	$ 237,997,924	$ 237,940,324	$ 235,212,398	$ 234,776,798
Colesville	774,309	772,009	774,277	775,362	776,869
Dickinson	91,968,862	91,860,501	92,187,871	92,758,059	92,843,488
Fenton	114,824,968	115,343,839	115,363,247	115,672,978	115,862,596
Kirkwood	28,740,677	28,786,370	28,944,545	29,266,449	29,287,089
Total Assessed Values	$ 475,122,302	$ 474,760,643	$ 475,210,264	$ 473,685,246	$ 473,546,840
State Equalization Rates					
Towns of:					
Chenango	70.00%	67.00%	65.25%	62.50%	55.50%
Colesville	8.11%	7.55%	7.65%	7.60%	6.90%
Dickinson	74.63%	71.47%	73.00%	69.00%	64.00%
Fenton	65.00%	67.00%	66.00%	62.00%	56.30%
Kirkwood	71.50%	71.00%	66.25%	63.00%	60.50%
Total Taxable Full Valuation	$ 690,793,353	$ 706,675,387	$ 719,548,201	$ 753,997,938	$ 833,551,610

Tax Rate Per $1,000 (Assessed)

Fiscal Year Ending June 30:	2019	2020	2021	2022	2023
Towns of:					
Chenango	$ 39.91	$ 41.92	$ 43.13	$ 43.54	$ 45.24
Colesville	344.43	372.02	367.88	358.12	363.88
Dickinson	37.43	39.30	38.55	39.44	39.23
Fenton	42.98	41.92	42.64	43.89	44.59
Kirkwood	39.07	39.56	42.48	43.20	41.50

Tax Collection Procedure

Property taxes for the District are collected by Broome County Real Property. Such taxes are due and payable on or about September 1st of each year but may be paid without penalty for 30 days. Penalties on unpaid taxes are 2% during the second 30-day collection period. After that, uncollected taxes are reported to the County for collection. The District receives the amount of any uncollected school taxes from the County prior to the end of the District's fiscal year thereby assuring 100% tax collection annually. Tax sales are held annually by the County.

Tax Levy and Tax Collection Record

Fiscal Year Ending June 30:	2019	2020	2021	2022	2023
Total Tax Levy	$ 19,296,466	$ 19,849,067	$ 20,250,342	$ 20,521,886	$ 20,928,766
Amount Uncollected (1)	855,763	801,902	747,640	678,042	688,077
% Uncollected	4.43%	4.04%	3.69%	3.30%	3.29%

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

Real Property Tax Revenues

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

Fiscal Year	Total Revenues [1]	Total Real Property Taxes & Tax Items	Percentage of Total Revenues Consisting of Real Property Tax
2017-2018	$ 37,390,622	$ 19,048,125	50.94%
2018-2019	37,980,832	19,465,997	51.25
2019-2020	39,219,935	20,089,247	51.22
2020-2021	39,557,806	20,372,759	51.50
2021-2022	42,382,777	19,763,706	46.63
2022-2023 (Budgeted)	44,822,437	20,928,766	46.70
2022-2023 (Unaudited)	44,560,764	21,098,893	47.34
2023-2024 (Budgeted)	45,950,583	21,401,508	46.57

(1) General fund only. Figures include interfund transfers and appropriated reserves.

Note 2022-2023 unaudited projections are based upon certain current assumptions and estimates and the audited results may vary therefrom.

Source: Audited financial statements for the 2017-2018 through 2021-2022 fiscal years, unaudited financials for the 2022-2023 fiscal year and the adopted budget for the 2023-2024 fiscal year. This table is not audited.

Ten Larger Taxpayers – 2022 Assessment Roll for 2022-23 District Tax Roll

Name	Type	Taxable Full Valuation
New York State Electric & Gas	Utility	$19,315,180
FGR Realty	Commercial	12,488,469
Northgate Plaza Company	Commercial	10,090,090
Lowe's Home Centers Inc.	Commercial	9,852,072
33CBR LLC	Commercial	8,150,721
Realty Income Corp	Commercial	7,890,625
Binghamton Hotel Ventures, LLC	Hotel	6,171,875
Crocs NY LLC	Commercial	3,906,250
Citizens Comm	Commercial	3,541,898
Can Am West	Commercial	3,409,009

The largest taxpayers listed above have a total taxable full valuation of $84,816,189, which represents approximately 10.18% of the tax base of the District for the 2022-2023 fiscal year.

The District has a Tax Certiorari Reserve Fund, which is reviewed annually and funded when necessary to minimize exposure for the District, should any claims be decided adversely to the District. As of the date of this Official Statement, the District does not currently have any pending or outstanding tax certioraris that are known or reasonably expected to have a material impact on the District.

Source: Town Assessment Rolls.

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 District is estimated to be categorized as follows: Residential-78%; Commercial-12% and Agricultural-10%.

The estimated total annual property tax bill of a $100,000 market value residential property located in the School District is approximately $3,750 including County, Village, Town and School District taxes.

STAR – School Tax Exemption

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

Homeowners over 65 years of age with household adjusted gross incomes, less the taxable amount of total distributions from individual retirement accounts and individual retirement annuities ("STAR Adjusted Gross Income") of $90,550 or less in 2021-22 or $92,050 or less in 2022-23, increased annually according to a cost of living adjustment, are eligible for a "full value" exemption of the first $70,700 for the 2021-22 school year and the first $74,900 for the 2022-23 school year (adjusted annually). Other homeowners with household STAR Adjusted Gross income not in excess of $250,000 ($500,000 in the case of a STAR credit, as discussed below) are eligible for a $30,000 "full value" exemption on their primary residence.

The 2022-23 Enacted State Budget provides $2.2 billion in State funding for a new property tax relief credit, the Homeowner Tax Rebate Credit, for eligible low- and middle-income households, as well as eligible senior households. Under this program, basic STAR exemption and credit beneficiaries with incomes below $250,000 and Enhanced STAR recipients are eligible for the property tax rebate where the benefit is a percentage of the homeowners' existing STAR benefit.

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

Towns of:	Enhanced Exemption	Basic Exemption	Date Certified
Chenango	$ 45,180	$ 16,690	4/6/2023
Colesville	5,620	2,070	4/6/2023
Dickinson	52,100	19,200	4/6/2023
Fenton	45,830	16,890	4/6/2023
Kirkwood	49,250	18,150	4/6/2023

$2,980,014 of the District's $20,928,766 school tax levy for the 2022-2023 fiscal year was exempted by the STAR Program. The District received full reimbursement in January, 2023.

A similar amount of the District's $21,352,091 school tax levy for the 2023-2024 fiscal year is expected to be exempt by the STAR Program. The District will receive full reimbursement in January, 2024.

TAX LEVY LIMITATION LAW

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

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

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

Chapter 97 restricts, among other things, the amount of real property taxes that may be levied by or on behalf of a school district in a particular year. 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, which applies to the Notes.

On February 20, 2013, the New York State United Teachers ("NYSUT") and several individuals filed a lawsuit in State Supreme Court in Albany County seeking a declaratory judgment and a preliminary injunction that the Tax Levy Limitation Law is unconstitutional as it applies to public school districts. On September 23, 2014, a justice of the New York State Supreme Court dismissed each of NYSUT's causes of action but granted NYSUT's motion to amend the complaint. NYSUT subsequently served a second amended complaint seeking a preliminary injunction and challenging the Tax Levy Limitation Law as violative of the Education Article of the New York State Constitution, the Equal Protection and Due Process clauses and the First Amendment. On March 16, 2015, a New York State Supreme Court Justice denied NYSUT's motion for a preliminary injunction and dismissed all causes of action contained in NYSUT's second amended complaint. NYSUT appealed the decision to continue its challenge to the constitutionality of the Tax Levy Limitation Law. On May 5, 2016, the Appellate Division upheld the lower court dismissal, noting that while the State is required to provide the opportunity of a sound basic education, the Constitution "does not require that equal educational offerings be provided to every student", and further noted "the legitimate government interest of restraining crippling property tax increases". An appeal by NYSUT was dismissed on October 20, 2016 by the Court of Appeals, New York's highest court, on the ground that no substantial constitutional question was directly involved and thereafter leave to appeal was denied on January 14, 2017 by the Court of Appeals. See also "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.

Chapter 20 of the Laws of 2015 ("Chapter 20") introduced a new real property tax rebate program that provides state-financed tax rebate checks and credits to taxpayers who are eligible for the STAR exemption in the years 2016-2019. For 2016, eligible taxpayers who resided outside New York City but within the Metropolitan Commuter Transportation District ("MCTD") received $130, and eligible taxpayers who resided outside the MCTD received $185. Credits in 2017-2019 varied based on a taxpayer's personal income level and STAR tax savings; the program was fully phased in during 2019. Under Chapter 20 the eligibility of real property taxpayers in each year depends on the school district's compliance with the provisions of the Tax Levy Limitation Law. For taxpayers other than those living in one of the "Big 4" cities only the compliance of the school district in which the taxpayer resides is relevant. Municipal compliance with the Tax Levy Limitation Law is only required in the case of the "Big 4" cities that have fiscally dependent school districts. In such cases, the joint school/city levy must remain in compliance with the Tax Levy Limitation Law.

While the provisions of Chapter 20 do not directly further restrict the taxing power of the affected municipalities, school districts and special districts, and Chapter 20 does provide an incentive for such tax levies to remain with the tax cap limits established by the Tax Levy Limitation Law.

See "THE SCHOOL DISTRICT – Budgetary Procedures and Recent Budget Votes" herein for additional information regarding the District's Tax Levy.

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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 of New York 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 and exclusions set forth in the Local Finance Law. The constitutional method for determining average full valuation is by taking the assessed valuation of taxable real estate for the last completed assessment roll and applying thereto the ratio (equalization ratio) which such assessed valuation bears to the full valuation; such ratio is determined by the State Office of Real Property Services.

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 School District has complied with this estoppel procedure in connection with the Notes.

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.

Debt Outstanding End of Fiscal Year

Fiscal Years Ending June 30th:	2018	2019	2020	2021	2022
Bonds	$ 9,429,713	$ 7,189,200	$ 12,837,000	$ 10,550,000	$ 18,415,000
Bond Anticipation Notes	10,726,757	20,538,280	13,606,956	13,184,478	1,130,000
Other Debt	0	0	0	0	0
Total Debt Outstanding	$ 20,156,470	$ 27,727,480	$ 26,443,956	$ 23,734,478	$ 19,545,000

Details of Outstanding Indebtedness

The following table sets forth the indebtedness of the District evidenced by bonds and notes as of May 25, 2023:

Type of Indebtedness	Maturity		Amount
Bonds	2023-2036		$ 18,415,000
Bond Anticipation Notes			
Purchase of Buses	September 1, 2023		1,201,000
		Total Indebtedness	$ 19,616,000

Debt Statement Summary

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

Full Valuation of Taxable Real Property			$ 833,551,610
Debt Limit 10% thereof			83,355,161
Inclusions:			
Bonds	$ 18,415,000		
Bond Anticipation Notes	1,201,000		
Principal of this Issue	9,000,000		
Total Inclusions		$ 28,616,000	
Exclusions:			
State Building Aid [(1)]	$ 0		
Total Exclusions		$ 0	
Total Net Indebtedness			$ 28,616,000
Net Debt-Contracting Margin			$ 54,739,161
The percent of debt contracting power exhausted is			34.33%

(1) Based on preliminary 2023-2024 building aid estimates, the District anticipates State Building aid of 89.8% for debt service on State Education Department approved expenditures from July 1, 2004 to the present. The District has no reason to believe that it will not ultimately receive all of the building aid it anticipates, however, no assurance can be given as to when and how much building aid the District will receive in relation to the outstanding bonds.

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

Bonded Debt Service

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

Capital Project Plans

The District annually issues debt for the purchase of buses. Prior to the 2016 fiscal year, the District issued five-year statutory installment bonds to finance the bus purchases. In recent years, the District has issued bond anticipation notes to finance the purchase of buses. On May 17, 2022, the qualified voters of the District approved a new proposition for the purchase of school buses. On September 1, 2022 the District issued bond anticipation notes, along with $344,000 available funds of the District, to renew and redeem the $1,130,000 outstanding bond anticipation notes that matured on September 2, 2022, and provided $415,000 in new monies for the abovementioned purpose. On May 16, 2023 the qualified voters of the District approved a new proposition of $440,000 for the purchase of school buses.

In May 2014, the qualified voters approved a proposition that provided $85,000 in annual funding to the Fenton Free Library (the "Library"). In May 2017 and May 2018, the voters again approved to support propositions to increase that funding level to $117,268. On May 21, 2019, the qualified voters of the District approved a new proposition to increase the level of annual funding in the amount of $2,441 for a total levy of $119,709. On June 16, 2020, the qualified voters of the District approved a new proposition to increase the level of annual funding to $123,544. On May 18, 2021, the qualified voters of the District approved a new proposition to increase the level of annual funding $125,772. On May 17, 2022, the qualified voters of the District approved a new proposition to increase the level of annual funding $460,000. The Library is a separate corporate entity from the District, but affiliated with the District, which raises the tax levy within the District on behalf of the Library.

The District passed a capital project vote in December 2021 for $19,574,000 for reconstruction of school district buildings and facilities. The project will use $2M of capital reserve monies along with expiring debt service to result in no tax increase. Construction is scheduled to begin in summer 2023. The Notes will provide $9,000,000 new money for this project.

Other than as stated above, there are no other capital projects authorized or unissued by the District, nor are any contemplated.

Cash Flow Borrowings

The District has not issued tax anticipation notes and/or revenue anticipation notes nor deficiency or budget notes in the past five fiscal years, and does not anticipate the need to issue revenue and/or tax anticipation notes nor deficiency or budget notes in the near future.

Estimated Overlapping Indebtedness

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

Municipality	Status of Debt as of	Gross Indebtedness (1)	Exclusions (2)	Net Indebtedness	District Share	Applicable Indebtedness
County of:						
Broome	12/31/2021	$ 138,006,333	$ 798,242	$ 137,208,091	7.06%	$ 9,686,891
Towns of:						
Chenango	12/31/2021	6,039,456	3,645,000	2,394,456	47.64%	1,140,719
Colesville	12/31/2021	-	-	-	3.74%	-
Dickinson	12/31/2021	450,000	-	450,000	57.50%	258,750
Fenton	12/31/2021	266,646	26,646	240,000	56.47%	135,528
Kirkwood	12/31/2021	1,863,285	28,285	1,835,000	10.49%	192,492
					Total:	$ 11,414,380

(1) Bonds and Bond Anticipation Notes are as of the close of the respective fiscal year, and are not adjusted to include subsequent bond or note sales, if any .

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

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

Debt Ratios

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

	Amount	Per Capita [(a)]	Percentage of Full Value [(b)]
Net Indebtedness [(c)]	$ 28,616,000	$ 2,222.26	3.43%
Net Indebtedness Plus Net Overlapping Indebtedness [(d)]	40,030,380	3,108.67	4.80

(a) The current estimated population of the District is 12,877. (See "THE SCHOOL DISTRICT – Population" herein.)

(b) The District's full value of taxable real estate for the 2021-2022 fiscal year is $833,551,610. (See "TAX INFORMATION – Taxable Assessed Valuations" herein.)

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

(d) Estimated net overlapping indebtedness is $11,414,380. (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 Notes in default with respect to which the same was so deducted or withheld, then the State Comptroller shall promptly forward to each paying agent an amount in the proportion that the amount of such bonds in default payable to such paying agent bears to the total amount of the principal and interest then in default on such bonds of such school district. The State Comptroller shall promptly notify the chief fiscal officer of such school district of any payment or payments made to any paying agent or agents of defaulted bonds pursuant to said Section 99-b.

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

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

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

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

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

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

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

MARKET AND RISK FACTORS

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

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

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

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

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

Cybersecurity

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

TAX MATTERS

In the opinion of Orrick, Herrington & Sutcliffe LLP ("Bond Counsel"), based upon an analysis of existing laws, regulations, rulings, and court decisions, and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the Notes is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 (the "Code") and is exempt from personal income taxes imposed by the State of New York or any political subdivision thereof (including The City of New York). Bond Counsel is of the further opinion that interest on the Notes is not a specific preference item for purposes of the federal individual alternative minimum tax. For tax years beginning after December 31, 2022, interest on the Notes included in adjusted financial statement income of certain corporations is not excluded from the federal corporate alternative minimum tax. We observe that, for tax years beginning after December 31, 2022, interest on the Notes included in adjusted financial statement income of certain corporations is not excluded from the federal corporate alternative minimum tax. A 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. 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.

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 <u>not</u> 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 and supplementation to the final official statement. (See "APPENDIX – C", attached hereto).

S&P Global Ratings, a business unit of Standard & Poor's Financial Services LLC ("S&P") has assigned its underlying rating of "A+" with a stable outlook to the District's outstanding bonds. The rating reflects only the view of S&P and any desired explanation of the significance of such rating should be obtained from S&P, Public Finance Ratings, 55 Water Street, 38th Floor, New York, New York 10041, Phone: (212) 438-2118.

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

MISCELLANEOUS

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

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

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

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

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

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

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

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

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

The District contact information is as follows: Ms. Elizabeth Donahue, School Business Executive, District Offices, 221 Chenango Bridge Road, Binghamton, New York 13901, Phone: (607) 762-6803, Fax: (607) 762-6890, email: edonahue@cvcsd.stier.org.

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

CHENANGO VALLEY CENTRAL SCHOOL DISTRICT

Dated: May 25, 2023

CHRISTINE LOMONACO
PRESIDENT OF THE BOARD OF EDUCATION

GENERAL FUND

Balance Sheets

Fiscal Years Ending June 30:	2018	2019	2020	2021	2022
ASSETS					
Unrestricted Cash	$ 267,370	$ 1,298,076	$ 1,016,482	$ 1,610,571	$ 2,061,448
Restricted Cash & Investments	4,003,750	4,807,429	5,140,151	6,383,716	6,347,081
Due from Other Funds	1,599,307	291,628	866,197	978,028	763,486
State and Federal Aid	538,918	519,719	546,153	754,575	1,190,995
Due from Other Governments	975,459	1,203,033	1,168,629	1,365,422	1,161,605
Due from Fiduciary Funds	-	-	-	-	-
Other Receivables	111,316	111,311	35,247	76,433	257,566
Prepaid Items	-	-	-	-	-
TOTAL ASSETS	$ 7,496,120	$ 8,231,196	$ 8,772,859	$ 11,168,745	$ 11,782,181
LIABILITIES AND FUND EQUITY					
Accounts Payable	$ 129,881	$ 171,597	$ 189,104	$ 854,319	$ 784,444
Accrued Liabilites	38,400	52,850	74,495	84,871	146,555
Due to Other Funds	8,108	5,351	35,475	72,606	175
Due to Other Governments	40	68	20	90	-
Due to Fiduciary Funds	-	-	-	-	-
Due to Teachers' Retirement System	1,153,119	1,231,970	1,072,101	1,109,842	1,197,311
Due to Employees' Retirement System	109,756	108,868	108,393	118,547	81,404
Deferred Revenues	68,208	68,208	68,208	153,537	68,208
Compensated Absences Payable	-	-	-	-	-
TOTAL LIABILITIES	1,507,512	1,638,912	1,547,796	2,393,812	2,278,097
FUND EQUITY					
Reserved	$ 3,885,741	$ 4,788,383	$ 5,130,528	$ 6,383,716	$ 6,347,081
Unreserved:					
Appropriated	570,993	409,888	525,415	789,737	1,437,954
Unappropriated	1,531,874	1,394,013	1,569,120	1,601,480	1,719,049
TOTAL FUND EQUITY	5,988,608	6,592,284	7,225,063	8,774,933	9,504,084
TOTAL LIABILITIES & FUND EQUITY	$ 7,496,120	$ 8,231,196	$ 8,772,859	$ 11,168,745	$ 11,782,181

Source: Audited financial reports of the District. This table is not audited.

GENERAL FUND

Revenues, Expenditures and Changes in Fund Balance

Fiscal Years Ending June 30:	2018	2019	2020	2021	2022
REVENUES					
Real Property Taxes	$ 15,265,782	$ 15,775,714	$ 16,474,335	$ 16,893,954	$ 17,406,150
Other Tax Items	3,782,343	3,690,283	3,614,912	3,478,805	3,338,935
Charges for Services	99,868	64,270	136,557	186,189	152,132
Use of Money & Property	194,208	213,317	65,764	2,979	7,572
Sale of Property and Compensation for Loss	14,944	29,401	88,268	49,609	88,631
Miscellaneous	1,188,001	858,775	752,686	614,580	1,115,692
Revenues from State Sources	16,772,267	17,255,585	18,008,747	18,138,912	19,763,706
Revenues from Federal Sources	68,377	84,744	70,976	59,143	509,959
Total Revenues	$ 37,385,790	$ 37,972,089	$ 39,212,245	$ 39,424,171	$ 42,382,777
Other Sources:					
Interfund Transfers	4,832	8,743	7,690	133,635	-
Total Revenues and Other Sources	37,390,622	37,980,832	39,219,935	39,557,806	42,382,777
EXPENDITURES					
General Support	$ 3,997,000	$ 4,064,774	$ 4,003,655	$ 4,066,200	$ 4,265,704
Instruction	18,231,398	18,640,386	19,355,652	18,242,893	19,302,589
Pupil Transportation	1,041,219	1,149,079	1,100,042	1,110,515	1,148,962
Community Services	5,447	1,770	4,702	-	766
Employee Benefits	9,790,684	10,159,259	10,427,989	10,664,218	10,174,748
Debt Service	3,223,326	3,229,192	3,566,073	3,815,979	4,640,860
Total Expenditures	$ 36,289,074	$ 37,244,460	$ 38,458,113	$ 37,899,805	$ 39,533,629
Other Uses:					
Interfund Transfers	2,128,444	132,696	129,043	108,131	2,119,997
Total Expenditures and Other Uses	38,417,518	37,377,156	38,587,156	38,007,936	41,653,626
Excess (Deficit) Revenues Over Expenditures	(1,026,896)	603,676	632,779	1,549,870	729,151
FUND BALANCE					
Fund Balance - Beginning of Year	7,015,504	5,988,608	6,592,284	7,225,063	8,774,933
Prior Period Adjustments (net)	-	-	-	-	-
Fund Balance - End of Year	$ 5,988,608	$ 6,592,284	$ 7,225,063	$ 8,774,933	$ 9,504,084

Source: Audited financial reports of the District. This table is not audited.

GENERAL FUND

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

Fiscal Years Ending June 30:	2022			2023	2024
	Adopted Budget	Modified Budget	Actual	Adopted Budget	Adopted Budget
REVENUES					
Real Property Taxes	$ 20,521,886	$ 17,407,642	$ 17,406,150	$ 20,928,766	$ 21,352,091
Other Tax Items	-	3,347,370	3,338,935	-	-
Charges for Services	-	57,000	152,132	-	-
Use of Money & Property	-	-	7,572	-	-
Sale of Property and Compensation for Loss	-	24,712	88,631	-	-
Miscellaneous	1,127,126	767,800	1,115,692	1,071,182	1,148,417
Revenues from State Sources	20,179,917	19,755,403	19,763,706	21,822,489	22,950,075
Revenues from Federal Sources	-	495,514	509,959	-	-
Total Revenues	$ 41,828,929	$ 41,855,441	$ 42,382,777	$ 43,822,437	$ 45,450,583
Other Sources:					
Appropriated Reserves	-	2,000,000	-	-	-
Interfund Transfers	-	-	-	-	-
Total Revenues and Other Sources	41,828,929	43,855,441	42,382,777	43,822,437	45,450,583
EXPENDITURES					
General Support	$ 5,281,354	$ 5,669,896	$ 4,265,704	$ 5,618,942	$ 5,967,847
Instruction	19,360,380	20,348,385	19,302,589	20,876,581	22,876,917
Pupil Transportation	1,365,956	1,398,082	1,148,962	1,431,269	1,549,483
Community Services	7,900	4,754	766	7,900	7,900
Employee Benefits	11,655,627	10,446,199	10,174,748	11,628,500	12,536,696
Debt Service	4,520,712	4,640,862	4,640,860	4,622,245	2,851,740
Total Expenditures	$ 42,191,929	$ 42,508,178	$ 39,533,629	$ 44,185,437	$ 45,790,583
Other Uses:					
Interfund Transfers	137,000	2,137,000	2,119,997	137,000	160,000
Total Expenditures and Other Uses	42,328,929	44,645,178	41,653,626	44,322,437	45,950,583
Expenditures	(500,000)	(789,737)	729,151	(500,000)	(500,000)
FUND BALANCE					
Fund Balance - Beginning of Year	500,000	789,737	8,774,933	500,000	500,000
Prior Period Adjustments (net)	-		-	-	-
Fund Balance - End of Year	$ -	$ -	$ 9,504,084	$ -	$ -

Source: Audited financial report and adopted budgets (unaudited) of the District. This table is not audited.

BONDED DEBT SERVICE

Fiscal Year Ending June 30th	Principal	Interest	Total
2023	$ 3,220,000	$ 1,053,272.92	$ 4,273,272.92
2024	1,225,000	757,700.00	1,982,700.00
2025	1,065,000	698,500.00	1,763,500.00
2026	1,120,000	645,250.00	1,765,250.00
2027	1,175,000	589,250.00	1,764,250.00
2028	1,235,000	530,500.00	1,765,500.00
2029	1,295,000	468,750.00	1,763,750.00
2030	1,360,000	404,000.00	1,764,000.00
2031	1,430,000	336,000.00	1,766,000.00
2032	1,500,000	264,500.00	1,764,500.00
2033	1,025,000	189,500.00	1,214,500.00
2034	1,080,000	138,250.00	1,218,250.00
2035	935,000	84,250.00	1,019,250.00
2036	750,000	37,500.00	787,500.00
TOTALS	$ 18,415,000	$ 6,197,222.92	$ 24,612,222.92

CURRENT BONDS OUTSTANDING

Fiscal Year Ending June 30th	2010 Reconstruction Principal	Interest	Total	2012 Refunding of 2005 Serial Bonds Principal	Interest	Total
2023	$ 200,000	$ 16,200.00	$ 216,200.00	$ 1,555,000	$ 63,494	$ 1,618,493.75
2024	205,000	8,200.00	213,200.00	-	-	-
TOTALS	$ 405,000	$ 24,400.00	$ 429,400.00	$ 1,555,000	$ 63,493.75	$ 1,618,493.75

Fiscal Year Ending June 30th	2020 DASNY Bonds Principal	Interest	Total	2022 DASNY Bonds Principal	Interest	Total
2023	$ 460,000	$ 310,500.00	$ 770,500.00	$ 1,005,000	$ 663,079.17	$ 1,668,079.17
2024	485,000	287,500.00	772,500.00	535,000	462,000.00	997,000.00
2025	505,000	263,250.00	768,250.00	560,000	435,250.00	995,250.00
2026	530,000	238,000.00	768,000.00	590,000	407,250.00	997,250.00
2027	560,000	211,500.00	771,500.00	615,000	377,750.00	992,750.00
2028	585,000	183,500.00	768,500.00	650,000	347,000.00	997,000.00
2029	615,000	154,250.00	769,250.00	680,000	314,500.00	994,500.00
2030	645,000	123,500.00	768,500.00	715,000	280,500.00	995,500.00
2031	680,000	91,250.00	771,250.00	750,000	244,750.00	994,750.00
2032	710,000	57,250.00	767,250.00	790,000	207,250.00	997,250.00
2033	200,000	21,750.00	221,750.00	825,000	167,750.00	992,750.00
2034	210,000	11,750.00	221,750.00	870,000	126,500.00	996,500.00
2035	25,000	1,250.00	26,250.00	910,000	83,000.00	993,000.00
2036	-	-	-	750,000	37,500.00	787,500.00
TOTALS	$ 6,210,000	$ 1,955,250.00	$ 8,165,250.00	$ 10,245,000	$ 4,154,079.17	$ 14,399,079.17

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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CHENANGO VALLEY CENTRAL SCHOOL DISTRICT
BROOME COUNTY, NEW YORK

FINANCIAL STATEMENTS
AND OTHER FINANCIAL INFORMATION

JUNE 30, 2022

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.

CHENANGO VALLEY CENTRAL SCHOOL DISTRICT

Binghamton, New York

FINANCIAL REPORT

For the Year Ended June 30, 2022

insero&co

Certified Public Accountants | Business Advisors

CHENANGO VALLEY CENTRAL SCHOOL DISTRICT

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CHENANGO VALLEY CENTRAL SCHOOL DISTRICT

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INDEPENDENT AUDITORS' REPORT

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

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

Basis for Opinions

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

Emphasis of a Matter
During the year ended June 30, 2022, the School District adopted Government Accounting Standards Board (GASB) Statement No. 87, "Leases." As discussed in Note 18 to the financial statements, net position as of June 30, 2021 for the governmental activities was restated to reflect this change in accounting principle. Our opinion is not modified with respect to this matter.

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

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

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

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

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

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

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis; budgetary comparison schedules; the Schedules of School District's Contributions - NYSLRS and NYSTRS Pension Plans; the Schedules of the School District's Proportionate Share of the Net Pension (Asset)/Liability; Schedule of Changes in the District's Total OPEB Liability and Related Ratios; and related notes be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School District's basic financial statements. The 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; Balance Sheet - Non-Major Governmental Funds, Statement of Revenues, Expenditures, and Changes in Fund Balance - Non-Major Governmental Funds (supplementary information) and Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the supplementary information and the Schedule of Expenditures of Federal Awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 28, 2022, 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
September 28, 2022

CHENANGO VALLEY CENTRAL SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2022

The following is a discussion and analysis of the Chenango Valley Central School District's (the School District) financial performance for the fiscal year ended June 30, 2022. This section is a summary of the School District's financial activities based on currently known facts, decisions, or conditions. It is also based on both the District-wide and Governmental Fund-based financial statements. The results of the current year are discussed in comparison with the prior year, with an emphasis placed on the current year. The Management's Discussion and Analysis (MD&A) section is only an introduction and should be read in conjunction with the School District's financial statements, which immediately follow this section.

FINANCIAL HIGHLIGHTS

- Total revenues (measured on the Government-wide basis) exceeded total expenses by $4,221,464 in 2022 compared to expenses exceeding revenues by $4,067,162 in 2021.

- Liabilities and deferred inflows of resources of the School District exceeded its assets and deferred outflows of resources at June 30, 2022 by $61,431,112 (net deficit), largely due to the School District's Net OPEB liability of $107,841,635.

- The General Fund budgeted expenditures and other financing uses were underspent by $2,053,598 while revenues and other financing sources exceeded the budget by $527,336, largely due to a refund of prior year expenses.

- The School District invested $1,553,357 in capital assets, net of depreciation of $1,846,109, amortization of $170,998, and net book value of disposals and appraisal adjustments of $278,163, which resulted in a net decrease in capital assets of $185,587.

- The School District's total debt obligations decreased $3,548,385 during the current year.

- Unassigned fund balance in the General Fund showed an increase in 2022 from $1,601,480 to $1,719,049. Total fund balance in the General Fund, including reserves, was $9,504,084 at June 30, 2022, compared to $8,774,933 at June 30, 2021. Appropriated fund balance amounted to $500,000 at June 30, 2022 and 2021.

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; the Schedule of School District's Contributions; the School District's Proportionate Share of the Net Pension (Asset)/Liability; and a Schedule of Changes in the School District's Total OPEB Liability and Related Ratios related to the School District's unfunded actuarial liability for other postemployment benefits.

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 and liabilities. All of the current year's revenues and expenses are accounted for in the Statement of Activities regardless of when cash is received or paid.

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

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

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

Governmental Fund Financial Statements

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

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

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

FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT AS A WHOLE

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

Figure 1

Condensed Statement of Net Position	*Governmental Activities and Total School District*		*Total Dollar Change*
	2022	*2021*	
Current Assets	**$ 7,941,510**	$ 5,412,306	$ 2,529,204
Noncurrent Assets	**20,395,644**	6,433,415	13,962,229
Capital Assets, Net	**51,808,241**	51,993,828	(185,587)
Total Assets	**80,145,395**	**63,839,549**	**16,305,846**
Total Deferred Outflows of Resources	**30,789,323**	**37,675,569**	**(6,886,246)**
Current Liabilities	**9,001,334**	18,267,486	(9,266,152)
Noncurrent Liabilities	**121,031,936**	136,243,244	(15,211,308)
Total Liabilities	**130,033,270**	**154,510,730**	**(24,477,460)**
Total Deferred Inflows of Resources	**42,332,560**	**12,656,964**	**29,675,596**
Net Investment in Capital Assets	**30,626,532**	26,805,949	3,820,583
Restricted	**9,733,223**	7,149,374	2,583,849
Unrestricted (Deficit)	**(101,790,867)**	(99,607,899)	(2,182,968)
Total Net (Deficit)	**$(61,431,112)**	**$(65,652,576)**	**$ 4,221,464**

Total assets increased 25.54%. This change stems from a change in the School District's net pension liability of $1,838,827 in the prior year to a net pension asset of $11,767,456 in the current year.

Deferred outflows of resources decreased 18.28% and deferred inflows of resources increased 234.46%. The change in deferred outflows and deferred inflows of resources is the result of changes in actuarial assumptions related to NYSTRS and NYSLRS pension plans, as well as changes in actuarial assumptions for other postemployment benefits (OPEB).

Total liabilities decreased 15.84%. This change stems from a decrease in the School District's OPEB liability and the change from a net pension liability to a net pension asset for the pension plans.

Total net position (deficit) decreased 6.43%. This change stems from excess revenues over expenses, which is discussed further through *Figure 2*.

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

Figure 2

Condensed Statement of Net Position	*Governmental Activities and Total School District* 2022	2021	*Total Dollar Change*
REVENUES			
Program Revenues:			
Charges for Services	**$ 315,196**	$ 268,910	$ 46,286
Operating Grants and Contributions	**4,918,102**	2,313,934	2,604,168
Capital Grants and Contributions	**194,537**	-	194,537
General Revenues:			
Real Property Taxes	**17,406,150**	16,893,954	512,196
Real Property Tax Items	**3,338,935**	3,478,805	(139,870)
State Sources	**19,688,837**	18,056,995	1,631,842
Use of Money and Property	**8,540**	8,607	(67)
Other General Revenues	**1,511,558**	614,282	897,276
Total Revenues	**$ 47,381,855**	**$ 41,635,487**	**$ 5,746,368**
PROGRAM EXPENSES			
General Governmental Support	**$ 6,222,263**	$ 6,436,970	$ (214,707)
Instruction	**33,460,641**	35,524,612	(2,063,971)
Pupil Transportation	**1,692,898**	2,110,644	(417,746)
Community Services	**1,364**	-	1,364
School Lunch Program	**1,293,842**	1,096,473	197,369
Interest on Debt	**489,383**	533,950	(44,567)
Total Expenses	**43,160,391**	**45,702,649**	**(2,542,258)**
CHANGE IN NET POSITION	**$ 4,221,464**	**$ (4,067,162)**	**$ 8,288,626**

Total revenues for the School District's Governmental Activities increased 13.80%, while total expenses decreased 5.56%. The increase in total revenues is due to an increase in state and federal operating grants and contributions, due to new funding through the Education Stabilization Fund, as well as increases in basic state aid and BOCES refunds within the state sources and other general revenue categories.

The decrease in program expenses is primarily due to reductions in both pension and OPEB expenses recorded in the current year in comparison to the prior year.

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

Figure 3
Sources of Revenue for 2022

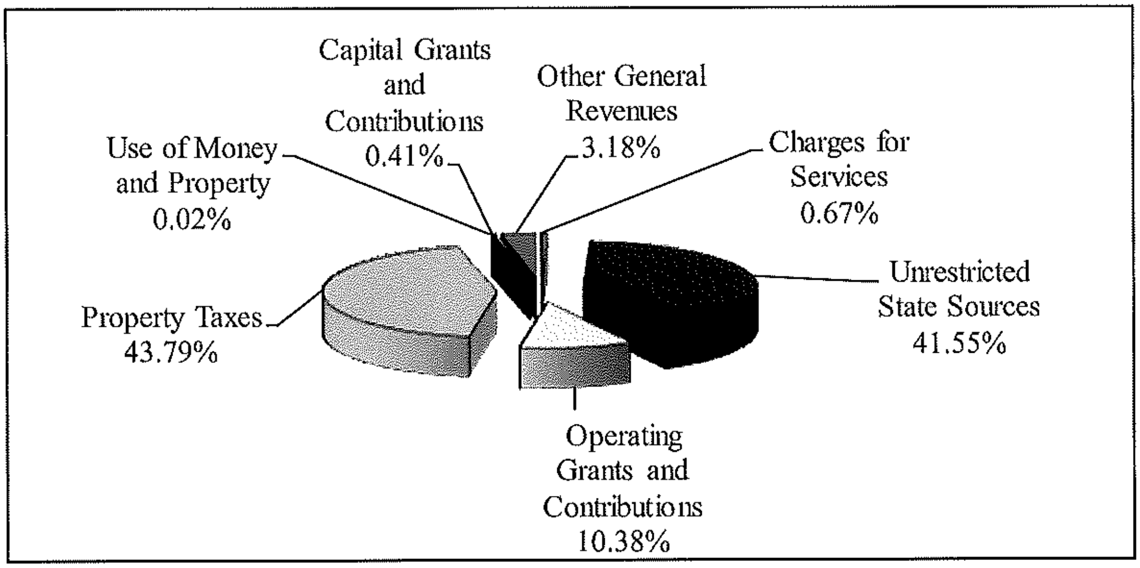


Figure 4
Sources of Revenue for 2021

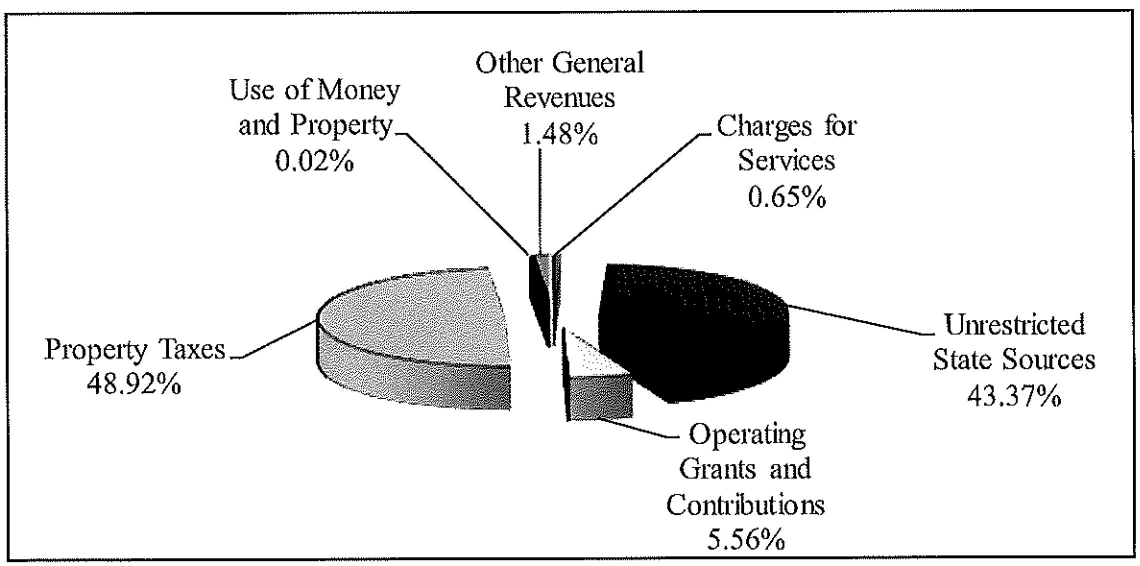


Figure 5 and *Figure 6* present the cost of each of the School District's programs for 2022 and 2021.

Figure 5
Cost of Programs for 2022

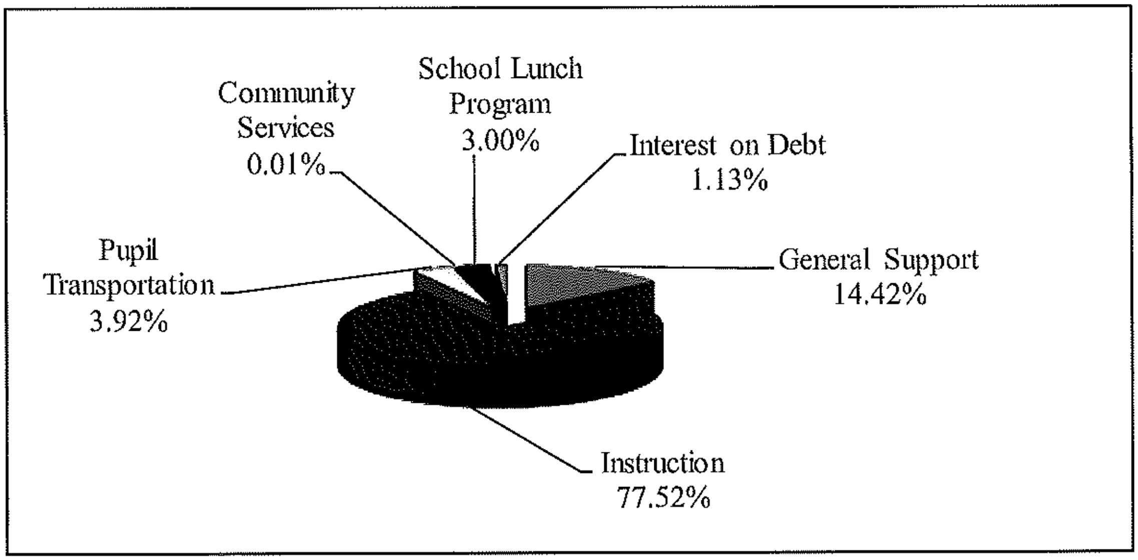
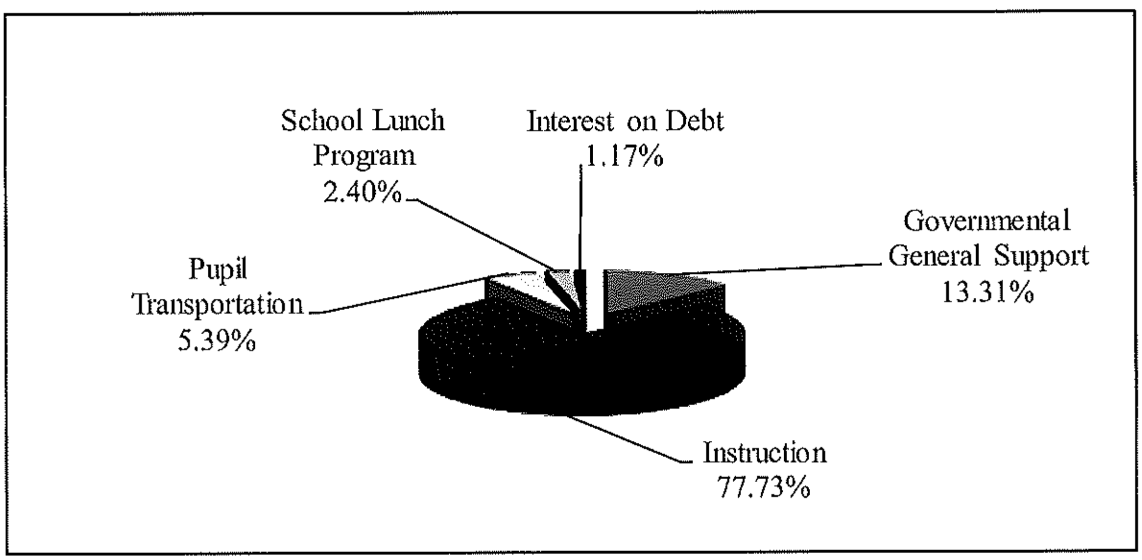


Figure 6
Cost of Programs for 2021



FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT'S FUNDS

Figure 7 shows the change in total fund balances for the year for the School District's Governmental Funds. The fund balance (deficit) from June 30, 2021 was eliminated, and a positive total fund balance existed at June 30, 2022. This change was primarily due to the issuance of bonds within the Capital Projects Fund.

Figure 7

Governmental Fund Balances	*2022*	*2021*	*Total Dollar Change*
General Fund	**$ 9,504,084**	$ 8,774,933	$ 729,151
Capital Projects Fund	**2,235,822**	(13,426,175)	15,661,997
Special Aid Fund	**(1,902,404)**	-	(1,902,404)
Non-Major Funds	**1,194,131**	807,936	386,195
Total Governmental Funds (Deficit)	**$ 11,031,633**	**$ (3,843,306)**	**$ 14,874,939**

GENERAL FUND BUDGETARY HIGHLIGHTS

Over the course of the year, the Board of Education approved budgetary transfers that revised the School District's budget line items. These budget amendments consisted of budget transfers between functions and $2,026,512 in budget adjustments.

The School District received more revenue than budgeted, primarily as a refund of prior year expenses. Expenditures and other financing uses were less than budget (with carryover encumbrances) by $2,053,598. This is primarily due to lower than expected costs related to teaching, such as regular school, employee benefits, and pupil transportation.

Figure 8

Condensed Budgetary Comparison General Fund - 2022	*Original Budget*	*Revised Budget*	*Actual w/ Encumbrances*	*Favorable (Unfavorable) Variance*
REVENUES				
Real Property Taxes	$ 20,521,886	$ 17,407,642	$ 17,406,150	$ (1,492)
Other Tax Items	233,126	3,347,370	3,338,935	(8,435)
State Sources	19,755,403	19,755,403	19,763,706	8,303
Other, Including Other Financing Sources	1,318,514	1,345,026	1,873,986	528,960
Total Revenues and Other Financing Sources	**$ 41,828,929**	**$ 41,855,441**	**$ 42,382,777**	**$ 527,336**
Appropriated Fund Balances, Reserves, and Encumbrances	**$ 789,737**	**$ 2,789,737**		
EXPENDITURES				
General Support	$ 4,566,392	$ 5,669,896	$ 5,019,370	$ 650,526
Instruction	20,340,873	20,348,385	19,479,791	868,594
Pupil Transportation	1,390,162	1,398,082	1,156,048	242,034
Community Service	7,900	4,754	766	3,988
Employee Benefits	11,655,627	10,446,199	10,174,748	271,451
Debt Service	4,520,712	4,640,862	4,640,860	2
Other Financing Uses	137,000	2,137,000	2,119,997	17,003
Total Expenditures and Other Financing (Uses)	**$ 42,618,666**	**$ 44,645,178**	**$ 42,591,580**	**$ 2,053,598**

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of June 30, 2022, the School District had invested in a broad range of capital assets totaling $86,624,819 offset by accumulated depreciation of $35,119,758. In addition, the School District reported intangible lease assets of $860,940, offset by accumulated amortization of $557,760. *Figure 9* shows the changes in the School District's capital assets.

Figure 9

Changes in Capital Assets and Intangible Assets	*2022*	*2021*	*Total Dollar Change*
Land	$ 1,387,215	$ 1,387,215	$ -
Construction in Progress	13,482,529	12,548,009	934,520
Buildings, Net	34,229,697	35,610,292	(1,380,595)
Equipment, Net	2,405,620	1,974,134	431,486
Intangible Lease Assets, Net	303,180	474,178	(170,998)
Total	**$ 51,808,241**	**$ 51,993,828**	**$ (185,587)**

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

Construction in Progress	$ 1,034,520
Furniture and Equipment, Buildings	518,837
Total Additions	1,553,357
Net Book Value of Disposed Equipment and Appraisal Adjustments	278,163
Less Depreciation Expense	(1,846,109)
Less Amortization Expense	(170,998)
Net Change in Capital Assets	**$ (185,587)**

Debt Administration
Figure 10 shows the changes in the School District's outstanding debt, including its lease liabilities. Total indebtedness represented 25.9% of the constitutional debt limit, exclusive of building aid estimates.

Figure 10

Outstanding Debt	*2022*	*2021*	*Total Dollar Change*
Bond Anticipation Notes	**$ 1,130,000**	$ 13,184,478	$(12,054,478)
Bonds	**20,309,750**	11,755,259	8,554,491
Lease Liabilities	**101,340**	149,738	(48,398)
Total	**$ 21,541,090**	**$ 25,089,475**	**$ (3,548,385)**

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

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

FACTORS BEARING ON THE SCHOOL DISTRICT'S FUTURE

- The School District will be using the Federal Stimulus funding ($4,588,363) for a variety of initiatives which include (but not limited to): HVAC equipment upgrades that will improve ventilation systems throughout the building, hiring temporary faculty to help address learning loss, Community Schools Coordinator and social, emotional health screeners, additional furniture for special education students, educational materials, professional development, touchless sinks and bottle fillers, and interactive televisions. This additional funding is set to expire in 2023 and 2024 and the School District has a plan to step down from reliance on this funding stream as it expires.

- The School District is close to submitting plans for our new capital project of approximately $20M to Facilities planning. This project is utilizing a combination of Capital Reserve and retiring debt to minimize local impact. Construction is anticipated to begin in the summer of 2023 and be complete by the end of the summer in 2024.

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, Chenango Valley Central School District, at 221 Chenango Bridge Road, Binghamton, NY 13901.

CHENANGO VALLEY CENTRAL SCHOOL DISTRICT

STATEMENT OF NET POSITION
JUNE 30, 2022

ASSETS	
Current Assets	
Cash - Unrestricted	$ 3,413,330
Cash - Restricted	872,669
Receivables:	
State and Federal Aid	2,191,834
Due from Other Governments	1,161,605
Other	258,261
Inventories	43,811
Total Current Assets	7,941,510
Noncurrent Assets	
Restricted Cash	6,137,221
Restricted Investments	2,490,967
Net Pension Asset - Proportionate Share	11,767,456
Capital Assets, Net:	
Land and Other Nondepreciable Capital Assets	14,869,744
Depreciable Capital Assets, Net	36,635,317
Intangible Lease Assets, Net	303,180
Total Noncurrent Assets	72,203,885
Total Assets	80,145,395
DEFERRED OUTFLOWS OF RESOURCES	
Deferred Charges on Defeased Debt	27,228
Pensions	7,891,127
Other Postemployment Benefits	22,870,968
Total Deferred Outflows of Resources	30,789,323

See Notes to Basic Financial Statements

CHENANGO VALLEY CENTRAL SCHOOL DISTRICT

STATEMENT OF NET POSITION (CONTINUED)
JUNE 30, 2022

LIABILITIES	
Current Liabilities	
Payables:	
Accounts Payable	$ 1,001,546
Accrued Liabilities	151,219
Due to Other Governments	57
Bond Interest and Matured Bonds	37,773
Bond Anticipation Notes Payable	1,130,000
Unearned Revenue	1,908,320
Due to Teachers' Retirement System	1,197,311
Due to Employees' Retirement System	81,404
Current Portion of Long-Term Obligations:	
Bonds Payable	3,444,088
Lease Liabilities	49,616
Total Current Liabilities	9,001,334
Noncurrent Liabilities	
Bonds Payable	16,865,662
Lease Liabilities	51,724
Compensated Absences Payable	896,126
Other Postemployment Benefits Liability	103,218,424
Total Noncurrent Liabilities	121,031,936
Total Liabilities	130,033,270
DEFERRED INFLOWS OF RESOURCES	
Pensions	14,838,381
Other Postemployment Benefits	27,494,179
Total Deferred Inflows of Resources	42,332,560
NET POSITION	
Net Investment in Capital Assets	30,626,532
Restricted	9,733,223
Unrestricted Net (Deficit)	(101,790,867)
Total Net (Deficit)	**$ (61,431,112)**

See Notes to Basic Financial Statements

CHENANGO VALLEY CENTRAL SCHOOL DISTRICT

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2022

	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants	Program Revenues: Capital Grants	Net (Expense) Revenue and Changes in Net Position
FUNCTIONS/PROGRAMS					
General Support	$ 6,222,263	$ -	$ -	$ -	$ (6,222,263)
Instruction	33,460,641	236,041	3,480,559	-	(29,744,041)
Pupil Transportation	1,692,898	-	-	194,537	(1,498,361)
Community Services	1,364	-	-	-	(1,364)
School Lunch Program	1,293,842	79,155	1,437,543	-	222,856
Interest on Debt	489,383	-	-	-	(489,383)
Total Functions and Programs	**$ 43,160,391**	**$ 315,196**	**$ 4,918,102**	**$ 194,537**	(37,732,556)

GENERAL REVENUES	
Real Property Taxes	17,406,150
Real Property Tax Items	3,338,935
Use of Money and Property	8,540
State Sources	19,688,837
Sale of Property and Compensation for Loss	366,794
Miscellaneous	1,144,764
Total General Revenues	41,954,020
Change in Net Position	4,221,464
Total Net (Deficit) - Beginning of Year, as Restated	(65,652,576)
Total Net (Deficit) - End of Year	**$ (61,431,112)**

See Notes to Basic Financial Statements

CHENANGO VALLEY CENTRAL SCHOOL DISTRICT

BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2022

	Major Funds				
		Special Revenue Fund			
	General Fund	Special Aid Fund	Capital Projects Fund	Non-Major Governmental Funds	Total Governmental Funds
ASSETS					
Cash - Unrestricted	$ 2,061,448	$ 10,502	$ 1,341,380	$ -	$ 3,413,330
Cash - Restricted	3,856,114	-	2,235,951	917,825	7,009,890
Investments - Restricted	2,490,967			-	2,490,967
Receivables:					
Due from Other Funds	763,486	-	-	232	763,718
State and Federal Aid	1,190,995	739,531	-	261,308	2,191,834
Due from Other Governments	1,161,605	-	-	-	1,161,605
Other	257,566	-	-	695	258,261
Inventories	-	-	-	43,811	43,811
Total Assets	**$ 11,782,181**	**$ 750,033**	**$ 3,577,331**	**$ 1,223,871**	**$ 17,333,416**
LIABILITIES					
Payables:					
Accounts Payable	$ 784,444	$ 40,109	$ 163,057	$ 13,936	$ 1,001,546
Accrued Liabilities	146,555	1,087	-	3,577	151,219
Due to Other Funds	175	715,091	48,452	-	763,718
Due to Other Governments	-	-	-	57	57
Bond Anticipation Notes Payable	-	-	1,130,000	-	1,130,000
Unearned Revenue	-	1,896,150	-	12,170	1,908,320
Due to Teachers' Retirement System	1,197,311	-	-	-	1,197,311
Due to Employees' Retirement System	81,404	-	-	-	81,404
Total Liabilities	2,209,889	2,652,437	1,341,509	29,740	6,233,575
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue	68,208	-	-	-	68,208
Total Deferred Inflows of Resources	68,208	-	-	-	68,208
FUND BALANCES					
Nonspendable	-	-	-	43,811	43,811
Restricted	6,347,081	-	2,235,822	1,150,320	9,733,223
Assigned	1,437,954	-	-	-	1,437,954
Unassigned	1,719,049	(1,902,404)	-	-	(183,355)
Total Fund Balances (Deficit)	9,504,084	(1,902,404)	2,235,822	1,194,131	11,031,633
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	**$ 11,782,181**	**$ 750,033**	**$ 3,577,331**	**$ 1,223,871**	**$ 17,333,416**

See Notes to Basic Financial Statements

CHENANGO VALLEY CENTRAL SCHOOL DISTRICT

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

Fund Balances (Deficit) - Total Governmental Funds		**$ 11,031,633**
Amounts reported for Governmental Activities in the Statement of Net Position are different because:		
Capital assets, net of accumulated depreciation and amortization, used in Governmental Activities are not financial resources and, therefore, are not reported in the funds.		
Total Historical Cost	$ 87,485,759	
Less Accumulated Depreciation	(35,119,758)	
Less Accumulated Amortization	(557,760)	51,808,241
The School District's proportion of the collective net pension (asset)/liability is not reported in the funds.		
TRS Net Pension Asset - Proportionate Share	$ 11,038,965	
ERS Net Pension Asset - Proportionate Share	728,491	11,767,456
Deferred outflows of resources, including deferred charges on defeased debt, pensions, and other postemployment benefits, represents a consumption of net position that applies to future periods and, therefore, is not reported in the funds. Deferred inflows of resources, including pensions, represents an acquisition of net position that applies to future periods and, therefore, is not reported in the funds.		
Unavailable Revenue	$ 68,208	
Deferred Charges on Defeased Debt	27,228	
Other Postemployment Benefits Deferred Outflows of Resources	22,870,968	
Other Postemployment Benefits Deferred Inflows of Resources	(27,494,179)	
TRS Deferred Inflows of Resources - Pension	(12,297,067)	
ERS Deferred Inflows of Resources - Pension	(2,541,314)	
TRS Deferred Outflows of Resources - Pension	6,462,239	
ERS Deferred Outflows of Resources - Pension	1,428,888	(11,475,029)
Long-term liabilities, including bonds payable and lease liabilities, are not due and payable in the current period and, therefore, are not reported in the funds.		
Bonds Payable	(20,309,750)	
Lease Liabilities	(101,340)	(20,411,090)
Certain accrued obligations and expenses reported in the Statement of Net Position do not require the use of current financial resources and, therefore, are not reported as liabilities in the funds.		
Compensated Absences	$ (896,126)	
Other Postemployment Benefits Liability	(103,218,424)	
Accrued Interest on Debt	(37,773)	(104,152,323)
Net (Deficit) of Governmental Activities		**$ (61,431,112)**

See Notes to Basic Financial Statements

CHENANGO VALLEY CENTRAL SCHOOL DISTRICT

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

	Major Funds				
		Special Revenue Fund			
	General Fund	Special Aid Fund	Capital Projects Fund	Non-Major Governmental Funds	Total Governmental Funds
REVENUES					
Real Property Taxes	$ 17,406,150	$ -	$ -	$ -	$ 17,406,150
Other Tax Items	3,338,935	-	-	-	3,338,935
Charges for Services	152,132	-	-	-	152,132
Use of Money and Property	7,572	-	-	999	8,571
Sale of Property and Compensation for Loss	88,631	-	-	-	88,631
Miscellaneous	1,115,692	10,704	-	29,072	1,155,468
State Sources	19,763,706	325,451	194,537	151,605	20,435,299
Medicaid Reimbursement	83,909	-	-	-	83,909
Federal Sources	426,050	2,554,260	-	1,375,163	4,355,473
Sales - School Lunch	-	-	-	79,124	79,124
Total Revenues	42,382,777	2,890,415	194,537	1,635,963	47,103,692
EXPENDITURES					
General Support	4,265,704	-	-	198,012	4,463,716
Instruction	19,302,589	2,144,968	-	613,080	22,060,637
Pupil Transportation	1,148,962	25,278	-	-	1,174,240
Community Services	766	-	-	-	766
Employee Benefits	10,174,748	294,967	-	113,939	10,583,654
Debt Service:					
Principal	4,012,876	-	-	685,000	4,697,876
Interest	627,984	-	-	-	627,984
Cost of Sales	-	-	-	523,123	523,123
Capital Outlay	-	-	1,494,249	-	1,494,249
Total Expenditures	39,533,629	2,465,213	1,494,249	2,133,154	45,626,245
Excess (Deficiency) of Revenues Over Expenditures	2,849,148	425,202	(1,299,712)	(497,191)	1,477,447
OTHER FINANCING SOURCES AND (USES)					
BANs Redeemed from Appropriations	-	-	2,269,478	-	2,269,478
Premium on Obligations	-	-	-	883,014	883,014
Proceeds of Obligations	-	-	10,245,000	-	10,245,000
Operating Transfers In	-	19,894	4,447,500	372	4,467,766
Operating Transfers (Out)	(2,119,997)	(2,347,500)	(269)	-	(4,467,766)
Total Other Sources (Uses)	(2,119,997)	(2,327,606)	16,961,709	883,386	13,397,492
Net Change in Fund Balance	729,151	(1,902,404)	15,661,997	386,195	14,874,939
Fund Balances (Deficit) - Beginning of Year	8,774,933	-	(13,426,175)	807,936	(3,843,306)
Fund Balances (Deficit) - End of Year	$ 9,504,084	$ (1,902,404)	$ 2,235,822	$ 1,194,131	$ 11,031,633

See Notes to Basic Financial Statements

CHENANGO VALLEY CENTRAL SCHOOL DISTRICT

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

Net Change in Fund Balances - Total Governmental Funds		**$ 14,874,939**
Amounts reported for Governmental Activities in the Statement of Activities are different because:		
Governmental Funds report capital outlay as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation/amortization expense. This is the net change in capital assets.		
Capital Outlay	$ 1,553,357	
Depreciation Expense	(1,846,109)	
Amortization Expense	(170,998)	
Net Book Value of Disposed Assets and Appraisal Adjustments	278,163	(185,587)
Bond proceeds provide current financial resources to Governmental Funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayment of bond principal is an expenditure in the Governmental Funds, but the repayment reduces long-term debt in the Statement of Net Position. This is the amount of repayments.		
Proceeds of Debt	$ (10,245,000)	
Premium on Obligations	(883,014)	
Principal Payment - Bonds	2,380,000	
Principal Payment - Leases	48,398	(8,699,616)
Long-term obligations, such as those associated with employee benefits, are reported in the Statement of Net Position. Therefore, expenses which result in an (increase) or decrease in these long-term obligations are not reflected in the Governmental Fund financial statements. This is the change in the amount of compensated absences and other postemployment benefit liability reported in the Statement of Activities.		
Compensated Absences	$ (253,997)	
Other Postemployment Benefits Liability	(3,678,990)	(3,932,987)
Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in Governmental Funds. This is the change in interest payable.		(13,027)
Premiums received on obligations are recorded as revenues and expenditures in the Governmental Funds when received but are deferred and amortized in the Governmental Activities. This is the amortization of premiums received in previous years and the adjustment for premiums and costs received in the current year.		
Amortization of Premiums		193,523
The issuance of refunding bonds results in a deferral of the change in the amount of debt. The deferred amount is amortized annually. This is the current amortization.		
Amortization of Deferred Amounts on Refunding of Debt		(41,895)
Changes in the School District's proportionate share of net pension (assets)/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 and deferred inflows of resources related to pensions do not affect current financial resources and are also not reported in the Governmental Funds.		
ERS	$ 350,759	
TRS	1,675,355	2,026,114
Net Change in Net Position of Governmental Activities		**$ 4,221,464**

See Notes to Basic Financial Statements

CHENANGO VALLEY CENTRAL SCHOOL DISTRICT

STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2022

	Custodial Fund
ASSETS	
Cash - Unrestricted	$ 174,230
Total Assets	**$ 174,230**
NET POSITION	
Unrestricted	$ 174,230
Total Net Position	**$ 174,230**

See Notes to Basic Financial Statements

CHENANGO VALLEY CENTRAL SCHOOL DISTRICT

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

	Custodial Fund
ADDITIONS	
Extraclassroom Receipts	$ 100,183
DEDUCTIONS	
Extraclassroom Disbursements	81,861
Change in Net Position	18,322
Net Position - Beginning of Year	155,908
Net Position - End of Year	**$ 174,230**

See Notes to Basic Financial Statements

Note 1 **Summary of Significant Accounting Policies**

The accompanying financial statements of the Chenango Valley 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, "The Financial Reporting Entity," as amended.

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

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

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

The Extraclassroom Activity Funds of the School District represent funds of the students of the School District. The Board of Education exercises general oversight of these funds. The Extraclassroom Activity Funds are independent of the School District with respect to its financial transactions and the designation of student management. Separate audited financial statements (cash basis) of the Extraclassroom Activity Funds can be obtained from the School District's business office, located at 221 Chenango Bridge Road, Binghamton, NY 13901.

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

Joint Venture

The School District is one of 16 component School Districts in the Broome-Tioga Board of Cooperative Educational Services (BOCES). A BOCES is a voluntary, cooperative association of School Districts in a geographic area that shares planning, services, and programs which 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.

Basis of Presentation - District-Wide Financial Statements

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

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

The 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.
- Special Revenue Fund: This fund accounts for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specified purposes. The special revenue fund is as follows:
    - Special Aid Fund: Accounts for proceeds received from state and federal grants that are restricted for special educational programs.
- Capital Projects Fund: Accounts for financial resources used for renovation of the School District's educational complex and purchase of buses.

Non-Major 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: Used to account for student scholarships whose funds are restricted as to use.
- Debt Service Fund: Accounts for the accumulation of resources and the payment of principal and interest on long-term general obligation debt of Governmental Activities.

Fiduciary Activities are those in which the School District acts as trustee or agent for resources that belong to others. These activities are not included in the District-wide financial statements, because their resources do not belong to the School District and are not available to be used.

The School District reports the following Fiduciary Funds:

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

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

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

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

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

Cash and Investments
The School District's cash, and cash equivalents consist of cash on hand, demand deposits, and short-term investments with original maturities of three months or less from date of acquisition. New York State law governs the School District's investment policies. Resources must be deposited in Federal Deposit Insurance Corporation (FDIC) insured commercial banks or trust companies located within the state. Permissible investments include obligations of the United States Treasury, United States Agencies, repurchase agreements and obligations of New York State or its localities. Collateral is required for demand and time deposits and certificates of deposit not covered by FDIC insurance. Investments are stated at fair value. Obligations that may be pledged as collateral are obligations of the United States and its agencies and obligations of the state and its municipalities and School Districts.

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.

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

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 inventoriable items in other funds are recorded as expenditures at the time of purchase and are considered immaterial in amount. Prepaid items represent payments made by the School District for which benefits extend beyond year-end. These payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the District-wide and Governmental Fund financial statements. These items are reported as assets on the Statement of Net Position or Balance Sheet using the consumption method. A current asset for the prepaid amounts is recorded at the time of purchase and an expense/expenditure is reported in the year the goods or services are consumed.

Nonspendable fund balances associated with 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 cost, including the right to use assets acquired through financed lease arrangements. Donated assets are reported at estimated fair value at the time received.

Capitalization thresholds (the dollar value above which asset acquisitions are added to the capital asset accounts), depreciation, and amortization 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	Various
Furniture and Equipment	5,000	Various

The School District utilizes the straight-line method of depreciation and amortizes its intangible assets in line with its lease liability payments.

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

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

Sick leave eligibility and accumulation are 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 pay rates in effect at year end.

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

Vested Employee Benefits - 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 postretirement 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.

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

Deferred Outflows and Inflows of Resources
In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. The School District reports a deferred charge on refunding resulting from the difference in the carrying value of refunded debt and its reacquisition price, which is amortized over the shorter of the life of the refunded or refunding debt. The School District also reports deferred outflows related to pensions and OPEB plans in the District-wide Statement of Net Position. The types of deferred outflows of resources related to pensions and OPEB plans are described in Notes 11 and 12, respectively.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The School District reports items that qualify for reporting in this category. The first arises only under the modified accrual basis of accounting and is reported as unavailable revenue. The other types of deferred inflows of resources are related to pensions and OPEB plans are described in Notes 11 and 12, respectively.

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

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

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

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

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 sometimes 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 liability for unavailable revenues is removed and revenues are recorded.

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

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

Equity Classifications - District-Wide Financial Statements
Equity is classified as net assets 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 net assets 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 net assets that do not meet the definition of "restricted" or "net investment in capital assets."

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

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 government is bound to honor any constraints on specific purposes for which resources in a fund can be spent.

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

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

- Committed - Consists of amounts subject to a purpose constraint imposed by formal action of the government's highest level of decision-making authority, the Board of Education, 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 §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 not adopted any resolutions to commit or assign fund balance. Currently, fund balance is assigned by the Business Official for encumbrances and the Board of Education, by resolution, approves fund balance appropriations for next year's budget. The School District applies expenditures against non-spendable 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 the New York State. 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, except as noted. Reserves currently in use by the School District include the following:

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

- 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 reserves 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 reserves and the form of the proposition to be placed on the ballot are set forth in §3651 of the Education Law. 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 an employee upon termination of the employee's service. This reserve may be established by a majority vote of the board and is funded by budgetary appropriations and such other reserves and funds that may be legally appropriated. This reserve is accounted for in the General Fund.

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

Legally Adopted Reserves - Continued

- Retirement Contributions Reserve (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 subfund of up to 2% of the total covered salaries paid during the preceding fiscal year, with the total amount funded not to exceed 10% of the total covered salaries during the preceding fiscal year. The sub-fund is separately administered, but must comply with all the existing provisions of General Municipal Law §6-r. These reserves are accounted for in the General Fund.

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

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

Property Taxes

Real property taxes are levied annually by the Board of Education no later than September 4 and became a lien on July 28, 2021. Taxes were collected during the period September 1, 2021 to November 1, 2021.

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

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

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.

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, postemployment benefits, potential contingent liabilities, and useful lives of long-lived assets.

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

- GASB Statement No. 87, "Leases."

Future Changes in Accounting Standards

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

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

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

Note 2 **Participation in BOCES**
During the year ended June 30, 2022, the School District's share of BOCES income amounted to $2,443,416. The School District was billed $7,922,520 for BOCES administration and program costs. Financial statements for the Broome-Tioga BOCES are available from the BOCES administrative office at 435 Glenwood Road, Binghamton, New York 13905.

Note 3 **Cash, Cash Equivalents, and Investments - 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 $11,207,818 are either insured or collateralized with securities held by the pledging financial institution in the School District's name.

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

Restricted for General Fund Reserves	$ 6,347,081
Restricted for Debt Service	492,543
Restricted for School Lunch	380,126
Restricted for Capital Projects	2,235,822
Restricted for Scholarships	45,285
Total	**$ 9,500,857**

The School District has few investments (primarily United States Treasury obligations) and chooses to disclose its investments by specifically identifying each.

The School District categorizes its fair value measurements within the fair value hierarchy established by U.S. GAAP. The hierarchy is based 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 School District reported Level 1 U.S. Treasury Bills at a fair value of $2,490,967 and cost of $2,490,967 within the General Fund.

Note 4 **Due From State, Federal, and Other Governments**

State and federal aid, and other government receivables consisted of the following, which are stated at net realizable value.

Description	Amount
BOCES September Aid	$ 1,101,089
BOCES Enrichment Reimbursement	60,516
Total Due from Other Governments	1,161,605
Excess Cost	515,600
Transportation Aid	42,542
Federal Aid	820,404
School Lunch	261,308
General Aid	551,980
Total State and Federal Aid	2,191,834
Total	**$ 3,353,439**

Note 5 **Interfund Balances and Activity**

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

	Interfund Receivable	Interfund Payable	Interfund Revenues	Interfund Expenditures
General Fund	$ 763,486	$ 175	$ -	$2,119,997
Capital Project Fund	-	48,452	4,447,500	269
Special Aid Fund	-	715,091	19,894	2,347,500
Non-Major Funds	232	-	372	-
Total	**$ 763,718**	**$ 763,718**	**$4,467,766**	**$4,467,766**

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

The School District typically transfers from the General Fund to the Special Aid Fund the School District's share of the cost to accommodate the mandated accounting for the School District's share of expenditures of a Special Aid Fund project. The School District also transfers funds from the Capital Reserve in the General Fund to Capital Projects Funds, as needed, to fund capital projects. Periodically, the School District transfers funds, as excess funds, that have accumulated in the School Lunch Fund.

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

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

The School District transferred $2,347,500 from the Special Aid Fund to the Capital Projects Fund during the year ended June 30, 2022. The purpose of this transfer was to fund capital projects with grant funding to the extent approved by the agencies of the state and federal governments providing the funds.

Note 6 **Capital Assets**

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

Governmental Activities	Beginning Balance	Additions	Reclassifications and Disposals	Ending Balance
Capital Assets That Are Not Depreciated:				
Land	$ 1,387,215	$ -	$ -	$ 1,387,215
Construction in Progress	12,548,009	1,034,520	(100,000)	13,482,529
Total Nondepreciable Historical Cost	13,935,224	1,034,520	(100,000)	14,869,744
Capital Assets That Are Depreciated:				
Buildings	65,349,337	18,293	16,015	65,383,645
Furniture and Equipment	7,311,371	500,544	(1,440,485)	6,371,430
Total Depreciable Historical Cost	72,660,708	518,837	(1,424,470)	71,755,075
Intangible Lease Assets:				
Equipment	860,940	-	-	860,940
Total Historical Cost	87,456,872	1,553,357	(1,524,470)	87,485,759
Less Accumulated Depreciation:				
Buildings	(29,739,045)	(1,426,892)	11,989	(31,153,948)
Furniture and Equipment	(5,337,237)	(419,217)	1,790,644	(3,965,810)
Total Accumulated Depreciation	(35,076,282)	(1,846,109)	1,802,633	(35,119,758)
Less Accumulated Amortization:				
Equipment	(386,762)	(170,998)	-	(557,760)
Total Historical Cost, Net	**$ 51,993,828**	**$ (463,750)**	**$ 278,163**	**$ 51,808,241**

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

General Support	$ 61,891
Instruction	1,597,718
Pupil Transportation	315,239
School Lunch Program	42,259
Total	**$ 2,017,107**

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 General Fund. There were no RANs issued or redeemed 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. State law requires that BANs issued for capital purposes be converted to long-term financing within five years after the original issue date. BANs activity for the year is as follows:

Description of Issue	Interest Rate	Maturity Date	Beginning Balance	Issued	Renewed or Redeemed	Ending Balance
BAN 2021 - Construction	1.25%	06/24/2022	$12,190,000	$ -	$(12,190,000)	$ -
BAN 2021 - Buses	0.64%	09/03/2021	994,478	-	(994,478)	-
BAN 2022 - Buses	0.27%	09/02/2022	-	1,130,000	-	1,130,000
Total			**$13,184,478**	**$ 1,130,000**	**$(13,184,478)**	**$ 1,130,000**

Interest expense related to short-term debt during the year was:

Interest Paid	$ 158,739
(Less) Interest Accrued in the Prior Year	(6,538)
Plus Interest Accrued in the Current Year	2,526
Total	**$ 154,727**

Note 8 **Long-Term Debt**

At June 30, 2022, the total outstanding indebtedness of the School District represented 25.9% of its statutory debt limit, exclusive of building aids. Long-term debt is classified as follows.

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

The following is a summary of the School District's notes payable and long-term debt for the year ended June 30, 2022.

	Issue Date	Final Maturity	Interest Rate	Outstanding June 30, 2022
Serial Bonds:				
Serial Bond	06/24/2010	06/15/2024	3.00% - 4.00%	$ 405,000
Refunding Serial Bonds	10/30/2012	06/15/2023	2.00% - 4.50%	1,555,000
DASNY Bond	06/17/2020	06/15/2035	5.00%	6,210,000
DASNY Bond	06/15/2022	06/15/2036	5.00%	10,245,000
Total Bond Principal				18,415,000
Unamortized Premium				1,894,750
Total				**$20,309,750**

Interest expense related to long-term debt during the year was comprised of:

Interest Paid	$ 465,493
(Less) Interest Accrued in the Prior Year	(18,208)
(Less) Premium Recognized in the Current Year	(193,523)
Plus Interest Accrued in the Current Year	35,247
Plus Amortization of Deferred Charges on Defeased Debt	41,895
Total	**$ 330,904**

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

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	$ 3,670,000	$ -	$ (1,710,000)	$ 1,960,000	$1,755,000
DASNY Bonds	6,880,000	10,245,000	(670,000)	16,455,000	1,465,000
Total Bonds	10,550,000	10,245,000	(2,380,000)	18,415,000	3,220,000
Unamortized Premiums	1,205,259	883,014	(193,523)	1,894,750	224,088
Total	**$ 11,755,259**	**$11,128,014**	**$ (2,573,523)**	**$20,309,750**	**$3,444,088**

A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. Deferred charges on defeased debt are summarized as follows:

Governmental Activities	Beginning Balance	Issued	Redeemed	Ending Balance	Amounts Due Within One Year
Deferred Charges on Defeased Debt	$ (69,123)	$ -	$ 41,895	$ (27,228)	$ (27,228)
Total	**$ (69,123)**	**$ -**	**$ 41,895**	**$ (27,228)**	**$ (27,228)**

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

Year	Principal	Interest	Total
2023	$ 3,220,000	$1,053,273	$ 4,273,273
2024	1,225,000	757,700	1,982,700
2025	1,065,000	698,500	1,763,500
2026	1,120,000	645,250	1,765,250
2027	1,175,000	589,250	1,764,250
2028-2032	6,820,000	2,003,750	8,823,750
2033-2036	3,790,000	449,500	4,239,500
Total	**$18,415,000**	**$6,197,223**	**$ 24,612,223**

Note 9 **Compensated Absences**

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

	Beginning Balance	Additions	Deletions	Ending Balance
Compensated Absences	$ 642,129	$ 253,997	$ -	$ 896,126

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

Note 10 **Lease Liabilities**

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

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

At June 30, 2022, the School District reported $612,998, offset by accumulated amortization of $411,158, in intangible lease assets that were not included in the lease liability below.

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

Description of Lease	Issue Date	Final Maturity	Discount Rate	Outstanding June 30, 2022
IPA Sched 403	10/16/2019	12/01/2023	2.47%	$ 97,164
Postage Machine	10/23/2019	10/01/2024	3.00%	4,176
Total				**$ 101,340**

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

Year	Principal	Interest	Total
2023	$ 49,616	$ 2,534	$ 52,150
2024	50,864	1,286	52,150
2025	860	10	870
Total	**$ 101,340**	**$ 3,830**	**$ 105,170**

Interest paid for the current year amounted to $3,752.

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

Plan Descriptions and Benefits Provided

Teachers' Retirement System (TRS) (System)
The School District participates in the New York State Teachers' Retirement System (TRS). This is a cost-sharing multiple-employer public employee retirement system. The System provides retirement benefits as well as death and disability benefits to plan members and beneficiaries as authorized by the Education Law and the Retirement and Social Security Law (RSSL) of New York State. 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 NYSTRS 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**

Employees' Retirement System (ERS) (System)
The School District participates in the New York State and Local Employees' Retirement System (ERS). This is a cost-sharing, multiple-employer, defined benefit pension plan. The System provides retirement benefits as well as death and disability benefits. The net position of the System is held in the New York State Common Retirement Fund (the Fund), which was established to hold all net assets and record changes in plan net position allocated to the System. The Comptroller of New York State serves as the trustee of the Fund and is the administrative head of the System. System benefits are established under the provisions of the New York State Retirement and Social Security Law (RSSL). Once a public employer elects to participate in the System, the election is irrevocable. The New York State Constitution provides that pension membership is a contractual relationship and plan benefits cannot be diminished or impaired. Benefits can be changed for future members only by enactment of a state statute. The 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.

Summary of Significant Accounting Policies
The Systems' financial statements from which the Systems' respective fiduciary 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.

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

Contributions

The School District is required to contribute at an actuarially determined rate. Contributions for the current year and two preceding Plan years were equal to 100% of the contributions required and were as follows:

	ERS	TRS
2022	**$ 436,926**	**$ 1,029,790**
2021	417,639	995,053
2020	419,821	1,170,920

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

At June 30, 2022, the School District reported the following (asset)/liability for its proportionate share of the net pension (asset)/liability for each of the Systems. The net pension (asset)/liability was measured as of March 31, 2022 for ERS and June 30, 2021 for TRS. The total pension liability used to calculate the net pension (asset)/liability was determined by an actuarial valuation. The School District's proportionate share of the net pension (asset)/liability was based on a projection of the School District's long-term share of contributions to the Systems relative to the projected contributions of all participating members, actuarially determined. This information was derived from reports provided to the School District by the ERS and TRS Systems.

	ERS	TRS
Actuarial Valuation Date	04/01/2021	06/30/2020
Net Pension (Asset)/Liability	$ (8,174,858,678)	$ (17,329,041,946)
School District's Proportionate Share of the Plan's Total Net Pension (Asset)/Liability	(728,491)	(11,038,965)
School District's Share of the Plan's Net Pension (Asset)/Liability	0.008912%	0.06370%

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, 2022, the School District recognized pension expense of $49,021 for ERS and $591,371 for TRS in the District-wide financial statements. At June 30, 2022, the School District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources		Deferred Inflows of Resources	
	ERS	**TRS**	**ERS**	**TRS**
Differences Between Expected and Actual Experience	$ 55,170	$1,521,604	$ 71,558	$ 57,352
Changes of Assumptions	1,215,769	3,630,946	20,515	642,987
Net Differences Between Projected and Actual Earnings on Pension Plan Investments	-	-	2,385,502	11,553,419
Changes in Proportion and Differences Between the School District's Contributions and Proportionate Share of Contributions	76,545	226,893	63,739	43,309
School District's Contributions Subsequent to the Measurement Date	81,404	1,082,796	-	-
Total	**$1,428,888**	**$6,462,239**	**$2,541,314**	**$ 12,297,067**

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

Year Ending	ERS	TRS
2023	$ (173,577)	$(1,383,507)
2024	(265,913)	(1,617,313)
2025	(624,196)	(2,079,090)
2026	(130,144)	(2,752,972)
2027	-	537,123
Thereafter	-	378,135

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

Significant actuarial assumptions used in the valuations were as follows:

	ERS	TRS
Measurement Date	March 31, 2022	June 30, 2021
Actuarial Valuation Date	April 1, 2021	June 30, 2020
Investment Rate of Return	5.9%	6.95%
Salary Increases	4.4%	1.95% - 5.18%
Cost of Living Adjustment	1.4%	1.3%
Inflation Rate	2.7%	2.4%

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

For ERS, the actuarial assumptions used in the April 1, 2021 valuation are based on the results of an actuarial experience study for the period April 1, 2015 - March 31, 2020. For TRS, the actuarial assumptions used in the June 30, 2020 valuation were based on the results of an actuarial experience study for the period July 1, 2015 - June 30, 2020.

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

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

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

Discount Rate

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

Sensitivity of the Proportionate Share of the Net Pension Liability to the Discount Rate Assumption

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

ERS	1% Decrease (4.9%)	Current Assumption (5.9%)	1% Increase (6.9%)
School District's Proportionate Share of the Net Pension (Asset)/Liability	$ 1,875,127	$ (728,491)	$ (2,906,292)

TRS	1% Decrease (5.95%)	Current Assumption (6.95%)	1% Increase (7.95%)
School District's Proportionate Share of the Net Pension (Asset)/Liability	$ (1,158,378)	$(11,038,965)	$ (19,342,882)

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 Plan Fiduciary Net Position
The components of the current-year net pension (asset)/liability of the employers as of the respective valuation dates were as follows:

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

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, 2022 represent the projected employer contribution for the period of April 1, 2022 through June 30, 2022 based on estimated ERS wages multiplied by the employer's contribution rate, by tier. Accrued retirement contributions as of June 30, 2022 amounted to $81,404.

For TRS, employer and employee contributions for the fiscal year ended June 30, 2022 are paid to the System in September, October, and November 2022 through a state aid intercept. Accrued retirement contributions as of June 30, 2022 represent employee and employer contributions for the fiscal year ended June 30, 2022 based on paid TRS wages multiplied by the employer's contribution rate, by tier and employee contributions for the fiscal year as reported to the TRS System. Accrued retirement contributions as of June 30, 2022 amounted to $1,197,311.

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

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

	Beginning Balance	Change	Ending Balance
ERS			
Net Pension (Asset)/Liability	$ 9,243	$ (737,734)	$ (728,491)
Deferred Outflows of Resources	(2,013,763)	584,875	(1,428,888)
Deferred Inflows of Resources	2,739,214	(197,900)	2,541,314
Subtotal	734,694	(350,759)	383,935
TRS			
Net Pension (Asset)/Liability	1,829,584	(12,868,549)	(11,038,965)
Deferred Outflows of Resources	(6,345,655)	(116,584)	(6,462,239)
Deferred Inflows of Resources	987,289	11,309,778	12,297,067
Subtotal	(3,528,782)	(1,675,355)	(5,204,137)
Total	**$ (2,794,088)**	**$ (2,026,114)**	**$(4,820,202)**

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

General Information about the OPEB Plan
Plan Description - The Plan is a single-employer, defined benefit healthcare plan administered by the School District. The Plan provides medical and dental benefits to eligible retirees and their spouses. Benefit provisions are established through negotiations between the School District and bargaining units and are renegotiated each three-year period. No assets are accumulated in a trust that meets the criteria in paragraph four of GASB Statement No. 75. The Plan does not issue a stand-alone financial report, 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 terms are dependent of which contract each employee falls under. The specifics of each contract are on file at the School District offices and are available upon request.

Note 12 **Other Postemployment Benefits - Continued**

Employees Covered by Benefit Terms - At July 1, 2020, the following employees were covered by the benefit terms.

Inactive Employees or Beneficiaries Currently Receiving Benefit Payments	375
Inactive Employees Entitled to But Not Yet Receiving Benefit Payments	-
Active Employees	272
Total	**647**

Total OPEB Liability

The School District's total OPEB liability of $103,218,424 was measured as of June 30, 2022 and was determined by an actuarial valuation as of July 1, 2020.

Actuarial Assumptions and Other Inputs - The total OPEB liability in the July 1, 2020 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	3.54%
Salary Increases Including Inflation	2.60%
Actuarial Cost Method	Entry Age Normal
Healthcare Cost Trend Rates	5.30% decreasing to an ultimate rate of 4.10% over 55 years.

The long-term bond rate was based on the Bond Buyer General Obligation 20-Bond Municipal Index as of the measurement date.

Mortality rates were based on the PubT-2010 Headcount-Weighted Mortality Table for Teaching Positions and PubG-2010 Headcount-Weighted Mortality Table for Non-Teaching Positions, both generationally projected using the MP-2019 Ultimate Scale.

Termination rates were based on the percentage of employees who will terminate employment at the given age each year, for reasons other than death, or retirement. Retirement rates are representative assumed rates for eligible employees. Both termination and retirements rates are based on the assumptions used in the June 30, 2019 Actuarial Valuation Report for the New York State Teachers' Retirement System and the 2020 Annual Report to the Comptroller on Actuarial Assumptions for the New York State and Local Retirement System.

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

Note 12 **Other Postemployment Benefits - Continued**

Changes in the Total OPEB Liability

	Total OPEB Liability
Balance at June 30, 2021	$ 124,479,212
Changes for the Year	
Service Cost	4,556,404
Interest Cost	2,744,117
Changes of Benefit Terms	-
Differences Between Expected and Actual Experience	-
Changes in Assumptions or Other Inputs	(24,553,597)
Benefit Payments	(4,007,712)
	(21,260,788)
Balance at June 30, 2022	**$ 103,218,424**

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 (2.54%)	Discount Rate (3.54%)	1% Increase (4.54%)
Total OPEB Liability	$ 120,219,195	$ 103,218,424	$ 89,591,458

Changes of assumptions and other inputs reflect a change the discount rate from 2.16% in 2021 to 3.54% in 2022.

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 (4.3% to 3.1%)	Healthcare Cost Trend Rate (5.3% to 4.1%)	1% Increase (6.3% to 5.1%)
Total OPEB Liability	$ 87,792,470	$ 103,218,424	$ 123,219,664

Note 12 **Other Postemployment Benefits - Continued**

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB
For the year ended June 30, 2022, the School District recognized OPEB expense of $7,686,702.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	$ 113,719	$ 6,873,043
Changes in Assumptions or Other Inputs	22,757,249	20,621,136
Total	**$ 22,870,968**	**$ 27,494,179**

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

Fiscal Year Ending June 30,	Amount
2023	$ 386,181
2024	386,180
2025	(470,137)
2026	(1,919,537)
2027	(3,005,898)
Thereafter	-

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

	Beginning Balance	Change	Ending Balance
OPEB Liability	$ 124,479,212	$ (21,260,788)	$ 103,218,424
Deferred Outflows of Resources	(29,247,028)	6,376,060	(22,870,968)
Deferred Inflows of Resources	8,930,461	18,563,718	27,494,179
Total	**$ 104,162,645**	**$ 3,678,990**	**$ 107,841,635**

Note 13 Commitments and Contingencies

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

Health Insurance
The School District incurs costs related to an employee health insurance plan (Plan) sponsored by 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. Districts joining the Plan must remain members for a minimum of one year; a member district may withdraw from the Plan after that time by providing notice to the consortium prior to May 1, immediately preceding the commencement of the next school year. Plan members include eight districts, with the School District bearing a proportionate share of the Plan's assets and claims liabilities. Plan members are subject to a supplemental assessment in the event of deficiencies. If the Plan's assets were to be exhausted, members would be responsible for the Plan's liabilities. Plan financial statements 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 direct insurer of the risks reinsured.

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

During the year ended June 30, 2022, the School District incurred premiums or contribution expenditures totaling $7,614,925.

Note 13 **Commitments and Contingencies - Continued**

Workers' 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 for the Plan's liabilities. Plan financial statements 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 direct insurer of the risks reinsured.

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

During the year ended June 30, 2022, the School District incurred premiums or contribution expenditures of $246,977.

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

Note 14 **Fund Balance Detail**

At June 30, 2022, nonspendable, restricted, assigned, and unassigned fund balances in the Governmental Funds were as follows:

	General Fund	Capital Projects Fund	Special Aid Fund	Non-Major Governmental Funds
Nonspendable				
Inventory	$ -	$ -	$ -	$ 43,811
Total Nonspendable Fund Balance	**$ -**	**$ -**	**$ -**	**$ 43,811**
Restricted				
Reserve for Employees' Retirement Contributions	$ 2,096,530	$ -	$ -	$ -
Reserve for Teachers' Retirement Contributions	864,983	-	-	-
Tax Certiorari Reserve	395,461	-	-	-
Unemployment Insurance Reserve	221,935	-	-	-
Employee Benefit Accrued Liability Reserve	117,733	-	-	-
Capital Reserve	2,150,350	-	-	-
Repair Reserve	500,089	-	-	-
Capital Projects	-	2,235,822	-	-
School Lunch	-	-	-	612,492
Scholarships	-	-	-	45,285
Debt	-	-	-	492,543
Total Restricted Fund Balance	**$ 6,347,081**	**$ 2,235,822**	**$ -**	**$ 1,150,320**
Assigned				
Appropriated for Next Year's Budget	$ 500,000	$ -	$ -	$ -
Encumbered for:				
General Support	753,666	-	-	-
Instruction	177,202	-	-	-
Pupil Transportation	7,086	-	-	-
Total Assigned Fund Balance	**$ 1,437,954**	**$ -**	**$ -**	**$ -**
Unassigned				
Unreserved, Undesignated	$ 1,719,049	$ -	$ (1,902,404)	$ -
Total Unassigned Fund Balance (Deficit)	**$ 1,719,049**	**$ -**	**$ (1,902,404)**	**$ -**

Note 15 **Restricted Fund Balances**

Portions of restricted fund balance are restricted and are not available for current expenditures as reported in the Governmental Funds Balance Sheet.

The balances and activity for the year ended June 30, 2022 of the General Fund reserves were as follows.

General Fund	Beginning Balance	Additions	Interest Earned	Appropriated	Ending Balance
Restricted					
Reserve for Employees' Retirement Contributions	$2,095,947	$ -	$ 583	$ -	$2,096,530
Reserve for Teachers' Retirement Contributions	663,814	201,000	169	-	864,983
Tax Certiorari Reserve	119,429	276,000	32	-	395,461
Unemployment Insurance Reserve	221,875	-	60	-	221,935
Employee Benefit Accrued Liability Reserve	117,701	-	32	-	117,733
Capital Reserve	3,164,950	985,000	400	(2,000,000)	2,150,350
Repair Reserve	-	500,000	89	-	500,089
Total	**$6,383,716**	**$1,962,000**	**$ 1,365**	**$ (2,000,000)**	**$6,347,081**

Note 16 **Tax Abatements**

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

BCIDA enters into various property tax abatement programs for the purpose of economic development. School District property tax revenue was reduced by $66,394, and the School District subsequently received payment in lieu of taxes (PILOT) payments totaling $199,182.

Note 17 **Stewardship, Compliance, and Accountability**

Deficit Fund Balance

The Special Aid Fund has a deficit fund balance of $1,902,404 at year end. This deficit will be eliminated as related revenues are recognized based on their recognition criteria.

Deficit Net Position

At June 30, 2022, the District-wide Statement of Net Position had a deficit net position of $61,431,112. 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.

Note 18 **Restatement**

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

Net Position (Deficit) Beginning of Year	$	(65,977,016)
GASB Statement No. 87 Implementation		324,440
Net Position (Deficit) Beginning of Year, as Restated	**$**	**(65,652,576)**

Note 19 **Subsequent Events**

On September 1, 2022, the School District issued bond anticipation notes totaling $1,201,000 at an interest rate of 4.0% for the purchase of buses.

CHENANGO VALLEY CENTRAL SCHOOL DISTRICT

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

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES				
Local Sources				
Real Property Taxes	$ 20,521,886	$ 17,407,642	$ 17,406,150	$ (1,492)
Other Tax Items	233,126	3,347,370	3,338,935	(8,435)
Charges for Services	57,000	57,000	152,132	95,132
Use of Money and Property	-	-	7,572	7,572
Sale of Property and Compensation for Loss	-	24,712	88,631	63,919
Miscellaneous	766,000	767,800	1,115,692	347,892
Total Local Sources	21,578,012	21,604,524	22,109,112	504,588
State Sources	19,755,403	19,755,403	19,763,706	8,303
Federal Sources	424,514	424,514	426,050	1,536
Medicaid Reimbursement	71,000	71,000	83,909	12,909
Total Revenues	41,828,929	41,855,441	**$ 42,382,777**	**$ 527,336**
Appropriated Fund Balance	500,000	500,000		
Appropriated Reserves	-	2,000,000		
Designated Fund Balance Encumbrances Carried Forward From Prior Year	289,737	289,737		
Total Revenues, Appropriated Reserves, and Designated Fund Balance	**$ 42,618,666**	**$ 44,645,178**		

See Notes to Required Supplementary Information

CHENANGO VALLEY CENTRAL SCHOOL DISTRICT

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

	Original Budget	Final Budget	Actual	Encumbrances	Variance Favorable (Unfavorable)
EXPENDITURES					
General Support					
Board of Education	$ 47,148	$ 47,148	$ 37,458	$ -	$ 9,690
Central Administration	418,897	421,186	411,352	115	9,719
Finance	620,140	620,553	598,870	1,160	20,523
Staff	305,118	485,336	327,637	-	157,699
Central Services	2,760,162	3,686,032	2,500,843	752,391	432,798
Special Items	414,927	409,641	389,544	-	20,097
Total General Support	4,566,392	5,669,896	4,265,704	753,666	650,526
Instruction					
Instruction, Administration, and Improvement	954,791	1,135,713	1,084,313	294	51,106
Teaching - Regular School	8,434,980	8,617,120	8,227,874	61,871	327,375
Programs for Children With Handicapping Conditions	5,634,755	5,285,760	4,994,402	39	291,319
Occupational Education	1,031,746	1,031,746	1,026,746	-	5,000
Teaching - Special School	180,000	173,633	127,446	-	46,187
Instructional Media	2,068,989	1,946,698	1,863,007	31,389	52,302
Pupil Services	2,035,612	2,157,715	1,978,801	83,609	95,305
Total Instruction	20,340,873	20,348,385	19,302,589	177,202	868,594
Pupil Transportation	1,390,162	1,398,082	1,148,962	7,086	242,034
Community Services	7,900	4,754	766	-	3,988
Employee Benefits	11,655,627	10,446,199	10,174,748	-	271,451
Debt Service					
Principal	3,896,478	4,012,876	4,012,876	-	-
Interest	624,234	627,986	627,984	-	2
Total Debt Service	4,520,712	4,640,862	4,640,860	-	2
Total Expenditures	42,481,666	42,508,178	39,533,629	937,954	2,036,595
OTHER FINANCING USES					
Operating Transfers Out	137,000	2,137,000	2,119,997	-	17,003
Total Expenditures and Other Financing Uses	**$ 42,618,666**	**$ 44,645,178**	41,653,626	**$ 937,954**	**$ 2,053,598**
Net Change in Fund Balance			729,151		
Fund Balance - Beginning of Year			8,774,933		
Fund Balance - End of Year			**$ 9,504,084**		

See Notes to Required Supplementary Information

CHENANGO VALLEY CENTRAL SCHOOL DISTRICT

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

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Contractually Required Contribution	**$ 436,926**	$ 417,639	$ 419,821	$ 440,098	$ 432,907	$ 439,804	$ 543,201	$ 475,731	$ 544,064	$ 533,516
Contributions in Relation to the Contractually Required Contribution	**(436,926)**	(417,639)	(419,821)	(440,098)	(432,907)	(439,804)	(543,201)	(475,731)	(544,064)	(533,516)
Contribution Deficiency (Excess)	**-**	-	-	-	-	-	-	-	-	-
School District's Covered Employee Payroll	**2,945,231**	3,301,571	3,081,474	3,154,922	3,045,683	3,097,134	2,970,158	2,790,507	2,792,567	2,869,191
Contributions as a Percentage of Covered Employee Payroll	**14.8%**	12.6%	13.6%	13.9%	14.2%	14.2%	18.3%	17.0%	19.5%	18.6%

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

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Contractually Required Contribution	**$ 1,082,796**	$ 1,029,790	$ 995,053	$ 1,170,920	$ 1,098,092	$ 1,270,963	$ 1,461,950	$ 1,826,206	$ 1,670,185	$ 1,220,417
Contributions in Relation to the Contractually Required Contribution	**(1,082,796)**	(1,029,790)	(995,053)	(1,170,920)	(1,098,092)	(1,270,963)	(1,461,950)	(1,826,206)	(1,670,185)	(1,220,417)
Contribution Deficiency (Excess)	**-**	-	-	-	-	-	-	-	-	-
School District's Covered Employee Payroll	**11,048,939**	10,839,895	11,230,847	11,025,612	11,205,020	10,844,394	11,025,264	10,417,604	10,278,062	10,307,576
Contributions as a Percentage of Covered Employee Payroll	**9.8%**	9.5%	8.9%	10.6%	9.8%	11.7%	13.3%	17.5%	16.3%	11.8%

See Notes to Required Supplementary Information

CHENANGO VALLEY CENTRAL SCHOOL DISTRICT

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

	2022	2021	2020	2019	2018	2017	2016	2015
School District's Proportion of the Net Pension (Asset)/Liability	**0.00891%**	0.00928%	0.00974%	0.00983%	0.01006%	0.01031%	0.01062%	0.00954%
School District's Proportion of the Net Pension (Asset)/Liability	**$ (728,491)**	$ 9,243	$ 2,577,977	$ 696,603	$ 324,603	$ 968,504	$ 1,705,262	$ 322,167
School District's Covered Employee Payroll During the Measurement Period	**2,917,697**	3,111,314	3,049,633	3,144,624	3,012,703	3,131,810	2,916,274	2,748,584
School District's Proportionate Share of the Net Pension (Asset)/Liability as a Percentage of its Covered Employee Payroll	**25.0%**	0.3%	84.5%	22.2%	10.8%	30.9%	58.5%	11.7%
Plan Fiduciary Net Position as a Percentage . of the Total Pension (Asset)/Liability	**103.7%**	99.9%	86.4%	96.3%	98.2%	94.7%	90.7%	97.9%

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

	2022	2021	2020	2019	2018	2017	2016	2015
School District's Proportion of the Net Pension (Asset)/Liability	**0.06370%**	0.066211%	0.066057%	0.067879%	0.067464%	0.070535%	0.068454%	0.069580%
School District's Proportion of the Net Pension (Asset)/Liability	**$ (11,038,965)**	$ 1,829,584	$ (1,716,163)	$ (1,227,423)	$ (512,793)	$ 755,464	$ (7,110,173)	$ (7,750,789)
School District's Covered Employee Payroll During the Measurement Period	**10,839,895**	11,230,847	11,025,612	11,205,020	10,844,394	11,025,264	10,417,604	10,278,061
School District's Proportionate Share of the Net Pension (Asset)/Liability as a Percentage of its Covered Employee Payroll	**101.8%**	16.3%	15.6%	11.0%	4.7%	6.9%	68.3%	75.4%
Plan Fiduciary Net Position as a Percentage of the Total Pension (Asset)/Liability	**113.2%**	97.8%	102.2%	101.5%	100.7%	99.0%	110.4%	111.5%

See Notes to Required Supplementary Information

CHENANGO VALLEY CENTRAL SCHOOL DISTRICT

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

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Service Cost	**$ 4,556,404**	$ 3,181,884	$ 2,371,399	$ 2,496,697	$ 3,139,894	$ *	$ *	$ *	$ *	$ *
Interest Cost	**2,744,117**	2,429,018	3,205,065	2,807,607	2,743,217	*	*	*	*	*
Changes of Benefit Terms	**-**	-	-	(20,325)	-	*	*	*	*	*
Differences Between Expected and Actual Experience	**-**	(8,417,817)	-	(3,135,968)	350,639	*	*	*	*	*
Changes in Assumptions or Other Inputs Benefit Payments	**(24,553,597)**	22,540,560	15,734,939	(479,417)	-	*	*	*	*	*
Benefit Payments	**(4,007,712)**	(3,944,133)	(3,616,116)	(3,502,835)	(3,386,528)	*	*	*	*	*
	(21,260,788)	15,789,512	17,695,287	(1,834,241)	2,847,222	*	*	*	*	*
Total OPEB Liability - Beginning	**124,479,212**	108,689,700	90,994,413	92,828,654	89,981,432	*	*	*	*	*
Total OPEB Liability - Ending	**$ 103,218,424**	$ 124,479,212	$ 108,689,700	$ 90,994,413	$ 92,828,654	$ 89,981,432	$ *	$ *	$ *	$ *
Covered Employee Payroll	**$ 12,997,682**	$ 12,997,682	$ 11,957,772	$ 11,957,772	$ 14,908,208	$ *	$ *	$ *	$ *	$ *
Total OPEB Liability as a % of Covered Payroll	**794.1%**	957.7%	908.9%	761.0%	622.7%	*	*	*	*	*
Discount Rate	**3.54%**	2.16%	2.21%	3.50%	3.00%	*	*	*	*	*

** Information for periods prior to implementation of GASB Statement No. 75 is unavailable and will be completed as it becomes available.*

See Notes to Required Supplementary Information

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2022

Note 1 **Budgetary Procedures and Budgetary Accounting**

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

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

The original adopted budget and changes are as follows:

Original Adopted Budget	$ 42,328,929
Prior Year Encumbrances	289,737
Appropriated Reserves	2,000,000
Insurance Recoveries	24,712
Gifts and Donations	1,800
Final Budget	**$ 44,645,178**

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

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

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

No adjustment is necessary to convert 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. Encumbrances, if present, are presented in a separate column and are not included in the actual results at June 30, 2022.

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

Changes in Demographics
From July 1, 2018 to July 1, 2020, overall membership increased from 582 to 647. The number of active members increased from 224 to 272, and the number of inactive members increased from 358 to 375. The average age of active members decreased slightly from 47.3 to 47.1, and the average age of retired members increased from 72.5 to 73.2.

Changes of Assumptions
The actuarial valuation reflects the adoption of the Pub-2010 Mortality Table (from RP-2014 Adjusted to 2006 Total Dataset Mortality Table) with generational projection of future improvements per the MP-2019 Ultimate Scale. Additionally, retirement and turnover rates were updated to reflect the assumptions used in the 2020 Annual Report to the Comptroller on Actuarial Assumptions for the New York State and Local Retirement System. The valuation of future implementation of the excise tax on medical benefits is no longer used, as it has been officially repealed as of December 20, 2019. The combined impact of these assumption changes was an increase in the accrued liability of $10.6 million (12.8%).

Given the substantial uncertainty regarding the impact of COVID-19 on plan costs, including whether the pandemic will increase or decrease costs during the term of the projections, the decision has been made to not make an adjustment in the expected plan costs. It is possible that the COVID-19 pandemic could have a material impact on the projected costs.

The discount rate has been changed to 3.54% (from 2.16%) since this is the discount rate that will be used to measure the total OPEB liability for the purposes of GASB Statement No. 75.

Note 4 **Schedules of the School District's Proportionate Share of the Net Pension (Asset)/Liability**
The Schedule of the School District's Proportionate Share of the Net Pension (Asset)/Liability will present ten years of information as it becomes available from the pension plans.

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

NYSLRS

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

Changes of Assumptions
2021: The demographic assumptions (pensioner mortality and active member decrements) were updated based on the System's experience from April 1, 2015 through March 31, 2020, the actuarial valuation. The interest rate assumption was reduced to 6.8% and the mortality improvement assumption was updated to Societies of Actuaries' Scale MP-2020, inflation was updated to 2.7%, cost-of-living updated to 1.4%, salary scale updated to 4.4%, and the interest rate assumption was reduced to 5.9% for the April 1, 2020 actuarial valuation.

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

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

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

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

NYSLRS - Continued

Methods and Assumptions Used in Calculations of Actuarially Determined Contributions

The April 1, 2020 actuarial valuation determines the employer rates for contributions payable in fiscal year 2022. The following actuarial methods and assumptions were used:

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

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

NYSTRS

Changes in Benefit Terms
None.

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

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

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

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

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

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

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

NYSTRS - Continued

Methods and Assumptions Used in Calculations of Actuarially Determined Contributions

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

Actuarial Cost Method	The System is funded in accordance with the Aggregate Cost Method, which does not identify nor separately amortize unfunded actuarial liabilities. Costs are determined by amortizing the unfunded present value of benefits over the average future working lifetime of active plan members, which currently for NYSTRS is approximately 13 years.
Asset Valuation Method	Five-year phased-in deferred recognition of each year's net investment income/loss in excess of (or less than) the assumed valuation rate of interest at a rate of 20.00% per year, until fully recognized after 5 years.
Inflation	2.2%
Projected Salary Increases	Rates of increase differ based on service. They have been calculated based upon recent NYSTRS member experience.

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

Investment Rate of Return	7.10% compounded annually, net of investment expenses, including inflation.
Projected Cost of Living Adjustments	1.3% compounded annually.

CHENANGO VALLEY CENTRAL SCHOOL DISTRICT

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

CHANGE FROM ADOPTED BUDGET TO FINAL BUDGET		
Adopted Budget		$ 42,328,929
Prior Year's Encumbrances		289,737
Original Budget		42,618,666
Appropriated Reserve		2,000,000
Insurance Recoveries		24,712
Gifts and Donations		1,800
Total Additions		2,026,512
Final Budget		**$ 44,645,178**
§1318 OF REAL PROPERTY TAX LAW LIMIT CALCULATION		
Next Year's Budget is a Voter Approved Budget	**$ 44,322,437**	
Maximum Allowed (4% of the 2022-2023 Budget)		**$ 1,772,897**
General Fund Fund Balance Subject to §1318 of Real Property Tax Law:		
Unrestricted Fund Balance:		
Assigned Fund Balance	$ 1,437,954	
Unassigned Fund Balance	1,719,049	
Total Unrestricted Fund Balance	3,157,003	
Less:		
Appropriated Fund Balance	500,000	
Encumbrances Included in Assigned Fund Balance	937,954	
Total Adjustments	1,437,954	
General Fund Fund Balance Subject to §1318 of Real Property Tax Law		**$ 1,719,049**
Actual Percentage		3.9%

CHENANGO VALLEY CENTRAL SCHOOL DISTRICT

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

			Expenditures					Methods of Financing				Fund
	Original Budget	Revised Budget	Prior Years	Current Year	Transfers	Total	Unexpended Balance	Proceeds of Obligations	State Aid	Local Sources	Total	Balance (Deficit) June 30, 2022
Port Dickinson Elementary Reconstruction 0001-008	$ 357,924	$ 396,382	$ 415,784	$ -	$ -	$ 415,784	$ (19,402)	$ 180,120	$ 461,013	$ -	$ 641,133	$ 225,349 *
Port Dickinson Elementary Reconstruction 0001-013	3,608,040	3,608,040	3,671,111	28,191	-	3,699,302	(91,262)	2,034,684	-	447,201	2,481,885	(1,217,417) *
Middle/High School Reconstruction 0002-013	599,967	511,518	889,654	-	-	889,654	(378,136)	565,364	510,384	-	1,075,748	186,094 *
Middle/High School Reconstruction 0002-019	2,996,200	2,996,200	1,716,671	416,118	-	2,132,789	863,411	2,418,224	-	4,316,623	6,734,847	4,602,058 *
Chenango Bridge Elementary Reconstruction 0004-011	285,844	374,298	433,109	-	-	433,109	(58,811)	302,743	461,013	-	763,756	330,647 *
Chenango Bridge Elementary Reconstruction 0004-015	3,195,328	3,195,328	3,308,295	28,863	-	3,337,158	(141,830)	943,042	-	264,231	1,207,273	(2,129,885) *
Chenango Bridge Elementary Reconstruction 0004-017	100,000	100,000		100,000	-	100,000	-	-	-	100,000	100,000	-
Maintenance Storage Building 4007-001	109,368	109,368	250	10,110	-	10,360	99,008	23,250	-	14,984	38,234	27,874 *
Bus Garage Reconstruction 5006-005	439,823	438,508	16,570	-	-	16,570	421,938	48,172	-	-	48,172	31,602 *
Bus Garage Reconstruction 5006-009	1,186,634	1,186,634	1,005,384	6,142	-	1,011,526	175,108	380,822	-	150,616	531,438	(480,088) *
Outdoor Classroom 0013-001	601,000	601,000	814,218	-	-	814,218	(213,218)	300,498	-	-	300,498	(513,720) *
New Concession/Storage Building 7010-003	4,000	4,000	1,084	-	-	1,084	2,916	3,310	-	21	3,331	2,247 *
St. Francis 8014-001	155,100	201,100	194,959	-	-	194,959	6,141	71,663	-	-	71,663	(123,296) *
CV Pre-Ref 9999-999	25,000	25,000	10,406	-	-	10,406	14,594	2,357	-	530,000	532,357	521,951 *
HVAC ARP Project 7999-003	2,532,500	2,347,500	-	445,094	-	445,094	1,902,406	-	-	2,347,500	2,347,500	1,902,406 *
2020-2021 Buses	360,000	360,000	-	459,731	269	460,000	(100,000)	135,522	-	324,478	460,000	-
Prior Year Buses	690,000	700,000	700,000	-	-	700,000		447,522	-	252,478	700,000	-
Unredeemed BANs	-	-	-	-	-	-	-	(1,130,000)	-	-	(1,130,000)	(1,130,000)
Total	$ 17,246,728	$ 17,154,876	$ 13,177,495	$ 1,494,249	$ 269	$ 14,672,013	$ 2,482,863	$ 6,727,293	$ 1,432,410	$ 8,748,132	$ 16,907,835	$ 2,235,822

***Architectural and State Approved Budget Modifications for Subproject Reallocations are Not Yet Finalized and Were Unavailable at This Report Date.**

CHENANGO VALLEY CENTRAL SCHOOL DISTRICT

SCHEDULE OF NET INVESTMENT IN CAPITAL ASSETS
FOR THE YEAR ENDED JUNE 30, 2022

Capital Assets, Net	$ 51,808,241
Add:	
Deferred Charges on Defeased Debt	27,228
Unspent Debt Proceeds	332,153
Deduct:	
Bond Anticipation Notes	(1,130,000)
Unamortized Premium on Bonds Payable	(1,894,750)
Bonds Payable	(18,415,000)
Lease Liabilities	(101,340)
Net Investment in Capital Assets	**$ 30,626,532**

CHENANGO VALLEY CENTRAL SCHOOL DISTRICT

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

	Special Revenue Funds			
	School Lunch Fund	Miscellaneous Special Revenue Fund	Debt Service Fund	Total Non-Major Governmental Funds
ASSETS				
Cash - Restricted	$ 380,126	$ 45,285	$ 492,414	$ 917,825
Receivables:				
Due from Other Funds	103	-	129	232
State and Federal Aid	261,308	-	-	261,308
Other	695	-	-	695
Inventories	43,811	-	-	43,811
Total Assets	**$ 686,043**	**$ 45,285**	**$ 492,543**	**$ 1,223,871**
LIABILITIES				
Payables:				
Accounts Payable	$ 13,936	$ -	$ -	13,936
Accrued Liabilities	3,577	-	-	3,577
Due to Other Governments	57	-	-	57
Unearned Revenue	12,170	-	-	12,170
Total Liabilities	29,740	-	-	29,740
FUND BALANCES				
Nonspendable	43,811	-	-	43,811
Restricted	612,492	45,285	492,543	1,150,320
Total Fund Balances	656,303	45,285	492,543	1,194,131
Total Liabilities and Fund Balances	**$ 686,043**	**$ 45,285**	**$ 492,543**	**$ 1,223,871**

CHENANGO VALLEY CENTRAL SCHOOL DISTRICT

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

	Special Revenue Funds			Total
	School Lunch Fund	Miscellaneous Special Revenue Fund	Debt Service Fund	Non-Major Governmental Funds
REVENUES				
Use of Money and Property	$ 31	$ 3	$ 965	$ 999
Miscellaneous	6,919	22,153	-	29,072
State Sources	151,605	-	-	151,605
Federal Sources	1,375,163	-	-	1,375,163
Sales - School Lunch	79,124	-	-	79,124
Total Revenues	1,612,842	22,156	965	1,635,963
EXPENDITURES				
General Support	-	-	198,012	198,012
Instruction	586,510	26,570	-	613,080
Employee Benefits	113,939	-	-	113,939
Debt Service:				
Principal	-		685,000	685,000
Cost of Sales	523,123	-	-	523,123
Total Expenditures	1,223,572	26,570	883,012	2,133,154
Excess (Deficiency) of Revenues Over Expenditures	389,270	(4,414)	(882,047)	(497,191)
OTHER FINANCING SOURCES AND (USES)				
Premium on Obligations	-	-	883,014	883,014
Operating Transfers In	103	-	269	372
Total Other Financing Sources (Uses)	103	-	883,283	883,386
Net Change in Fund Balance	389,373	(4,414)	1,236	386,195
Fund Balances - Beginning of Year	266,930	49,699	491,307	807,936
Fund Balances - End of Year	**$ 656,303**	**$ 45,285**	**$ 492,543**	**$ 1,194,131**

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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
Chenango Valley Central School District
Binghamton, 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 of the Chenango Valley Central School District (the School District), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements, and have issued our report thereon dated September 28, 2022.

Report on Internal Control Over Financial Reporting

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the 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
September 28, 2022

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Certified Public Accountants | Business Advisors

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

Board of Education
Chenango Valley Central School District
Binghamton, New York

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

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

In our opinion, 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, 2022.

Basis for Opinion on Each Major Federal Program

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

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

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

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

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

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

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

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

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

Report on Internal Control Over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or 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
September 28, 2022

CHENANGO VALLEY CENTRAL SCHOOL DISTRICT

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

Federal Grantor/Pass - Through Grantor Program Title	Assistance Listing #	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	0021220165	$ -	$ 477,986
Title I Grants to Local Educational Agencies	84.010	0021210165	-	1,001
		Subtotal	-	478,987
Special Education Cluster:				
Special Education - Grants to States	84.027	0032220053	-	481,142
Special Education - Grants to States	84.027	0032210053	-	11,662
Special Education - Preschool Grants	84.173	0032220053	-	11,882
Special Education - Preschool Grants	84.173	0032210053	-	1,367
Total Special Education Cluster		Subtotal	-	506,053
Supporting Effective Instruction State Grants	84.367	0147220165	-	61,312
		Subtotal	-	61,312
(COVID-19) Governor's Emergency Education Relief Fund	84.425C	5895210165	-	61,755
(COVID-19) Governor's Emergency Education Relief Fund	84.425C	5896210165	-	49,527
(COVID-19) Elementary and Secondary School Emergency Relief Fund	84.425D	5890210165	-	364,293
(COVID-19) Elementary and Secondary School Emergency Relief Fund	84.425D	5891220165	-	856,315
(COVID-19) American Rescue Plan - Elementary and Secondary School Emergency Relief Fund	84.425U	5880210165	-	603,263
(COVID-19) American Rescue Plan - Elementary and Secondary School Emergency Relief Fund - Homeless Children and Youth	84.425W	5218210165	-	552
		Subtotal	-	1,935,705
Title I, Part D Prevention and Intervention Programs for Children and Youth who are Neglected, Delinquent, or at Risk	84.013	0016210165	-	15,273
Title IV, Part A Student Support and Academic Enrichment Program	84.424A	0204221165	-	37,381
Title IV, Part A	84.424A	0204211165	-	8,424
Total U.S. Department of Education			-	3,043,135
U.S. Department of Agriculture				
Passed Through NYS Department of Education:				
Child Nutrition Cluster:				
National School Lunch Program	10.555	(1)	-	902,775
School Breakfast Program	10.553	(1)	-	357,248
Summer Food Service Program	10.559	(1)	-	76,504
Total Child Nutrition Cluster			-	1,336,527
Direct Program:				
(COVID-19) Pandemic EBT Food Benefits	10.542	N/A	-	1,803
(COVID-19) Pandemic EBT Administrative Costs	10.649	N/A	-	36,833
Total U.S. Department of Agriculture			-	1,375,163
Federal Communications Commission				
Direct Program:				
(COVID-19) Emergency Connectivity Fund Program	32.009	N/A		64,166
Total Federal Communications Commission				64,166
Total Expenditures of Federal Awards			$ -	$ 4,482,464

(1) - Unable to Determine

See Notes to Schedule of Expenditures of Federal Awards

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

Note 1 **Basis of Presentation**

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

Note 2 **Basis of Accounting**

The basis of accounting varies by federal program consistent with the underlying regulations pertaining to each program. The information is presented in accordance with the requirements of 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.

Note 4 **Matching Costs**

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

Note 5 **Non-Monetary Federal Program**

The School District is the recipient of a federal award program that does not result in cash receipts or disbursements, termed a "non-monetary program." During the year ended June 30, 2022, the School District received $55,437 worth 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.

CHENANGO VALLEY CENTRAL SCHOOL DISTRICT

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

Section I Summary of Auditors' Results

Financial Statements

Type of auditors' report issued: Unmodified

Internal control over financial reporting:

Material weakness(es) identified? ____ yes __X__ no

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

Noncompliance material to financial statements noted? ____ yes __X__ no

Federal Awards

Internal control over major programs:

Material weakness(es) identified? ____ yes __X__ no

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

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

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

Identification of major programs:

ALN Numbers	Name of Federal Program or Cluster
84.425C, 84.425D, 84.425U, 84.425W	Education Stabilization Fund

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

Auditee qualified as low-risk? ____ yes __X__ no

Section II Financial Statement Findings

None.

Section III Federal Award Findings and Questioned Costs

None.

FORM OF BOND COUNSEL'S OPINION

June 27, 2023

Chenango Valley Central School District
Broome County
State of New York

Re: Chenango Valley Central School District, Broome County, New York
$9,000,000 Bond Anticipation Notes, 2023

Ladies and Gentlemen:

We have been requested to render our opinion as to the validity of a $9,000,000 Bond Anticipation Notes, 2023 (the "Obligation"), of the Chenango Valley Central School District, Broome County, New York (the "Obligor"), dated June 27, 2023, of the denomination of $9,000,000, bearing interest at the rate of ___% per annum, payable at maturity, and maturing June 27, 2024.

We have examined:

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

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

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

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

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

In our opinion:

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

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

(c) Interest on the Obligation is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, and is exempt from personal income taxes imposed by the State of New York and any political subdivision thereof (including The City of New York). Interest on the Notes is not a specific preference item for purposes of the federal individual alternative minimum tax on individuals. We observe that, for tax years beginning after December 31, 2022, 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 Notes.

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

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

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

Very truly yours,

/s/ ORRICK, HERRINGTON & SUTCLIFFE LLP