

PRELIMINARY OFFICIAL STATEMENT

NEW & RENEWAL ISSUE

BOND ANTICIPATION NOTES

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

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

\$11,200,000

**GREENE CENTRAL SCHOOL DISTRICT
CHENANGO, BROOME AND CORTLAND COUNTIES, NEW YORK**

GENERAL OBLIGATIONS

\$11,200,000 Bond Anticipation Notes, 2025

(referred to herein as the "Notes")

Dated: July 24, 2025

Due: July 24, 2026

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

The Notes will be issued without the option of prior redemption.

At the option of the purchaser(s), the Notes will be issued as registered notes or registered in the name of the purchaser. If such Notes are issued as registered in the name of the purchaser, principal of and interest on the Notes will be payable in Federal Funds. In such case, the Notes will be issued as registered in the name of the purchaser in denominations of \$5,000 or multiples thereof, as may be determined by such successful bidder(s).

Alternatively, if the Notes are issued as registered notes, the Notes will be registered in the name of Cede & Co. as nominee of The Depository Trust Company ("DTC"), New York, New York, which will act as the securities depository for the Notes. Noteholders will not receive certificates representing their ownership interest in the notes purchased if the purchaser(s) elects to register the Notes. Such Notes will be issued in denominations of \$5,000 or integral multiples thereof, as may be determined by such successful bidder(s). If the Notes are issued as registered notes, payment of the principal of and interest on the Notes to the beneficial owner(s) of the Notes will be made by DTC Direct Participants and Indirect Participants in accordance with standing instructions and customary practices, as is now the case with municipal securities held for the accounts of customers registered in the name of the purchaser or registered in "street name". Payment will be the responsibility of such DTC Direct or Indirect Participants and the District, subject to any statutory and regulatory requirements as may be in effect from time to time. See "BOOK-ENTRY-ONLY SYSTEM" herein.

The Notes are offered when, as and if issued and received by the purchaser(s) and subject to the receipt of the respective approving legal opinion as to the validity of the Notes of Orrick, Herrington & Sutcliffe LLP, New York, New York, Bond Counsel. It is anticipated that the Notes will be available for delivery through the facilities of DTC located in Jersey City, New Jersey, or as may be agreed upon with the purchaser(s), on or about July 24, 2025.

ELECTRONIC BIDS for the Notes must be submitted on Fiscal Advisors Auction website ("Fiscal Advisors Auction") accessible via www.fiscaladvisorsauction.com, on July 10, 2025 by no later than 10:15 A.M. Prevailing Time. Bids may also be submitted by facsimile at (315) 930-2354. No other form of electronic bidding services will be accepted. No phone bids will be accepted. Once the bids are communicated electronically via Fiscal Advisors Auction or via facsimile to the District, each bid will constitute an irrevocable offer to purchase the Notes pursuant to the terms provided in the Notice of Sale for the Notes.

June 30, 2025

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

GREENE CENTRAL SCHOOL DISTRICT
BROOME, CHENANGO AND CORTLAND COUNTIES, NEW YORK

SCHOOL DISTRICT OFFICIALS

2024-2025 BOARD OF EDUCATION

DOUGLAS MARKHAM
President



BRIAN MILK
Vice President

CHRISTOPHER AUSTIN
SHERWOOD FENDRYK
KENNETH PICKARD
RENEE RIDEOUT
EMILY RIGGS

* * * * *

LISA-MARIE CARTER
Superintendent of Schools

CHRISTINE COREY
Business Manager

SHIELA WALKER
District Clerk

 FERRARA FIORENZA PC
School District Attorney


FISCAL ADVISORS & MARKETING, INC.
Municipal Advisor


ORRICK, HERRINGTON & SUTCLIFFE, LLP
Bond Counsel

Note: The District's Board of Education will change for the 2025-2026 fiscal year and prior to the date of the Notes in accordance with the District's annual reorganization meeting.

No person has been authorized by the Greene 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 the Greene Central School District.

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PREPARED WITH THE ASSISTANCE OF



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OFFICIAL STATEMENT
of the
GREENE CENTRAL SCHOOL DISTRICT
CHENANGO, BROOME AND CORTLAND COUNTIES, NEW YORK
Relating To
\$11,200,000 Bond Anticipation Notes, 2025

This Official Statement, which includes the cover page, has been prepared by the Greene Central School District, Chenango, Broome and Cortland Counties, New York (the "School District" or "District", "Counties", each a "County", and the "State", respectively) in connection with the sale by the District of \$11,200,000 principal amount of Bond Anticipation Notes, 2025 (referred to herein as the "Notes").

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

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

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 July 24, 2025 and will mature July 24, 2026. The Notes are not subject to redemption prior to maturity. Interest will be calculated on a 30-day month and 360-day year basis, payable at maturity.

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

No Optional Redemption

The Notes are not subject to redemption prior to maturity.

Purpose of Issue

The Notes are being issued pursuant to the Constitution and statutes of the State of New York, including among others, the Education Law and the Local Finance Law and a bond resolution of the District dated March 27, 2024 authorizing the issuance of up to \$11,500,000 serial bonds and the expenditure of up to \$500,000 capital reserve funds to finance the cost and construction of improvements to and the reconstruction of various District buildings and facilities.

The proceeds of the Notes, along with \$300,000 available District Funds, will redeem and partially renew \$1,500,000 bond anticipation notes currently outstanding for this purpose and maturing on July 25, 2025, and will provide \$10,000,000 in new money for the project.

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 LEVY LIMITATION LAW” herein.

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

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

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

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

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

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

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

BOOK-ENTRY-ONLY SYSTEM

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

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

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

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

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

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

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

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

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

Source: The Depository Trust Company.

THE 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 THAT IS REQUIRED OR PERMITTED TO BE GIVEN TO OWNERS, OR (4) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC AS THE REGISTERED HOLDER OF THE NOTES.

THE INFORMATION CONTAINED HEREIN CONCERNING DTC AND ITS BOOK-ENTRY ONLY SYSTEM HAS BEEN OBTAINED FROM DTC AND THE 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 Under Certain Circumstances

If the book-entry form is initially chosen by the purchaser(s) of the Notes, DTC may discontinue providing its services with respect to the Notes at any time by giving notice to the District and discharging its responsibilities with respect thereto under applicable law, or the District may terminate its participation in the system of book-entry-only system transfers through DTC at any time. In the event that a purchaser of the Notes elect to have the Notes issued in certificated form or if 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 the option of the School District at the offices of the School District or at a principal corporate trust office of a bank or trust company located and authorized to do business in the State of New York to be named as fiscal agent by the District. The Notes will remain not subject to redemption prior to their stated final maturity date.

THE SCHOOL DISTRICT

General Information

The District, with a land area of approximately 238 square miles is located in upstate New York. The City of Binghamton lies 18 miles to the south, the City of Cortland lies 30 miles to the northwest and the City of Oneonta lies 35 miles to the east. The District includes the incorporated Village of Greene, the whole Town of Greene and portions of the Towns of Coventry, German, McDonough, Oxford and Smithville in Chenango County, the Towns of Triangle and Barker in Broome County and the Town of Willet in Cortland County.

The District is mostly residential in nature with professional and commercial services afforded residents in the Village of Greene as well as the Binghamton metropolitan area. Higher educational opportunities are provided by the State Universities of New York (SUNY) campuses located in nearby Binghamton, Cortland and Oneonta.

Major highways intersecting or in closing proximity to the District include Interstates #81 and #88, as well as N.Y.S. Routes #12, #41 and #206. Air transportation is available from the Greater Binghamton Airport.

Source: District officials.

District Population

The 2022 estimated population of the District is 6,556. (Source: U.S. Census Bureau, 2019-2023 American Community Survey 5-Year Estimates data.)

Five Larger Employers

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

| <u>Name</u> | <u>Type</u> | <u>Estimated Employees</u> |
|------------------------------|------------------------------|----------------------------|
| Binghamton University (SUNY) | Higher Education Institution | 5,900 |
| UHS | Health Care/Services | 5,400 |
| Raymond Corporation | Manufacturing | 2,900 |
| Lockheed Martin | Federal Systems | 2,700 |
| Guthrie/Lourdes | Health Care/Services | 2,300 |

Source: District officials.

Selected Wealth and Income Indicators

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

| | <u>Per Capita Income</u> | | | <u>Median Family Income</u> | | |
|--------------|--------------------------|------------------|------------------|-----------------------------|------------------|------------------|
| | <u>2006-2010</u> | <u>2016-2020</u> | <u>2019-2023</u> | <u>2006-2010</u> | <u>2016-2020</u> | <u>2019-2023</u> |
| Towns of: | | | | | | |
| Coventry | \$ 18,525 | \$ 28,596 | \$ 34,547 | \$ 51,677 | \$ 65,298 | \$ 78,798 |
| German | 15,826 | 48,494 | 35,484 | 41,250 | 98,512 | 87,500 |
| Greene | 22,941 | 29,061 | 35,648 | 55,086 | 78,374 | 92,209 |
| McDonough | 17,896 | 34,351 | 39,957 | 45,625 | 73,750 | 92,941 |
| Oxford | 19,421 | 27,494 | 30,732 | 52,237 | 66,026 | 66,914 |
| Smithville | 21,804 | 26,669 | 34,971 | 55,208 | 58,111 | 71,563 |
| Triangle | 22,335 | 26,807 | 34,114 | 64,118 | 51,157 | 75,852 |
| Willet | 16,727 | 23,687 | 30,111 | 42,250 | 59,000 | 80,000 |
| Counties of: | | | | | | |
| Chenango | 22,036 | 28,780 | 32,986 | 52,229 | 65,537 | 76,894 |
| Broome | 24,314 | 29,721 | 35,116 | 57,545 | 69,596 | 83,422 |
| Cortland | 22,078 | 28,407 | 33,818 | 57,743 | 71,430 | 85,316 |
| State of: | | | | | | |
| New York | 30,948 | 40,898 | 49,520 | 67,405 | 87,270 | 105,060 |

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

Source: 2006-2010, 2016-2020, and 2019-2023 American Community Survey 5-Year estimates data.

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) are the Counties of Chenango, Broome and Cortland. The information set forth below with respect to the Counties and State of New York is included for informational purposes only. It should not be inferred from the inclusion of such data in this Official Statement that the Counties or the State is necessarily representative of the District, or vice versa.

| | <u>Annual Averages</u> | | | | | | |
|-----------------|------------------------|-------------|-------------|-------------|-------------|-------------|-------------|
| | <u>2018</u> | <u>2019</u> | <u>2020</u> | <u>2021</u> | <u>2022</u> | <u>2023</u> | <u>2024</u> |
| Broome County | 4.7% | 4.4% | 8.1% | 5.2% | 3.8% | 3.7% | 4.0% |
| Chenango County | 4.8 | 4.4 | 6.9 | 4.6 | 3.4 | 3.4 | 3.4 |
| Cortland County | 4.8 | 4.5 | 7.5 | 4.9 | 3.7 | 4.1 | 4.2 |
| New York State | 4.1 | 3.9 | 9.8 | 7.1 | 4.3 | 4.1 | 4.3 |

| | <u>2025 Monthly Figures</u> | | | | | |
|-----------------|-----------------------------|------------|------------|------------|------------|------------|
| | <u>Jan</u> | <u>Feb</u> | <u>Mar</u> | <u>Apr</u> | <u>May</u> | <u>Jun</u> |
| Broome County | 4.8% | 5.0% | 4.4% | 3.3% | 3.3% | N/A |
| Chenango County | 4.3 | 4.7 | 4.1 | 3.0 | 2.6 | N/A |
| Cortland County | 5.4 | 5.4 | 4.6 | 3.6 | 3.1 | N/A |
| New York State | 4.6 | 4.3 | 4.1 | 3.7 | 3.5 | N/A |

Note: Unemployment rates for the month of June 2025 are not available as of the date of this Official Statement.

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

Form of School Government

The Board of Education, which is the policy-making body of the District, consists of seven members with overlapping three-year terms so that as nearly as possible an equal number is elected to the Board each year. Each Board member must be a qualified voter of the District and no Board member may hold certain other district offices or position while serving on the Board of Education. The President and the Vice President are selected by the Board members.

Budgetary Procedures and Recent Budget Votes

Pursuant to the Education Law, the Board of Education annually prepares a detailed statement of estimated sums necessary for the various expenditures of the School District for the ensuing fiscal year (tentative budget) and distributes that statement not less than seven days prior to the date on which the annual school election is conducted, at which the tentative budget is voted upon. Notice of the annual election is published as required by statute with a first publication not less than forty-five days prior to the day of election.

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 "Tax Cap"), then a majority vote is required for approval. If the proposed budget requires a tax levy that exceeds the 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 Tax Cap also must receive at least 60% voter approval.

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

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

Recent Budget Votes

The budget for the 2024-25 fiscal year was approved by qualified voters on May 21, 2024 by a vote of 111 to 68. The District's adopted budget for the 2024-25 fiscal year remained within the Tax Cap imposed by Chapter 97 of the Laws of 2011. The budget called for a total tax levy increase of 3.70%, which was equal to the District's tax levy limit of 3.70%.

The District's budget for the 2025-26 fiscal year was approved by qualified voters on May 20, 2025 by a vote of 294 yes to 68 no. The District's adopted budget for the 2025-26 fiscal year remained within the Tax Cap imposed by Chapter 97 of the Laws of 2011. The budget calls for a total tax levy decrease of 1.42%, which is equal to the District's tax levy limit of 1.42%.

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) savings accounts or money market accounts of designated banks; (2) certificates of deposit issued by a bank or trust company located in and authorized to do business in New York State; (3) demand deposit accounts in a bank or trust company located in and authorized to do business in New York State; obligations of New York State; obligations of the United States Government (U.S. Treasury Bills and Notes); (4) repurchase agreements involving the purchase and sale of direct obligations of the United States; (5) all funds except Reserve Funds may be invested in revenue anticipation notes or tax anticipation notes of other school districts and municipalities, with the approval of the State Comptroller and (6) only reserve funds may be invested in obligations of the District.

The Treasurer is authorized to contract for the purchase of investments, including through a written repurchase agreement with a third-party custodian, from an authorized trading partner. The District does not invest in reverse repurchase agreement on other derivative type investments.

State Aid

The District receives financial assistance from the State in the form of State aid for operating, building and other purposes at various times throughout its fiscal year, pursuant to formulas and payment schedules set forth by statute. In its adopted budget for the 2025-26 fiscal year, approximately 69.84% of the revenues of the District are estimated to be received in the form of State aid. While the State has a constitutional duty to maintain and support a system of free common schools that provides a “sound basic education” to children of the State, there can be no assurance that the State appropriation for State aid to school districts will be continued in future years, either pursuant to existing formulas or in any form whatsoever.

In addition to the amount of State aid budgeted annually by the District, the State makes payments of STAR aid representing tax savings provided by school districts to their taxpayers under the STAR Program.

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

State aid, including building aid appropriated and apportioned to the District, can be paid only if the State has such monies available therefor. The availability of such monies and the timeliness of such payment could be affected by a delay in the adoption of the State budget or their elimination therefrom.

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

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

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

Federal Aid Received by the State

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

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

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

Building Aid

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

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

Pursuant to the provisions of Chapter 760 of the Laws of 1963, the District is eligible to receive a Building Aid Estimate from the New York State Department of Education. Since the gross indebtedness of the District is within the debt limit, the District is not required to apply for a Building Aid Estimate. Based on 2025-26 preliminary building aid ratios, the District expects to receive State building aid of approximately 90.7% of debt service on State Education Department approved expenditures from July 1, 2004 to the present.

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

State Aid History

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

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

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

School district fiscal year (2024-2025): The State's 2024-25 Enacted Budget provided \$35.9 billion in State funding to school districts for the 2024-25 school year. This represented an increase of \$1.3 billion compared to the 2023-24 school year and included a \$934 million or 3.89 percent Foundation Aid increase. The State's 2024-25 Enacted Budget maintained the "save harmless" provision, which ensured a school district received at least the same amount of Foundation Aid as it received

in the prior year. The State's 2024-25 Enacted Budget also authorized a comprehensive study by the Rockefeller Institute and the State Department of Education to develop a modernized school funding formula.

School district fiscal year (2025-2026): The State's 2025-26 Budget includes approximately \$37.6 billion in State funding to school districts for the 2025-2026 school year, an estimated year-to-year funding increase of \$1.7 billion. The State's 2025-26 Budget provides an estimated \$26.3 billion in Foundation Aid, a year over year increase of \$1.42 billion and includes a 2% minimum increase in Foundation Aid to all school districts. The State's 2025-26 Budget also makes a number of alterations to the Foundation Aid formula to more accurately reflect low-income student populations and provide additional aid to low-wealth school districts.

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

State Aid Litigation

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

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

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.

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 as follows:

A breakdown of currently anticipated Foundation Aid funding is available below

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

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

State Aid Revenues

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

| <u>Fiscal Year</u> | <u>Total Revenues</u> | <u>Total State Aid</u> | <u>Percentage of Total Revenues Consisting of State Aid</u> |
|-----------------------|---------------------------|------------------------|---|
| 2019-2020 | \$ 26,687,773 | \$ 18,732,770 | 70.19% |
| 2020-2021 | 27,138,791 | 18,904,172 | 69.66 |
| 2021-2022 | 27,965,375 | 19,047,536 | 68.11 |
| 2022-2023 | 29,439,796 | 20,564,846 | 69.85 |
| 2023-2024 | 29,896,500 | 21,067,214 | 70.47 |
| 2024-2025 (Budgeted) | 30,082,611 ⁽¹⁾ | 21,304,165 | 70.82 |
| 2024-2025 (Unaudited) | 30,220,206 | 21,150,867 | 69.99 |
| 2025-2026 (Budgeted) | 28,775,454 ⁽²⁾ | 20,095,853 | 69.84 |

⁽¹⁾ Does not include \$2,002,295 of interfund transfers.

⁽²⁾ Does not include \$1,225,596 of interfund transfers and reserves use and \$756,407 appropriated fund balance.

Source: Audited Financial Statements for the 2019-20 through 2023-24 fiscal years, preliminary unaudited figures for the 2024-25 fiscal year, and adopted budgets for the 2024-25 and 2025-26 fiscal years (unaudited). The 2024-25 unaudited figures are preliminary and subject to change. This table is not audited.

District Facilities

| <u>Name</u> | <u>Grades</u> | <u>Capacity</u> | <u>Year Built/Additions/Reconstruction</u> |
|----------------------------------|---------------|-----------------|--|
| Greene Elementary School | K-2 | 350 | 1968, 2010, '16, '21 |
| Greene Intermediate School | 3-5 | 325 | 1964, '93, 2010, '16, '21 |
| Greene Junior-Senior High School | 6-12 | 800 | 1954, '57, '64, '93, '98, 2010, '16, '21 |

Source: District officials.

Enrollment Trends

| <u>School Year</u> | <u>Total Actual Enrollment</u> | <u>School Year</u> | <u>Total Projected Enrollment</u> |
|--------------------|------------------------------------|--------------------|---------------------------------------|
| 2020-2021 | 995 | 2025-2026 | 923 |
| 2021-2022 | 950 | 2026-2027 | 923 |
| 2022-2023 | 920 | 2027-2028 | 923 |
| 2023-2024 | 917 | 2028-2029 | 923 |
| 2024-2025 | 937 | 2029-2030 | 923 |

Source: District officials.

Employees

The District employs approximately 204 full-time and 15 part-time employees. The number of employees represented by unions, the names of the collective bargaining agents and the contract expiration dates are as follows:

| <u>Number of Employees</u> | <u>Bargaining Unit</u> | <u>Contract Expiration Date</u> |
|----------------------------|--|---------------------------------|
| 104 | Greene Teachers' Association | June 30, 2026 |
| 6 | Greene Administrators' Association | June 30, 2026 |
| 27 | Bus Drivers & Bus Monitors | June 30, 2026 |
| 9 | Teamsters (Cafeteria) | June 30, 2026 |
| 52 | Greene Educational Support Staff ⁽¹⁾ (GESPA) (Teacher Aides, Monitors, Custodial, Secretaries) | June 30, 2025/26 |

⁽¹⁾ This unit was divided into 4 sub-groups. Negotiations started in November 2024 for the unit's agreement expiring June 30, 2025. A tentative agreement has been reached.

Source: District officials.

Status and Financing of Employee Pension Benefits

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

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

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

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

The District is required to contribute at an actuarially determined rate. The contributions for the below fiscal years are as follows:

| <u>Fiscal Year</u> | <u>ERS</u> | <u>TRS</u> |
|----------------------|------------|------------|
| 2020-2021 | \$ 301,623 | \$ 731,352 |
| 2021-2022 | 219,606 | 753,003 |
| 2022-2023 | 239,248 | 801,976 |
| 2023-2024 | 296,941 | 849,252 |
| 2024-2025 | 342,352 | 922,927 |
| 2025-2026 (Budgeted) | 488,002 | 802,378 |

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 offers early retirement incentives as part of its collective bargaining agreement contracts.

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

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

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

*Estimated.

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

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

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

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

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

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

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

Other Post-Employment Benefits

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

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

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

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

The District contracted with Questar III BOCES to calculate its actuarial valuation under GASB 75. The following table outlines the changes to the Total OPEB Liability for the below fiscal years, by source.

| | | | |
|------------------------------|--|---------------|---------------|
| | Balance beginning at June 30: | 2022 | 2023 |
| | | \$ 10,864,674 | \$ 11,120,138 |
| <u>Changes for the year:</u> | | | |
| | Service cost | 395,639 | 423,050 |
| | Interest on total OPEB liability | 387,998 | 411,100 |
| | Changes in benefit terms | - | - |
| | Plan changes | (703,625) | - |
| | Demographic gains or losses | (656,052) | - |
| | Changes in assumptions or other inputs | 1,436,603 | (243,655) |
| | Benefit payments | (605,099) | (565,419) |
| | Net Changes | \$ 255,464 | \$ 25,076 |
| | Balance ending at June 30: | 2023 | 2024 |
| | | \$ 11,120,138 | \$ 11,145,214 |

Source: Audited Financial Statements of the District. The above table is not audited. For additional information regarding the District's OPEB liability see "APPENDIX – E" attached hereto.

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

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

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.

Financial Statements

The District retains independent Certified Public Accountants. The last audit report covers the period ending June 30, 2024 and may be found attached hereto as "APPENDIX – E" to this Official Statement. Certain financial information of the District can also be found attached as Appendices to this Official Statement.

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

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

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

Anticipated Unaudited Results of Operations for Fiscal Year Ending June 30, 2025

Based on preliminary estimates, summary unaudited information for the General Fund for the period ending June 30, 2025 is as follows:

| | |
|--|-----------------------------|
| Revenues: | \$ 30,220,206 |
| Expenditures: | <u>31,014,915</u> |
| Excess (Deficit) Revenues Over Expenditures: | \$ (794,709) ⁽¹⁾ |
| Beginning Fund Balance at June 30, 2024: | <u>\$ 8,844,000</u> |
| Total Projected Fund Balance at June 30, 2025: | <u><u>\$ 8,049,291</u></u> |

⁽¹⁾ Prior to the use of fund balance and reserves.

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

New York State Comptroller Reports 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 February 24, 2023. The purpose of the audit was to determine whether District officials ensured leave accruals were accurate and payments for unused leave and separation payments were authorized and calculated correctly for the period July 1, 2018 through November 30, 2021. Key findings and recommendations from the audit report are summarized as follows:

Key Findings:

District officials did not ensure that leave accruals were accurate or payments for unused leave and separation payments were authorized and calculated correctly. District officials:

- Made errors in 76 percent of District employees' accrued leave calculations, resulting in 251 employees' leave balances being credited either for 132 days over what they were entitled to or 2,712 days less than what they were entitled to.
- Incorrectly calculated 61 percent of the unused vacation leave, sick leave and retirement incentive payments made during the audit period. Of the 38 payments totaling approximately \$270,000 we reviewed, 23 had errors totaling \$8,530, including \$4,900 in payments for unused vacation leave which were not authorized by the employees' collective bargaining agreements (CBAs).

Key Recommendations:

- Independently review and approve all unused leave and separation payments to help ensure they are accurately calculated, supported and disbursed in accordance with CBAs and employment contracts (contracts).
- Consult with legal counsel about recovering payments that are inconsistent with the CBAs, contracts or any other applicable laws.

A copy of the complete report and the District response can be found via the website of the Office of the New York State Comptroller.

As of the date of this Official Statement, there are no other recent State Comptroller's audits of the District, nor are there any that are currently in progress or pending release.

Source: Website of the Office of the New York State Comptroller. Reference to website implies no warranty of accuracy of information therein, and the website is not incorporated herein by reference.

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The State Comptroller’s Fiscal Stress Monitoring System

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

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

The reports of the State Comptroller for the 2019-20 through 2023-24 fiscal years of the District are as follows:

| <u>Fiscal Year Ending In</u> | <u>Stress Designation</u> | <u>Fiscal Score</u> |
|------------------------------|---------------------------|---------------------|
| 2024 | No Designation | 0.0 |
| 2023 | No Designation | 0.0 |
| 2022 | No Designation | 0.0 |
| 2021 | No Designation | 0.0 |
| 2020 | No Designation | 6.7 |

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

Other Information

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

The District is in compliance with the procedure for the publication of the estoppel notice with respect to the Notes as provided in Title 6 of Article 2 of the Local Finance Law.

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

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

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

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TAX INFORMATION

Taxable Assessed Valuation

| <u>Fiscal Year Ending June 30:</u> | <u>2021</u> | <u>2022</u> | <u>2023</u> | <u>2024</u> | <u>2025</u> |
|------------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Towns of: | | | | | |
| Barker | \$ 353,200 | \$ 353,200 | \$ 363,200 | \$ 471,600 | \$ 548,000 |
| Coventry | 19,812,985 | 20,691,138 | 20,883,076 | 20,797,046 | 21,043,390 |
| German | 975,576 | 987,705 | 1,039,821 | 1,050,799 | 1,065,670 |
| Greene | 290,482,905 | 292,637,019 | 294,382,757 | 296,639,726 | 298,590,263 |
| McDonough | 1,918,160 | 1,904,949 | 1,902,363 | 1,905,065 | 1,880,461 |
| Oxford | 250,736 | 250,775 | 252,424 | 251,528 | 248,088 |
| Smithville | 42,977,291 | 43,283,739 | 44,723,483 | 44,862,325 | 45,736,477 |
| Triangle | 961,854 | 961,854 | 924,554 | 924,554 | 924,554 |
| Willet | 1,715,679 | 1,767,597 | 1,821,896 | 1,819,116 | 1,829,014 |
| Total Assessed Values | <u>\$ 359,448,386</u> | <u>\$ 362,837,976</u> | <u>\$ 366,293,574</u> | <u>\$ 368,721,759</u> | <u>\$ 371,865,917</u> |

State Equalization Rates

| | | | | | |
|------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Towns of: | | | | | |
| Barker | 100.00% | 100.00% | 85.52% | 79.50% | 77.00% |
| Coventry | 100.00% | 100.00% | 94.00% | 85.00% | 77.00% |
| German | 45.50% | 45.00% | 40.50% | 36.01% | 35.75% |
| Greene | 87.00% | 87.00% | 80.00% | 73.00% | 65.00% |
| McDonough | 74.50% | 73.20% | 63.59% | 60.46% | 59.36% |
| Oxford | 63.00% | 60.00% | 51.60% | 44.68% | 42.10% |
| Smithville | 58.00% | 57.00% | 54.00% | 50.00% | 49.00% |
| Triangle | 97.00% | 96.00% | 87.50% | 80.00% | 75.00% |
| Willet | 85.00% | 84.00% | 78.50% | 68.50% | 59.66% |
| Total Taxable Full Valuation | <u>\$ 436,280,235</u> | <u>\$ 441,666,573</u> | <u>\$ 482,866,225</u> | <u>\$ 531,584,077</u> | <u>\$ 591,786,689</u> |

Source: District officials.

Tax Rate Per \$1,000 (Assessed)

| <u>Fiscal Year Ending June 30:</u> | <u>2021</u> | <u>2022</u> | <u>2023</u> | <u>2024</u> | <u>2025</u> |
|------------------------------------|-------------|-------------|-------------|-------------|-------------|
| Towns of: | | | | | |
| Barker | \$ 16.46 | \$ 16.49 | \$ 17.99 | \$ 18.03 | \$ 17.34 |
| Coventry | 16.46 | 16.49 | 16.36 | 16.86 | 17.34 |
| German | 36.17 | 36.64 | 37.98 | 39.81 | 37.35 |
| Greene | 18.92 | 18.95 | 19.23 | 19.64 | 20.54 |
| McDonough | 22.09 | 22.53 | 24.19 | 23.71 | 22.49 |
| Oxford | 26.13 | 27.48 | 29.81 | 32.08 | 31.72 |
| Smithville | 28.38 | 28.93 | 28.49 | 28.67 | 27.25 |
| Triangle | 16.97 | 17.18 | 17.58 | 17.92 | 17.80 |
| Willet | 19.36 | 19.63 | 19.60 | 20.93 | 22.38 |

Source: District officials.

Tax Collection Procedure

Tax payments are due September 1st. There is no penalty charge for the first thirty days after taxes are due, but a 2% penalty is charged for the next 30 days. On or about November 15th, uncollected taxes are returnable to the Counties of Chenango, Broome and Cortland for collection. The District receives this amount from said Counties prior to the end of the District's fiscal year, thereby assuring 100% tax collection annually.

Tax Levy and Tax Collection Record

| <u>Fiscal Year Ending June 30:</u> | <u>2021</u> | <u>2022</u> | <u>2023</u> | <u>2024</u> | <u>2025</u> |
|------------------------------------|--------------|--------------|--------------|--------------|--------------|
| Total Tax Levy | \$ 7,180,795 | \$ 7,282,753 | \$ 7,428,408 | \$ 7,619,949 | \$ 7,901,696 |
| Amount Uncollected ⁽¹⁾ | 609,549 | 600,232 | 577,718 | 634,015 | 578,667 |
| % Uncollected | 8.49% | 8.24% | 7.78% | 8.32% | 7.32% |

⁽¹⁾ See "Tax Collection Procedure" herein.

Source: District officials.

Real Property Tax Revenues

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

| <u>Fiscal Year</u> | <u>Total Revenues</u> | <u>Total Real Property Taxes and Tax Items</u> | <u>Percentage of Total Revenues Consisting of Real Property Tax</u> |
|-----------------------|---------------------------|--|---|
| 2019-2020 | \$ 26,687,773 | \$ 7,123,960 | 26.69% |
| 2020-2021 | 27,138,691 | 7,205,366 | 26.55 |
| 2021-2022 | 27,965,375 | 7,295,433 | 26.09 |
| 2022-2023 | 29,439,796 | 7,436,472 | 25.26 |
| 2023-2024 | 29,896,500 | 7,637,113 | 25.55 |
| 2024-2025 (Budgeted) | 30,082,611 ⁽¹⁾ | 7,934,696 | 26.38 |
| 2024-2025 (Unaudited) | 30,220,206 | 7,934,466 | 26.26 |
| 2025-2026 (Budgeted) | 28,775,454 | 7,828,970 | 27.21 |

⁽¹⁾ Does not include \$2,002,295 of interfund transfers.

⁽²⁾ Does not include \$1,225,596 of interfund transfers and reserves use and \$756,407 appropriated fund balance.

Source: Audited Financial Statements for the 2019-20 through 2023-24 fiscal years, preliminary unaudited figures for the 2024-25 fiscal year, and adopted budgets for the 2024-25 and 2025-26 fiscal years (unaudited). The 2024-25 unaudited figures are preliminary and subject to change. This table is not audited.

Ten Largest Taxpayers – 2024 Assessment Roll for 2024-2025 District Tax Roll

| <u>Name</u> | <u>Type</u> | <u>Taxable Full Valuation</u> |
|--------------------------------|---------------|-------------------------------|
| The Raymond Corporation | Manufacturing | \$ 25,190,400 |
| State of New York | State Land | 18,728,023 |
| New York State Electric & Gas | Utility | 11,930,163 |
| Frontier Communications | Utility | 2,805,040 |
| Realty Income Properties 9 LLC | Real Estate | 2,377,846 |
| Time Warner Binghamton | Utility | 2,364,635 |
| Harrington Properties 607, LLC | Real Estate | 1,664,000 |
| Day Trass Equities, LLC | Real Estate | 1,590,462 |
| CLMM Development Inc. | Real Estate | 1,569,538 |
| Genegantslet Golf Club, Inc | Recreation | 1,512,923 |

The ten larger taxpayers listed above have a total taxable full valuation of \$69,733,030, which represents 11.78% of the tax base of the District for the 2024-2025 fiscal year.

The District experiences the impact of tax certiorari filings on a regular basis for which the District has a tax certiorari reserve to cover. At this time, the level of tax certiorari filings is within acceptable norms and is not anticipated or believed to have a material impact on the District's finances. There were no tax certiorari filings during the 2023-2024 or 2024-2025 fiscal years.

Source: District officials.

STAR – School Tax Exemption

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

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

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

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

| <u>Towns of:</u> | <u>Enhanced Exemption</u> | <u>Basic Exemption</u> | <u>Date Certified</u> |
|------------------|---------------------------|------------------------|-----------------------|
| Barker | \$ 66,300 | \$ 23,100 | 4/10/2025 |
| Coventry | 66,300 | 23,100 | 4/10/2025 |
| German | 30,780 | 10,730 | 4/10/2025 |
| Greene | 55,970 | 19,500 | 4/10/2025 |
| McDonough | 51,110 | 17,810 | 4/10/2025 |
| Oxford | 36,250 | 12,690 | 4/10/2025 |
| Smithville | 42,190 | 14,700 | 4/10/2025 |
| Triangle | 64,580 | 22,500 | 4/10/2025 |
| Willet | 51,370 | 18,650 | 4/10/2025 |

\$845,756 of the District’s \$7,901,696 school tax levy for the 2024-25 fiscal year was exempted by the STAR Program. The District received full reimbursement of such exempt taxes from the State by January 2025.

The amount of the District’s \$7,789,801 school tax levy for the 2025-2026 fiscal year which is expected to be exempt by the STAR Program is not available as of the date of this Official Statement; however, the District anticipates receiving full reimbursement of such exempt taxes from the State by January 2026.

Additional Tax Information

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

Exemptions from real property taxation are granted for senior citizens who qualify.

Total assessed valuation of the District is estimated to be categorized as follows: Residential-70%, Commercial-25% and Industrial-5%.

The estimated total annual property tax bill of a \$100,000 market value residential property located in the District is approximately \$3,825 including County, Town, and District taxes.

TAX LEVY LIMITATION LAW

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

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

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

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

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

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

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

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

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

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STATUS OF INDEBTEDNESS

Constitutional and Statutory Requirements

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

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

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

General. The District is further subject to constitutional limitation by the general constitutionally imposed duty on the State Legislature to restrict the power of taxation and contracting indebtedness to prevent abuses in the exercise of such power; however, the State Legislature is prohibited by a specific constitutional provision from restricting the power of the District to levy taxes on real estate for the payment of interest on or principal of indebtedness theretofore contracted. There is no constitutional limitation on the amount that may be raised by the District by tax on real estate in any fiscal year to pay principal of and interest on all indebtedness. However, the Tax Levy Limit Law imposes a statutory limitation on the power of the District to increase its annual tax levy. The amount of such increase is limited by the formulas set forth in such law. (See "TAX LEVY LIMITATION LAW" herein).

Statutory Procedure

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

The District is generally required by such laws to submit propositions for the expenditure of money for capital purposes to the qualified electors of the District. Upon approval thereby, the Board of Education may adopt a bond resolution authorizing the issuance of bonds and notes in the anticipation of the bonds. No down payment is required in connection with the issuance of District obligations. With respect to certain school building construction projects, the District is not permitted to spend in excess of \$100,000 for construction costs until the plans and specifications for such project have been approved by the commissioner of Education of the State.

The Local Finance Law also provides a twenty-day statute of limitations after publication of a bond resolution, or summary thereof, together with a statutory form of notice which, in effect, estops legal challenges to the validity of obligations authorized by such bond resolution except for alleged constitutional violations. Except in certain circumstances, the District complies with such procedure. It is a procedure that is generally recommended by Bond Counsel, but it is not an absolute legal requirement.

The Board of Education, as the finance board of the District, also has the power to authorize the sale and issuance of bonds and notes, including the Notes. However, such finance board may delegate the power to sell the Notes to the President of the Board of Education, the chief fiscal officer of the District, pursuant to the Local Finance Law.

Debt Limit. Pursuant to the Local Finance Law, the District has the power to contract indebtedness for any 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 District and subject to certain enumerated deductions such as State aid for building purposes. The constitutional and statutory method for determining full valuation consists of taking the assessed valuation of taxable real estate for the last completed assessment roll and applying thereto the ratio (equalization rate) which such assessed valuation bears to the full valuation; such ratio is determined by the State Board of Real Property Services. The Legislature also is required to prescribe the manner by which such ratio shall be determined by such authority.

Debt Outstanding End of Fiscal Year

| <u>Fiscal Year Ending June 30th:</u> | <u>2020</u> | <u>2021</u> | <u>2022</u> | <u>2023</u> | <u>2024</u> |
|---|----------------------|----------------------|---------------------------|----------------------|----------------------|
| Bonds ⁽¹⁾ | \$ 18,580,000 | \$ 15,700,000 | \$ 13,135,000 | \$ 10,465,000 | \$ 20,140,000 |
| Bond Anticipation Notes | 947,942 | 5,940,662 | 29,429,826 ⁽²⁾ | 14,982,887 | 790,277 |
| Lease Purchase Obligations ⁽³⁾ | <u>0</u> | <u>0</u> | <u>393,251</u> | <u>389,493</u> | <u>387,084</u> |
| Total Debt Outstanding | <u>\$ 19,527,942</u> | <u>\$ 21,640,662</u> | <u>\$ 42,958,077</u> | <u>\$ 25,837,380</u> | <u>\$ 21,317,361</u> |

⁽¹⁾ Does not include advance refunded bonds outstanding where applicable.

⁽²⁾ A \$13,425,000 portion of the outstanding bond anticipation notes at June 30, 2022 was used, along with \$75,000 available funds of the District, to redeem \$13,500,000 bond anticipation notes that matured on July 15, 2022.

⁽³⁾ In 2022, the District implemented GASB Statement No. 87 for accounting and reporting leases. GASB Statement No. 87 requires the recognition of certain lease assets and liabilities for leases previously classified as operating leases along with the recognition of inflows and outflows of resources, as applicable. These leases do not constitute general obligation debt of the District. See "Lease Obligations" herein.

Details of Outstanding Indebtedness

The following table sets forth the indebtedness of the District as of June 30, 2025:

| <u>Type of Indebtedness</u> | <u>Maturity</u> | <u>Amount</u> |
|--------------------------------|--------------------|--------------------------|
| <u>Bonds</u> | 2026-2038 | \$ 16,630,000 |
| <u>Bond Anticipation Notes</u> | | |
| Capital Improvements Project | July 25, 2025 | 1,500,000 ⁽¹⁾ |
| School Buses | September 19, 2025 | <u>930,000</u> |
| Total Indebtedness | | <u>\$ 19,060,000</u> |

⁽¹⁾ To be redeemed and partially renewed at maturity with a portion of the Notes and available District funds.

Note: The figures above do not include any energy performance contract, capital lease, or installment purchase indebtedness, to the extent that any such indebtedness may be applicable to the District. See "Lease Obligations" herein.

Debt Statement Summary

Summary of Indebtedness, Debt Limit and Net Debt-Contracting Margin shown as of June 30, 2025:

| | |
|---|----------------|
| Full Valuation of Taxable Real Property | \$ 591,786,689 |
| Debt Limit – 10% thereof | 59,178,669 |

Inclusions:

| | |
|--|----------------------|
| Bonds..... | \$ 16,630,000 |
| Bond Anticipation Notes (BANs): | <u>2,430,000</u> |
| Total Inclusions prior to issuance of the Notes | <u>19,060,000</u> |
| Less: BANs being redeemed from appropriations (Total) | (300,000) |
| Add: New money proceeds of the Notes (Total) | <u>10,000,000</u> |
| Total Net Inclusions after issuance of the Notes | <u>\$ 28,760,000</u> |

Exclusions:

| | |
|---|-------------|
| State Building Aid ⁽¹⁾ | \$ <u>0</u> |
| Total Exclusions..... | <u>\$ 0</u> |

Total Net Indebtedness after issuance of the Notes \$ 28,760,000

Net Debt-Contracting Margin \$ 30,418,669

The percent of debt contracting power exhausted is 48.60%

⁽¹⁾ Pursuant to the Provisions of Chapter 760 of the Laws of New York State of 1963, the School District receives aid on existing bonded debt. Since the gross indebtedness of the School District is within the debt limit, the School District is not required to apply for a Building Aid Estimate. Over the years the building aid ratio has been adjusted based on State legislative changes with an effective date tied to voter authorization dates. Based on preliminary 2025-26 Building Aid Ratios, the School District anticipates State building aid of 90.7% for debt service on SED approved expenditures from July 1, 2004 to the present. The School District has no reason to believe that it will not ultimately receive all of the building aid it anticipates, however, no assurance can be given as to when and how much building aid the School District will receive in relation to its capital project indebtedness.

Notes: 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. The figures above do not include any energy performance contract, capital lease, or installment purchase indebtedness, to the extent that any such indebtedness may be applicable to the District, and to the extent same is includable in the debt limit. See "Lease Obligations" herein.

Bonded Debt Service

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

Cash Flow Borrowings

The District, historically, does not issue tax anticipation notes and/or revenue anticipation notes, nor budget nor deficiency notes, and does not plan on issuing any in the foreseeable future.

Lease Obligations

The following is a summary of the maturity of lease liabilities of the District as of June 30, 2024.

| <u>Year</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|-------------|-------------------|------------------|-------------------|
| 2025 | \$ 152,677 | \$ 19,354 | \$ 172,031 |
| 2026 | 116,399 | 11,720 | 128,119 |
| 2027 | 78,039 | 5,901 | 83,940 |
| 2028 | 39,969 | 2,000 | 41,969 |
| Thereafter | - | - | - |
| | <u>\$ 387,084</u> | <u>\$ 38,975</u> | <u>\$ 426,059</u> |

Source: Audited Financial Statements of the District for the fiscal year ended June 30, 2024. See “APPENDIX – E” herein.

Capital Project Plans

The District typically issues bond anticipation notes on an annual basis for the purchase of school buses. On May 20, 2025, District voters approved a proposition in the amount of \$392,750 for this purpose. Along with this proposition, District voters approved an additional proposition to establish a reserve fund in the amount of \$1,000,000 for the purpose of buses and vehicles and related infrastructure.

The District received voter approval on February 27, 2024 for a capital project at a maximum estimated cost of \$12,000,000, with the use of \$500,000 capital reserve funds and the remaining \$11,500,000 to be financed through the issuance of serial bonds and bond anticipation notes. The District issued \$1,500,000 bond anticipation notes on December 19, 2024, which represented the first borrowing against this authorization. The proceeds of the Notes, along with \$300,000 available District funds, will redeem and partially renew said currently-outstanding bond anticipation notes, and will provide \$10,000,000 in new monies for this purpose.

The District is in the process of planning a future capital project, which it anticipates presenting to voters in November 2025. The scope and final dollar amount have not been determined as of the date of this Official Statement. The District will use capital reserve, building aid and expiring debt to put forth a project that will not levy additional taxes on residents.

The District is currently conducting an emergency project at an estimated cost of approximately \$200,000 to replace rusted fittings and damaged fiberglass pipe insulation in a crawlspace of the District’s High School. The project will be paid for with District funds and will not be financed.

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Estimated Overlapping Indebtedness

In addition to the District, the following political subdivisions have the power to issue obligations and to levy taxes or cause taxes to be levied on taxable real property in the District. Estimated indebtedness of the respective municipalities is outlined in the table below.

| <u>Municipality</u> | <u>Status of Debt as of</u> | <u>Gross Indebtedness</u> ⁽¹⁾ | <u>Exclusions</u> ⁽²⁾ | <u>Net Indebtedness</u> | <u>District Share</u> | <u>Applicable Indebtedness</u> |
|---------------------|-----------------------------|--|----------------------------------|-------------------------|-----------------------|--------------------------------|
| County of: | | | | | | |
| Broome | 4/1/2025 ⁽³⁾ | \$ 179,616,581 | \$ 9,915,000 | \$ 169,701,581 | 0.02% | \$ 33,940 |
| Chenango | 12/31/2023 ⁽⁴⁾ | - | - ⁽⁵⁾ | - | 17.71% | - |
| Cortland | 6/29/2024 ⁽³⁾ | 20,315,000 | 1,200,000 | 19,115,000 | 0.09% | 17,204 |
| Town of: | | | | | | |
| Barker | 12/31/2023 ⁽⁴⁾ | - | - ⁽⁵⁾ | - | 0.32% | - |
| Coventry | - ⁽⁶⁾ | - | - | - | 21.63% | - |
| German | - ⁽⁶⁾ | - | - ⁽⁵⁾ | - | 5.55% | - |
| Greene | 12/31/2023 ⁽⁴⁾ | - | - ⁽⁵⁾ | - | 96.05% | - |
| McDonough | 12/31/2023 ⁽⁴⁾ | - | - ⁽⁵⁾ | - | 3.53% | - |
| Oxford | - ⁽⁶⁾ | - | - ⁽⁵⁾ | - | 0.24% | - |
| Smithville | 12/31/2023 ⁽⁴⁾ | 232,000 | - ⁽⁵⁾ | 232,000 | 81.89% | 189,985 |
| Triangle | 12/31/2023 ⁽⁴⁾ | - | - ⁽⁵⁾ | - | 0.65% | - |
| Willet | 12/31/2023 ⁽⁴⁾ | 18,571 | - ⁽⁵⁾ | 18,571 | 3.78% | 702 |
| Village of: | | | | | | |
| Greene | 11/20/2024 ⁽³⁾ | 6,042,000 | 4,757,000 | 1,285,000 | 100.00% | 1,285,000 |
| Total: | | | | | | <u>\$ 1,526,831</u> |

- (1) Outstanding bonds and bond anticipation notes of the respective municipality. Not adjusted to include subsequent issuances, if any, from the date of the status of indebtedness stated in the table above for each respective municipality.
- (2) Water debt, sewer debt and budgeted appropriations as applicable to the respective municipality. Water Indebtedness excluded pursuant to Article VIII, Section 5B of the New York State Constitution. Sewer Indebtedness excluded pursuant to Article VIII, Section 5E of the New York State Constitution, as further prescribed under section 124.10 of the Local Finance Law. Appropriations are excluded pursuant to Section 136.00 of the Local Finance Law.
- (3) Gross indebtedness, exclusions, and net-indebtedness sourced from available annual financial information & operating data filings and/or official statements of the respective municipality.
- (4) Gross indebtedness sourced from local government data provided by the State Comptroller's office for the most recent fiscal year such data is available for the respective municipality.
- (5) Information regarding excludable debt not available.
- (6) Information not available.

Debt Ratios

The following table sets forth certain ratios relating to the District's net indebtedness as of June 30, 2025:

| | <u>Amount</u> | <u>Per Capita</u> ^(a) | <u>Percentage of Full Value</u> ^(b) |
|---|---------------|----------------------------------|--|
| Net Indebtedness ^(c) | \$ 28,760,000 | \$ 4,386.82 | 4.86% |
| Net Indebtedness Plus Net Overlapping Indebtedness ^(d) | 30,286,831 | 4,619.71 | 5.12 |

(a) The 2023 estimated population of the District is 6,556. (See "THE SCHOOL DISTRICT – Population" herein.)

(b) The District's full value of taxable real estate for the 2024-25 fiscal year is \$591,786,689. (See "TAX INFORMATION – Taxable Assessed Valuations" herein.)

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

(d) Estimated net overlapping indebtedness is \$1,526,831. (See "Estimated Overlapping Indebtedness" herein.)

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

SPECIAL PROVISIONS AFFECTING REMEDIES UPON DEFAULT

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

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

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

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

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

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

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

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

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

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

MARKET AND RISK FACTORS

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

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

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

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

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

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

Cybersecurity

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

TAX MATTERS

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

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

Notes purchased, whether at original issuance or otherwise, for an amount higher than their principal amount payable at maturity (or, in some cases, at their earlier call date) ("Premium Notes") will be treated as having amortizable bond premium. No deduction is allowable for the amortizable bond premium in the case of Notes, 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 Bond, will be reduced by the amount of amortizable bond premium properly allocable to such owner. Owners of Premium Notes should consult their own tax advisors with respect to the proper treatment of amortizable bond premium in their particular circumstances.

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

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

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

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

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

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

Bond Counsel's engagement with respect to the Notes ends with the issuance of the Notes, and, unless separately engaged, Bond Counsel is not obligated to defend the District or the owners regarding the tax-exempt status of the Notes in the event of an audit examination by the IRS. Under current procedures, owners would have little, if any, right to participate in the audit examination process. Moreover, because achieving judicial review in connection with an audit examination of tax-exempt notes 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 notes 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 the opinion at the time of issuance of the Notes substantially in the form set forth in "APPENDIX – D" attached hereto.

LITIGATION

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

The District is subject to a claim under the Child Victims Act. This matter is in the early stages of discovery but is not anticipated to have a material impact on the District's financial condition.

The District has received notice of claim regarding a school bus incident, in which a bus driver and substitute monitor were subsequently arrested. As of the date of this Official Statement, the District has not received notice of any lawsuits filed in connection with the incident. The matter is not anticipated to have a material impact on the finances 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 bonds or notes or the levy and collection of taxes or assessments to pay same, or in any way contesting or affecting the validity of the bonds or notes or any proceedings or authority of the District taken with respect to the authorization, issuance or sale of bonds and 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, MATERIAL EVENT NOTICES".

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

CUSIP IDENTIFICATION NUMBERS

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

RATINGS

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

Moody's Investors Service, Inc. ("Moody's") has assigned a rating of "Aa3" with no outlook to the District's outstanding general obligation bonds. A rating reflects only the view of the rating agency assigning such rating, any desired explanation of the significance of such rating should be obtained from Moody's, 7 World Trade Center, 250 Greenwich St., New York, New York 10007, Phone: (212) 553-0038.

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

MISCELLANEOUS

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

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

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

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

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

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

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

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

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

The District's contact information is as follows: Christine Corey, Business Manager, 40 South Canal Street, Greene, New York 13778, Phone: (607) 656-4161, Fax: (607) 656-7933, Email: ccorey@greenecsd.org.

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

GREENE CENTRAL SCHOOL DISTRICT

Dated: June 30, 2025

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

GENERAL FUND

Balance Sheets

Fiscal Year Ending June 30:

| | <u>2020</u> | <u>2021</u> | <u>2022</u> | <u>2023</u> | <u>2024</u> |
|--|----------------------|----------------------|----------------------|----------------------|----------------------|
| <u>ASSETS</u> | | | | | |
| Unrestricted Cash | \$ 324,599 | \$ 3,831,550 | \$ 4,020,278 | \$ 5,728,515 | \$ 6,095,137 |
| Restricted Cash | 7,450,790 | 6,084,435 | 5,610,573 | 4,343,407 | 3,713,907 |
| Accounts Receivables/Other Receivables | 2,759 | 17,835 | 6,487 | 10,708 | 6,493 |
| Due from Other Funds | 1,621,537 | 590,352 | 1,035,607 | 1,313,866 | 1,197,196 |
| Due from Fiduciary Funds | - | - | - | - | - |
| Prepaid Expenditures | - | - | - | 2,790 | - |
| State and Federal Aid | 392,776 | 406,317 | 443,101 | 1,945,281 | 1,397,756 |
| Due from Other Governments | 831,163 | 803,015 | 844,770 | - | - |
| TOTAL ASSETS | <u>\$ 10,623,624</u> | <u>\$ 11,733,504</u> | <u>\$ 11,960,816</u> | <u>\$ 13,344,567</u> | <u>\$ 12,410,489</u> |
| <u>LIABILITIES AND FUND EQUITY</u> | | | | | |
| Accounts Payable | \$ 416,470 | \$ 1,186,109 | \$ 393,385 | \$ 273,842 | \$ 204,003 |
| Accrued Liabilities | 42,787 | 689,764 | 566,548 | 964,752 | 766,420 |
| Due to Other Funds | 950,000 | 1,212,098 | 1,168,831 | 829,927 | 1,084,244 |
| Due to Other Governments | 509,431 | 509,431 | 509,431 | 509,431 | 479,135 |
| Due to Fiduciary Funds | 270,233 | - | - | - | - |
| Due to Teachers' Retirement System | 714,371 | 775,915 | 803,824 | 1,039,936 | 946,484 |
| Due to Employees' Retirement System | 70,067 | 76,029 | 56,514 | 74,769 | 86,203 |
| Deferred Revenues | - | - | - | - | - |
| Overpayments & Collections in Advance | - | - | - | - | - |
| TOTAL LIABILITIES | <u>2,973,359</u> | <u>4,449,346</u> | <u>3,498,533</u> | <u>3,692,657</u> | <u>3,566,489</u> |
| <u>FUND EQUITY</u> | | | | | |
| Nonspendable | \$ - | \$ - | \$ - | \$ - | \$ - |
| Restricted | 5,965,277 | 4,510,419 | 5,172,968 | 5,172,968 | 5,294,638 |
| Assigned | 573,200 | 514,794 | 513,200 | 527,015 | 516,845 |
| Unassigned | 1,111,788 | 2,258,945 | 2,776,115 | 3,951,927 | 3,032,517 |
| TOTAL FUND EQUITY | <u>7,650,265</u> | <u>7,284,158</u> | <u>8,462,283</u> | <u>9,651,910</u> | <u>8,844,000</u> |
| TOTAL LIABILITIES & FUND EQUITY | <u>\$ 10,623,624</u> | <u>\$ 11,733,504</u> | <u>\$ 11,960,816</u> | <u>\$ 13,344,567</u> | <u>\$ 12,410,489</u> |

Source: Audited Financial Statements of the School District. This Appendix is not itself audited.

GENERAL FUND

Revenues, Expenditures and Changes in Fund Balance

| Fiscal Years Ending June 30: | <u>2019</u> | <u>2020</u> | <u>2021</u> | <u>2022</u> | <u>2023</u> |
|--|----------------------|----------------------|----------------------|----------------------|----------------------|
| <u>REVENUES</u> | | | | | |
| Real Property Taxes | \$ 5,713,385 | \$ 5,987,857 | \$ 6,133,925 | \$ 6,278,123 | \$ 6,480,368 |
| Other Real Property Tax Items | 1,193,692 | 1,136,103 | 1,071,441 | 1,017,310 | 956,104 |
| Charges for Services | 1,200 | 188,923 | 3,503 | 6,487 | 7,816 |
| Use of Money & Property | 140,730 | 149,972 | 66,116 | 55,868 | 409,441 |
| Sale of Property and Compensation for Loss | 15,186 | 65,125 | 55,850 | 28,843 | 6,676 |
| Miscellaneous | 510,424 | 307,983 | 381,703 | 1,249,230 | 778,533 |
| Interfund Revenues | - | - | - | - | - |
| Revenues from State Sources | 18,232,788 | 18,732,770 | 18,904,172 | 19,047,536 | 20,564,846 |
| Revenues from Federal Sources | 171,815 | 119,040 | 522,081 | 281,978 | 236,012 |
| Total Revenues | <u>\$ 25,979,220</u> | <u>\$ 26,687,773</u> | <u>\$ 27,138,791</u> | <u>\$ 27,965,375</u> | <u>\$ 29,439,796</u> |
| Other Sources: | | | | | |
| Interfund Transfers | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total Revenues and Other Sources | <u>25,979,220</u> | <u>26,687,773</u> | <u>27,138,791</u> | <u>27,965,375</u> | <u>29,439,796</u> |
| <u>EXPENDITURES</u> | | | | | |
| General Support | \$ 3,686,651 | \$ 3,622,336 | \$ 3,755,382 | \$ 3,762,651 | \$ 4,336,048 |
| Instruction | 11,306,654 | 11,189,422 | 10,924,388 | 11,046,359 | 11,824,215 |
| Pupil Transportation | 1,188,230 | 1,075,792 | 1,049,693 | 1,231,031 | 1,304,930 |
| Community Services | 5,911 | 11,450 | 3,364 | 12,385 | 16,000 |
| Employee Benefits | 5,484,266 | 5,806,843 | 5,955,616 | 6,418,571 | 5,749,690 |
| Debt Service | 4,049,550 | 4,056,118 | 4,066,455 | 4,316,253 | 5,019,286 |
| Total Expenditures | <u>\$ 25,721,262</u> | <u>\$ 25,761,961</u> | <u>\$ 25,754,898</u> | <u>\$ 26,787,250</u> | <u>\$ 28,250,169</u> |
| Other Uses: | | | | | |
| Interfund Transfers | <u>87,963</u> | <u>116,064</u> | <u>1,750,000</u> | <u>-</u> | <u>-</u> |
| Total Expenditures and Other Uses | <u>25,809,225</u> | <u>25,878,025</u> | <u>27,504,898</u> | <u>26,787,250</u> | <u>28,250,169</u> |
| Excess (Deficit) Revenues Over Expenditures | <u>169,995</u> | <u>809,748</u> | <u>(366,107)</u> | <u>1,178,125</u> | <u>1,189,627</u> |
| <u>FUND BALANCE</u> | | | | | |
| Fund Balance - Beginning of Year | 6,670,522 | 6,840,517 | 7,650,265 | 7,284,158 | 8,462,283 |
| Prior Period Adjustments (net) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Fund Balance - End of Year | <u>\$ 6,840,517</u> | <u>\$ 7,650,265</u> | <u>\$ 7,284,158</u> | <u>\$ 8,462,283</u> | <u>\$ 9,651,910</u> |

Source: Audited Financial Statements of the School District. This Appendix is not itself audited.

GENERAL FUND

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

| Fiscal Years Ending June 30: | 2024 | | | 2025 | 2026 |
|--|----------------------|----------------------|----------------------|----------------------|----------------------|
| | Original Budget | Final Budget | Audited Actual | Adopted Budget | Adopted Budget |
| REVENUES | | | | | |
| Real Property Taxes | \$ 6,619,949 | \$ 6,619,949 | \$ 6,723,348 | \$ 6,996,696 | \$ 6,939,801 |
| Other Real Property Tax Items | 1,020,000 | 1,020,000 | 913,765 | 938,000 | 889,169 |
| Charges for Services | - | - | - | 60,000 | - |
| Use of Money & Property | 435,000 | 435,000 | 688,748 | 435,000 | 418,050 |
| Sale of Property and Compensation for Loss | - | - | 18,183 | - | 6,000 |
| Miscellaneous | 160,000 | 160,000 | 296,470 | 223,750 | 286,581 |
| Interfund Revenues | - | - | - | - | - |
| Revenues from State Sources | 21,707,378 | 21,707,378 | 21,067,214 | 21,304,165 | 20,095,853 |
| Revenues from Federal Sources | 125,000 | 125,000 | 188,772 | 125,000 | 140,000 |
| Total Revenues | <u>\$ 30,067,327</u> | <u>\$ 30,067,327</u> | <u>\$ 29,896,500</u> | <u>\$ 30,082,611</u> | <u>\$ 28,775,454</u> |
| Other Sources: | | | | | |
| Interfund Transfers & Use of Reserves | <u>1,513,043</u> | <u>1,513,043</u> | <u>-</u> | <u>2,002,295</u> | <u>1,225,596</u> |
| Total Revenues and Other Sources | <u>31,580,370</u> | <u>31,580,370</u> | <u>29,896,500</u> | <u>32,084,906</u> | <u>30,001,050</u> |
| EXPENDITURES | | | | | |
| General Support | \$ 4,576,277 | \$ 4,783,259 | \$ 4,552,030 | \$ 4,726,420 | \$ 4,658,168 |
| Instruction | 12,949,506 | 13,168,253 | 13,069,894 | 13,379,723 | 13,851,002 |
| Pupil Transportation | 1,500,875 | 1,495,642 | 1,381,223 | 1,513,265 | 1,529,363 |
| Community Services | 19,700 | 19,700 | 9,472 | 19,700 | 36,382 |
| Employee Benefits | 7,484,950 | 7,040,169 | 6,135,982 | 7,411,246 | 7,482,369 |
| Debt Service | 5,049,062 | 5,074,162 | 5,042,809 | 5,034,552 | 3,100,173 |
| Total Expenditures | <u>\$ 31,580,370</u> | <u>\$ 31,581,185</u> | <u>\$ 30,191,410</u> | <u>\$ 32,084,906</u> | <u>\$ 30,657,457</u> |
| Other Uses: | | | | | |
| Interfund Transfers | <u>-</u> | <u>13,000</u> | <u>513,000</u> | <u>-</u> | <u>100,000</u> |
| Total Expenditures and Other Uses | <u>31,580,370</u> | <u>31,594,185</u> | <u>30,704,410</u> | <u>32,084,906</u> | <u>30,757,457</u> |
| Excess (Deficit) Revenues Over Expenditures | <u>-</u> | <u>(13,815)</u> | <u>(807,910)</u> | <u>-</u> | <u>(756,407)</u> |
| FUND BALANCE | | | | | |
| Fund Balance - Beginning of Year | - | 13,815 | 9,651,910 | - | 756,407 |
| Prior Period Adjustments (net) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Fund Balance - End of Year | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 8,844,000</u> | <u>\$ -</u> | <u>\$ -</u> |

Source: Audited Financial Statements and budgets (unaudited) of the School District. This Appendix is not itself audited.

BONDED DEBT SERVICE

| Fiscal Year Ending June 30th | Principal | Interest | Total |
|------------------------------------|---------------|--------------|---------------|
| 2025 | \$ 3,510,000 | \$ 1,173,662 | \$ 4,683,662 |
| 2026 | 1,620,000 | 822,800 | 2,442,800 |
| 2027 | 1,670,000 | 745,000 | 2,415,000 |
| 2028 | 1,600,000 | 664,700 | 2,264,700 |
| 2029 | 1,630,000 | 586,388 | 2,216,388 |
| 2030 | 1,640,000 | 505,500 | 2,145,500 |
| 2031 | 1,445,000 | 423,500 | 1,868,500 |
| 2032 | 1,435,000 | 351,250 | 1,786,250 |
| 2033 | 1,075,000 | 279,500 | 1,354,500 |
| 2034 | 1,130,000 | 225,750 | 1,355,750 |
| 2035 | 1,185,000 | 169,250 | 1,354,250 |
| 2036 | 1,245,000 | 110,000 | 1,355,000 |
| 2037 | 875,000 | 47,750 | 922,750 |
| 2038 | 80,000 | 4,000 | 84,000 |
| TOTALS | \$ 20,140,000 | \$ 6,109,049 | \$ 26,249,049 |

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

APPENDIX - B1
Greene CSD

CURRENT BONDS OUTSTANDING

| Fiscal Year Ending June 30th | 2014 Construction | | | 2017B DASNY Bonds - Capital Project | | |
|------------------------------------|----------------------|------------------|-------------------|--|-------------------|---------------------|
| | Principal | Interest | Total | Principal | Interest | Total |
| | | | | | | |
| 2025 | \$ 155,000 | \$ 18,200 | \$ 173,200 | \$ 355,000 | \$ 165,250 | \$ 520,250 |
| 2026 | 160,000 | 13,550 | 173,550 | 375,000 | 147,500 | 522,500 |
| 2027 | 160,000 | 8,750 | 168,750 | 390,000 | 128,750 | 518,750 |
| 2028 | 90,000 | 3,950 | 93,950 | 410,000 | 109,250 | 519,250 |
| 2029 | 35,000 | 1,138 | 36,138 | 435,000 | 88,750 | 523,750 |
| 2030 | - | - | - | 455,000 | 67,000 | 522,000 |
| 2031 | - | - | - | 475,000 | 44,250 | 519,250 |
| 2032 | - | - | - | 410,000 | 20,500 | 430,500 |
| TOTALS | \$ 600,000 | \$ 45,588 | \$ 645,588 | \$ 3,305,000 | \$ 771,250 | \$ 4,076,250 |

| Fiscal Year Ending June 30th | 2017G DASNY - Refunding of 2011 Bonds | | | 2024A DASNY | | |
|------------------------------------|--|-------------------|---------------------|----------------------|---------------------|----------------------|
| | Principal | Interest | Total | Principal | Interest | Total |
| | | | | | | |
| 2025 | \$ 2,425,000 | \$ 188,000 | \$ 2,613,000 | \$ 515,000 | \$ 716,685 | \$ 1,231,685 |
| 2026 | 290,000 | 66,750 | 356,750 | 710,000 | 531,500 | 1,241,500 |
| 2027 | 300,000 | 52,250 | 352,250 | 740,000 | 496,000 | 1,236,000 |
| 2028 | 235,000 | 37,250 | 272,250 | 780,000 | 459,000 | 1,239,000 |
| 2029 | 250,000 | 25,500 | 275,500 | 820,000 | 420,000 | 1,240,000 |
| 2030 | 260,000 | 13,000 | 273,000 | 835,000 | 379,000 | 1,214,000 |
| 2031 | - | - | - | 875,000 | 337,250 | 1,212,250 |
| 2032 | - | - | - | 925,000 | 293,500 | 1,218,500 |
| 2033 | - | - | - | 975,000 | 247,250 | 1,222,250 |
| 2034 | - | - | - | 1,020,000 | 198,500 | 1,218,500 |
| 2035 | - | - | - | 1,070,000 | 147,500 | 1,217,500 |
| 2036 | - | - | - | 1,125,000 | 94,000 | 1,219,000 |
| 2037 | - | - | - | 755,000 | 37,750 | 792,750 |
| TOTALS | \$ 3,760,000 | \$ 382,750 | \$ 4,142,750 | \$ 11,145,000 | \$ 4,357,935 | \$ 15,502,935 |

| Fiscal Year Ending June 30th | 2024A DASNY | | |
|------------------------------------|---------------------|-------------------|---------------------|
| | Principal | Interest | Total |
| | | | |
| 2025 | \$ 60,000 | \$ 85,526 | \$ 145,526 |
| 2026 | 85,000 | 63,500 | 148,500 |
| 2027 | 80,000 | 59,250 | 139,250 |
| 2028 | 85,000 | 55,250 | 140,250 |
| 2029 | 90,000 | 51,000 | 141,000 |
| 2030 | 90,000 | 46,500 | 136,500 |
| 2031 | 95,000 | 42,000 | 137,000 |
| 2032 | 100,000 | 37,250 | 137,250 |
| 2033 | 100,000 | 32,250 | 132,250 |
| 2034 | 110,000 | 27,250 | 137,250 |
| 2035 | 115,000 | 21,750 | 136,750 |
| 2036 | 120,000 | 16,000 | 136,000 |
| 2037 | 120,000 | 10,000 | 130,000 |
| 2038 | 80,000 | 4,000 | 84,000 |
| TOTALS | \$ 1,330,000 | \$ 551,526 | \$ 1,881,526 |

MATERIAL EVENT NOTICES

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

- (a) principal and interest payment delinquencies
- (b) non-payment related defaults, if material
- (c) unscheduled draws on debt service reserves reflecting financial difficulties
- (d) in the case of credit enhancement, if any, provided in connection with the issuance of the securities, unscheduled draws on credit enhancements reflecting financial difficulties
- (e) substitution of credit or liquidity providers, or their failure to perform
- (f) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701 TEB) or other material notices or determinations with respect to the tax status of the securities, or other material events affecting the tax status of the Note
- (g) modifications to rights of Note holders, if material
- (h) note calls, if material and tender offers
- (i) defeasances
- (j) release, substitution, or sale of property securing repayment of the Notes
- (k) rating changes
- (l) bankruptcy, insolvency, receivership or similar event of the School District
- (m) the consummation of a merger, consolidation, or acquisition involving the School District or the sale of all or substantially all of the assets of the School District, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material
- (n) appointment of a successor or additional trustee or the change of name of a trustee, if material
- (o) incurrence of a "financial obligation" (as defined 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 School District does not undertake to provide any notice with respect to credit enhancement added after the primary offering of the Notes.

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

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

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

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

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

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

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FORM OF BOND COUNSEL'S OPINION

July 24, 2025

Greene Central School District
Chenango, Broome and Cortland Counties
State of New York

Re: Greene Central School District, Chenango, Broome and Cortland Counties, New York
\$11,200,000 Bond Anticipation Notes, 2025

Ladies and Gentlemen:

We have been requested to render our opinion as to the validity of a \$11,200,000 Bond Anticipation Notes, 2025 (the "Obligation"), of the Greene Central School District, Chenango, Broome and Cortland Counties, New York (the "Obligor"), dated July 24, 2025, numbered 1, of the denomination of \$11,200,000, bearing interest at the rate of ___% per annum, payable at maturity, and maturing July 24, 2026.

We have examined:

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

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

In our opinion:

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

- (b) The Obligor has the power to comply with its covenants with respect to compliance with the Code as such covenants relate to the Obligation; provided, however, that the enforceability (but not the validity) of such covenants may be limited by any applicable bankruptcy, insolvency or other law now existing or hereafter enacted by said State or the Federal government affecting the enforcement of creditors' rights.
- (c) Interest on the Obligation is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, and is exempt from personal income taxes imposed by the State of New York and any political subdivision thereof (including The City of New York). Interest on the Obligation is not a specific preference item for purposes of the federal individual alternative minimum tax. We observe that interest on the Notes included in adjusted financial statement income of certain corporations is not excluded from the federal corporate alternative minimum tax. We express no opinion regarding other tax consequences related to the ownership or disposition of, or the amount, accrual or receipt of interest on, the Obligation.

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

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

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

Very truly yours,

/s/ ORRICK, HERRINGTON & SUTCLIFFE LLP

**GREENE CENTRAL SCHOOL DISTRICT
CHENANGO, BROOME AND CORTLAND COUNTIES, NEW YORK**

AUDITED FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2024

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

The District's independent auditor has not been engaged to perform, and has not performed, since the date of its report included herein, any procedures on the financial statements addressed in that report. The District's independent auditor also has not performed any procedures relating to this Official Statement.

Greene Central School District

**Financial Statements
As of June 30, 2024
Together With
Independent Auditor's Report**

GREENE CENTRAL SCHOOL DISTRICT

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INDEPENDENT AUDITOR'S REPORT

To the Board of Education
Greene Central School District
Greene, New York

Opinions

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

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

Basis for Opinions

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

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 Greene Central School District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, Schedules of Changes in the District's Total OPEB Liability and Related Ratios, Schedule of Revenues, Expenditures, and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual – General Fund, Schedule of District Contributions, and Schedule of District's Proportionate Share of the Net Pension Liability be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Greene Central School District's basic financial statements. The accompanying Schedule of Change from Adopted Budget to Final Budget and the Real Property Tax Limit – General Fund, Schedule of Project Expenditures – Capital Projects Fund, Net Investment in Capital Assets, Balance Sheet – Non-Major Governmental Funds, Statement of Revenues, Expenditures and Change in Fund Balance – Non-Major Governmental Funds and Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. *Code of Federal Regulations* 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 auditing standards generally accepted in the United States of America. In our opinion, the supplementary information, as listed above, is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 9, 2024, on our consideration of Greene Central School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Greene Central School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Greene Central School District's internal control over financial reporting and compliance.

Rochester, New York
October 9, 2024

GREENE CENTRAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024

The following is a discussion and analysis of Greene Central School District's (the "School District") financial performance for the fiscal year ended June 30, 2024. The section is a summary of the School District's financial activities based on currently known facts, decisions, or conditions. It is also based on both the government-wide and fund-based financial statements. The results of the current year are discussed in comparison with the prior year, with an emphasis placed on the current year. The Management Discussion and Analysis 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 expenses exceeded revenues by \$257,824 in 2024 compared to revenues exceeding expenses by \$2,593,461 in 2023.
- The District's total net position at the close of this fiscal year was \$34,711,566, compared to total net position of \$34,969,390 at the close of the previous fiscal year. The year ended net position was composed of \$6,777,690 of restricted, \$34,275,503 in net investment in capital assets, and \$6,341,627 in unrestricted deficit. Unrestricted net deficit is due mostly to the net other post employment benefit liability (OPEB) of \$11,145,214.
- General fund actual revenues were less than budgeted amounts by \$1,683,870, while actual expenditures and other financing uses were less than budgeted expenses by \$886,130.
- The School District invested \$692,378 in capital assets, and incurred depreciation and amortization expense of \$3,164,440 and \$192,560, respectively, ending the year with a decrease in net capital assets of \$2,664,622.
- The School District's total debt obligations decreased \$3,469,883 due to repayment of BAN's and schedule principal repayments on bond debt.
- The unassigned fund balance in the General Fund showed a decrease of \$919,410 to \$3,032,517. Total General Fund balance, including reserves, was \$8,844,000 at June 30, 2024, compared to \$9,651,910 at June 30, 2023.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of three parts: MD&A (this section), the basic financial statements, and required supplementary information. 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 operation in more detail than the District-wide statements. The Governmental Fund financial statements concentrate on the School District's most significant funds.
- The *governmental funds statements* tell how basic services such as regular and special education were financed in the *short term* as well as what remains for future spending.

The financial statements also include notes that explain some of the information in the statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the financial statements with a comparison of the School District's budget for the year, a Schedule of Changes in the School District's OPEB Liability and Related Ratios for the School District's unfunded actuarially determined liability for the postemployment benefits, and Schedules of School District contributions and proportionate share of net pension (asset)/liability.

GREENE CENTRAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024

OVERVIEW OF THE FINANCIAL STATEMENTS (Cont.)

The following figure summarizes the major features of the School District's financial statements, including the portion of the School District's activities they cover and the types of information they contain. The remainder of this overview section of MD&A highlights the structure and contents of each of the statements.

Major Features of the District-Wide and Fund Financial Statements

| | Fund Financial Statements | | |
|---|---|--|---|
| | District-Wide | Governmental Funds | Fiduciary Funds |
| Scope | Entire District (except fiduciary funds) | The activities of the School District that are not proprietary or fiduciary, such as special education and building maintenance | Instances in which the School District administers resources on behalf of someone else, such as scholarship programs and student activities monies |
| Required financial statements | •Statement of net position •Statement of activities | Balance sheet Statement of revenues, expenditures, and changes in fund balances | Statement of fiduciary net position Statement of changes in fiduciary net position |
| Accounting basis and measurement focus | Accrual accounting and economic resources focus | Modified accrual accounting and current financial focus | Accrual accounting and economic resources focus |
| Type of asset/ deferred outflows of resources/ liability/ deferred inflows of resources information | All assets, deferred outflows of resources, liabilities, and deferred inflows of resources both financial and capital, short-term and long-term | Generally, assets and deferred outflows of resources expected to be used up and liabilities that come due or available during the year or soon thereafter; no capital assets or long-term liabilities included | All assets, deferred outflows of resources, liabilities, and deferred inflows of resources, both short-term and long-term; funds do not currently contain capital assets, although they can |
| Type of inflow/outflow information | All revenues and expenses during year, regardless of when cash is received or paid | Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable | All additions and deductions during the year, regardless of when cash is received or paid |

District-Wide Statements

The district-wide statements report information about the School District as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the School District's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two district-wide statements report the School District's net assets and how they have changed. Net position – the difference between the School District's assets and liabilities – is one way to measure the School District's financial health or *position*.

- Over time, increases or decreases in the School District's net position are an indicator of whether its financial position is improving or deteriorating, respectively.
- To assess the School District's overall health, you need to consider additional non-financial factors such as changes in the School District's property tax base and the condition of school buildings and other facilities.

GREENE CENTRAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024

District-Wide Statements (Cont.)

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

Fund Financial Statements

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

- Some funds are required by State law and by bond covenants.
- The School District establishes other funds to control and to manage money for particular purposes (such as repaying its long-term debts) or to show that it is properly using certain revenues (such as Federal grants).

The District has two kinds of funds:

- **Governmental Funds** - Most of the School District's basic services are included in governmental funds, which generally focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year end that are available for spending. 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 statements, additional information at the bottom of the governmental funds statements explains the relationship (or differences) between them.
- **Fiduciary Funds** - The School District is the trustee, or fiduciary, for assets that belong to others, such as the student activities funds. The 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.

GREENE CENTRAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024

FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT AS A WHOLE

Summary of Condensed Statement of Net Position

| | <u>Beginning</u> | <u>Ending</u> | <u>Increase / (Decrease)</u> | <u>Percentage Change</u> |
|---|-----------------------------|-----------------------------|----------------------------------|------------------------------|
| <u>ASSETS</u> | | | | |
| Current and other assets | \$ 14,421,993 | \$ 14,060,556 | \$ (361,437) | -2.51% |
| Capital assets, net | 59,980,801 | 57,316,179 | (2,664,622) | -4.44% |
| TOTAL ASSETS | <u>74,402,794</u> | <u>71,376,735</u> | <u>(3,026,059)</u> | -4.07% |
| Deferred outflows of resources | 7,070,303 | 6,217,613 | (852,690) | -12.06% |
| TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES | <u>\$ 81,473,097</u> | <u>\$ 77,594,348</u> | <u>\$ (3,878,749)</u> | -4.76% |
| <u>LIABILITIES</u> | | | | |
| Long-term debt outstanding | \$ 8,480,277 | \$ 17,459,168 | \$ 8,978,891 | -105.88% |
| Other liabilities | 35,930,494 | 22,747,135 | (13,183,359) | 36.69% |
| TOTAL LIABILITIES | <u>44,410,771</u> | <u>40,206,303</u> | <u>(4,204,468)</u> | 9.47% |
| Deferred inflows of resources | 2,092,936 | 2,676,479 | 583,543 | -27.88% |
| TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES | <u>46,503,707</u> | <u>42,882,782</u> | <u>(3,620,925)</u> | 7.79% |
| <u>NET POSITION</u> | | | | |
| Net investment in capital assets | 33,470,242 | 34,275,503 | 805,261 | 2.41% |
| Restricted | 6,546,327 | 6,777,690 | 231,363 | 3.53% |
| Unrestricted | (5,047,179) | (6,341,627) | (1,294,448) | -25.65% |
| TOTAL NET POSITION | <u>34,969,390</u> | <u>34,711,566</u> | <u>(257,824)</u> | -0.74% |
| TOTAL LIABILITIES, DEFERRED INFLOWS AND NET POSITION | <u>\$ 81,473,097</u> | <u>\$ 77,594,348</u> | <u>\$ (3,878,749)</u> | 4.76% |

- The School District's total net position decreased 0.74% or \$257,824 for the year ended June 30, 2024.
- Total assets decreased by 4.07% due in large part annual depreciation and amortization on capital and right-of-use assets.
- Long-term debt outstanding increased 105.88% due to the issuance of bonds and the retirement of bond anticipation notes related to capital upgrades. The increase in long-term also corresponds to the decrease in other liabilities due to the retirement of the bond anticipation notes.
- Deferred inflows of resources increased 27.88% as a result of changes in actuarial assumptions and net difference between projected and actual earnings on pension plan investments related to NYSTRS and NYSERS pension plans, as well as changes in actuarial assumptions for the OPEB plan.

GREENE CENTRAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024

FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT AS A WHOLE (Cont.)

Changes in Net Position from Operating Results

| | <u>2023</u> | <u>2024</u> | <u>Increase / (Decrease)</u> | <u>Percentage Change</u> |
|------------------------------------|-----------------------------|-----------------------------|----------------------------------|------------------------------|
| <u>REVENUES:</u> | | | | |
| PROGRAM REVENUES: | | | | |
| Charges for services | \$ 325,084 | \$ 284,434 | \$ (40,650) | -12.50% |
| Operating grants and contributions | 4,140,338 | 3,130,194 | (1,010,144) | -24.40% |
| GENERAL REVENUES: | | | | |
| Real property taxes | 6,480,368 | 6,723,348 | 242,980 | 3.75% |
| Real property tax items | 956,104 | 913,765 | (42,339) | -4.43% |
| State sources | 20,564,846 | 21,067,214 | 502,368 | 2.44% |
| Use of money and property | 421,001 | 772,665 | 351,664 | 83.53% |
| Other general revenues | 789,532 | 399,050 | (390,482) | -49.46% |
| TOTAL REVENUES | <u>33,677,273</u> | <u>33,290,670</u> | <u>(386,603)</u> | -1.15% |
| <u>PROGRAM EXPENSES:</u> | | | | |
| General support | 5,532,641 | 6,286,110 | 753,469 | 13.62% |
| Instruction | 21,581,886 | 22,746,744 | 1,164,858 | 5.40% |
| Pupil transportation | 2,003,508 | 2,074,661 | 71,153 | 3.55% |
| Community | 17,065 | 10,533 | 6,532 | 38.28% |
| School lunch expenditures | 964,988 | 1,220,357 | 255,369 | 26.46% |
| Debt service - interest | 983,724 | 1,210,089 | 226,365 | 23.01% |
| TOTAL EXPENSES | <u>31,083,812</u> | <u>33,548,494</u> | <u>2,477,746</u> | 7.97% |
| Changes in net position | 2,593,461 | (257,824) | (2,851,285) | -109.94% |
| NET POSITION - BEGINNING | <u>32,375,929</u> | <u>34,969,390</u> | <u>2,593,461</u> | 8.01% |
| NET POSITION - ENDING | <u>\$ 34,969,390</u> | <u>\$ 34,711,566</u> | <u>\$ (257,824)</u> | -0.74% |

- Total revenues decreased 1.15% from the prior period due in large part to a decrease in funding from Education Stabilization Fund that was introduced in recent years.
- Total expenses increased 7.97% compared to the prior year due in large part to the increase in the cost associated with providing instruction caused by pensions and other post-employment benefit plans and the change in assumptions related to an increase in the associated liabilities.

GREENE CENTRAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024

FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT'S FUNDS (Cont.)

Statement of Revenues, Expenditures and Changes in Fund Balance

| | <u>Major Funds</u> | | <u>Non-Major Funds</u> | | | | <u>Total Governmental Funds</u> |
|--------------------------------|---------------------|------------------------|------------------------|-------------------------|--|-------------------------|---|
| | <u>General</u> | <u>Capital</u> | <u>Special Aid</u> | <u>School Lunch</u> | <u>Miscellaneous Special Revenue</u> | <u>Debt Service</u> | |
| FUND BALANCE (DEFICIT) | | | | | | | |
| AT JUNE 30, 2022 | \$ 8,462,283 | \$ (14,959,558) | \$ - | \$ 345,278 | \$ 194,781 | \$ 862,079 | \$ (5,095,137) |
| Revenues | 29,439,796 | - | 3,514,659 | 708,941 | 15,247 | 5,307 | 33,683,950 |
| Expenditures | (28,250,169) | (796,893) | (3,514,659) | (891,597) | (33,750) | - | (33,487,068) |
| Other financing sources (uses) | - | 1,136,945 | - | - | - | 183,532 | 1,320,477 |
| FUND BALANCE (DEFICIT) | | | | | | | |
| AT JUNE 30, 2023 | 9,651,910 | (14,619,506) | - | 162,622 | 176,278 | 1,050,918 | (3,577,778) |
| Revenues | 29,896,500 | - | 2,549,166 | 944,177 | 92,298 | 66,970 | 33,549,111 |
| Expenditures | (30,191,410) | (593,128) | (2,549,166) | (983,098) | (22,152) | - | (34,338,954) |
| Other financing sources (uses) | (513,000) | 14,174,100 | - | 13,000 | - | - | 13,674,100 |
| FUND BALANCE (DEFICIT) | | | | | | | |
| AT JUNE 30, 2024 | \$ 8,844,000 | \$ (1,038,534) | \$ - | \$ 136,701 | \$ 246,424 | \$ 1,117,888 | \$ 9,306,479 |

GENERAL FUND BUDGETARY HIGHLIGHTS

Over the course of the year, the Superintendent approves budgetary transfers that revise the School District's budget line items and the Board reviews the transfers. Typically, these budget amendments consist of budget transfers between functions, which do not increase the overall budget.

The School District received \$1,683,870 less in General Fund revenues and other financing sources than was budgeted. Expenditures and other financing uses were lower than the revised budget by \$1,386,129. Due in large part to budgeted interfund transfers into the general fund not being made during the year.

GREENE CENTRAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024

FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT'S FUNDS (Cont.)

| | <u>Original</u> | <u>Revised</u> | <u>Actual w/</u> | <u>Favorable</u> |
|------------------------------------|------------------------|------------------------|----------------------------|-----------------------------|
| | <u>Budget</u> | <u>Budget</u> | <u>Encumbrances</u> | <u>(Unfavorable)</u> |
| | | | | <u>Variance</u> |
| <u>REVENUES:</u> | | | | |
| Real property taxes | \$ 6,619,949 | \$ 6,619,949 | \$ 6,723,348 | \$ 103,399 |
| Other tax items | 1,005,000 | 1,005,000 | 913,765 | (91,235) |
| State sources | 21,620,514 | 21,620,514 | 21,067,214 | (553,300) |
| Federal sources | 125,000 | 125,000 | - | (125,000) |
| Other, including financing sources | 2,209,907 | 2,209,907 | 1,192,173 | (1,017,734) |
| TOTAL REVENUES | \$ 31,580,370 | \$ 31,580,370.0 | \$ 29,896,500 | \$ (1,683,870) |

PROGRAM EXPENSES:

| | | | | |
|-----------------------|----------------------|----------------------|----------------------|---------------------|
| General support | \$ 4,576,277 | \$ 4,783,259 | \$ 4,552,030 | \$ 231,229 |
| Instruction | 12,949,506 | 13,168,253 | 13,069,894 | 98,359 |
| Pupil transportation | 1,500,875 | 1,495,642 | 1,381,223 | 114,419 |
| Community | 19,700 | 19,700 | 9,472 | 10,228 |
| Employee benefits | 7,484,950 | 7,040,169 | 6,135,982 | 904,187 |
| Debt service | 5,049,062 | 5,087,162 | 5,042,809 | 44,353 |
| TOTAL EXPENSES | \$ 31,580,370 | \$ 31,594,185 | \$ 30,191,410 | \$ 1,402,775 |

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assts

At the year ended June 30, 2024, the School District had invested in a broad range of capital assets. Net capital assets decreased, primarily due to current year depreciation and amortization exceeding capital outlay. Depreciation and amortization expense amounted to \$3,164,440 and \$192,560 for the current year, respectively.

| | <u>Balance at</u> | <u>Balance at</u> | <u>Total</u> |
|------------------------------|-----------------------------|-----------------------------|-----------------------|
| | <u>June 30, 2023</u> | <u>June 30, 2024</u> | <u>Change</u> |
| Land | \$ 735,312 | \$ 735,312 | \$ - |
| Construction in progress | 4,793,911 | 4,887,704 | 93,793 |
| Buildings, net | 50,382,921 | 48,533,281 | (1,849,640) |
| Building improvements, net | 832,668 | 198,964 | (633,704) |
| Furniture and equipment, net | 2,849,583 | 2,577,072 | (272,511) |
| Intangible lease assets, net | 386,406 | 383,846 | (2,560) |
| | \$ 59,980,801 | \$ 57,316,179 | \$ (2,664,622) |

GREENE CENTRAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024

CAPITAL ASSETS AND DEBT ADMINISTRATION (Cont.)

Long-Term Debt

Summary of Outstanding Long-Term Debt

| | Total School District | |
|-----------------------|------------------------------|-----------------------------|
| | <u>June 30, 2023</u> | <u>June 30, 2024</u> |
| Serial bonds | \$ 11,138,185 | \$ 20,733,315 |
| Lease liabilities | 389,493 | 387,084 |
| Compensated absences | 1,554,970 | 1,521,200 |
| OPEB | 11,120,138 | 11,145,214 |
| Net pension liability | 2,180,837 | 1,581,786 |
| Total | <u>\$ 26,383,623</u> | <u>\$ 35,368,599</u> |

At June 30, 2024, the School District had long-term serial bonds outstanding of \$20,733,315 as compared to \$11,138,185 in the prior year. During the year, retirement of serial bonds debt amounted to \$2,800,000, issuance of bonds during the year totaled \$12,475,000, and the amortization of bond premiums totaled \$79,870. The constitutional debt limit for the district is contained in Section 104.00 of the Local Finance Law. The limit is 10% of the full value on the most recent tax roll. The debt limit for the district is \$36,126,455, which falls under the 2% debt contracting power.

FACTORS BEARING ON THE DISTRICT'S FUTURE

At the time these financial statements were prepared and audited, the District was aware of the following existing circumstances that could significantly affect its financial health in the future:

- Uncertainties regarding Aid from New York State may adversely affect the District's programs and financial position.
- The 2% tax cap may adversely affect the District's programs and financial position.

REQUEST FOR INFORMATION

This financial report is designed to provide a general overview of the District's finances for all those with an interest in its finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Business Office, Greene Central School District, 40 South Canal Street, Greene, New York 13778.

GREENE CENTRAL SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2024

ASSETS AND DEFERRED OUTFLOWS OF RESOURCES

ASSETS

Current Assets

| | |
|--|------------------|
| Cash and cash equivalents - unrestricted | \$ 4,756,315 |
| Cash and cash equivalents - restricted | 1,467,767 |
| State and federal aid receivable | 2,515,027 |
| Other receivables | 8,848 |
| Inventories | 17,961 |
| TOTAL CURRENT ASSETS | 8,765,918 |

Noncurrent Assets

| | |
|--|-------------------|
| Cash and cash equivalents - restricted | 5,294,638 |
| Capital assets not being depreciated | 5,623,016 |
| Depreciable capital assets, net | 51,309,317 |
| Right-of-use assets, net | 383,846 |
| TOTAL ASSETS | 71,376,735 |

DEFERRED OUTFLOWS OF RESOURCES

| | |
|---|------------------|
| Pensions | 4,858,288 |
| OPEB | 1,359,325 |
| TOTAL DEFERRED OUTFLOWS OF RESOURCES | 6,217,613 |

| | |
|--|----------------------|
| TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES | \$ 77,594,348 |
|--|----------------------|

The accompanying notes are an integral part of the basis financial statements

GREENE CENTRAL SCHOOL DISTRICT
STATEMENT OF NET POSITION (Continued)
JUNE 30, 2024

LIABILITIES

Current Liabilities

| | |
|---|-------------------------|
| Accounts payable | \$ 459,874 |
| Accrued liabilities | 781,937 |
| Due to other governments | 479,310 |
| Accrued interest payable | 83,627 |
| Bond anticipation notes payable | 1,920,277 |
| Unearned revenues | 79,992 |
| Due to employees' retirement system | 86,203 |
| Due to teachers' retirement system | 946,484 |
| Current portion of Long-Term Obligations: | |
| Bonds payable | 3,510,000 |
| Lease liabilities | 151,231 |
| TOTAL CURRENT LIABILITIES | <u>8,498,935</u> |

Noncurrent Liabilities

| | |
|---|--------------------------|
| Bonds payable | 17,223,315 |
| Lease liabilities | 235,853 |
| Compensated absences | 1,521,200 |
| Accrued post-employment benefit obligation | 11,145,214 |
| Net pension liability - proportionate share | 1,581,786 |
| TOTAL LIABILITIES | <u>40,206,303</u> |

DEFERRED INFLOWS OF RESOURCES

| | |
|--|-------------------------|
| Pensions | 1,500,576 |
| OPEB | 1,175,903 |
| TOTAL DEFERRED INFLOWS OF RESOURCES | <u>2,676,479</u> |

NET POSITION

| | |
|----------------------------------|--------------------------|
| Net investment in capital assets | 34,275,503 |
| Restricted | 6,777,690 |
| Unrestricted (Deficit) | (6,341,627) |
| TOTAL NET POSITION | <u>34,711,566</u> |

TOTAL LIABILITIES AND NET POSITION **\$ 77,594,348**

The accompanying notes are an integral part of the basis financial statements

GREENE CENTRAL SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2024

| | | Program Revenue | | | Net (Expense) Revenue and Changes in Net Position |
|------------------------------------|------------------------|-------------------------|---------------------|-------------------|--|
| | | Charges for Services | Operating Grants | Capital Grants | |
| <u>FUNCTIONS / PROGRAMS</u> | <u>Expenses</u> | | | | |
| General support | \$ 6,286,110 | \$ - | \$ - | \$ - | \$ (6,286,110) |
| Instruction | 22,746,744 | 188,772 | 2,290,726 | - | (20,267,246) |
| Pupil transportation | 2,074,661 | - | - | - | (2,074,661) |
| Community services | 10,533 | - | - | - | (10,533) |
| School lunch | 1,220,357 | 95,662 | 839,468 | - | (285,227) |
| Interest on debt | 1,210,089 | - | - | - | (1,210,089) |
| TOTAL FUNCTIONS | | | | | |
| AND PROGRAMS | \$ 33,548,494 | \$ 284,434 | \$ 3,130,194 | \$ - | (30,133,866) |

GENERAL REVENUES:

| | |
|-------------------------------|-------------------|
| Real property tax | 6,723,348 |
| Real property tax items | 913,765 |
| Use of money and property | 772,665 |
| Miscellaneous | 399,050 |
| State sources | 21,067,214 |
| TOTAL GENERAL REVENUES | 29,876,042 |

Change in net position (257,824)

Total net position - beginning of year, as previously stated 32,309,997

Adjustment to beginning balance (See Note 16) 2,659,393

Total net position - beginning of year, as restated 34,969,390

Total net deficit - end of year \$ 34,711,566

The accompanying notes are an integral part of the basis financial statements

GREENE CENTRAL SCHOOL DISTRICT
BALANCE SHEET – GOVERNMENTAL FUNDS
JUNE 30, 2024

| | General | Capital Projects | Total Non-Major Governmental Funds | Total Governmental Funds |
|-------------------------------------|----------------------|-----------------------------|---|---|
| <u>ASSETS</u> | | | | |
| Unrestricted cash | \$ 6,095,137 | \$ - | \$ 241,909 | \$ 6,337,046 |
| Restricted cash | 3,713,907 | 519,675 | 948,092 | 5,181,674 |
| State and federal aid receivable | 1,397,756 | - | 1,117,271 | 2,515,027 |
| Other receivables | 6,493 | - | 2,355 | 8,848 |
| Due from other funds | 1,197,196 | 871,036 | 693,625 | 2,761,857 |
| Inventories | - | - | 17,961 | 17,961 |
| TOTAL ASSETS | \$ 12,410,489 | \$ 1,390,711 | \$ 3,021,213 | \$ 16,822,413 |
| <u>LIABILITIES</u> | | | | |
| Accounts payable | \$ 204,003 | 28,551 | \$ 227,320 | \$ 459,874 |
| Accrued liabilities | 766,420 | - | 15,517 | 781,937 |
| Due to other funds | 1,084,244 | 480,417 | 1,197,196 | 2,761,857 |
| Due to other governments | 479,135 | - | 175 | 479,310 |
| Bond anticipation notes payable | - | 1,920,277 | - | 1,920,277 |
| Deferred revenues | - | - | 79,992 | 79,992 |
| Due to employees' retirement system | 86,203 | - | - | 86,203 |
| Due to teachers' retirement system | 946,484 | - | - | 946,484 |
| TOTAL LIABILITIES | 3,566,489 | 2,429,245 | 1,520,200 | 7,515,934 |
| <u>FUND BALANCE</u> | | | | |
| Non-spendable | - | - | 17,961 | 17,961 |
| Restricted | 5,294,638 | - | 1,483,052 | 6,777,690 |
| Assigned | 516,845 | - | - | 516,845 |
| Unassigned | 3,032,517 | (1,038,534) | - | 1,993,983 |
| TOTAL FUND BALANCE | 8,844,000 | (1,038,534) | 1,501,013 | 9,306,479 |
| TOTAL LIABILITIES, DEFERRED | | | | |
| INFLOWS AND FUND BALANCE | \$ 12,410,489 | \$ 1,390,711 | \$ 3,021,213 | \$ 16,822,413 |

The accompanying notes are an integral part of the basis financial statements

GREENE CENTRAL SCHOOL DISTRICT
RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
JUNE 30, 2024

Fund Balances - Total Governmental Funds **\$ 9,306,479**

Amounts reported for Governmental Activities in the Statement of Net Position are different because:

Capital assets, net of accumulated depreciation, are not current financial resources and are not reported in the funds:

| | |
|-------------------------------|--------------|
| Total historical cost | 97,187,225 |
| Total right-of-use assets | 962,800 |
| Less accumulated depreciation | (40,254,892) |
| Less accumulated amortization | (578,954) |

The District's proportionate share of the teacher and employee retirement system's net pension (liability) asset are not reported in the funds:

| | |
|---|-------------|
| TRS net pension liability - proportionate share | (576,963) |
| ERS net pension liability - proportionate share | (1,004,823) |

Deferred outflows of resources, including OPEB and pensions, represent a consumption of net position that applies to future periods and is not reported in the funds. Deferred inflows of resources, including OPEB and pensions, represent an acquisition of net position that applies to future periods and is not reported in the funds:

| | |
|---|-------------|
| Other post employment benefits deferred outflows of resources | 1,359,325 |
| Other post employment benefits deferred inflows of resources | (1,500,576) |
| ERS deferred outflows of resources - pension | 907,187 |
| ERS deferred inflows of resources - pension | (528,486) |
| TRS deferred outflows of resources - pension | 3,951,101 |
| TRS deferred inflows of resources - pension | (647,417) |

Long term liabilities, including bonds payable and bond premiums, are not due and payable in the current period and, therefore are not reported in the funds:

| | |
|---------------------|--------------|
| Bonds payable | (20,140,000) |
| Unamortized premium | (593,315) |
| Lease liabilities | (387,084) |

Certain accrued obligations and expenses reported in the Statement of Net Position do not require the use of current financial resources and, therefore, are not reported as liabilities in the funds:

| | |
|--|--------------|
| Accrued interest on obligations | (83,627) |
| Compensated absences | (1,521,200) |
| Other post employment benefits liability | (11,145,214) |

NET POSITION OF GOVERNMENTAL ACTIVITIES \$ 34,711,566

The accompanying notes are an integral part of the basis financial statements

GREENE CENTRAL SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES – GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2024

| | General | Capital Projects | Total Non-Major Governmental Funds | Total Governmental Funds |
|---|---------------------|-----------------------------|---|---|
| <u>REVENUES:</u> | | | | |
| Real property tax | \$ 6,723,348 | \$ - | \$ - | \$ 6,723,348 |
| Real property tax items | 913,765 | - | - | 913,765 |
| Use of money and property | 688,748 | - | 83,917 | 772,665 |
| Sale of property | 18,183 | - | - | 18,183 |
| Miscellaneous | 296,470 | - | 84,398 | 380,868 |
| State sources | 21,067,214 | - | 510,605 | 21,577,819 |
| Medicaid reimbursement | 188,772 | - | - | 188,772 |
| Federal sources | - | - | 2,876,764 | 2,876,764 |
| Sales - school lunch | - | - | 95,662 | 95,662 |
| TOTAL REVENUES | 29,896,500 | - | 3,651,346 | 33,547,846 |
| <u>EXPENDITURES:</u> | | | | |
| General support | 4,552,030 | - | - | 4,552,030 |
| Instruction | 13,069,894 | - | 2,198,509 | 15,268,403 |
| Pupil transportation | 1,381,223 | - | - | 1,381,223 |
| Community services | 9,472 | - | - | 9,472 |
| Employee benefits | 6,135,982 | - | 593,189 | 6,729,171 |
| Debt service: | | | | |
| Principal | 3,809,100 | - | - | 3,809,100 |
| Interest | 1,233,709 | - | - | 1,233,709 |
| Cost of sales | - | - | 761,453 | 761,453 |
| Capital outlays | - | 593,128 | - | 593,128 |
| TOTAL EXPENDITURES | 30,191,410 | 593,128 | 3,553,151 | 34,337,689 |
| Excess (deficiency) of revenues over expenditures | (294,910) | (593,128) | 98,195 | (789,843) |
| <u>OTHER FINANCING SOURCES (USES):</u> | | | | |
| BANs redeemed from appropriation | - | 1,009,100 | - | 1,009,100 |
| Proceeds of obligations | - | 190,000 | - | 190,000 |
| Bond proceeds | - | 12,475,000 | - | 12,475,000 |
| Operating transfers in | - | 500,000 | 13,000 | 513,000 |
| Operating transfers out | (513,000) | - | - | (513,000) |
| TOTAL OTHER FINANCING SOURCES (USES) | (513,000) | 14,174,100 | 13,000 | 13,674,100 |
| Excess (deficiency) of revenues and other sources over expenditures and other (uses) | (807,910) | 13,580,972 | 111,195 | 12,884,257 |
| Fund balance (deficit) - beginning of year | 9,651,910 | (14,619,506) | 1,389,818 | (3,577,778) |
| Fund balance (deficit) - end of year | \$ 8,844,000 | \$ (1,038,534) | \$ 1,501,013 | \$ 9,306,479 |

The accompanying notes are an integral part of the basis financial statements

GREENE CENTRAL SCHOOL DISTRICT
RECONCILIATION OF GOVERNMENTAL FUNDS STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2024

Net change in fund balances - Total governmental funds **\$12,884,257**

Amounts reported for governmental activities in the Statement of Net Position 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 expense. This is the amount by which capital outlay exceeded depreciation expense and disposals:

| | |
|--|-------------|
| Capital outlay, net of book value of disposals | 502,378 |
| Right-of-use assets acquired | 190,000 |
| Depreciation expense | (3,164,440) |
| Amortization expense | (192,560) |

Long-term debt proceeds provide current financial resources to Governmental Funds, but issuing debt, and the related premiums, increase long-term liabilities in the Statement of Net Position. Repayment of debt principal is an expenditure in the Governmental Funds, but the repayment reduces long-term liabilities in the Statement of Net Position. Additionally, certain expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the Governmental Funds. These include the change in accrued interest and the amortization of bond premiums:

| | |
|------------------------------------|--------------|
| Proceeds of bonds | (12,475,000) |
| Amortization of bond premiums | 79,870 |
| Proceeds of leases | (190,000) |
| Change in accrued interest payable | (56,250) |
| Principal payment - leases | 192,409 |
| Principal payment on bonds | 2,800,000 |

Long-term liabilities, such as those associated with employee benefits, are reported in the Statement of Net Position. Therefore, expenses which result in an (increase) or decrease in these long-term liabilities are not reflected in the Governmental Fund financial statements. In addition, changes in the School District's deferred outflows and deferred inflows of resources related to other post employment benefits do not affect current financial resources and are, also, not reported in the Governmental Funds:

| | |
|---|-----------|
| Other post employment benefit obligations | (234,526) |
| Compensated absences | 33,770 |

Change in the School District's proportionate share of the net pension assets and 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:

| | |
|-----|-----------|
| TRS | (464,479) |
| ERS | (163,253) |

CHANGES IN NET POSITION OF GOVERNMENTAL ACTIVITIES **\$ (257,824)**

The accompanying notes are an integral part of the basis financial statements

GREENE CENTRAL SCHOOL DISTRICT
STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2024

ASSETS

| | <u>Custodial Fund</u> |
|----------------------|----------------------------------|
| <u>ASSETS</u> | |
| Unrestricted cash | \$ 124,172 |
| TOTAL ASSETS | <u>\$ 124,172</u> |

LIABILITIES AND NET POSITION

| | |
|---|--------------------------|
| <u>NET POSITION</u> | |
| Unassigned | \$ 124,172 |
| TOTAL LIABILITIES AND NET POSITION | <u>\$ 124,172</u> |

The accompanying notes are an integral part of the basis financial statements

GREENE CENTRAL SCHOOL DISTRICT
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED JUNE 30, 2024

| | <u>Custodial Fund</u> |
|---------------------------------------|------------------------------|
| <u>ADDITIONS:</u> | |
| Extraclass cash receipts | \$ 185,697 |
| TOTAL ADDITIONS | <u>185,697</u> |
| <u>DEDUCTIONS:</u> | |
| Extraclass cash disbursements | <u>189,821</u> |
| TOTAL DEDUCTIONS | <u>189,821</u> |
| Change in net position | (4,124) |
| Net position - beginning of year | <u>128,296</u> |
| Net position - end of year | <u>\$ 124,172</u> |

The accompanying notes are an integral part of the basis financial statements

GREENE CENTRAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

Note 1 - Summary of Certain Significant Accounting Policies

The financial statements of the Greene Central School District (the "District") have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. Those principles are prescribed by the Governmental Accounting Standards Board (GASB), which is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Significant accounting principles and policies utilized by the District are described below:

Reporting Entity

The District is governed by the laws of New York State. The District is an independent entity governed by an elected Board of Education consisting of seven members. The President of the Board serves as the chief fiscal officer and the Superintendent is the chief executive officer. The Board is responsible for, and controls all activities related to public school education within the District. Board members have authority to make decisions, power to appoint management, and primary accountability for all fiscal matters.

The reporting entity of the District is based upon criteria set forth by GASB Statement No. 14, The Financial Reporting Entity, as amended by GASB Statement No. 39, Component Units. The financial reporting entity consists of the primary government, organizations for which the primary government is financially accountable and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The accompanying financial statements present the activities of the District. The District is not a component unit of another reporting entity. The decision to include a potential component unit in the District's reporting entity is based on several criteria including legal standing, fiscal dependency, and financial accountability. Based on the application of these criteria, the Extraclassroom Activity Funds are included in the District's reporting entity.

Extraclassroom Activity Funds - The Extraclassroom Activity Funds of the District represent funds of the students of the District. The Board of Education exercises general oversight of these funds. The Extraclassroom Activity Funds are independent of the School District with respect to its financial transactions and the designation of student management. The district accounts for assets held as an agent for various student organizations in the Custodial Fund. Separate audited financial statements (cash basis) of the Extraclassroom Activity Funds can be found at the District's business office.

Joint Venture

The District is a component district in the Delaware, Chenango, Madison and Otsego (DCMO) Board of Cooperative Education Services (BOCES). BOCES is a voluntary, cooperative association of school districts in a geographic area that share planning, services, and programs which provide educational and support activities. There is no authority or process by which a school district can terminate its status as a BOCES component.

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

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

GREENE CENTRAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

Note 1 - Summary of Certain Significant Accounting Policies (Continued)

During the year, the District was billed \$5,534,270 for BOCES administrative and program costs and a total of \$5,631,767 was paid to BOCES during the period. The District's share of BOCES aid amounted to \$2,230,413. Financial statements for BOCES are available from the BOCES Business Office, 142 Whaupanaucan Road, Norwich, New York, 13815.

Basis of Presentation:

District-Wide Statements

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

The Statement of Net Position presents the financial position of the School District at fiscal year-end. The Statement of Activities presents a comparison between program expenses and revenue for each function of the District's governmental activities. Direct expenses are those that are specifically associated with and are clearly identifiable to a particular function. Indirect expenses, principally employee benefits, are allocated to functional areas in proportion to the payroll expended for those areas. Program revenue includes 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. Revenue that is not classified as program revenue, including all taxes, is presented as general revenue.

Funds Statements

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

The District reports the following major governmental funds:

General Fund - This is the District's primary operating fund. It accounts for all financial transactions except those required to be accounted for in another fund.

Special Revenue Funds - These funds account for the proceeds of specific revenue sources, such as Federal and State Grants, that are legally restricted to expenditures for specified purposes. Special revenues funds include the following:

- **Special Aid Fund** - Used to account for proceeds received from State and Federal grants that are restricted for specific educational programs.
- **School Food Service Fund** - Used to account for child nutrition activities whose funds are restricted as to use.
- **Miscellaneous Special Revenue Fund** - Used to account for student scholarships whose funds are restricted as to use.

Capital Projects Fund - These funds are used to account for the financial resources used for acquisition, construction, or major repair of capital facilities. For these funds, each capital project is assessed to determine whether it is a major or non-major fund. Those capital projects that are determined to be major are reported in separate columns in the financial statements. Those that are determined to be non-major are reported in the supplemental schedules either separately or in the aggregate.

GREENE CENTRAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

Note 1 - Summary of Certain Significant Accounting Policies (Continued)

Funds Statements (Continued)

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

Fiduciary Funds

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

There is one class of fiduciary funds:

Custodial Fund – Assets are held by the District as agent for Extraclassroom Activity Funds.

Measurement Focus and Basis of Accounting

Accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

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

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

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

Property Taxes

Real property taxes are levied annually by the Board of Education no later than September 1 and become a lien on August 15. Taxes are collected during the period September 1 to November 1.

Uncollected real property taxes are subsequently enforced by the County in which the District is located (Chenango County for the District). The County pays an amount representing uncollected real property taxes transmitted to the County for enforcement to the District no later than the following April 1.

Restricted Resources

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

GREENE CENTRAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

Note 1 - Summary of Certain Significant Accounting Policies (Continued)

Interfund Transactions

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

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

The governmental funds report all interfund transactions as originally recorded. Interfund receivables and payables may be netted on the accompanying governmental funds balance sheet when it is the District's practice to settle these amounts at a net balance based upon the right of legal offset.

Refer to the notes to the financial statements for a detailed disclosure by individual fund for interfund receivables, payables, revenues, and expenditures activity.

Estimates

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

Subsequent Events

The District has evaluated events and transactions for potential recognition or disclosure in the financial statements through October 9, 2024 (the date the financial statements were available to be issued).

Cash and Cash Equivalents

The District's cash and cash equivalents consist of cash on hand, demand deposits, and short-term investments with original maturities of three months or less from date of acquisition.

New York State law governs the District's investment policies. Resources must be deposited in FDIC-insured commercial banks or trust companies located within the State. Permissible investments include obligations of the United States Treasury, United States Agencies, repurchase agreements and obligations of New York State or its localities.

Collateral is required for demand and time deposits and certificates of deposit not covered by FDIC insurance. Obligations that may be pledged as collateral are obligations of the United States and its agencies and obligations of the State and its municipalities and Districts. Investments are stated at fair value.

Receivables

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

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 that approximates market. Purchases of inventorial items in other funds are recorded as expenditures at the time of purchase, and are considered immaterial in amount.

GREENE CENTRAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

Note 1 - Summary of Certain Significant Accounting Policies (Continued)

Inventories and Prepaid Items (Continued)

Prepaid items represent payments made by the District for which benefits extend beyond year-end. These payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the district-wide and fund financial statements. These items are reported as assets on the statement of net position or balance sheet using the consumption method. A current asset for the prepaid amount is recorded at the time of purchase and an expense/expenditure is reported in the year the goods or services are consumed. These non-liquid assets (inventories and prepaid items) have been recognized as non-spendable fund balances to signify that a portion of fund balance is not available for other subsequent expenditures.

Capital Assets

Capital assets should be accounted for at historical (actual) cost or, if the cost is not practicably determinable, at estimated cost. The cost of the capital asset should include ancillary charges necessary to place the asset into use. Donated capital assets and capital assets acquired in a service concession arrangement should be recorded at acquisition value. Acquisition value is the price that would be paid to acquire an asset with equivalent service potential at the acquisition date, or the amount at which a liability could be liquidated with the counter party at the acquisition.

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

| | Capitalization Threshold | Depreciation Method | Estimated Useful Life |
|------------------------------------|-------------------------------------|--------------------------------|----------------------------------|
| Buildings and Improvements | \$ 5,000 | Straight-line | 20-30 years |
| Furniture, Equipment, and Vehicles | 5,000 | Straight-line | 4-20 years |

Deferred Outflows and Inflows of Resources

In addition to assets, the Statement of Net Position reports a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. The government has two items that qualify for reporting in this category. The first item is the District contributions to the pension systems (TRS and ERS Systems) and OPEB subsequent to the measurement date. The second item relates to OPEB reporting in the district wide Statement of Net Position. This represents the effect of the net change in the actual and expected experience.

In addition to liabilities, the Statement of Net Position or Balance Sheet reports a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position or fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has three items that qualify for reporting in this category. First arises only under a modified accrual basis of accounting and is reported as unavailable revenue – property taxes. The second item is related to pensions reported in the district-wide Statement of Net Position. This represents the effect of the net change in the District's proportion of the collective net pension liability (ERS System) and difference during the measurement periods between the District's contributions and its proportion share of total contributions to the pension systems not included in pension expense. The third item is revenues from grants received that have met all other eligibility requirements except those related to time restrictions. The fourth item is related to OPEB reported in the district-wide Statement of Net Position. This represents the effect of the net changes of assumptions or other inputs.

Leases

The District determines if an arrangement is or contains a lease at inception. The 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 District uses the rate implicit in the lease agreements. In some cases, the implicit rate is not easily determinable, and in these cases the District elects to use its incremental borrowing rate in calculating present value of lease payments.

GREENE CENTRAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

Note 1 - Summary of Certain Significant Accounting Policies (Continued)

Leases (Continued)

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

The 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 general support 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.

Deferred Revenues

The District reports unearned revenues on its Statement of Net Position and its Balance Sheet. On the Statement of Net Position, unearned revenue arises when resources are received by the District before it has legal claim to them, as when grant monies are received prior to incurrence of qualifying expenditures. In subsequent periods, when the District has legal claim to resources, the liability for unearned revenue is removed and revenue is recognized.

Compensated Absences

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

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

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

Consistent with GASB Statement No. 16, Accounting for Compensated Absences, the liability has been calculated using the vesting/termination method and an accrual for that liability is included in the district-wide financial statements. The compensated absences liability is calculated based on the pay rates in effect at year-end.

In the funds 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.

Other Benefits

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

In addition to providing pension benefits, the District provides post-employment health insurance coverage and survivor benefits to retired employees and their survivors in accordance with the provision of various employment contracts in effect at the time of retirement. Substantially all of the District's employees may become eligible for these benefits if they reach normal retirement age while working for the District. Health care benefits are provided through plans whose premiums are based on the benefits paid during the year. The District recognizes the cost of providing health insurance by recording its share of insurance premiums as an expenditure or an 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.

GREENE CENTRAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

Note 1 - Summary of Certain Significant Accounting Policies (Continued)

Short-Term Debt

The District may issue Bond Anticipation Notes (BAN), in anticipation of proceeds from the subsequent sale of bonds. These notes are recorded as current liabilities of the funds that will actually receive the proceeds from the issuance of bonds. State law requires that BAN's issued for capital purposes be converted to long-term financing within five years after the original issue date. The District issued \$790,227 in BANs for the year ended June 30, 2024.

Accrued Liabilities and Long-Term Obligations

Payables, accrued liabilities and long-term obligations are reported in the district-wide financial statements. In the governmental funds, payables and accrued liabilities are paid in a timely manner and in full from current financial resources. Claims and judgments, other post-employment benefits payable and compensated absences that will be paid from governmental funds, are reported as a liability in the fund financial statements only to the extent that they are due for payment in the current year. Bonds and other long-term obligations that will be paid from governmental funds are recognized as a liability in the fund financial statements when due.

Long-term obligations represent the District's future obligations or future economic outflows. The liabilities are reported as due in one year or due within more than one year in the Statement of Net Position.

Order of Use of Fund Balance

The District's policy is to apply expenditures against non-spendable fund balance, restricted fund balance, committed fund balance, assigned fund balance and unassigned fund balance at the end of the fiscal year. For all funds, non-spendable fund balances are determined first and then restricted fund balance. In the general fund, committed fund balance is determined next and then assigned. The remaining amounts are reported as unassigned. Assignments of fund balance cannot cause a negative unassigned fund balance.

Equity Classifications

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

Net investment in capital assets – consists of net capital assets (cost less accumulated depreciation) reduced by outstanding balances of related debt obligations from the acquisition, constructions or improvements of those assets.

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

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

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

Non-spendable - Includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. Non-spendable fund balance includes inventory in the School Lunch Fund of \$17,961.

Restricted - Includes amounts with constraints placed on the use of resources either externally imposed by creditors, grantors, contributors or law or regulations of other governments; or imposed by law through constitutional provisions or enabling legislation. The School District has established the following restricted fund balances:

GREENE CENTRAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

Note 1 - Summary of Certain Significant Accounting Policies (Continued)

Committed - Includes amounts that can only be used for the specific purposes pursuant to constraints imposed by formal action of the school districts highest level of decision making authorities, i.e., the Board of Education. The School District has no committed fund balances as of June 30, 2024.

Assigned - Includes amounts that are constrained by the District's intent to be used for specific purposes but are neither restricted nor committed. The purpose of the constraint must be narrower than the purpose of the general fund, and in funds other than the general fund, assigned fund balance represents the residual amount of fund balance. Assigned fund balance also includes an amount appropriated to partially fund the subsequent year's budget, as well as encumbrances not classified as restricted at the end of the fiscal year.

Unassigned - Includes all other General Fund amounts that do not meet the definition of the above four classifications and are deemed to be available for general use by the District. In funds other than the General Fund, the unassigned classification is used to report a deficit fund balance resulting from overspending for specific purposes for which amounts had been restricted or assigned.

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

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

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. Except for the Encumbrance Reserve, these reserve funds are established through board action or voter approval and a separate identity must be maintained for each reserve. Earnings on the invested resources become part of the respective reserve funds; however, separate bank accounts are not necessary for each reserve fund. Reserves currently in use by the School District include the following:

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

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

GREENE CENTRAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

Note 1 - Summary of Certain Significant Accounting Policies (Continued)

Retirement Contributions Reserve Fund - According to General Municipal Law §6-r, all expenditures made from the retirement contributions reserve fund must be used for financing retirement contributions to the New York State and Local Employees' Retirement System. This reserve is established by Board resolution and is funded by budgetary appropriation and such other reserves and funds that may be legally appropriated. The reserve must be accounted for separate and apart from all other funds and a detailed report of the operation and condition of the fund must be provided to the Board. This reserve is accounted for in the General Fund.

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

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

Tax Certiorari Reserve - According to Education Law §3651.1-a, expenditures made from the tax certiorari reserve fund must be used to pay an amount which might reasonably be deemed necessary to meet anticipated judgments and claims arising out of tax certiorari proceedings, however the total monies held in the reserve should not exceed this amount. The Board of Education, without voter approval, may expend from the fund as they deem it necessary. Any resources deposited to the reserve which are not expended for tax certiorari proceeds 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 the deposit of these monies. This reserve is accounted for in the General Fund.

Net Position/Fund Balance

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

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

GREENE CENTRAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

Note 2 - Explanation of Certain Differences between Governmental Fund Statements and District-Wide Statements

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

Total Fund Balances of Governmental Funds vs. Net Position of Governmental Activities

Total fund balance of the District's governmental funds differs from "net position" of governmental activities reported in the Statement of Net Position. This difference primarily results from the long-term economic focus of the Statement of Net Position versus the solely current financial resources focus of the governmental fund balance sheets, as applied to the reporting of capital assets and long-term liabilities, including pensions and other post-employment benefits.

Statement of Revenues, Expenditures and Changes in Fund Balance vs. Statement of Activities

Differences between the governmental funds Statements of Revenues, Expenditures and Changes in Fund Balance and the Statement of Activities fall into one of three broad categories. The amounts shown below represent:

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

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

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

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

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

Note 3 - Cash and Cash Equivalents

The District's aggregate bank balances of \$15,907,201 including certificates of deposit, were either insured or collateralized with securities held by the pledging financial institution in the District's name as required. Restricted cash and investments at June 30, 2024 consisted of the following:

| | |
|--------------------------------------|--------------|
| Restricted for Debt Service | \$ 424,263 |
| Restricted for Capital Projects | 519,675 |
| Restricted for School Lunch | 258,685 |
| Restricted for General Fund Reserves | 5,294,638 |
| Restricted for Debt Scholarships | 265,144 |
| | <hr/> |
| | \$ 6,762,405 |

GREENE CENTRAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

Note 3 - Cash and Cash Equivalents (Continued)

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 District's name.

The District participates in the New York Cooperative Liquid Asset Securities System (NYCLASS) local government investment pool. A separate financial report for NYCLASS is prepared in accordance with GASB Statement No. 31, Accounting and Financial Reporting for Certain Investments and for External Investment Pools. Copies of the report can be obtained from the NYCLASS website at newyorkclass.org.

NYCLASS measures its investments at fair value in accordance with Paragraph 41 of Statement 79 and Paragraph 11 of Statement 31, and therefore, a Participant's investment in NYCLASS is not required to be categorized within the fair value hierarchy of Paragraph 81a(2) of Statement 72.

NYCLASS is rated by S&P Global Ratings. The current rating is 'AAAm'.

The dollar weighted average days to maturity (WAM) of NYCLASS at December 31, 2022 is 49 days. Next interest rate reset dates for floating rate securities are used in the calculation of the WAM. The weighted average life (WAL) of NYCLASS at June 30, 2022 is 36 days. This is the most recent available data for WAL.

The U.S. Treasuries within the NYCLASS portfolio are backed by the full faith and credit of the United States Government and therefore do not require collateral. New York State Municipal Bonds within the portfolio are backed by the full faith and credit of the State of New York and therefore do not require collateral. The other permissible investment security types are collateralized in accordance with NYS GML Section 10 and the NYCLASS Investment Policy. Repurchase Agreements (repo) are collateralized 102% by either U.S. Treasuries or U.S. Agencies. Certificates of Deposit (CD) also require full collateral; currently NYCLASS CDs are being collateralized by Federal Home Loan Bank (FHLB) Letters of Credit (LOC).

Note 4 - Receivables

Receivables at year-end for individual major funds, including the applicable allowances for uncollectible accounts, are as follows (stated at net realizable value):

| Description | Governmental Activities | | | |
|----------------------------------|-------------------------|---------------------|------------------|---------------------|
| | General | Special Aid | School Lunch | Total |
| State and Federal aid receivable | \$ 1,397,756 | \$ 1,041,789 | \$ 75,482 | \$ 2,515,027 |
| Other receivables | 6,493 | - | 2,355 | 8,848 |
| Total | \$ 1,404,249 | \$ 1,041,789 | \$ 77,837 | \$ 2,523,875 |

GREENE CENTRAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

Note 5 – Interfund Balances and Activity

| | <u>Interfund Receivable</u> | <u>Interfund Payable</u> | <u>Interfund Revenues</u> | <u>Interfund Expenditures</u> |
|-----------------------|--|-------------------------------------|--------------------------------------|--|
| General Fund | \$ 1,197,196 | \$ 1,084,244 | \$ - | \$ 513,000 |
| Capital Projects Fund | 871,036 | 480,417 | 500,000 | - |
| Debt Service Fund | 693,625 | - | - | - |
| Non-Major Funds | <u>-</u> | <u>1,197,196</u> | <u>13,000</u> | <u>-</u> |
| Total | <u>\$ 2,761,857</u> | <u>\$ 2,761,857</u> | <u>\$ 513,000</u> | <u>\$ 513,000</u> |

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

The District also transfers funds from the Capital Reserve in the General Fund to Capital Projects Funds, as needed, to fund capital projects. The School District transfers funds as needed to subsidize the School Lunch Fund.

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

Note 6 – Capital Assets

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

| <u>Asset</u> | <u>Balance at June 30, 2023</u> | <u>Additions</u> | <u>Deletions</u> | <u>Balance at June 30, 2024</u> |
|---------------------------|--|--------------------------|----------------------------|--|
| Land | \$ 735,312 | \$ - | \$ - | \$ 735,312 |
| Buildings | 81,732,106 | - | - | 81,732,106 |
| Building improvements | 3,044,459 | - | - | 3,044,459 |
| Furniture and equipment | 6,683,486 | 408,585 | (304,427) | 6,787,644 |
| Construction in progress | 4,793,911 | 93,793 | - | 4,887,704 |
| Intangible lease assets | 972,800 | 190,000 | (200,000) | 962,800 |
| TOTAL FIXED ASSETS | <u>\$ 97,962,074</u> | <u>\$ 692,378</u> | <u>\$ (504,427)</u> | <u>\$ 98,150,025</u> |

| <u>Depreciation</u> | <u>Balance at June 30, 2023</u> | <u>Additions</u> | <u>Deletions</u> | <u>Balance at June 30, 2024</u> |
|----------------------------|--|-------------------------|-------------------------|--|
| Buildings | \$ 31,349,185 | \$ 1,849,640 | \$ - | 33,198,825 |
| Building improvements | 2,211,791 | 633,704 | - | 2,845,495 |
| Furniture and equipment | 3,833,903 | 681,096 | (304,427) | 4,210,572 |
| TOTAL DEPRECIATION | <u>37,394,879</u> | <u>3,164,440</u> | <u>(304,427)</u> | <u>40,254,892</u> |

| <u>Amortization</u> | <u>Balance at June 30, 2023</u> | <u>Additions</u> | <u>Deletions</u> | <u>Balance at June 30, 2024</u> |
|----------------------------|--|-------------------------|-------------------------|--|
| Intangible lease assets | \$ 586,394 | \$ 192,560 | \$ (200,000) | \$ 578,954 |
| TOTAL AMORTIZATION | <u>586,394</u> | <u>192,560</u> | <u>(200,000)</u> | <u>578,954</u> |

| | | | | |
|----------------------------------|-----------------------------|------------------------------|--------------------|-----------------------------|
| TOTAL CAPITAL ASSETS, NET | <u>\$ 59,980,801</u> | <u>\$ (2,664,622)</u> | <u>\$ -</u> | <u>\$ 57,316,179</u> |
|----------------------------------|-----------------------------|------------------------------|--------------------|-----------------------------|

GREENE CENTRAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

Note 6 – Capital Assets (Continued)

Depreciation expense charged to governmental functions as follows:

| | | |
|----------------------|-----------|-------------------------|
| General Support | \$ | 632,888 |
| Instruction | | 2,215,108 |
| Pupil Transportation | | 221,511 |
| School Lunch Program | | 94,933 |
| TOTAL | \$ | <u>3,164,440</u> |

Note 7 - Short-term Debt

The School District may issue revenue anticipation notes (RANs) and tax anticipation notes (TANs), in anticipation of the receipt of revenues. These notes are recorded as a liability of the fund that will actually receive the proceeds from the issuance of the notes. The RANs and TANs represent a liability that will be extinguished by the use of expendable, available resources of the fund. No RANs and TANs were issued or redeemed during the year.

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

| | <u>Beginning Balance</u> | <u>Additions</u> | <u>Deletions</u> | <u>Ending Balance</u> |
|---------------------------------|-------------------------------------|-------------------------|-------------------------|----------------------------------|
| BAN maturing 9/21/2023 at 4.39% | \$ 627,881 | \$ - | \$ (627,881) | \$ - |
| BAN maturing 6/28/2024 at 5.00% | 14,355,000 | - | (13,225,000) | 1,130,000 |
| BAN maturing 9/20/2024 at 4.45% | - | 790,277 | - | 790,277 |
| TOTAL BANS PAYABLE | \$ 14,982,881 | \$ 790,277 | \$ (13,852,881) | \$ 1,920,277 |

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

| | |
|---|--------------------------|
| Interest paid | \$ 726,171 |
| Less interest accrued in the prior year | (6,230) |
| Plus interest accrued in the current year | <u>27,288</u> |
| Total | <u>\$ 747,229</u> |

Note 8 - Long-Term Debt

Serial Bonds

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

GREENE CENTRAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

Note 8 - Long-Term Debt (Continued)

Serial Bond obligations are composed of the following at June 30, 2024:

| Serial Bonds | Issue Date | Final Maturity | Interest Rate | Balance |
|-------------------------|-------------------|-----------------------|----------------------|-----------------------------|
| 2014 Construction Bond | 6/2014 | 6/2029 | 2.00 - 3.25% | \$ 600,000 |
| DASNY - 2017A | 6/2017 | 6/2032 | 5.00% | 3,305,000 |
| Refunding - 2017 | 11/2017 | 6/2030 | 2.00 - 5.00% | 3,760,000 |
| 2024 Revenue Bond - EPC | 6/2024 | 6/2038 | 5.00% | 11,145,000 |
| 2024A Revenue Bond | 6/2024 | 6/2037 | 5.00% | 1,330,000 |
| | | | | <u>20,140,000</u> |
| Unamortized premiums | | | | <u>593,315</u> |
| Total | | | | <u>\$ 20,733,315</u> |

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

| | |
|---------------------------------------|--------------------------|
| Interest Paid | \$ 507,538 |
| Less Interest Accrued in Prior Year | (21,147) |
| Plus Interest Accrued in Current Year | 56,338 |
| Less Amortization of Premiums | <u>(88,019)</u> |
| | <u>\$ 454,710</u> |

The following is a summary of debt service requirements for bonds payable:

| Fiscal Year Ended June 30, | Principal | Interest | Total |
|---------------------------------------|-----------------------------|----------------------------|-----------------------------|
| 2025 | \$ 3,510,000 | \$ 1,173,661 | \$ 4,683,661 |
| 2026 | 1,620,000 | 822,800 | 2,442,800 |
| 2027 | 1,670,000 | 745,000 | 2,415,000 |
| 2028 | 1,600,000 | 664,700 | 2,264,700 |
| 2029 | 1,630,000 | 586,388 | 2,216,388 |
| 2030 - 2038 | 10,110,000 | 2,116,500 | 12,226,500 |
| Total | <u>\$ 20,140,000</u> | <u>\$ 6,109,049</u> | <u>\$ 26,249,049</u> |

Note 9 – Compensated Absences

Compensated absences represent the value of the earned and unused portion of the liability for compensated absences. This liability is liquidated from the General and School Lunch Funds. A summary of the 2023-2024 activity is as follows:

| | Balance at June 30, 2023 | Additions | Deletions | Balance at June 30, 2024 | Amounts Due Within One Year |
|----------------------|-------------------------------------|------------------|----------------------|-------------------------------------|--|
| Compensated absences | <u>\$ 1,554,970</u> | <u>\$ -</u> | <u>\$ (33,770.0)</u> | <u>\$ 1,521,200</u> | <u>\$ -</u> |

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.

GREENE CENTRAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

Note 10 – Lease Liabilities

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

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

| Description of Lease | Issue Date | Final Maturity | Discount Rate | Outstanding Jun 30, 2024 |
|---------------------------------|-----------------------|---------------------------|--------------------------|-------------------------------------|
| IPA Sched 413 | 7/1/2020 | 8/1/2024 | 5.00% | \$ 41,822 |
| IPA Sched 431 | 7/1/2021 | 8/1/2025 | 5.00% | 82,146 |
| IPA Sched 448 | 7/1/2022 | 8/1/2026 | 5.00% | 114,294 |
| IPA Sched 465 | 7/1/2023 | 8/1/2027 | 5.00% | 148,822 |
| Total | | | | \$ 387,084 |

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

| Year | Principal | Interest | Total |
|--------------|-------------------|------------------|-------------------|
| 2025 | \$ 152,677 | \$ 19,354 | \$ 172,031 |
| 2026 | 116,399 | 11,720 | 128,119 |
| 2027 | 78,039 | 5,901 | 83,940 |
| 2028 | 39,969 | 2,000 | 41,969 |
| Thereafter | - | - | - |
| Total | \$ 387,084 | \$ 38,975 | \$ 426,059 |

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

Plan Description

The District participates in the New York State Teachers' Retirement System (TRS) and the New York State and Local Employees' Retirement System (ERS). These are cost-sharing multiple employer public employee retirement systems. The 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.

Teachers' Retirement System (TRS)

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

GREENE CENTRAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

Note 11 - Pension Obligations – New York State and Local Employees’ Retirement System (ERS) and the New York State Teachers’ Retirement System (TRS) (the “System”) (Continued)

Employees’ Retirement System (ERS)

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

Summary of Significant Accounting Policies

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

Funding Policies

The Systems are noncontributory except for employees who joined after July 27, 1976, who contribute 3 percent of their salary for the first ten years of membership, and employees who joined on or after January 1, 2010 who generally contribute 3.0% to 3.5% of their salary for their entire length of service. In addition, employee contribution rates under ERS tier VI vary based on a sliding salary scale. For TRS, contribution rates are established annually by the New York State Teachers’ Retirement Board pursuant to Article 11 of the Education Law. For ERS, the Comptroller annually certifies the actuarially determined rates expressly used in computing the employers’ contributions for the ERS’ fiscal year ended March 31.

The District paid 100% of the required contributions as billed by the TRS and ERS for the current year and each of the two preceding years and were as follows:

| | <u>NYSERS</u> | <u>NYSTRS</u> |
|------|----------------------|----------------------|
| 2024 | \$ 296,909 | \$ 1,162,373 |
| 2023 | \$ 226,157 | \$ 742,140 |
| 2022 | \$ 295,567 | \$ 731,352 |

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

At June 30, 2024, the District reported the following liability for its proportionate share of the net pension liability for each of the Systems. The net pension liability was measured as of March 31, 2024 for ERS and June 30, 2023 for TRS. The total pension liability used to calculate of the net pension liability was based on a projection of the District’s long-term share of contributions to the Systems relative to the projects contributions of all participating members, actuarially determined.

GREENE CENTRAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

Note 11 - Pension Obligations – New York State and Local Employees’ Retirement System (ERS) and the New York State Teachers’ Retirement System (TRS) (the “System”) (Continued)

This information was provided by the ERS and TRS Systems in reports provided to the School District.

| | <u>ERS</u> | <u>TRS</u> |
|--|-------------------|-------------------|
| Actuarial Valuation Date | 4/1/2023 | 6/30/2022 |
| Net Pension Liability | \$ 14,724,050 | \$ 1,143,585 |
| District's Proportionate Share of the Plan's Total Net Pension Liability | 1,004,823 | 576,963 |
| District's Proportionate Share of the Net Pension Liability | 0.0068244% | 0.050452% |

For the year ended June 30, 2024, the districted recognized a pension expense of \$240,124 for ERS and \$954,290 for TRS. At June 30, 2024, the district's reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

| | <u>Deferred Outflows of Resources</u> | | <u>Deferred Inflows of Resources</u> | |
|---|--|----------------------------|---|--------------------------|
| | <u>ERS</u> | <u>TRS</u> | <u>ERS</u> | <u>TRS</u> |
| Differences between expected and actual experience | \$ 323,653 | \$ 1,398,982 | \$ 27,399 | \$ 3,457 |
| Changes of Assumptions | 379,901 | 1,242,184 | - | 270,727 |
| Net difference between projected and actual earnings on pension plan investments | - | 294,932 | 490,851 | - |
| Changes in proportion and differences between District contributions and proportionate share of contributions | 117,429 | 56,174 | 10,236 | 373,233 |
| District's contributions subsequent to the measurement date | 86,204 | 958,829 | - | - |
| TOTAL | <u>\$ 907,187</u> | <u>\$ 3,951,101</u> | <u>\$ 528,486</u> | <u>\$ 647,417</u> |

District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

| <u>Year Ended</u> | <u>ERS</u> | <u>TRS</u> |
|--------------------------|-------------------|-------------------|
| 2024 | \$ (153,660) | \$ 176,414 |
| 2025 | 226,000 | (348,898) |
| 2026 | 313,305 | 2,270,926 |
| 2027 | (93,148) | 123,131 |
| 2028 | - | 81,181 |
| Thereafter | - | 42,102 |

GREENE CENTRAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

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

Actuarial Assumptions

The total pension liability at March 31, 2024 was determined by using an actuarial valuation as of April 1, 2023, with update procedures used to roll forward total pension liability to March 31, 2024. The actuarial valuations used the following actuarial assumptions:

| | <u>ERS</u> | <u>TRS</u> |
|---------------------------|--|--|
| Measurement date | March 31, 2024 | June 30, 2023 |
| Actuarial Valuation date | April 1, 2023 | June 30, 2022 |
| Interest Rate | 5.90% | 6.95% |
| Inflation Rate | 2.90% | 2.90% |
| Salary scale | 4.40% | 4.40% |
| Cost of living adjustment | 1.50% | 1.50% |
| Decrement Tables | April 1, 2015 - March 31, 2020 System's experience | July 1, 2015 - June 30, 2020 System's experience |

For ERS, annuitant mortality rates are based on April 1, 2015 - March 31, 2020 System's experience with adjustments for mortality improvements based on MP-2021. For TRS, annuitant mortality rates are based on July 1, 2015 – June 30, 2020 System's experience with adjustments for mortality improvements based on Society of Actuaries Scale MP2021.

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

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 weighing the expected future real rates of return by each the target asset allocation percentage and by adding expected inflation.

GREENE CENTRAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

Note 11 - Pension Obligations – New York State and Local Employees’ Retirement System (ERS) and the New York State Teachers’ Retirement System (TRS) (the “System”) (Continued)

Actuarial Assumptions – (Continued)

Best estimates of the arithmetic real rates of return for each major asset class included in the target asset allocation are summarized below:

| | <u>ERS</u> | <u>TRS</u> |
|----------------------------------|----------------|---------------|
| Measurement date | March 31, 2024 | June 30, 2023 |
| <u>ASSET TYPE:</u> | | |
| Domestic equity | 4.00% | 4.30% |
| International equity | 6.65% | 6.85% |
| Private equity | 7.25% | 7.50% |
| Global equity | - | 0.00% |
| Real estate | 4.60% | 4.60% |
| Opportunistic/ARS portfolio | 5.25% | 5.38% |
| Credit | 5.40% | 5.43% |
| Real assets | 5.79% | 5.84% |
| Domestic fixed income securities | - | 1.50% |
| Fixed income | 1.50% | - |
| Cash | 0.25% | 0.00% |

Discount Rate

The discount rate used to calculate the total pension liability was 5.90% for ERS and 6.95% for TRS. The projection of cash flows used to determine the discount rate assumes that contribution from plan members will be made at the current contribution rates and that contributions from employers will be made statutorily required rates, actuarially. Based upon the assumptions, the Systems’ fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

GREENE CENTRAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

Note 11 - Pension Obligations – New York State and Local Employees’ Retirement System (ERS) and the New York State Teachers’ Retirement System (TRS) (the “System”) (Continued)

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

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

| | 1% Decrease 4.90% | Current Assumption 5.90% | 1% Increase 6.90% |
|--|----------------------------------|---|----------------------------------|
| ERS | | | |
| Employer's proportionate share of the net pension liability (asset) | \$ 3,159,265 | \$ 1,004,823 | \$ (794,584) |
| | | | |
| | 1% Decrease 5.95% | Current Assumption 6.95% | 1% Increase 7.95% |
| TRS | | | |
| Employer's proportionate share of the net pension liability (asset) | \$ 8,787,439 | \$ 576,963 | \$ (6,328,402) |

Pension Plan Fiduciary Net Position

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

| | ERS | TRS |
|---|----------------------|---------------------|
| Employers' total pension liability | \$ 240,696,851 | \$ 138,365,122 |
| Fiduciary net position | (225,972,801) | (137,221,537) |
| Employers' net position liability | <u>\$ 14,724,050</u> | <u>\$ 1,143,585</u> |
| Ration of fiduciary net position to the Employers' total pension liability (asset) | 93.88% | 99.17% |

Payables to the Pension Plan

For ERS, employer contributions are paid annually based on the System’s fiscal year which ends on March 31st. Accrued retirement contributions as of June 30, 2024 represent the projected employer contribution for the period of April 1, 2024 based on paid ERS wages multiplied by the employer’s contribution rate, by tier. Accrued retirement contributions, as of June 30, 2024, amounted to \$86,203.

For TRS, Employer and employee contributions for the fiscal year ended June 30, 2024 are paid to the System in September, October, and November 2024 through a state aid intercept. Accrued retirement contributions as of June 30, 2024 represent employee and employer contributions for the fiscal year ended June 30, 2024 based on TRS wages multiplied by the employer’s contribution rate, by tier and employee contributions for the fiscal year as reported to the TRS System. Accrued retirement contributions, as of June 30, 2024, amounted to \$946,484.

GREENE CENTRAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

Note 12 - Post-Employment (Health Insurance) Benefits Other Than Pensions

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 4 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 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 4 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.

Employees Covered by Benefit Terms

At June 30, 2024, the following employees were covered by the benefit terms:

| | |
|--|------------|
| Inactive employees or beneficiaries currently receiving benefit payments | 28 |
| Active employees | <u>159</u> |
| Total employees | <u>187</u> |

Total OPEB Liability

The District's total OPEB liability of \$11,145,214 was measured as of June 30, 2024 and was determined by an actuarial valuation as of July 1, 2023.

Actuarial Assumptions and Other Inputs

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

| | |
|-----------------------------|--|
| Long-Term Bond Rate | 3.93% |
| Single Discount Rate | 3.93% |
| Salary Scale | 2.40% |
| Rate of Inflation | 2.40% |
| Marital Assumption | 60.00% |
| Participation Rate | 100.00% |
| Healthcare Cost Trend Rates | 5.28% for 2021, decreasing to an ultimate rate of 4.1% in 55 years |

The discount rate was selected from a range of indices for 20-year tax-exempt general obligation municipal bonds as of July 1, 2023 (measurement date).

The actuarial assumptions used in the July 1, 2023 valuation were based on the results of an actuarial experience study for the period July 1, 2023.

GREENE CENTRAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

Note 12 - Post-Employment (Health Insurance) Benefits Other Than Pensions (Continued)

Changes in the Total OPEB Liability

| | |
|--|---------------------------------|
| Balance at June 30, 2023 | \$ 11,120,138 |
| <u>Changes for the year:</u> | |
| Service cost | 423,050 |
| Interest | 411,100 |
| Plan changes | - |
| Changes in assumptions or other inputs | (243,655) |
| Demographic gains or losses | - |
| Benefit payments | (565,419) |
| Net changes | <u>25,076</u> |
| Balance at June 30, 2024 | <u>\$ 11,145,214</u> |

Changes of assumptions and other inputs reflect a change in the discount rate from 3.54 percent in 2023 to 3.65 percent in 2024.

Sensitivity to the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.65 percent) or 1 percentage point higher (4.65 percent) than the current discount rate:

| | <u>1% Decrease</u> <u>(2.93%)</u> | <u>Discount</u> <u>Rate</u> <u>(3.93%)</u> | <u>1% Increase</u> <u>(4.93%)</u> |
|----------------------|--|---|--|
| Total OPEB Liability | \$ 12,035,106 | \$ 11,145,214 | \$ 10,311,459 |

Sensitivity to the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

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

| | <u>1% Decrease</u> | <u>Healthcare</u> <u>Cost trend rates</u> | <u>1% Increase</u> |
|----------------------|---------------------------|--|---------------------------|
| Total OPEB Liability | \$ 9,835,834 | \$ 11,145,214 | \$ 12,680,922 |

GREENE CENTRAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

Note 12 - Post-Employment (Health Insurance) Benefits Other Than Pensions (Continued)

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

For the year ended June 30, 2024, the District recognized OPEB expense of \$234,526. At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

| | Deferred Inflows of Resources | Deferred Outflows of Resources |
|---|--|---|
| Difference between expected and actual experience | \$ 654,749 | \$ 85,124 |
| Changes of assumptions or other inputs | 845,827 | 1,274,201 |
| | <u>\$ 1,500,576</u> | <u>\$ 1,359,325</u> |

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

| Fiscal Year Ending June 30, | Amount |
|--|---------------|
| 2025 | \$ (34,205) |
| 2026 | (64,756) |
| 2027 | (168,956) |
| 2028 | 16,266 |
| 2029 | 62,572 |
| Thereafter | 47,828 |

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.

Workers' Compensation

The School District participates in Workers' Compensation Alliance, a risk-sharing pool, to insure Workers' Compensation claims. This is a public entity risk pool created under Article 5 of the workers' Compensation Law, to finance liability and risks related workers' compensation claims. The School District's share of the liability for unbilled and open claims is unknown.

During the year ended June 30, 2024, the School District incurred premiums or contribution expenditures totaling \$101,771.

GREENE CENTRAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

Note 13 - Commitments and Contingencies (Continued)

Health Insurance

The School District incurs costs related to an employee health insurance plan (Plan) sponsored by the Broome-Tioga Health Insurance Consortium. The Plan's objectives are to formulate, develop, and administer a program of insurance to obtain lower costs for that coverage and to develop a comprehensive loss control program. Plan members include 15 school districts and one BOCES, with the School District bearing a proportionate share of the Plan's assets and claims liabilities. Plan members are subject to a supplemental assessment in the event of deficiencies. If the Plan's assets were to be exhausted, members would be responsible for the Plan's liabilities.

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

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

During the year ended June 30, 2024, the School District incurred premiums or contribution expenditures totaling \$5,010,336.

Other Items

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

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

Note 14 – Stewardship, Compliance and Accountability

Deficit Net Position

At June 30, 2024, the District-wide Statement of Net Position had an unrestricted deficit of \$6,341,627. This is a result of the requirement to record other postemployment benefit liability with no requirement or mechanism to fund this liability (see Note 12). The deficit is not expected to be eliminated during the normal course of operations.

Deficit Unassigned Fund Balance

At June 30, 2024 the Capital Projects Fund had an unassigned fund balance deficit of \$1,038,534. The deficit is expected to be eliminated as the School District finances capital projects with long term debt.

GREENE CENTRAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

Note 15 – Fund Balance Detail

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

| | <u>General Fund</u> | <u>Non-Major Funds</u> |
|--|--------------------------------|-----------------------------------|
| Nonspendable | | |
| Inventory | \$ - | \$ 17,961 |
| Total Nonspendable Fund Balance | <u>\$ -</u> | <u>\$ 17,961</u> |
| Restricted | | |
| Retirement Contribution Reserve - ERS | \$ 1,177,705 | \$ - |
| Retirement Contribution Reserve - TRS | 568,653 | - |
| Unemployment Insurance Reserve | 112,242 | - |
| Tax Certiorari Reserve | 71,143 | - |
| Employee Benefit Accrued | | |
| Liability Reserve | 2,814,895 | - |
| Capital Reserve | 550,000 | - |
| School Lunch | - | 118,740 |
| Scholarships | - | 246,424 |
| Debt | - | 1,117,888 |
| Total Restricted Fund Balance | <u>\$ 5,294,638</u> | <u>\$ 1,483,052</u> |
| Assigned | | |
| Appropriated for Next Year's Budget | \$ 516,845 | \$ - |
| Total Assigned Fund Balance | <u>\$ 516,845</u> | <u>\$ -</u> |

Note 16 – Adjustment to Beginning Balance

During the year ended June 30, 2024, the District noticed that its beginning government wide net position was incorrectly stated as of July 1, 2023 due to capital assets acquired in prior periods that were not included in the government wide statement of net position. As a result, the District increased the book value of their capital assets and the beginning net position by \$2,659,393.

* * * * *

GREENE CENTRAL SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL – GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2024

| | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Favorable (Unfavorable)</u> |
|--|-----------------------------|-----------------------------|-----------------------------|------------------------------------|
| <u>REVENUES:</u> | | | | |
| <u>LOCAL SOURCES:</u> | | | | |
| Real property taxes | \$ 6,619,949 | \$ 6,619,949 | \$ 6,723,348 | \$ 103,399 |
| Real property tax items | 1,020,000 | 1,020,000 | 913,765 | (106,235) |
| Use of money and property | 435,000 | 435,000 | 688,748 | 253,748 |
| Sale of property | - | - | 18,183 | 18,183 |
| Miscellaneous | 160,000 | 160,000 | 296,470 | 136,470 |
| | <u>8,234,949</u> | <u>8,234,949</u> | <u>8,640,514</u> | <u>405,565</u> |
| Total Local Sources | | | | |
| | <u>8,234,949</u> | <u>8,234,949</u> | <u>8,640,514</u> | <u>405,565</u> |
| State Sources | 21,707,378 | 21,707,378 | 21,067,214 | (640,164) |
| Medicaid Reimbursement | 125,000 | 125,000 | 188,772 | 63,772 |
| TOTAL REVENUES | <u>30,067,327</u> | <u>30,067,327</u> | <u>29,896,500</u> | <u>(170,827)</u> |
| <u>OTHER FINANCING SOURCES:</u> | | | | |
| Operating transfers in | 1,513,043 | 1,513,043 | - | (1,513,043) |
| TOTAL OTHER FINANCING SOURCES | <u>1,513,043</u> | <u>1,513,043</u> | <u>-</u> | <u>(1,513,043)</u> |
| TOTAL REVENUES AND OTHER FINANCING SOURCES | <u>31,580,370</u> | <u>31,580,370</u> | <u>\$ 29,896,500</u> | <u>\$ (1,683,870)</u> |
| <u>APPROPRIATED FUND BALANCE:</u> | | | | |
| Prior year designated fund balance | <u>527,015</u> | <u>527,015</u> | | |
| TOTAL REVENUES, OTHER SOURCES AND APPROPRIATED FUND BALANCE | <u>\$ 32,107,385</u> | <u>\$ 32,107,385</u> | | |

GREENE CENTRAL SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL – GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2024

| EXPENDITURES: | Original Budget | Final Budget | Actual | Encumbrances | Variance |
|--|----------------------------|-------------------------|---------------------|---------------------|-------------------|
| <u>GENERAL SUPPORT:</u> | | | | | |
| Board of education | \$ 12,788 | \$ 13,587 | \$ 12,456 | \$ - | \$ 1,131 |
| Central administration | 244,911 | 273,314 | 263,956 | - | 9,358 |
| Finance | 508,418 | 518,001 | 509,713 | - | 8,288 |
| Staff | 174,945 | 182,218 | 170,027 | - | 12,191 |
| Central services | 2,895,598 | 3,033,917 | 2,833,737 | - | 200,180 |
| Special items | 739,617 | 762,222 | 762,141 | - | 81 |
| TOTAL GENERAL SUPPORT | 4,576,277 | 4,783,259 | 4,552,030 | - | 231,229 |
| <u>INSTRUCTION:</u> | | | | | |
| Instruction, administration and improvement | 700,852 | 749,121 | 740,530 | - | 8,591 |
| Teaching - regular school | 6,893,306 | 6,667,646 | 6,643,305 | - | 24,341 |
| Programs for children with disabilities | 3,073,498 | 3,228,351 | 3,209,938 | - | 18,413 |
| Occupational education | 735,654 | 756,532 | 756,208 | - | 324 |
| Teaching - special schools | 46,255 | 73,970 | 53,862 | - | 20,108 |
| Instructional media | 544,898 | 647,420 | 634,806 | - | 12,614 |
| Pupil services | 955,043 | 1,045,213 | 1,031,245 | 3,645 | 10,323 |
| TOTAL INSTRUCTION | 12,949,506 | 13,168,253 | 13,069,894 | 3,645 | 94,714 |
| Pupil transportation | 1,500,875 | 1,495,642 | 1,381,223 | - | 114,419 |
| Community service | 19,700 | 19,700 | 9,472 | - | 10,228 |
| Employee benefits | 7,484,950 | 7,040,169 | 6,135,982 | - | 904,187 |
| <u>DEBT SERVICE:</u> | | | | | |
| Debt service - principal | 3,831,250 | 3,809,100 | 3,809,100 | - | - |
| Debt service - interest | 1,217,812 | 1,265,062 | 1,233,709 | - | 31,353 |
| TOTAL DEBT SERVICE | 5,049,062 | 5,074,162 | 5,042,809 | - | 31,353 |
| TOTAL EXPENDITURES | 31,580,370 | 31,581,185 | 30,191,410 | 3,645 | 1,386,130 |
| <u>OTHER FINANCING USES:</u> | | | | | |
| Operating transfers out | - | 13,000 | 513,000 | - | (500,000) |
| TOTAL EXPENDITURES AND OTHER FINANCING USES | \$ 31,580,370 | \$ 31,594,185 | 30,704,410 | \$ 3,645 | \$ 886,130 |
| Net change in fund balance | | | (807,910) | | |
| Fund balance - beginning of year | | | 9,651,910 | | |
| Fund balance - end of year | | | \$ 8,844,000 | | |

GREENE CENTRAL SCHOOL DISTRICT
SCHEDULE OF DISTRICT'S CONTRIBUTIONS
NYSLRS AND NYSTRS PENSION PLANS
FOR THE YEAR ENDED JUNE 30, 2024

| <u>Employees' Retirement System</u> | <u>2024</u> | <u>2023</u> | <u>2022</u> | <u>2021</u> | <u>2020</u> | <u>2019</u> | <u>2018</u> | <u>2017</u> | <u>2016</u> |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Contractually required contribution | \$ 296,909 | \$ 226,157 | \$ 295,567 | \$ 263,132 | \$ 275,582 | \$ 270,741 | \$ 291,643 | \$ 255,792 | \$ 279,910 |
| Contributions in relation to the contractually required contribution | \$ (296,909) | \$ (226,157) | (295,567) | (263,132) | (275,582) | (270,741) | (291,643) | (255,792) | (279,910) |
| Contribution deficiency (excess) | - | - | - | - | - | - | - | - | - |
| District's covered-employee payroll | \$ 2,566,102 | \$ 2,506,369 | \$ 2,093,214 | \$ 1,987,521 | \$ 2,052,897 | \$ 1,537,150 | \$ 1,537,150 | \$ 1,550,455 | \$ 1,506,778 |
| Contributions as a percentage of covered-employee payroll | 11.57% | 9.02% | 14.12% | 13.24% | 13.42% | 17.61% | 18.97% | 16.50% | 18.58% |
| | | | | | | | | | |
| <u>Teachers' Retirement System</u> | <u>2024</u> | <u>2023</u> | <u>2022</u> | <u>2021</u> | <u>2020</u> | <u>2019</u> | <u>2018</u> | <u>2017</u> | <u>2016</u> |
| Contractually required contribution | \$ 1,639,441 | \$ 876,529 | \$ 742,140 | \$ 731,352 | \$ 670,524 | \$ 782,760 | \$ 701,283 | \$ 850,774 | \$ 904,612 |
| Contributions in relation to the contractually required contribution | \$(1,639,441) | \$ (876,529) | \$ (742,140) | \$ (731,352) | \$ (670,524) | \$ (782,760) | \$ (701,283) | \$ (850,774) | \$ (904,612) |
| Contribution deficiency (excess) | - | - | - | - | - | - | - | - | - |
| District's covered-employee payroll | \$ 8,715,852 | \$ 7,800,043 | \$ 7,572,857 | \$ 7,674,208 | \$ 6,313,785 | \$ 7,370,621 | \$ 7,155,949 | \$ 7,259,164 | \$ 6,822,115 |
| Contributions as a percentage of covered-employee payroll | 18.81% | 11.24% | 9.80% | 9.53% | 10.62% | 10.62% | 9.80% | 11.72% | 13.26% |

GREENE CENTRAL SCHOOL DISTRICT
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF THE
NET PENSION (ASSET)/LIABILITY
NYSLRS AND NYSTRS PENSION PLANS
FOR THE YEAR ENDED JUNE 30, 2024

| <u>Employees' Retirement System</u> | <u>2024</u> | <u>2023</u> | <u>2022</u> | <u>2021</u> | <u>2020</u> | <u>2019</u> | <u>2018</u> | <u>2017</u> | <u>2016</u> |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| District's proportion of the net pension liability (asset) | 0.0068244% | 0.0063447% | 0.0058806% | 0.0055790% | 0.0060330% | 0.0061323% | 0.0063652% | 0.0058752% | 0.0058725% |
| District's proportionate share of the net pension liability (asset) | \$ 1,004,823 | \$ 820,280 | \$ (480,711) | \$ 5,555 | \$ 1,597,566 | \$ 434,490 | \$ 205,434 | \$ 552,042 | \$ 942,557 |
| District's covered-employee payroll | \$ 2,566,102 | \$ 2,506,369 | \$ 2,121,910 | \$ 1,770,678 | \$ 2,027,484 | \$ 1,950,578 | \$ 2,070,876 | \$ 1,727,847 | \$ 1,634,980 |
| District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll | 39.16% | 32.73% | 22.65% | 0.31% | 78.80% | 22.27% | 9.92% | 31.95% | 57.65% |
| Plan Fiduciary Net Position as a Percentage of the Total Pension (Asset)/Liability | 93.88% | 90.78% | 103.7% | 99.9% | 86.4% | 96.3% | 98.2% | 94.7% | 90.7% |
| <u>Teachers' Retirement System</u> | <u>2024</u> | <u>2023</u> | <u>2022</u> | <u>2021</u> | <u>2020</u> | <u>2019</u> | <u>2018</u> | <u>2017</u> | <u>2016</u> |
| District's proportion of the net pension liability (asset) | 0.050452% | 0.0427480% | 0.0438660% | 0.0437910% | 0.0440190% | 0.0439320% | 0.0435620% | 0.0457840% | 0.0443080% |
| District's proportionate share of the net pension liability (asset) | \$ 576,963 | \$ 820,280 | \$ (7,601,487) | \$ 1,210,052 | \$ (1,143,628) | \$ (794,397) | \$ (331,116) | \$ 490,362 | \$ (4,602,230) |
| District's covered-employee payroll | \$ 8,715,852 | \$ 7,572,857 | \$ 7,674,208 | \$ 6,220,113 | \$ 7,370,621 | \$ 7,155,946 | \$ 7,259,164 | \$ 6,822,115 | \$ 6,655,721 |
| District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll | 6.62% | 10.83% | 99.05% | 19.45% | 15.52% | 11.10% | 4.56% | 7.19% | 69.15% |
| Plan Fiduciary Net Position as a Percentage of the Total Pension (Asset)/Liability | 99.17% | 98.57% | 113.2% | 97.8% | 102.2% | 101.5% | 101.7% | 99.0% | 110.5% |

GREENE CENTRAL SCHOOL DISTRICT
SCHEDULE OF CHANGES IN THE DISTRICT'S TOTAL OPEB LIABILITY AND RELATED RATIOS FOR THE LAST 10 FISCAL YEARS
FOR THE YEAR ENDED JUNE 30, 2024

| Measurement date | June 30, 2024 | June 30, 2023 | June 30, 2022 | June 30, 2021 | June 30, 2020 | June 30, 2019 |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Total OPEB Liability: | | | | | | |
| Service cost | \$ 423,050 | \$ 395,639 | \$ 567,297 | \$ 550,675 | \$ 494,532 | \$ 537,805 |
| Interest | 411,100 | 387,998 | 264,363 | 273,408 | 398,828 | 324,940 |
| Changes of benefit terms | - | (703,625) | (131,982) | - | - | 24,288 |
| Differences between expected and actual experience | - | (656,052) | - | (349,957) | - | 385,574 |
| Changes of assumptions or other inputs | (243,655) | 1,436,603 | (1,188,632) | 63,302 | 671,789 | (108,699) |
| Benefit payments | (565,419) | (605,099) | (632,765) | (739,513) | (549,708) | (564,596) |
| Net change in total OPEB liability | 25,076 | 255,464 | (1,121,719) | (202,085) | 1,015,441 | 599,312 |
| Total OPEB - beginning | 11,120,138 | 10,864,674 | 11,986,393 | 12,188,478 | 11,173,037 | 10,573,725 |
| Total OPEB - ending | \$ 11,145,214 | \$ 11,120,138 | \$ 10,864,674 | \$ 11,986,393 | \$ 12,188,478 | \$ 11,173,037 |
| Covered payroll | \$ 7,377,767 | \$ 7,377,767 | \$ 8,075,435 | \$ 8,075,435 | \$ 8,591,100 | \$ 8,591,100 |
| Total OPEB liability as a percentage of covered payroll | 151.06% | 150.72% | 134.54% | 148.43% | 141.87% | 130.05% |
| Discount rate | 3.65% | 3.65% | 3.54% | 2.16% | 2.21% | 3.50% |

NOTE: GASB 75 information supporting this disclosure became available in 2018, therefore only the last six fiscal years have been disclosed.

GREENE CENTRAL SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2024

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.

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, Miscellaneous Special Revenue Fund, and School Lunch). Budgetary controls for the Special Aid Fund are established in accordance with the applicable grant agreements. Special Aid grants may also cover a period other than the School District's fiscal year. Budgetary controls for School Lunch Fund are established internally.

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

No adjustment is necessary to convert excess of revenues and other sources over expenditures and other uses on the U.S. GAAP basis to the budget basis. Encumbrances, if present, are presented in a separate column and are not included in the actual results at June 30, 2024.

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

From July 1, 2020 to July 1, 2022, overall membership decreased from 220 to 187. The number of active members decreased from 183 to 159, and the number of inactive members decreased from 37 to 28. The average age of active members decreased slightly from 48.6 to 48.0, and the average age of retired members decreased from 61.6 to 61.3.

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 a decrease in the accrued liability of \$0.5 million (4.6%).

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. This increased the accrued liability by \$1.4 million (13.4%) after the inclusion of all assumption changes described above.

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

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

GREENE CENTRAL SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2024

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.

Changes of Assumptions

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

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

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

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

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 expected gain using the assumed investment rate of return. |
| Inflation | 2.9% |
| Salary Scale | 4.4% in ERS, indexed by service. |
| Investment Rate of Return | 6.8% compounded annually, net of investment expenses, including inflation. |
| Cost of Living Adjustments | 1.5% Annually |

GREENE CENTRAL SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2024

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

Effective with the 2019 actuarial valuation, an increase in the New York State Governor's salary limit from \$179,000 to \$200,000 per annum went into effect, impacting Tier 6 members. The Governor's salary limit may ultimately increase to \$250,000, phased in over the next two years.

Changes of Assumptions

Actuarial assumptions are revised periodically to more closely reflect 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 2021 determination of the Total Pension 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 7.5%. 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 2.2%, effective with the 2019 actuarial valuation. 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 The System's assumed annual inflation rate is 2.4% for 2021 and 2.2% 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 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 is changed from MP2014 to MP2018. 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 MP-2014 to MP-2018.

Methods and Assumptions Used in Calculations of Actuarially Determined Contributions

The actuarially determined contribution rates in the Schedule of School Districts' Contributions are calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported. Unless otherwise noted above, the following actuarial methods and assumptions were used to determine contribution rates reported in the Schedule of the School Districts' Contributions.

GREENE CENTRAL SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2024

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)

Methods and Assumptions Used in Calculations of Actuarially Determined Contributions (Continued)

| | |
|-----------------------|---|
| 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 Period | 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 20.0% per year, until fully recognized after five years. |
|------------------------|--|

| | |
|-----------|------|
| Inflation | 2.9% |
|-----------|------|

| | |
|--------------|--|
| Salary Scale | Rates of increase differ based on service. They have been calculated based upon recent NYSTRS member experience. |
|--------------|--|

| <u>Service</u> | <u>Rate</u> |
|----------------|-------------|
| 5 | 4.72% |
| 15 | 3.46% |
| 25 | 2.37% |
| 35 | 1.90% |

| | |
|---------------------------|---|
| Investment Rate of Return | 6.95% compounded annually, net of investment expenses, including inflation. |
|---------------------------|---|

| | |
|----------------------------|---------------------------|
| Cost of Living Adjustments | 1.5% compounded annually. |
|----------------------------|---------------------------|

GREENE CENTRAL SCHOOL DISTRICT
SCHEDULE OF CHANGE FROM ADOPTED BUDGET TO FINAL BUDGET
AND THE REAL PROPERTY TAX LIMIT – GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2024

CHANGE FROM ADOPTED BUDGET TO FINAL BUDGET

| | |
|---------------------------|-----------------------------|
| Adopted Budget | \$ 31,580,370 |
| Additions: | |
| Prior year's encumbrances | <u>13,815</u> |
| Final Budget | <u>\$ 31,594,185</u> |

SECTION 1318 OF REAL PROPERTY TAX LAW LIMIT CALCULATION

| | |
|---|----------------------|
| 2024 - 25 voter approved expenditure budget | <u>\$ 32,084,906</u> |
| Maximum allowed (4% of 2023 - 24 budget) | <u>\$ 1,283,396</u> |

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

| | |
|--|-------------------------|
| Unrestricted fund balance: | |
| Assigned fund balance | 516,845 |
| Unassigned fund balance | <u>3,032,517</u> |
| TOTAL UNRESTRICTED FUND BALANCE | <u>3,549,362</u> |

Less:

| | |
|---------------------------|-----------------------|
| Appropriated fund balance | 513,200 |
| Encumbrances | <u>3,645</u> |
| TOTAL ADJUSTMENTS | <u>516,845</u> |

| | |
|---|---------------------|
| General Fund Fund Balance Subject to Section 1318 of Real Property Tax Law | <u>\$ 3,032,517</u> |
|---|---------------------|

| | |
|-------------------|-------|
| Actual Percentage | 9.45% |
|-------------------|-------|

GREENE CENTRAL SCHOOL DISTRICT
SCHEDULE OF PROJECT EXPENDITURES – CAPITAL PROJECTS FUND
FOR THE YEAR ENDED JUNE 30, 2024

| PROJECT TITLE: | Expenditures | | | | | Methods of Financing | | | | | Fund |
|---|---------------------------|--------------------------|----------------|-----------------|---------------|-----------------------|----------------------------|--------------|------------------|---------------|----------------------|
| | Original Appropriation | Revised Appropriation | Prior Years | Current Year | Total | Unexpended Balance | Proceeds of Obligations | State Aid | Local Sources | Total | Balance 6/30/2024 |
| District Wide Project 2008 | \$ 36,100,000 | \$ 36,100,000 | \$ 33,841,547 | \$ - | \$ 33,841,547 | \$ 2,258,453 | \$ 31,995,182 | \$ 1,049,818 | \$ 796,547 | \$ 33,841,547 | \$ - |
| District Wide Project 2015 | 943,696 | 1,036,766 | 1,098,179 | - | 1,098,179 | (61,413) | 651 | - | 1,097,528 | 1,098,179 | - |
| Jr-Sr School 0002-021 (part of 2015 DW project, Phase 2) | 943,696 | 2,899,000 | 505,158 | - | 505,158 | 2,393,842 | - | - | 505,158 | 505,158 | - |
| Bus Garage 5005-013 (part of 2015 OW project, Phase 2) | 91,066 | 91,066 | 91,066 | - | 91,066 | - | 91,066 | - | - | 91,066 | - |
| Primriy School 0004-017 (part of 2015 DW project, Phase 2) | 970,458 | 970,458 | 970,458 | - | 970,458 | - | 970,458 | - | - | 970,458 | - |
| Jr-Sr School 0002-020 (part of 2015 OW project, Phase 2) | 3,628,864 | 3,628,864 | 3,628,864 | - | 3,628,864 | - | 3,628,864 | - | - | 3,628,864 | - |
| Intermediate School 0003-016 (part of 2015 DW project, Phase 2) | 643,961 | 643,961 | 643,961 | - | 643,961 | - | 643,961 | - | - | 643,961 | - |
| Primary School 0004-019 (part of 2015 DW project, Phase 1) | 112,000 | 79,663 | 79,663 | - | 79,663 | - | - | - | 79,663 | 79,663 | - |
| Intermediate School 0003-017 (part of 2015 OW project, Phase 1) | 51,000 | 81,333 | 81,333 | - | 81,333 | - | - | - | 81,333 | 81,333 | - |
| Primary School 0004-016 (Emergency Project) | 140,000 | 140,000 | 154,473 | - | 154,473 | (14,473) | - | - | 154,473 | 154,473 | - |
| District Wide 7999-005 (Smart Bond) | 769,974 | 769,974 | 802,109 | - | 802,109 | (32,135) | - | 769,974 | 32,135 | 802,109 | - |
| Intennediate School 0003-021 | 139,250 | 139,250 | - | - | - | 139,250 | - | - | - | - | - |
| Primary School 0004-020 | 15,008 | 15,008 | 18,297 | - | 18,297 | (3,289) | 18,297 | - | - | 18,297 | - |
| Primary School 0004-021 | 3,442,624 | 3,442,624 | 3,737,692 | - | 3,737,692 | (295,068) | 3,603,206 | - | 134,486 | 3,737,692 | - |
| Jr-Sr School 0002-023 | 2,636,533 | 2,636,533 | 2,668,235 | - | 2,668,235 | (31,702) | 2,623,625 | - | 52,778 | 2,676,403 | 8,168 |
| Intermediate School 0003-018 | 38,043 | 38,043 | 38,955 | - | 38,955 | (912) | 38,955 | - | - | 38,955 | - |
| Bus Garage 5005-015 | 1,771,858 | 1,771,858 | 2,178,119 | - | 2,178,119 | (406,261) | 2,099,748 | - | 78,371 | 2,178,119 | - |
| Intermediate School 0003-019 | 3,892,876 | 3,892,876 | 3,743,794 | - | 3,743,794 | 149,082 | 3,609,088 | - | 134,706 | 3,743,794 | - |
| Jr-Sr School 0002-022 | 2,899,000 | 4,102,740 | 4,102,740 | - | 4,102,740 | - | 2,602,740 | - | 1,500,000 | 4,102,740 | - |
| Primary School 0004-022 | 711,023 | 711,023 | - | - | - | 711,023 | - | - | - | - | - |
| Jr-Sr School 0002-024 | 548,240 | 548,240 | - | - | - | 548,240 | - | - | - | - | - |
| Jr-Sr School 0002-025 | 351,130 | 351,130 | - | - | - | 351,130 | - | - | - | - | - |
| Intermediate School 0003-020 | 674,701 | 674,701 | - | - | - | 674,701 | - | - | - | - | - |
| Bus Garage 5005-016 | 12,745 | 12,745 | 24,051 | - | 24,051 | (11,306) | - | - | 24,051 | 24,051 | - |
| District Wide 7999-005 (Smart Bond Phase II) | - | - | - | - | - | - | - | - | - | - | - |
| Equipment Replacements | - | - | 641,221 | 93,794 | 735,015 | (735,015) | - | - | 403,128 | 403,128 | (331,887) |
| Buses - Prior Years | 1,385,498 | 1,385,498 | 1,385,498 | - | 1,385,498 | - | 621,584 | - | 1,248,920 | 1,870,504 | 485,006 |
| Buses - 2018-2019 | 274,223 | 274,223 | 274,084 | - | 274,084 | 139 | 274,084 | - | - | 274,084 | - |
| Buses - 2019-2020 | 353,519 | 404,824 | 400,521 | - | 400,521 | 4,303 | 106,055 | - | 294,466 | 400,521 | - |
| Buses - 2020-2021 | 347,353 | 347,353 | 347,353 | - | 347,353 | - | 242,986 | - | - | 242,986 | (104,367) |
| Buses - 2021-2022 | 269,510 | 296,510 | 296,510 | - | 296,510 | - | 1,165 | - | 299,502 | 300,667 | 4,157 |
| Buses - 2022-2023 | 345,975 | 345,975 | 345,975 | - | 345,975 | - | 345,975 | - | - | 345,975 | - |
| Buses - 2023-2024 | 309,334 | 309,334 | 309,334 | 309,334 | 309,334 | - | - | - | - | - | (309,334) |
| GASB 87 - Leases | 380,000 | 380,000 | 190,000 | 190,000 | 380,000 | - | 380,000 | - | - | 380,000 | - |
| Unredeemed BANs | - | - | - | - | - | - | (790,277) | - | - | (790,277) | (790,277) |
| | \$ 65,193,158 | \$ 68,521,573 | \$ 62,599,190 | \$ 593,128 | \$ 62,882,984 | \$ 5,638,589 | \$ 53,107,413 | \$ 1,819,792 | \$ 6,917,245 | \$ 61,844,450 | \$ (1,038,534) |

GREENE CENTRAL SCHOOL DISTRICT
NET INVESTMENT IN CAPITAL ASSETS
FOR THE YEAR ENDED JUNE 30, 2024

| | |
|----------------------------|----------------------|
| Capital Assets, net | \$ 57,316,179 |
|----------------------------|----------------------|

Deduct:

| | |
|-------------------------------------|--------------|
| Bond Anticipation Notes | (1,920,277) |
| Lease Liabilities | (387,084) |
| Short-Term Portion of Bonds Payable | (3,510,000) |
| Long-term Portion of Bonds Payable | (16,630,000) |
| Short-Term Portion of Bond Premium | (96,170) |
| Long-Term Portion of Bond Premium | (497,145) |

| | |
|-------------------------|----------------------------|
| TOTAL DEDUCTIONS | <u>(23,040,676)</u> |
|-------------------------|----------------------------|

| | |
|---|------------------------------------|
| NET INVESTMENT IN CAPITAL ASSETS | <u><u>\$ 34,275,503</u></u> |
|---|------------------------------------|

GREENE CENTRAL SCHOOL DISTRICT
BALANCE SHEET – NON-MAJOR FUNDS
JUNE 30, 2024

| | Special Revenue Funds | | | | Total Non-Major Governmental Funds |
|----------------------------------|------------------------------|-------------------------|--|-------------------------|---|
| | Special Aid | School Lunch | Miscellaneous Special Revenue | Debt Service | |
| ASSETS | | | | | |
| Unrestricted cash | \$ 241,909 | \$ - | \$ - | \$ - | \$ 241,909 |
| Restricted cash | - | 258,685 | 265,144 | 424,263 | 948,092 |
| State and federal aid receivable | 1,041,789 | 75,482 | - | - | 1,117,271 |
| Other receivables | - | 2,355 | - | - | 2,355 |
| Due from other funds | - | - | - | 693,625 | 693,625 |
| Inventories | - | 17,961 | - | - | 17,961 |
| TOTAL ASSETS | \$ 1,283,698 | \$ 354,483 | \$ 265,144 | \$ 1,117,888 | \$ 3,021,213 |
| LIABILITIES | | | | | |
| Accounts payable | \$ 215,837 | \$ 11,483 | \$ - | \$ - | \$ 227,320 |
| Accrued liabilities | 1,035 | 14,482 | - | - | 15,517 |
| Due to other funds | 986,834 | 191,642 | 18,720 | - | 1,197,196 |
| Due to other governments | - | 175 | - | - | 175 |
| Deferred revenues | 79,992 | - | - | - | 79,992 |
| TOTAL LIABILITIES | 1,283,698 | 217,782 | 18,720 | - | 1,520,200 |
| FUND BALANCE | | | | | |
| Non-spendable | - | 17,961 | - | - | 17,961 |
| Restricted | - | 118,740 | 246,424 | 1,117,888 | 1,483,052 |
| | - | 136,701 | 246,424 | 1,117,888 | 1,501,013 |
| | \$ 1,283,698 | \$ 354,483 | \$ 265,144 | \$ 1,117,888 | \$ 3,021,213 |

GREENE CENTRAL SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
NON-MAJOR FUNDS
FOR THE YEAR ENDED JUNE 30, 2024

| | Special Revenue Funds | | | | Total Non-Major Governmental Funds |
|--|-----------------------|-------------------|-------------------------------------|---------------------|---|
| | Special Aid | School Lunch | Miscellaneous Special Revenue | Debt Service | |
| <u>REVENUES:</u> | | | | | |
| Use of money and property | \$ - | \$ 9,047 | \$ 7,900 | \$ 66,970 | \$ 83,917 |
| Miscellaneous | - | - | 84,398 | - | 84,398 |
| State sources | 238,534 | 272,071 | - | - | 510,605 |
| Federal sources | 2,309,367 | 567,397 | - | - | 2,876,764 |
| Sales - food service | - | 95,662 | - | - | 95,662 |
| TOTAL REVENUES | 2,547,901 | 944,177 | 92,298 | 66,970 | 3,651,346 |
| <u>EXPENDITURES:</u> | | | | | |
| Instruction | 2,176,357 | - | 22,152 | - | 2,198,509 |
| Employee benefits | 371,544 | 221,645 | - | - | 593,189 |
| Cost of sales | - | 761,453 | - | - | 761,453 |
| TOTAL EXPENDITURES | 2,547,901 | 983,098 | 22,152 | - | 3,553,151 |
| Excess (deficiency) of revenues over expenditures | - | (38,921) | 70,146 | 66,970 | 98,195 |
| <u>OTHER FINANCING SOURCES (USES):</u> | | | | | |
| Operating transfers in | - | 13,000 | - | - | 13,000 |
| TOTAL OTHER FINANCING SOURCES (USES) | - | 13,000 | - | - | 13,000 |
| Net Change in Fund Balance | - | (25,921) | 70,146 | 66,970 | 111,195 |
| Fund balance (deficit) - beginning of year | - | 162,622 | 176,278 | 1,050,918 | 1,389,818 |
| Fund balance (deficit) - end of year | \$ - | \$ 136,701 | \$ 246,424 | \$ 1,117,888 | \$ 1,501,013 |



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

Board of Education
Greene Central School District
Greene, New York

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Greene Central School District, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise Greene Central School District's basic financial statements, and have issued our report thereon dated October 9, 2024.

Report on Internal Control over Financial Reporting

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

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Greene Central School'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*.

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Purpose of This Report

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

Allied CPAs, P.C.

Rochester, New York
October 9, 2024



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

To the Board of Education
Greene Central School District
Greene, New York

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Greene Central School District's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of Greene Central School District's major federal programs for the year ended June 30, 2024. Greene Central School District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

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

Basis for Opinion on Each Major Federal Program

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

We are required to be independent of Greene Central 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 Greene Central 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 Greene Central School District's federal programs.

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Auditor's Responsibilities for the Audit of Compliance

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Greene Central 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 Greene Central 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 Greene Central 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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

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

Allied CPAs, P.C.

Rochester, New York
October 9, 2024

GREENE CENTRAL SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2024

| Federal Grantor/Pass-through Grantor/ Program or Cluster Title | Assistance Listing Number | Pass-through Entity Identification Number | Total Federal Expenditures |
|---|--|--|---|
| <u>U.S. DEPARTMENT OF AGRICULTURE:</u> | | | |
| <u>Passed through New York State Department of Education:</u> | | | |
| <i>Child Nutrition Cluster:</i> | | | |
| National School Breakfast Program | 10.553 | N/A | \$ 154,861 |
| National School Lunch Program | 10.555 | N/A | 348,266 |
| National Summer Food Program | 10.553 | N/A | 17,805 |
| Total U.S. Department of Agriculture | | | <u>520,932</u> |
| <u>U.S. Department of Education:</u> | | | |
| <u>Pass-through New York State Department of Education</u> | | | |
| E.S.E.A. Title IA - Improved Basic Skills through Remediation | 84.010A | 0021-23-0070 | <u>302,702</u> |
| <i>Special Education Cluster (IDEA):</i> | | | |
| IDEA Part B - Section 611 | 84.027A | 0032-24-0034 | 293,825 |
| IDEA Part B - Section 619 | 84173A | 0033-24-0034 | 12,447 |
| Total Special Education Cluster | | | <u>306,272</u> |
| E.S.E.A. Title II - Supporting Effective Instruction State Grants | 84.367A | 0147-23-0435 | 15,509 |
| E.S.E.A. Title IV - Student Support and Academic Enrichment Grants | 84.424 | 0204-23-0070 | 16,750 |
| Elementary and Secondary School Emergency Relief (ESSER 2) | 84.425D | 5891210435 | 10,991 |
| <i>American Rescue Plan - Elementary and Secondary School</i> | | | |
| <i>Emergency Relief:</i> | | | |
| ARP - ESSER 3 | 84.425U | 5880-21-0070 | 992,298 |
| ARP - SLR Learning Loss | 84.425U | 5880-21-0070 | 365,577 |
| ARP - SLR Comprehensive After School | 84.425U | 5880-21-0070 | 9,763 |
| ARP - SLR Summer Enrichment | 84.425U | 5880-21-0070 | 31,926 |
| ARP - Full Day UPK Expansion 4YR Old | 84.425U | 5880-21-0070 | 257,175 |
| Total American Rescue Plan - Elementary and Secondary | | | <u>1,656,739</u> |
| School Emergency Relief | | | <u>1,656,739</u> |
| Total Department of Education | | | <u>2,308,963</u> |
| <u>DEPARTMENT OF HEALTH AND HUMAN SERVICES:</u> | | | |
| <u>Direct Program:</u> | | | |
| Medicaid Assistance Program | 93.778 | N/A | 188,722 |
| Total Department of Health and Human Services | | | <u>188,722</u> |
| Total Expenditures of Federal Awards | | | <u>\$ 3,018,617</u> |

GREENE CENTRAL SCHOOL DISTRICT
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2024

Note 1 – Summary of Certain Significant Accounting Principles

The accompanying schedule of expenditures of federal awards presents the activity of federal award programs administered by the District, which is described in Note 2 to the District's accompanying financial statements, using the modified accrual basis of accounting. Federal awards that are included in the schedule may be received directly from federal agencies, as well as federal awards that are passed through from other government agencies. The information is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations, Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

The District did not elect to use the 10% de minimis indirect cost rate as allowed under the Uniform Guidance. Indirect costs may be included in the reported expenditures, to the extent that they are included in the federal financial reports used as the source for the data presented. The District's policy is not to charge Federal award programs with indirect costs.

Note 2 – Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") includes the federal grant activity of Greene Central School District and presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of the Uniform Guidance. Therefore, some amounts presented in this schedule may differ from amounts presented in or used in the preparation of the basic financial statements. Federal grants received by the District are subject to audit and adjustment. If any expenditure is disallowed by the grantor agencies as a result of such audit, the grantor agencies could make claims to reimbursement, which would become a liability of the District.

Various reimbursement procedures are used for Federal Awards received by the District. Consequently, timing differences between expenditures and program reimbursements can exist at the beginning and end of the year. Accrued balance at year end represent an excess of expenditures over cash reimbursements received to date. Deferred balances at year end represent an excess of cash reimbursements received over reimbursable expenditures to date. Generally, accrued, or deferred balances are caused by differences in the timing of cash reimbursements and expenditures and will be reversed in the remaining grant period.

Note 3 – Non-Cash Assistance

Nonmonetary assistance is reported in the Schedule at the fair market value of the commodities received and disbursed. For the year ended June 30, 2024, the District received food commodities totaling \$28,752.

GREENE CENTRAL SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2024

Section I - Summary of Auditor's Results

Financial Statements:

Type of Auditors Report Issued: Unmodified

Internal Control Over Financial Reporting:

Material weaknesses identified? _____ Yes X No

Significant deficiencies identified not considered to be material weaknesses? _____ Yes X No

Noncompliance material to financial statements noted? _____ Yes X None reported

Federal Awards:

Internal control over major programs:

Material weaknesses identified? _____ Yes X No

Significant deficiencies identified not considered to be material weaknesses? _____ Yes X No

Type of auditor's report issued on compliance for major programs? Unmodified

Any audit findings disclosed that are required to be reported in
accordance with section 2 CRF §200.516(a) _____ Yes X No

Identification of Major Programs:

| <u>Assistance Listing Numbers</u> | <u>Name of Federal Program of Cluster</u> |
|-----------------------------------|---|
| 10.555 | National School Lunch Program |
| 84.010A | Title I Grants to Local Agencies |
| 93.778 | Medicaid Assistance Program |

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

Auditee qualified as a low-risk auditee? X Yes No

GREENE CENTRAL SCHOOL DISTRICT
SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2024

Section II – Findings Related to Financial Statements

As of and for the year ended June 30, 2024, Greene Central School District had no findings that were required to be reported in accordance with GAGAS.

Section III – Federal Award Findings and Questioned Costs

As of and for the year ended June 30, 2024, Greene Central School District had no findings that were required to be reported in accordance with the Uniform Guidance.