

PRELIMINARY OFFICIAL STATEMENT

NEW ISSUE

BOND ANTICIPATION NOTES

In the opinion of Trespasz Law Offices, LLP, Bond Counsel to the School District, under existing status and court decisions and assuming continuing compliance with certain tax certifications described herein, 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"), and is excluded from adjusted gross income for purposes of New York State and New York City personal income taxes. Interest on the Notes is not treated as a preference item in calculating alternative minimum tax under the Code, however, interest on the Notes is included in the "adjusted financial statement income" of certain corporations that are subject to the alternative minimum tax under Section 55 of the Code. Bond Counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of, or the accrual of interest on the Notes. See "TAX MATTERS" herein.

The Notes will be designated as "qualified tax-exempt obligations" under Section 265(b)(3) of the Code.

ENLARGED OGDENSBURG CITY SCHOOL DISTRICT ST. LAWRENCE COUNTY, NEW YORK



GENERAL OBLIGATIONS
CUSIP BASE #: 676490

\$5,000,000 Bond Anticipation Notes, 2025

(referred to herein as the "Notes")

Dated: July 22, 2025

Due: July 22, 2026

The Notes are general obligations of the Enlarged Ogdensburg City School District, St. Lawrence County, New York (the "District"), all the taxable real property within which is subject to the levy of ad valorem taxes to pay the Notes and interest thereon, without limitation as to rate or amount. See "THE NOTES - Nature of Obligation" and "TAX LEVY LIMITATION LAW" herein.

The Notes will not be subject to redemption prior to maturity.

At the option of the successful bidder(s), the Notes will be issued in registered certificated form in the name of the purchaser in the denominations of \$5,000 or multiples thereof. Principal and interest will be payable in Federal Funds at maturity at such bank(s) or trust company(ies) located and authorized to do business in the State of New York, as may be determined by such successful bidder(s) with paying agent fees, if any paid by the successful bidder(s), or as stated below.

Alternatively, at the option of the successful bidder(s), 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. In such case, Noteholders will not receive certificates representing their ownership interest in the notes purchased. In such case, under this option, payment of the principal of and interest on the Notes to the Beneficial Owner of the Notes will be made by DTC Participants and Indirect Participants in accordance with standing instructions and customary practices. Payment will be the responsibility of the DTC, 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 unqualified legal opinions as to the validity of the Notes of Trespasz Law Offices, LLP, Bond Counsel, Syracuse, New York. It is anticipated that the Notes will be available for delivery through the facilities of DTC located in Jersey City, New Jersey, or a place as agreed upon with the purchaser, on or about July 22, 2025.

ELECTRONIC BIDS for the Notes must be submitted via Fiscal Advisors Auction website ("Fiscal Advisors Auction") accessible via www.FiscalAdvisorsAuction.com on July 8, 2025 until 11:00 A.M., Eastern Time, pursuant to the Notice of Sale. No other form of electronic bidding services will be accepted. No bid will be received after the time for receiving bids specified above. Bids may also be submitted by facsimile at (315) 930-2354. Once the bids are communicated electronically via Fiscal Advisors Auction or facsimile to the District, each bid will constitute an irrevocable offer to purchase the Notes pursuant to the terms provided in the Notice of Sale.

July 2, 2025

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

ENLARGED OGDENSBURG CITY SCHOOL DISTRICT

ST. LAWRENCE COUNTY, NEW YORK

2025-2026 Board of Education

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District Treasurer

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Assistant Business Manager

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District Clerk

ANDREW SILVER, ESQ.
Local Counsel



FISCAL ADVISORS & MARKETING, INC.
Municipal Advisor



TRESPASZ LAW OFFICES, LLP
BOND COUNSEL

No person has been authorized by Enlarged Ogdensburg City 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 Enlarged Ogdensburg City School District.

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PREPARED WITH THE ASSISTANCE OF



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OFFICIAL STATEMENT
of the
ENLARGED OGDENSBURG CITY SCHOOL DISTRICT
ST. LAWRENCE COUNTY, NEW YORK
Relating To
\$5,000,000 Bond Anticipation Notes, 2025

This Official Statement, which includes the cover page, has been prepared by the Enlarged Ogdensburg City School District, St. Lawrence County, New York (the "School District" or "District", "Counties", and "State", respectively) in connection with the sale by the School District of \$5,000,000 principal amount of Bond Anticipation Notes, 2025 (the "Notes").

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

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

THE NOTES

Description of the Notes

The Notes will be dated July 22, 2025 and will mature July 22, 2026. The Notes are general obligations of the District, and will contain a pledge of its faith and credit for the payment of the principal of and interest on the Notes as required by the Constitution and laws of the State 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. However, the power of the District to levy unlimited real estate taxes on all real property within the District for other purposes may be subject to certain statutory limitations imposed by Chapter 97 of the 2011 Laws of New York. See "TAX LEVY LIMITATION LAW" herein.

At the option of the purchaser, the Notes will be registered in the name of Cede & Co. as nominee of The Depository Trust Company, New York, New York ("DTC"). DTC will act as Securities Depository for the Notes. Individual purchases will be made in book-entry form only, in the principal amount of \$5,000, or integral multiples thereof. Purchasers will not receive certificates representing their interest in the Notes.

Principal and interest on the Notes are payable at maturity. Principal and interest will be paid by the District to the Securities Depository, which will in turn remit such principal and interest to its Participants, for subsequent distribution to the Beneficial Owners of the Notes, as described herein. The Notes may be transferred in the manner described on the Notes and as referenced in certain proceedings of the District referred to therein.

No Optional Redemption

The Notes shall not be subject to redemption prior to maturity.

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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, adopted of the District adopted December 4, 2023 authorizing a capital improvement project at a cost not to exceed \$65,500,000, and the issuance and sale of serial bonds and notes in an amount not to exceed \$61,500,000.

The proceeds of the Notes represents the initial borrowing against the aforementioned authorization.

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. 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 is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, 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.

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

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

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

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

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

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

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

Source: The Depository Trust Company.

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

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

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

Certificated Notes

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

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

THE DISTRICT

General Information

The School District is located in northern New York State along the St. Lawrence River. The School District encompasses approximately 12 square miles of land area. The School District includes the City of Ogdensburg (the “City”) and parts of the Towns of Lisbon and Oswegatchie. Major highways in and around the School District include Routes #37 and #12, which connect the School District with U. S. Interstate 81, a major New York State Expressway.

Police protection is provided by the County of St. Lawrence and the City of Ogdensburg. Gas service is provided by the Liberty Utilities Corporation and electric power is provided by National Grid. Fire protection is provided by the City of Ogdensburg and various other volunteer fire districts.

Source: District officials.

Selected Wealth and Income Indicators

Per capita income statistics are not available for the District as such. The smallest areas for which such statistics are available, which includes the District, are the Towns and 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 Continuing Disclosure 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>
City of:						
Ogdensburg	\$ 17,651	\$ 24,253	\$ 30,956	\$ 44,625	\$ 58,821	\$ 75,568
Towns of:						
Lisbon	21,677	29,596	36,950	52,625	85,556	108,875
Oswegatchie	25,926	26,295	34,672	56,773	73,833	93,846
County of:						
St. Lawrence	20,143	26,676	31,574	50,384	66,843	80,918
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: U.S. Census Bureau, 2006-2010, 2016-2020 and 2019-2023 American Community Survey data.

Population

The estimated population of the District is 9,904. (Source: U.S. Census Bureau, 2019-2023 American Community Survey 5-Year Estimates.)

Note: U.S. Census Bureau, 2020-2024 American Community Survey 5-Year Estimates data is not available as of the date of this Official Statement.

Unemployment Rate Statistics

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

	<u>Annual Average</u>						
	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
St. Lawrence County	5.6%	5.3%	7.9%	5.2%	4.2%	4.3%	4.6%
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>	<u>Jul</u>
St. Lawrence County	5.7%	5.6%	5.2%	4.2%	3.9%	N/A	N/A
New York State	4.6%	4.3%	4.1%	3.6%	3.5%	N/A	N/A

Note: Unemployment rates for June and July 2025 are not available as of the date of this Continuing Disclosure Statement.

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

Five Larger Employers

Below are some of the major employers within St. Lawrence County whereby District residents find employment.

<u>Name</u>	<u>Type</u>	<u>Employees</u>
St. Lawrence County	County Services	1,300
Claxton-Hepburn Medical Center	Healthcare	782
State of New York	Correctional Facilities	718
United Helpers Nursing Care Providers	Healthcare	668
St. Lawrence Psychiatric Center	Psychiatric Center	547

Source: District officials.

Recent Economic Developments

The City is one of the largest retail centers in St. Lawrence County. The City provides area residents and Canadians a variety of grocery stores, including Price Chopper, Aldi, and Save-a-Lot, as well as boutique shops like Maurice's, which opened in early 2020. The Shoe Dept. at the Seaway Plaza area opened in spring 2019. Tim Horton's Café and Bake Shop and Dunkin Donuts both opened in the past decade. In 2022, Harbor Freight opened a retail location which added and estimated 25-30 jobs to the local economy. Also located in downtown is the Dobisky Visitors' Center and municipal marina, which is accessible to residents and tourists and is available for hosting events and private functions. The municipal marina provides both power and non-power transient slips for seasonal and day use.

Routinely, small businesses open throughout the City. In recent developments, plans are underway to open a micro-brewery. Other small businesses that have opened include a print shop and a flower shop, adding to revenue and jobs to the local economy.

The Ogdensburg airport completed an expansion of its terminal and runway in the fall of 2016. The expansion qualified the airport to be reclassified from a class II index A to a class I index B facility. Class I airports accommodate all types of aircraft designed for at least 31 passenger seats. As a result of this expansion the Ogdensburg Bridge and Port Authority (OBPA) had anticipated 40,000 passengers annually. In October 2018, the Authority had exceeded their goal by officially welcoming its 100,000th passenger since the Airport expansion. In May 2022, Contour Airlines was awarded an Essential Air Service Contract and is providing non-stop service to Philadelphia, Pennsylvania. In late 2023, the airport was awarded \$18 million from New York State's Upstate Airport Economic Development and Revitalization Competition. These funds will allow the airport to undertake an expansion project which will make the Ogdensburg International Airport a transportation hub. The project is expected to be complete in the spring of 2025 and is estimated to create 195 jobs.

The Ogdensburg Bridge and Port Authority is expected to break ground in the summer of 2024 on a 15,000 square foot childcare center that is estimated to serve 125 children and create 30-40 new jobs, the center is expected to open for the fall 2025 school year.

In spring of 2022, Claxton Hepburn Medical Center opened a Children's Mental Health Unit, which focuses on patients from 4 to 17 years old. Construction of the unit began in November 2020 and was completed in December 2021.

Source: City of Ogdensburg 2024 Continuing Disclosure Statement submitted to the EMMA MSRB system.

Form of School Government

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

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

Investment Policy

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

Consistent with the above statutory limitations, it is the School District's current policy to invest in: (1) Savings Accounts or Money Market Accounts of designated banks authorized to do business in New York State, (2) Certificates of Deposit issued by a bank or trust company authorized to do business in New York State, (3) Demand Deposit in a bank or trust company located in and authorized to do business in New York State, (4) Direct obligations of New York State, (5) Repurchase Agreements involving the purchase and sale of direct obligations of the United States (Direct Treasury Obligations only: T-Bills, Notes or Bonds) and (6) revenue anticipation notes or tax anticipation notes of other school districts (with the approval of the State Comptroller).

Budgetary Procedures

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

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

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

If the proposed budget is not approved by the required margin, the Board of Education may resubmit the original budget or a revised budget to the voters on the 3rd Tuesday in June, or adopt a contingency budget (which would provide for ordinary contingent expenses, including debt service) that levies a tax levy no greater than that of the prior fiscal year (i.e. a 0% increase in the tax levy).

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

Recent Budget Vote Results

The budget for the 2024-25 fiscal year was approved by the qualified voters on May 21, 2024 with a vote of 196 to 35. The District’s budget for 2024-25 remained within the Tax Cap imposed by Chapter 97 of the Laws of 2011. The budget called for a 0% tax levy increase, which is below the District tax levy limit of 5.17%.

The budget for the 2025-26 fiscal year was adopted by the qualified voters on May 20, 2025 by a vote of 279 to 175. The budget for the 2025-26 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 2.49% which was less than the District tax levy limit of 6.09% for the 2025-26 fiscal year.

State Aid

The District receives financial assistance from the State. In its proposed budget for the 2025-2026 fiscal year, approximately 71.34% of the revenues of the District are estimated to be received in the form of State aid. If the State should not adopt its budget in a timely manner in any year municipalities and school districts in the State, including the District, may be affected by a delay in the payment of State aid.

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

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

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

The amount of State aid to school districts can vary from year to year and is dependent in part upon the financial condition of the State. During the 2011 to 2019 fiscal years of the State, State aid to school districts was paid in a timely manner; however, during the State’s 2010 and 2020 fiscal years, State budgetary restrictions resulted in delayed payments of State aid to school districts in the State. In addition, the availability of State aid and the timeliness of payment of State aid to school districts could be affected by a delay in the adoption of the State budget, which is due at the start of the State’s fiscal year of April 1. With the exception of the State’s fiscal year 2025-26 Enacted Budget (which was adopted on May 9, 2025, 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 2025-2026 preliminary building aid ratios, the District expects to receive State building aid of approximately 98.0% 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.

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State Aid History

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

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

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

School district fiscal year (2024-2025): The State's 2024-25 Budget 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 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 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 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 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 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.

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

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

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

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

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

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

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State Aid Revenues

The following table illustrates the percentage of total revenues of the District for each of the below five completed fiscal years and budgeted figures for the current fiscal year 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	\$42,225,118	\$29,404,112	69.64%
2020-2021	44,964,357	29,289,236	65.14
2021-2022	44,397,512	31,260,210	70.41
2022-2023	45,587,573	32,049,572	70.30
2023-2024	49,482,889	34,626,541	69.98
2024-2025 (Budgeted)	50,444,357	36,046,488	71.46
2024-2025 (Unaudited)	49,133,944	34,516,550	70.25
2025-2026 (Budgeted)	51,130,719	36,478,460	71.34

Source: Audited financial statements for the 2019-2020 fiscal year through and including the 2023-2024 fiscal year, the adopted budget and unaudited financials of the District for the 2024-2025 fiscal year and adopted budget of the District for the 2025-2026 fiscal year. This table is not audited.

District Facilities

<u>Name</u>	<u>Grades</u>	<u>Capacity</u>	<u>Year(s) Built/Additions / Renovated</u>
Madill Elementary	UPK-6	1,085	1971, '79, '92, '94, '03, '07, '15,
Kennedy Elementary	UPK-6	2,605	1964, '70, '92, '94, '03, '07, '15
Ogdensburg Free Academy	7-12	4,750	1936, '67, '70, '92, '94, '03, '07, '15, 16

Source: District officials.

Enrollment Trends

<u>School Year</u>	<u>Enrollment</u>	<u>School Year</u>	<u>Projected Enrollment</u>
2020-21	1,589	2025-26	1,450
2021-22	1,599	2026-27	1,450
2022-23	1,505	2027-28	1,450
2023-24	1,493	2028-29	1,450
2024-25	1,405	2029-30	1,450

Source: District officials.

Employees

The number of persons employed by the District, the collective bargaining agents, if any, which represent them and the dates of expiration of the various collective bargaining agreements are as follows:

<u>Employees</u>	<u>Bargaining Unit</u>	<u>Contract Expiration Date</u>
161	Ogdensburg Educational Association	June 30, 2028
126	Civil Service Employees' Association	June 30, 2029
7	Supervisory Unit	June 30, 2028
3	Confidential Employees	June 30, 2028
1	Superintendent	June 30, 2027
1	Assistant Superintendent	June 30, 2027
196	Part-Time	N/A

Source: District officials.

Status and Financing of Employee Pension Benefits

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

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

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

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

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

<u>Fiscal Year</u>	<u>TRS</u>	<u>ERS</u>
2019-20	\$ 1,048,027	\$ 271,739
2020-21	1,099,805	294,485
2021-22	1,144,210	234,032
2022-23	1,379,342	315,242
2023-24	1,412,130	357,295
2024-25 (Budgeted)	1,700,000	675,000
2024-25 (Unaudited)	1,639,453	474,056
2025-26 (Budgeted)	1,700,000	700,000

Source: District records.

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

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

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

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

<u>Year</u>	<u>ERS</u>	<u>TRS</u>
2020-21	14.6%	9.53%
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. Final contribution rate expected to be adopted at the July 31, 2025 TRS Retirement Board meeting.

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

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

The District has amortized its pension payments for the 2013-14 fiscal year. The District made annual payments of \$19,420 through February 1, 2023. The District has not amortized any other payments since the 2013-14 fiscal year.

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 is not participating in the Stable Rate Pension Contribution Option, nor does it intend to do so in the foreseeable future.

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

The State's 2019-2020 Enacted Budget, which was signed into law as Chapter 59 of the Laws of 2019, includes a provision that will allow school districts in the State to establish a reserve fund for the purpose of funding the cost of TRS contributions, as a sub-fund of retirement contribution reserve funds presently authorized for amounts payable to the ERS by a school district. School districts will be permitted to pay into such reserve fund during any particular fiscal year, an amount not to exceed two percent of the total compensation or salaries of all district-employed teachers who are members of the TRS paid during the immediately preceding fiscal year; provided that the balance of such fund may not exceed ten percent of the total compensation or salaries of all district-employed teachers who are members of the TRS paid during the immediately preceding fiscal year. As of the date of this Official Statement, the District has not established such a 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 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. As of the fiscal year ended June 30, 2018, the District was required to, and had implemented GASB 75.

Summary of Changes from the Last Valuation. The District contracted with Armory Associates, LLC, an actuarial firm, to calculate its actuarial valuation under GASB 75.

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

	Balance beginning at:	July 1, 2022	July 1, 2023
		\$ 110,519,922	\$ 96,695,962
Changes for the year:			
Service cost		3,180,664	3,373,325
Interest		2,402,299	3,490,407
Change in benefit terms		-	-
Differences between expected and actual experience		(8,442,541)	
Changes in assumptions or other inputs		(8,077,216)	(1,741,769)
Benefit payments		(2,887,166)	(2,940,429)
Net Changes		\$ (13,823,960)	\$ 2,181,534
	Balance ending at:	June 30, 2023	June 30, 2024
		\$ 96,695,962	\$ 98,877,496

Source: Audited financial reports of the District. For additional information see "APPENDIX - D" attached hereto. The above table is not audited.

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.

Other Information

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

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 Continuing Disclosure Statement does not include the financial data of any political subdivision having power to levy taxes within the District.

Financial Statements

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

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

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

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New York State Comptroller Report of Examination

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

The State Comptroller's office released an audit report of the District in July 2022. The purpose of the audit was to evaluate the District's Medicaid Reimbursements for the period July 1, 2019 through March 25, 2022.

Key Findings

The District did not maximize Medicaid reimbursements by submitting claims for all eligible Medicaid services provided.

- Claims were not submitted and reimbursed for 1,365 eligible Medicaid services provided totaling \$65,254, which resulted in the District not realizing \$32,627 in revenue.
- The District lacked adequate procedures to ensure that Medicaid claims were submitted in a timely manner, necessary documentation requirements were met, and disallowed claims were reviewed and resubmitted when appropriate.

Key Recommendations

- Establish procedures to ensure that all documentation requirements are met to submit Medicaid claims for reimbursement for all eligible services provided.
- Submit reimbursement claims for all eligible unclaimed services.

A copy of the complete report and the District's response to findings and recommendations included in the audit reports can be found via the website of the Office of the New York State Comptroller.

There are no State Comptrollers audits of the District 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 the accuracy of the information therein, nor incorporation herein by reference.

The State Comptroller's Fiscal Stress Monitoring System

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

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

The reports of the State Comptroller for the past three 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	16.7
2023	No Designation	16.7
2022	No Designation	0.0

Note: The Fiscal Score for the 2024-25 fiscal year has not been calculated as of the date of this Official Statement.

Source: Website of the Office of the New York State Comptroller. Reference to website implies no warranty of the accuracy of the information therein, nor incorporation herein by reference.

TAX INFORMATION

Taxable Assessed Valuation

Fiscal Year Ending June 30:	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
<u>Assessed Valuation</u>					
City of: Ogdensburg	\$ 293,159,716	\$ 293,729,703	\$ 292,193,341	\$ 363,851,698	\$ 363,065,227
Towns of: Oswegatchie	98,503,703	98,854,418	100,274,247	102,348,027	104,737,011
Lisbon	<u>208,520</u>	<u>208,371</u>	<u>207,983</u>	<u>207,834</u>	<u>207,990</u>
Total Assessed Valuation	\$ 391,871,939	\$ 392,792,492	\$ 392,675,571	\$ 466,407,559	\$ 468,010,228

State Equalization Rates

City of: Ogdensburg	100.00%	100.00%	96.00%	100.00%	100.00%
Towns of: Oswegatchie	100.00%	100.00%	97.00%	92.00%	79.00%
Lisbon	77.00%	75.00%	70.00%	65.00%	60.00%

Full Valuation

City of: Ogdensburg	\$ 293,159,716	\$ 293,729,703	\$ 304,368,064	\$ 363,851,698	\$ 363,065,227
Towns of: Oswegatchie	98,503,703	98,854,418	103,375,512	111,247,855	132,578,495
Lisbon	<u>270,805</u>	<u>277,828</u>	<u>297,119</u>	<u>319,745</u>	<u>346,650</u>
Total Full Valuation	\$ 391,934,224	\$ 392,861,949	\$ 408,040,694	\$ 475,419,298	\$ 495,990,372

Tax Rates per \$1,000 (Assessed)

<u>Years Ending June 30:</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
City of Ogdensburg	\$ 27.04	\$ 26.98	\$ 27.06	\$ 22.29	\$ 21.37
Town of Lisbon	35.12	35.97	37.11	34.30	35.61
Town of Oswegatchie	27.07	26.98	26.78	24.23	27.05

Tax Collection Procedure

School Taxes are due in September of each year and are payable without penalty from September 1st through October 7th. If paid after October 7th the penalties are as follows: October 8th through November 7th, 2%; November 8th through December 7th, 3%; December 8th through January 6th, 4%; and 1% for each month thereafter.

The District receives its full levies from the County no later than the succeeding fiscal year and receives payments as collected by the City and payment in full no later than three years.

Tax Levy and Tax Collection Record

<u>Years Ending June 30:</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Total Tax Levy	\$ 10,598,360	\$ 10,598,360	\$ 10,598,360	\$ 10,598,360	\$ 10,598,360
Amount Uncollected ⁽¹⁾	388,421	527,603	788,712	1,059,008	N/A
% Uncollected	3.7%	5.0%	7.4%	9.99%	N/A

⁽¹⁾ District taxes are made whole by the County. See "Tax Collection Procedure" herein.

Real Property Tax Revenues

The following table illustrates the percentage of total revenues of the District for each of the below five completed fiscal years and budgeted figures for the current fiscal year comprised of Real Property Taxes.

<u>Fiscal Year</u>	<u>Total Revenues</u>	<u>Total Real Property Taxes</u>	<u>Percentage of Total Revenues Consisting of Real Property Tax</u>
2019-2020	\$ 42,225,118	\$10,741,537	25.44%
2020-2021	44,964,357	11,148,044	24.79
2021-2022	44,397,512	11,024,490	24.83
2022-2023	45,587,573	11,315,241	24.82
2023-2024	49,482,889	11,381,936	23.00
2024-2025 (Budgeted)	50,444,357	11,128,360	22.06
2024-2025 (Unaudited)	49,133,944	11,360,319	23.12
2025-2026 (Budgeted)	51,130,719	11,512,259	22.52

Source: Audited financial statements for the 2019-2020 fiscal year through and including the 2023-2024 fiscal year, the adopted budget and unaudited financials of the District for the 2024-2025 fiscal year and adopted budget of the District for the 2025-2026 fiscal year. This table is not audited.

Larger Taxpayers – 2024 for 2024-2025 Tax Roll

<u>Name</u>	<u>Type</u>	<u>Taxable Full Valuation</u>
National Grid	Utility	\$ 19,109,458
Ogdensburg Associates, LLC	Retail Shopping Center	14,675,000
Wal-Mart	Retail Store	7,750,000
ACCO International, Inc.	Manufacturing	7,000,000
7-Eleven, Inc	Retail	4,583,544
St. Lawrence Gas Company	Utility	4,081,040
NIMADI 2, LLC	Developer	3,300,000
St. Lawrence Federal Cr. Union	Retail Shopping Center	2,240,000
Jeffrey Apter	Retail Store	2,200,000
MBPJ Acquisition Corp	Manufacturing	1,970,000

The larger taxpayers listed above have a total full valuation of \$66,909,042, which represents 13.49% of the 2024-2025 tax base of the School District.

The District experiences the impact of tax certiorari filings on a regular basis. At this time, the level of tax certiorari filings are within acceptable norms and are not anticipated to have a material impact on the District's finances.

Source: School 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 \$98,700 or less in the 2024-2025 school year, increased annually according to a cost of living adjustment, are eligible for a "full value" exemption of the first \$84,000 of the full value of a home for the 2024-2025 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 most current basic and enhanced exemption amounts for the municipalities applicable to the District:

<u>Municipality</u>	<u>Enhanced Exemption</u>	<u>Basic Exemption</u>	<u>Date Certified</u>
City of Ogdensburg	\$ 85,400	\$ 31,470	4/10/2025
Town of Lisbon	51,660	18,000	4/10/2025
Town of Oswegatchie	68,780	24,560	4/10/2025

\$1,589,508 of the District's \$10,598,360 school tax levy for the 2024-2025 fiscal year is expected to be exempt by the STAR Program. The District anticipates receiving full reimbursement of such exempt taxes from the State in January 2025.

Approximately \$1,589,508 of the District's \$10,862,259 school tax levy for the 2025-2026 fiscal year will be exempted by the STAR Program. The District anticipates receiving full reimbursement of such exempt taxes from the State in January, 2026.

Additional Tax Information

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

Veterans' and senior citizens' exemptions are offered to those who qualify.

The estimated total annual property tax bill of a \$75,000 market value residential property located in the City is approximately \$3,073 including City, County and School District taxes.

The City assessment roll is estimated to be constituted as follows: 87% residential; 10% commercial; 3% industrial.

TAX LEVY LIMITATION LAW

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

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

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

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

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

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

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

STATUS OF INDEBTEDNESS

Constitutional Requirements

The New York State Constitution limits the power of the District (and other municipalities and certain school districts of the State) to issue obligations and to contract indebtedness. Such constitutional limitations in summary form and as generally applicable to the District include the following:

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

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

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

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 has the power to contract indebtedness for any District purpose provided that the aggregate principal amount thereof shall not exceed ten per centum of the full valuation of the taxable real estate of the District as required by the Local Finance Law and subject to certain enumerated deductions such as State aid for building purposes. The statutory method for determining full valuation is by dividing the assessed valuation of taxable real estate for the last completed assessment roll by the equalization rate established by the State Office of Real Property Services in accordance with applicable State 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 anticipation of the bonds. No down payment is required in connection with the issuance of District obligations.

Each bond resolution usually authorizes the construction, acquisition or installation of the object or purpose to be financed, sets forth the plan of financing and specifies the maximum maturity of the bonds subject to the legal (Constitution, Local Finance Law and case law) restrictions relating to the period of probable usefulness with respect thereto.

The Local Finance Law also provides that where a bond resolution is published with a statutory form of notice, the validity of the bonds authorized thereby, including bond anticipation notes issued in anticipation of the sale thereof, may be contested only if:

- (1) Such obligations are authorized for a purpose for which the District is not authorized to expend money, or
- (2) There has not been substantial compliance with the provisions of law which should have been complied within the authorization of such obligations
and an action contesting such validity, is commenced within twenty days after the date of such publication or,
- (3) Such obligations are authorized in violation of the provisions of the Constitution.

The Board of Education, as the finance board of the District, has the power to enact bond resolutions. In addition, such finance board has the power to authorize the sale and issuance of obligations. However, such finance board may delegate the power to sell the obligations to the President of the Board of Education, the chief fiscal officer of the District, pursuant to the Local Finance Law.

Statutory law in the State also permits the District to issue bond anticipation notes to be issued in anticipation of the issuance of serial bonds, which may be renewed each year, provided annual principal installments are made in the reduction of the total amount of such notes outstanding, commencing no later than two years from the date of the first issuance date of such notes and provided that such renewals do not exceed five years beyond the original date of the issuance of such notes. (See "Payment and Maturity" under "Constitutional Requirements" herein, and "Details of Outstanding Indebtedness" herein).

In general, the Local Finance Law contains provisions providing the District with the power to issue certain other short-term general obligation indebtedness, including revenue and tax anticipation notes, deficiency notes and budget notes (see "Details of Outstanding Indebtedness" herein).

Debt Outstanding At End of Fiscal Year

<u>Fiscal Years Ending June 30:</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Bonds	\$ 37,220,000	\$ 34,805,000	\$ 30,820,000	\$ 26,995,000	\$ 23,320,000
Bond Anticipation Notes	0	0	0	0	0
Lease Obligations ⁽¹⁾	<u>0</u>	<u>393,765</u>	<u>471,133</u>	<u>346,078</u>	<u>218,615</u>
Total Debt Outstanding	<u>\$ 37,220,000</u>	<u>\$ 35,198,765</u>	<u>\$ 31,291,133</u>	<u>\$ 27,341,078</u>	<u>\$ 23,538,615</u>

⁽¹⁾ In 2022, the District implemented GASB Statement No. 87 for accounting and reporting leases. See "Lease Obligations" herein.

Details of Outstanding Indebtedness

The following table sets forth the indebtedness of the District evidenced by bonds and notes as of July 2, 2025:

<u>Type of Indebtedness</u>	<u>Maturity</u>	<u>Amount</u>
<u>Bonds</u>	2026-2030	\$ 23,320,000
<u>Bond Anticipation Notes</u>	-	<u>0</u>
	Total Indebtedness	<u>\$ 23,320,000</u>

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Debt Statement Summary

Summary of Indebtedness, Debt Limit and Net Debt-Contracting Margin as of July 2, 2025:

Full Valuation of Taxable Real Property	\$ 495,990,372
Debt Limit 10% thereof	49,599,037

Inclusions:

Bonds.....	\$ 23,320,000
Bond Anticipation Notes (BANs):.....	0
Total Inclusions prior to issuance of the Notes	<u>23,320,000</u>
Less: BANs being redeemed from appropriations	0
Add: New money proceeds of the Notes	<u>5,000,000</u>
Total Net Inclusions after issuance of the Notes	<u>\$ 28,320,000</u>

Exclusions:

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

Total Net Indebtedness <u>after issuance of the Notes</u>	<u>\$ 28,320,000</u>
Net Debt-Contracting Margin	<u>\$ 21,279,037</u>
The percent of debt contracting power exhausted is	57.10%

- ⁽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 98.0% for debt service on SED approved expenditures from July 1, 2004 to the present. The School District has no reason to believe that it will not ultimately receive all of the building aid it anticipates, however, no assurance can be given as to when and how much building aid the School District will receive in relation to its capital project indebtedness.

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

Bonded Debt Service

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

Lease Obligations

The following is a summary of debt service requirements for lease liabilities as of June 30, 2024:

Year	Principal	Interest	Total
2025	\$ 127,463	\$ 6,167	\$ 133,630
2026	129,898	2,811	132,709
2027	69,317	878	70,195
2028	19,400	93	19,493
TOTAL	<u>\$ 346,078</u>	<u>\$ 9,949</u>	<u>\$ 356,027</u>

Source: Audited financial statements.

Capital Project Plans

The District is currently in the planning stages of capital outlay projects. The capital outlay projects would be funded, completed and aid at 98% of the project cost would be received the following fiscal year.

On January 23, 2024, District voters approved a capital project in the amount of \$65,500,000 to address infrastructure needs and a new transportation facility. The District will finance the project with the expenditure of \$4,000,000 from the capital reserve fund and the issuance of \$61,500,000 of bond anticipation notes and serial bonds. The proceeds of the Notes represents the initial borrowing against the aforementioned authorization

Other than as stated above, there are currently no other capital projects authorized or contemplated at this time.

Cash Flow Borrowing

The School District has found it necessary in the past to borrow in anticipation of State Aid revenue payments, however, the District has not issued revenue or tax anticipation notes since the 2012-13 fiscal year.

The District has a ten-year perpetual resolution in place authorizing the District to issue revenue anticipation notes as needed for the anticipation of State aid revenue payments. This authorization will expire on March 15, 2031. The District does not have any current plans to issue revenue anticipation notes in the 2024-2025 fiscal year.

Estimated Overlapping Indebtedness

In addition to the District, the following political subdivisions have the power to issue obligations and to levy taxes or cause taxes to be levied on taxable real property in the District. Estimated bonds and bond anticipation notes are listed as of the close of the respective fiscal year of the municipalities listed 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:						
St. Lawrence	6/28/2024 ⁽³⁾	\$ 21,750,000	\$ 455,000	\$ 21,295,000	6.00%	\$ 1,277,700
City of:						
Ogdensburg	6/26/2024 ⁽³⁾	36,754,318	30,852,140	5,902,178	99.25%	5,857,912
Town of:						
Oswegatchie	12/31/2023 ⁽⁴⁾	-	-	-	37.69%	-
Lisbon	12/31/2023 ⁽⁴⁾	300,417	- ⁽⁵⁾	300,417	0.11%	330
					Total:	<u>\$ 7,135,942</u>

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

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

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

⁽⁴⁾ Gross indebtedness sourced from local government data provided by the State Comptroller's office for the most recent fiscal year if such data is available for the respective municipality.

⁽⁵⁾ Exclusion information not available.

Debt Ratios

The following table sets forth certain ratios relating to the District's indebtedness as of July 2, 2025:

	<u>Amount</u>	<u>Per Capita</u> ^(a)	<u>Percentage of Full Value</u> ^(b)
Net Indebtedness ^(c)	\$ 28,320,000	\$ 2,859.45	5.71%
Net Indebtedness Plus Net Overlapping Indebtedness ^(d)	35,455,942	3,579.96	7.15

(a) The District's estimated population is 9,904. (See "THE SCHOOL DISTRICT - Population" herein.)

(b) The District's full valuation of taxable real estate for the 2024-2025 fiscal year is \$495,990,372. (See "TAX INFORMATION – Taxable Assessed Valuations" herein.)

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

(d) The District's applicable share of Net Overlapping Indebtedness is estimated to be 7,135,942. (See "Estimated Overlapping Indebtedness" herein.)

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

SPECIAL PROVISIONS AFFECTING REMEDIES UPON DEFAULT

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

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

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

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

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

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

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

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

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

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

MARKET AND RISK FACTORS

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

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

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

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

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

Cybersecurity

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

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.

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.

TAX MATTERS

In the opinion of Trespasz Law Offices, LLP (“Bond Counsel”), based upon an analysis of existing laws, regulations, rulings, and court decisions, and assuming, among other matters, 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”), and is excluded from adjusted gross income for purposes of New York State and New York City personal income taxes. Interest on the Notes is not treated as a preference item in calculating the alternative minimum tax under the Code, however, interest on the Notes is included in the “adjusted financial statement income” of certain corporations that are subject to the alternative minimum tax under Section 55 of the Code. A complete copy of the proposed form of opinion of Bond Counsel is set forth in “APPENDIX – E”.

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. Failure to comply with these covenants will result in interest on the Notes being included in gross income for federal income tax purposes as well as adjusted gross income for purposes of personal income taxes imposed by the State of New York or the City of New York, 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 excluded from adjusted gross income for federal income taxes imposed by the State of New York and the City of New York, the ownership or disposition of, or the 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, 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 Beneficial Owners from realizing the full current benefit of the tax status of such interest. Proposals have been made that could significantly reduce the benefit of, or otherwise affect, the exclusion from gross income of interest on obligations like the Notes. The introduction or enactment of any such legislative proposals, clarification of the Code or court decisions may also affect, perhaps significantly, 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, and regarding the impact of future legislation, regulations or litigation, as to which Bond Counsel expresses no opinion.

LEGAL MATTERS

Legal matters incident to the authorization, issuance and sale of the Notes are subject to the approving legal opinion of Trespasz Law Offices, LLP, Bond Counsel. Bond Counsel's opinions will be in substantially the form attached hereto as "APPENDIX – E".

LITIGATION

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

There is no action, suit, proceedings or investigation, at law or in equity, before or by any court, public board or body pending or, to the best knowledge of the District, threatened against or affecting the District to restrain or enjoin the issuance, sale or delivery of the Bonds 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 any proceedings or authority of the District taken with respect to the authorization, issuance or sale of the Bonds 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 Notice of Material Events Certificate, the form of which is attached hereto as "APPENDIX - C".

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

RATING

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

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

Generally, rating agencies base 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.

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 the Official Statement, and the documents included by specific reference, that are not historical facts are "forward-looking statements", within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, and as defined in the Private Securities Litigation Reform Act of 1995, which involve a number of risks and uncertainties, and 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", "believe", "intend", "plan", "foresee", "likely", "estimate", "expect", "objective", "projection", "forecast", "goal", "will", or "should", or similar words or phrases 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.

Trespasz Law Offices, LLP, Syracuse, New York, Bond Counsel to the Issuer, expresses no opinion 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 limitation as to information in the Official Statement obtained from sources other than the District, as to which no representation can be made.

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.

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 or hacking 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.

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

The District's contact information is as follows: Kaleb Bertrand, Business Manager, 1100 State Street, Ogdensburg, New York 13669, Phone: (315) 393-7912 x40280, email: kaleb.bertrand@sllboces.org.

ENLARGED OGDENSBURG CITY SCHOOL DISTRICT

Dated: July 2, 2025

RONALD N. JOHNSON
PRESIDENT OF THE BOARD OF EDUCATION
AND CHIEF FISCAL OFFICER

GENERAL FUND

Balance Sheets

Fiscal Years Ending June 30:

	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
<u>ASSETS</u>					
Unrestricted Cash	\$ 6,261,060	\$ 5,893,419	\$ 4,698,294	\$ 1,826,693	\$ 1,668,505
Restricted Cash	2,684,740	7,072,704	10,925,746	9,348,433	4,475,951
Taxes Receivable	488,457	561,158	746,002	1,384,411	1,366,696
State and Federal Aid Receivables	605,589	1,151,778	757,308	678,327	1,175,487
Accounts and Other Receivables	1,535,120	1,701,955	2,297,205	3,279,071	2,857,300
Due from Other Funds	946,769	1,494,743	1,440,101	3,335,394	3,463,715
Due from Fiduciary Funds	12,601	-	-	-	-
Prepaid Expenses	-	128,124	864,515	480,640	274,500
	<u>-</u>	<u>128,124</u>	<u>864,515</u>	<u>480,640</u>	<u>274,500</u>
TOTAL ASSETS	<u><u>\$ 12,534,336</u></u>	<u><u>\$ 18,003,881</u></u>	<u><u>\$ 21,729,171</u></u>	<u><u>\$ 20,332,969</u></u>	<u><u>\$ 15,282,154</u></u>
<u>LIABILITIES AND FUND EQUITY</u>					
Accounts Payable	\$ 158,513	\$ 265,224	\$ 378,613	\$ 252,655	\$ 308,231
Accrued Liabilities	1,803,301	1,968,262	1,921,369	1,952,077	2,009,356
Notes Payable	-	-	-	-	-
Due to Other Funds	476,367	216,576	289,730	268,490	294,266
Due to Retirement Systems	1,153,218	1,330,242	1,487,230	1,823,009	1,777,360
Accrued Interest Payable	75,113	-	-	-	-
Compensated Absences Payable	-	-	-	45,000	99,000
Deferred Revenues	311,301	-	-	990,000	660,000
	<u>311,301</u>	<u>-</u>	<u>-</u>	<u>990,000</u>	<u>660,000</u>
TOTAL LIABILITIES	<u>\$ 3,977,813</u>	<u>\$ 3,780,304</u>	<u>\$ 4,076,942</u>	<u>\$ 5,331,231</u>	<u>\$ 5,148,213</u>
<u>FUND EQUITY</u>					
Nonspendable	\$ -	\$ 128,124	\$ 864,515	\$ 480,640	\$ 274,500
Restricted	2,211,461	7,072,704	10,468,475	9,348,433	4,475,951
Committed	637	18,276	59,744	-	-
Assigned	4,456,425	5,028,953	4,117,990	3,011,774	4,029,613
Unassigned	1,888,000	1,975,520	2,141,505	2,160,891	1,353,877
	<u>1,888,000</u>	<u>1,975,520</u>	<u>2,141,505</u>	<u>2,160,891</u>	<u>1,353,877</u>
TOTAL FUND EQUITY	<u><u>\$ 8,556,523</u></u>	<u><u>\$ 14,223,577</u></u>	<u><u>\$ 17,652,229</u></u>	<u><u>\$ 15,001,738</u></u>	<u><u>\$ 10,133,941</u></u>
TOTAL LIABILITIES and FUND EQUITY	<u><u>\$ 12,534,336</u></u>	<u><u>\$ 18,003,881</u></u>	<u><u>\$ 21,729,171</u></u>	<u><u>\$ 20,332,969</u></u>	<u><u>\$ 15,282,154</u></u>

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>
REVENUES					
Real Property Taxes	\$ 7,867,264	\$ 8,231,930	\$ 8,585,844	\$ 8,653,346	\$ 8,736,691
Other Tax Items	2,670,311	2,509,607	2,562,200	2,371,144	2,578,550
Charges for Services	859,648	748,539	1,240,132	899,788	654,185
Use of Money & Property	228,980	233,535	185,159	122,451	456,703
Sale of Property and Compensation for Loss	-	-	-	7,871	21,111
Miscellaneous	1,264,997	1,094,958	2,425,189	1,015,974	1,072,114
Interfund Revenues	-	-	-	-	-
Revenues from State Sources	28,651,067	29,404,112	29,289,236	31,260,210	32,049,572
Revenues from Federal Sources	102,092	2,437	676,597	66,728	18,647
Total Revenues	<u>\$ 41,644,359</u>	<u>\$ 42,225,118</u>	<u>\$ 44,964,357</u>	<u>\$ 44,397,512</u>	<u>\$ 45,587,573</u>
Other Sources:					
Interfund Transfers	<u>122,225</u>	<u>350,000</u>	<u>324,000</u>	<u>421,036</u>	<u>491,605</u>
Total Revenues and Other Sources	<u>\$ 41,766,584</u>	<u>\$ 42,575,118</u>	<u>\$ 45,288,357</u>	<u>\$ 44,818,548</u>	<u>\$ 46,079,178</u>
EXPENDITURES					
General Support	\$ 4,590,107	\$ 4,554,728	\$ 4,955,920	\$ 5,333,400	\$ 5,620,606
Instruction	20,559,780	19,555,866	18,971,080	19,958,839	22,029,160
Pupil Transportation	985,112	776,745	904,586	1,109,751	1,378,927
Community Services	43,952	48,133	31,195	37,331	44,258
Employee Benefits	11,183,401	8,973,722	9,620,171	9,681,473	11,682,652
Debt Service	4,955,194	5,044,104	5,046,000	5,161,281	5,347,331
Total Expenditures	<u>\$ 42,317,546</u>	<u>\$ 38,953,298</u>	<u>\$ 39,528,952</u>	<u>\$ 41,282,075</u>	<u>\$ 46,102,934</u>
Other Uses:					
Interfund Transfers	<u>105,199</u>	<u>114,763</u>	<u>92,351</u>	<u>107,821</u>	<u>1,966,735</u>
Total Expenditures and Other Uses	<u>\$ 42,422,745</u>	<u>\$ 39,068,061</u>	<u>\$ 39,621,303</u>	<u>\$ 41,389,896</u>	<u>\$ 48,069,669</u>
Excess (Deficit) Revenues Over Expenditures	<u>\$ (656,161)</u>	<u>\$ 3,507,057</u>	<u>\$ 5,667,054</u>	<u>\$ 3,428,652</u>	<u>\$ (1,990,491)</u>
FUND BALANCE					
Fund Balance - Beginning of Year	5,705,627	5,049,466	8,556,523	14,223,577	16,992,229 ⁽¹⁾
Prior Period Adjustments (net)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance - End of Year	<u>\$ 5,049,466</u>	<u>\$ 8,556,523</u>	<u>\$ 14,223,577</u>	<u>\$ 17,652,229</u>	<u>\$ 15,001,738</u>

⁽¹⁾ Fund Balance restated.

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	\$ 8,655,000	\$ 8,655,000	\$ 8,820,624	\$ 10,598,360	\$ 10,862,259
Other Tax Items	2,473,360	2,473,360	2,561,312	530,000	650,000
Charges for Services	1,050,000	1,050,000	1,346,741	1,315,000	1,465,000
Use of Money & Property	450,000	450,000	578,605	550,000	550,000
Sale of Property and Compensation for Loss	-	-	13,946	779,509	500,000
Miscellaneous	1,600,880	1,600,880	1,522,588	575,000	575,000
Interfund Revenues	-	-	-	-	-
Revenues from State Sources	36,146,488	36,146,488	34,626,541	36,046,488	36,478,460
Revenues from Federal Sources	125,000	125,000	12,532	50,000	50,000
Total Revenues	<u>\$ 50,500,728</u>	<u>\$ 50,500,728</u>	<u>\$ 49,482,889</u>	<u>\$ 50,444,357</u>	<u>\$ 51,130,719</u>
Other Sources:					
Appropriated Reserves	\$ 525,000	\$ 525,000	\$ -	\$ 816,848	\$ 725,000
Appropriated Fund Balance	-	-	-	4,000,000	4,237,260
Prior Year Encumbrances	-	-	-	-	-
Interfund Transfers	235,477	235,477	235,477	-	-
Total Revenues and Other Sources	<u>\$ 51,261,205</u>	<u>\$ 51,261,205</u>	<u>\$ 49,718,366</u>	<u>\$ 55,261,205</u>	<u>\$ 56,092,979</u>
EXPENDITURES					
General Support	\$ 6,147,822	\$ 6,059,787	\$ 5,889,923	\$ 6,664,805	\$ 6,833,455
Instruction	24,669,605	23,287,105	22,871,440	26,218,000	26,949,624
Pupil Transportation	1,645,497	1,579,997	1,542,134	1,685,000	1,735,000
Community Services	51,500	51,500	43,801	52,000	52,000
Employee Benefits	14,416,000	13,018,035	12,983,939	15,631,000	15,691,000
Debt Service	5,067,555	5,067,555	5,060,266	4,820,400	4,641,900
Capital Outlay	-	-	-	-	-
Total Expenditures	<u>\$ 51,997,979</u>	<u>\$ 49,063,979</u>	<u>\$ 48,391,503</u>	<u>\$ 55,071,205</u>	<u>\$ 55,902,979</u>
Other Uses:					
Interfund Transfers	3,265,000	6,199,000	6,194,660	190,000	190,000
Total Expenditures and Other Uses	<u>\$ 55,262,979</u>	<u>\$ 55,262,979</u>	<u>\$ 54,586,163</u>	<u>\$ 55,261,205</u>	<u>\$ 56,092,979</u>
Excess (Deficit) Revenues Over Expenditures	<u>\$ (4,001,774)</u>	<u>\$ (4,001,774)</u>	<u>\$ (4,867,797)</u>	<u>\$ -</u>	<u>\$ -</u>
FUND BALANCE					
Fund Balance - Beginning of Year	15,001,738	15,001,738	15,001,738	-	-
Prior Period Adjustments (net)	-	-	-	-	-
Fund Balance - End of Year	<u><u>\$ 10,999,964</u></u>	<u><u>\$ 10,999,964</u></u>	<u><u>\$ 10,133,941</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

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

APPENDIX - B
Enlarged Ogdensburg City School District

BONDED DEBT SERVICE

Fiscal Year Ending June 30th	Principal		Interest		Total
2026	\$	3,795,000	\$	846,900	\$ 4,641,900
2027		3,925,000		717,631	4,642,631
2028		3,720,000		582,406	4,302,406
2029		3,635,000		448,463	4,083,463
2030		3,010,000		315,463	3,325,463
2031		1,630,000		199,563	1,829,563
2032		1,495,000		150,663	1,645,663
2033		1,335,000		105,500	1,440,500
2034		775,000		38,750	813,750
TOTALS	\$	23,320,000	\$	3,405,338	\$ 26,725,338

Note: Table above does not include debt payments related to leases. See "Lease Obligations" herein.

APPENDIX - B1
Enlarged Ogdensburg City School District

CURRENT BONDS OUTSTANDING

Fiscal Year Ending June 30th	2017 Capital Improvements			2018 Capital Improvements		
	Principal	Interest	Total	Principal	Interest	Total
2026	\$ 395,000	\$ 39,850	\$ 434,850	\$ 2,010,000	\$ 308,713	\$ 2,318,713
2027	405,000	31,456	436,456	2,080,000	248,413	2,328,413
2028	345,000	22,344	367,344	2,150,000	186,013	2,336,013
2029	350,000	14,150	364,150	2,000,000	121,513	2,121,513
2030	180,000	5,400	185,400	1,550,000	61,513	1,611,513
2031	-	-	-	240,000	15,013	255,013
2032	-	-	-	250,000	7,813	257,813
TOTALS	\$ 1,675,000	\$ 113,200	\$ 1,788,200	\$ 10,280,000	\$ 948,988	\$ 11,228,988

Fiscal Year Ending June 30th	2019A DASNY Capital Improvements			2022 Buses		
	Principal	Interest	Total	Principal	Interest	Total
2026	\$ 1,135,000	\$ 490,050	\$ 1,625,050	\$ 255,000	\$ 8,288	\$ 263,288
2027	1,185,000	433,300	1,618,300	255,000	4,463	259,463
2028	1,225,000	374,050	1,599,050	-	-	-
2029	1,285,000	312,800	1,597,800	-	-	-
2030	1,280,000	248,550	1,528,550	-	-	-
2031	1,390,000	184,550	1,574,550	-	-	-
2032	1,245,000	142,850	1,387,850	-	-	-
2033	1,335,000	105,500	1,440,500	-	-	-
2034	775,000	38,750	813,750	-	-	-
TOTALS	\$ 10,855,000	\$ 2,330,400	\$ 13,185,400	\$ 510,000	\$ 12,750	\$ 522,750

MATERIAL EVENT NOTICES

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

- (a) principal and interest payment delinquencies
- (b) non-payment related defaults, if material
- (c) unscheduled draws on debt service reserves reflecting financial difficulties
- (d) in the case of credit enhancement, if any, provided in connection with the issuance of the Notes, unscheduled draws on credit enhancements reflecting financial difficulties
- (e) substitution of credit or liquidity providers, or their failure to perform
- (f) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701 TEB) or other material notices or determinations with respect to the tax status of the Note, or other material events affecting the tax status of the Notes
- (g) modifications to rights of Note holders, if material
- (h) note calls, if material and tender offers
- (i) defeasances
- (j) release, substitution, or sale of property securing repayment of the Note
- (k) rating changes
- (l) bankruptcy, insolvency, receivership or similar event of the District
- (m) the consummation of a merger, consolidation, or acquisition involving the District or the sale of all or substantially all of the assets of the District, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material
- (n) appointment of a successor or additional trustee or the change of name of a trustee, if material
- (o) incurrence of a "financial obligation" (as defined by the Rule) of the District, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the District, any of which affect noteholders, if material; and
- (p) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the District, any of which reflect financial difficulties.

Event (c) is included pursuant to a letter from the SEC staff to the National Association of Bond Lawyers dated September 19, 1995. However, event (c) is not applicable, since no "debt service reserves" will be established for the Notes.

With respect to event (d) the District does not undertake to provide any notice with respect to credit enhancement added after the primary offering of the Notes.

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

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

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

The District has agreed to provide, or cause to be provided, during the period in which the Notes are outstanding in a timely manner, to EMMA or any other entity designated or authorized by the SEC to receive reports pursuant to the Rule, notice of its failure to provide the aforescribed material event notices, if any, on or before the date specified.

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

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

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

ENLARGED OGDENSBURG CITY SCHOOL DISTRICT

AUDITED FINANCIAL STATEMENT

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.

ENLARGED OGDENSBURG
CITY SCHOOL DISTRICT

FINANCIAL STATEMENTS

June 30, 2024

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INDEPENDENT AUDITOR'S REPORT

TO THE BOARD OF EDUCATION ENLARGED OGDENSBURG CITY SCHOOL DISTRICT

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Enlarged Ogdensburg City School District as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the 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 Enlarged Ogdensburg City 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 Enlarged Ogdensburg City School District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis (pages 5-21), Schedule of Changes in the District's Total OPEB Liability and Related Ratios (page 83), Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (Non-GAAP Basis) and Actual – General Fund (pages 84-85), Schedule of the District's Proportionate Share of the Net Pension Asset (Liability) – NYSLRS Pension Plan (page 86), and Schedule of District's Contributions – NYSLRS Pension Plan (page 87) 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 Enlarged Ogdensburg City School District's basic financial statements. The Schedule of Change From Adopted Budget to Final Budget and the Real Property Tax Limit – General Fund, Schedule of Capital Projects Fund - Project Expenditures and Financing Resources, Combined Balance Sheet – Non-Major Governmental Funds, Combined Statement of Revenues, Expenditures and Changes in Fund Balances – Non-Major Governmental Funds, and Net Investment in Capital Assets (pages 88-94), are presented for purposes of additional analysis and are not a required part of the basic financial statements. The Schedule of Expenditures of Federal Awards (page 101) is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards*, and is also 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 Schedule of Change From Adopted Budget to Final Budget and the Real Property Tax Limit – General Fund, Schedule of Capital Projects Fund - Project Expenditures and Financing Resources, Combined Balance Sheet – Non-Major Governmental Funds, Combined Statement of Revenues, Expenditures and Changes in Fund Balances – Non-Major Governmental Funds, Net Investment in Capital Assets (pages 88-94) and the Schedule of Expenditures of Federal Awards (page 101) are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 3, 2024 on our consideration of Enlarged Ogdensburg City School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Enlarged Ogdensburg City School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Enlarged Ogdensburg City School District's internal control over financial reporting and compliance.

Banner & Company

Watertown, New York
October 3, 2024

ENLARGED OGDENSBURG CITY SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2024

INTRODUCTION

The following is a discussion and analysis of Enlarged Ogdensburg City School District's financial performance for the fiscal year ended June 30, 2024. This section is a summary of the School District's financial activities based on currently known facts, decisions, or conditions. It is also based on both the government-wide and fund-based financial statements. Responsibility for completeness and fairness of the information contained rests with the School District.

DESCRIPTION OF THE SCHOOL DISTRICT AND REPORTING ENTITY

The District is formed, pursuant to New York State Education Law, and offers a public education to its enrollees based on a New York State Regents Track and/or Local Track Program established using Minimum State Standards. Grade levels offered are UPK through 12, and the curriculum taught is designed to lead to a High School Diploma upon successful completion.

This District is located in northern New York State along the St. Lawrence River. The District encompasses approximately twelve square miles of land area and has a current estimated population of 13,700. This District includes the City of Ogdensburg and parts of the Towns of Lisbon and Oswegatchie. Major highways in and around the District include Routes #37 and #12, which connect the District with U. S. Interstate 81, a major New York State Expressway.

The Board of Education is the policy-making body of the District and consists of nine members with overlapping five-year terms so that as nearly as possible an equal number is elected to the Board each year. Each Board member must be a qualified voter of the District. The Board members select the President and the Vice President. The administrative officers of the District implement the policies of the Board of Education and supervise the operation of the school system.

The Enlarged Ogdensburg City School District accommodates both regular and special education students. There are two elementary buildings and one building housing grades 7-12. The District's staff is committed to assisting each one of its students in their quest to achieve their individual potential to attain and master their academic standards, while making every effort to provide the best education at an affordable price.

ENLARGED OGDENSBURG CITY SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2024

DESCRIPTION OF THE SCHOOL DISTRICT AND REPORTING ENTITY - Continued

The mission of the Enlarged Ogdensburg City School District is:

- To encourage and guide all students to reach their intellectual, social, emotional, creative and physical potential.
- To provide opportunities for applying learned knowledge.
- To provide an education that will allow the students to acquire the skills, knowledge and positive attitudes needed for employment and effective citizenship.
- To encourage students to pursue individual interests.
- To provide a safe, nurturing, interactive environment.
- To exercise fiduciary responsibility.
- To directly serve the community.

One of the unique aspects of this District's operation is the high degree of student, parent, community, and staff representation in planning and decision-making. This involvement assures that the educational programs are developed to meet the specific needs of the students while maintaining a cost structure consistent with taxpayer wishes.

The discussion and analysis of Enlarged Ogdensburg City School District's financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2024. The intent of this discussion and analysis is to look at the School District's financial performance as a whole; readers should also review the notes to the basic financial statements and financial statements to enhance their understanding of the School District's financial performance.

USING THIS GENERALLY ACCEPTED ACCOUNTING PRINCIPLES (GAAP) REPORT

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand Enlarged Ogdensburg City School District as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The Statement of Net Position and Statement of Activities provide information about the activities of the whole School District, presenting both an aggregate view of the School District's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending.

ENLARGED OGDENSBURG CITY SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2024

USING THIS GENERALLY ACCEPTED ACCOUNTING PRINCIPLES (GAAP) REPORT – Continued

The fund financial statements also look at the School District's most significant funds with all other non-major funds presented in total in one column. The General Fund is by far the most significant fund for the Enlarged Ogdensburg City School District.

This section is a summary of the School District's financial activities based on currently known facts, decisions, or conditions. It is also based on both the 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. This section is only an introduction and should be read in conjunction with the School District's financial statements, which immediately follow this section of the Management's Discussion and Analysis.

FINANCIAL HIGHLIGHTS

- The District's net position increased \$3,724,880 which represents a 8.10% increase from June 30, 2023.
- District-Wide revenues accounted for \$48,446,195 in revenue, or \$3,263,990 more than fiscal year 2022-2023 revenues. Program specific revenues in the form of grants and contributions accounted for \$6,580,860 or \$1,110,436 less than fiscal year 2022-2023 revenues.
- Enrollment decreased by 91 pupils from the 2022-2023 school year compared to the 2023-2024 school year. The District has experienced UPK-12 enrollments of 1,496 and 1,405 respectively, for 2022-2023 and 2023-2024.
- District-Wide expenses of \$51,302,175 related to governmental activities were incurred, of which \$11,381,936 of these expenses were offset by real property tax items. Other general revenues, charges for services, and grants of \$43,645,119 provided for the remaining costs of these programs, ending the year with a change in net position of \$3,724,880.
- The District's long-term liabilities decreased overall by \$3,139,104 primarily due to the decrease in the Bonds Payable of \$3,825,000.
- The General Fund Balance is \$10,133,941 as of June 30, 2024 compared to \$15,001,738 at June 30, 2023. The fund balances are shown as four categories on page 19. The Assigned Fund Balance of \$3,039,613 is the amount assigned for next year's budget. The Unassigned Fund Balance is \$2,343,877. This represents 4.24% of next year's budget. School districts are allowed a 4% Unassigned Fund Balance in accordance with education law.

ENLARGED OGDENSBURG CITY SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2024

OVERVIEW OF FINANCIAL STATEMENTS

This annual report consists of three parts – management's discussion and analysis (this section), the basic financial statements, and required supplementary information. The three sections together provide a comprehensive overview of the District. The basic financial statements are comprised of two kinds of statements that present financial information from different perspectives:

- **District-wide financial statements**, which comprise the first two statements, provide both short-term and long-term information about the entity's overall financial position.
- **Fund financial statements** focus on reporting the individual parts of the District operations in more detail. The fund financial statements concentrate on the School District's most significant funds with all other non-major funds listed in total in one column. The fund financial statements comprise the remaining statements.
 - **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.
 - **Fiduciary fund statements** provide information about the financial relationships in which the District acts solely as a trustee or agent for the benefit of others.

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 and actual for the year.

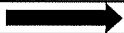
ENLARGED OGDENSBURG CITY SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2024

OVERVIEW OF FINANCIAL STATEMENTS - Continued

Figure A-1 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.

Figure A-1	Major Features of the District-Wide and Fund Financial Statement		
	District-Wide	Fund Financial Statements	
		Governmental Funds	Fiduciary Funds
Scope	Entire District (except fiduciary funds)	The activities of the School District that are not fiduciary, such as instruction, special education and building maintenance	Instances in which the School District acts as a trustee or agent for resources that belong to others but does not have administrative control, such as property taxes collected on behalf of other governments
Required Financial Statements	1. Statement of Net Position 2. Statement of Activities	3. Balance Sheet 4. Statement of Revenues, Expenditures, and Changes in Fund Balance	5. Statement of Fiduciary Net Position 6. 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 / Liability Information	All assets and liabilities, both financial and capital, short term and long-term	Generally, assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included	All assets and liabilities 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 the 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	Additions and deductions during the year, regardless of when cash is received or paid

ENLARGED OGDENSBURG CITY SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2024

OVERVIEW OF FINANCIAL STATEMENTS - Continued

Statement of Net Position and the Statement of Activities

While this document contains a large number of funds used by the School District to provide programs and activities, the view of the School District as a whole looks at all financial transactions and asks the question, "How did we do financially from July 1, 2023 through June 30, 2024?" The Statement of Net Position and the Statement of Activities answer this question. These statements include all assets, deferred outflows, liabilities, and deferred inflows using the accrual basis of accounting similar to the accounting used by most private sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the School District's net position and changes in net position. This change in net position is important because it tells the reader that, for the School District as a whole, the financial position of the School District has improved or diminished. The causes of this change may be the result of many factors, some financial, and some not. Some examples of non-financial factors include the School District's property tax base, current property tax laws in New York State restricting revenue growth, facility condition, unfunded required educational programs required by the New York State Education Department.

In the Statement of Net Position and the Statement of Activities, the School District reports governmental activities. Governmental activities are the activities where most of the School District's programs and services are reported including, but not limited to, instruction, support services, operation and maintenance of school buildings, pupil transportation and extracurricular activities. The School District does not have any business-like activities.

REPORTING THE SCHOOL DISTRICT'S MOST SIGNIFICANT FUNDS

Fund Financial Statements

Fund financial reports provide detailed information about the School District's major funds. The School District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the School District's most significant funds. The School District's major governmental funds are the General Fund, Special Aid Fund, and Capital Fund – Transportation Facility. All other funds are reported as non-major funds.

ENLARGED OGDENSBURG CITY SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2024

REPORTING THE SCHOOL DISTRICT'S MOST SIGNIFICANT FUNDS - Continued

Governmental Funds

Most of the School District's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in the future periods. These funds are reported using an accounting method called modified accrual, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the School District's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is reconciled in the financial statements.

Fiduciary Funds

The District is the trustee, or fiduciary, for assets that belong to others. The District is responsible for ensuring that assets reported in these funds are used only for their intended purposes and by those to whom the assets belong. All of the District's fiduciary activities are reported in a separate statement of fiduciary net position and a statement of changes in fiduciary net position. We exclude these activities from the district-wide financial statements because the District cannot use the assets to finance its operations.

FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT AS A WHOLE

Net Position may serve over time as a useful indicator of a government's financial position. In the case of the School District, liabilities and deferred inflows of resources exceeded assets and deferred outflows of resources by \$42,289,208 at the close of the most recent fiscal year. This represents a \$3,724,880 increase in the statement of net position for the year. The overall deficit is largely due to the District's other postemployment benefit ("OPEB") liability. As of June 30, 2024, the OPEB liability was \$98,877,496 as compared to \$96,695,962 reported at the close of the prior fiscal year. See Note 12 for additional OPEB information.

ENLARGED OGDENSBURG CITY SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2024

FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT AS A WHOLE - Continued

The following schedule summarizes the School District's Net Position. The complete Statement of Net Position can be found in the School District's basic financial statements.

Table 1: Condensed Statement of Net Position

	2023	2024	Percentage Change
Assets			
Current and Other Assets	\$ 22,847,742	\$ 21,406,071	-6.31%
Capital Assets, Net	<u>75,024,820</u>	<u>74,619,455</u>	-0.54%
Total Assets	<u><u>\$ 97,872,562</u></u>	<u><u>\$ 96,025,526</u></u>	-1.89%
Deferred Outflows of Resources			
Other Postemployment Benefits	\$ 16,691,287	\$ 10,281,322	-38.40%
Pensions	<u>9,553,273</u>	<u>7,832,364</u>	-18.01%
Total Deferred Outflows of Resources	<u><u>\$ 26,244,560</u></u>	<u><u>\$ 18,113,686</u></u>	-30.98%
Liabilities			
Current Liabilities	\$ 8,913,568	\$ 8,985,607	0.81%
Long-Term Liabilities	<u>129,952,486</u>	<u>126,983,107</u>	-2.28%
Total Liabilities	<u><u>\$ 138,866,054</u></u>	<u><u>\$ 135,968,714</u></u>	-2.09%
Deferred Inflows of Resources			
Other Postemployment Benefits	\$ 30,249,178	\$ 18,597,864	-38.52%
Pensions	<u>1,015,978</u>	<u>1,861,842</u>	83.26%
Total Deferred Inflows of Resources	<u><u>\$ 31,265,156</u></u>	<u><u>\$ 20,459,706</u></u>	-34.56%
Net Position (Deficit)			
Net Investment in Capital Assets	\$ 42,276,579	\$ 46,071,991	8.98%
Restricted	11,180,610	9,746,942	-12.82%
Unrestricted (Deficit)	<u>(99,471,277)</u>	<u>(98,108,141)</u>	-1.37%
Total Net Position (Deficit)	<u><u>\$ (46,014,088)</u></u>	<u><u>\$ (42,289,208)</u></u>	-8.10%

ENLARGED OGDENSBURG CITY SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2024

**FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT AS A
WHOLE - Continued**

Unrestricted net position, the part of net position that can be used to finance day-to-day activities of the School District, increased by \$1,363,136.

Table 2: Condensed Statement of Activities

	2023	2024	Percentage Change
Revenues			
<i>General Revenues</i>			
Property and Other Tax Items	\$ 8,736,691	\$ 8,820,624	0.96%
Other Tax Items	2,578,550	2,561,312	-0.67%
State Aid Formula	32,049,572	34,626,541	8.04%
Other	1,817,390	2,437,718	34.13%
<i>Program Revenues</i>			
Charges for Services	1,185,611	1,611,292	35.90%
Operating Grants	6,505,685	4,969,568	-23.61%
Total Revenues	<u>52,873,499</u>	<u>55,027,055</u>	<u>4.07%</u>
Expenses			
General Support	6,858,364	7,382,949	7.65%
Instruction	36,497,571	39,264,969	7.58%
Pupil Transportation	1,984,843	2,297,971	15.78%
Community Service	65,743	72,857	10.82%
School Food Service	1,427,220	1,430,580	0.24%
Debt Service - Interest	1,028,102	852,849	-17.05%
Total Expenses	<u>47,861,843</u>	<u>51,302,175</u>	<u>7.19%</u>
Change in Net Position	<u>\$ 5,011,656</u>	<u>\$ 3,724,880</u>	<u>-25.68%</u>

ENLARGED OGDENSBURG CITY SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

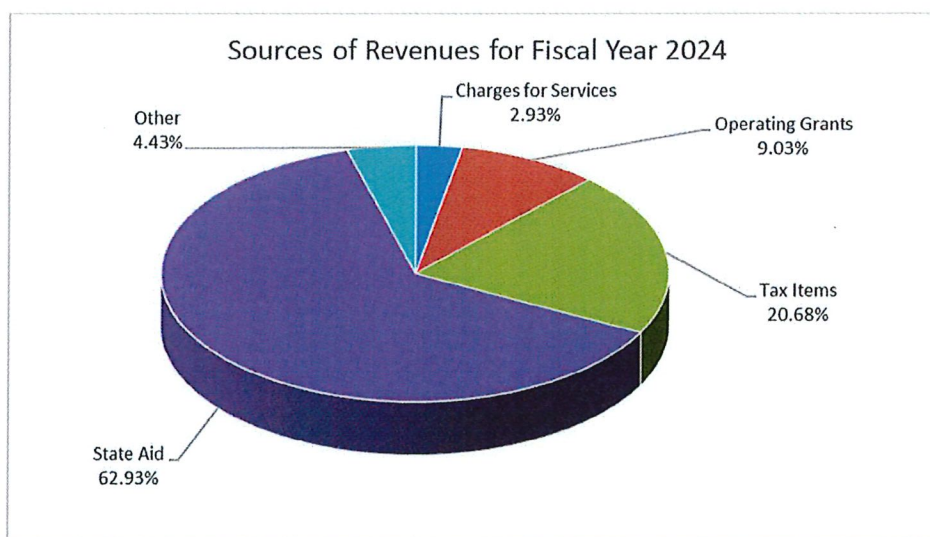
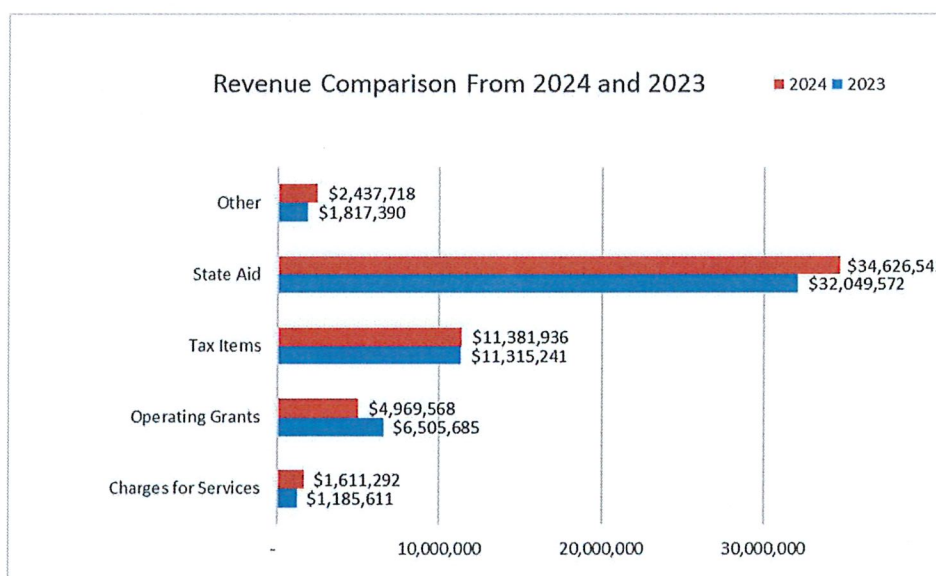
June 30, 2024

FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT AS A WHOLE - Continued

Revenues

Total revenues increased 4.07%.

State aid increased by approximately \$2.6M from 2022-2023 to 2023-2024.



ENLARGED OGDENSBURG CITY SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2024

FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT AS A WHOLE - Continued

Expenses

Total expenses increased 7.19%.

General Support

General support consists of the Board of Education, Central Administration, Finance, Human Resources, Maintenance, Utilities, Central Printing, Central Data Processing, Fire and Liability Insurance, and BOCES Administrative costs.

Instruction

Instruction includes costs associated with teachers and entire instructional staff including aides and assistants. The increase in this function in comparison to the prior year can largely be attributed to the allocation of the employee benefits, including other postemployment benefits, and depreciation and amortization.

Pupil Transportation

Pupil transportation costs increased 15.78% in 2024. The increase was related to the purchase of a bus and other equipment.

School Food Service Program

The School Food Service Program expenses increased by 0.24% from the prior year.

Debt Service - Interest

Debt service interest decreased by 17.05%. See note 8 for more details.

ENLARGED OGDENSBURG CITY SCHOOL DISTRICT

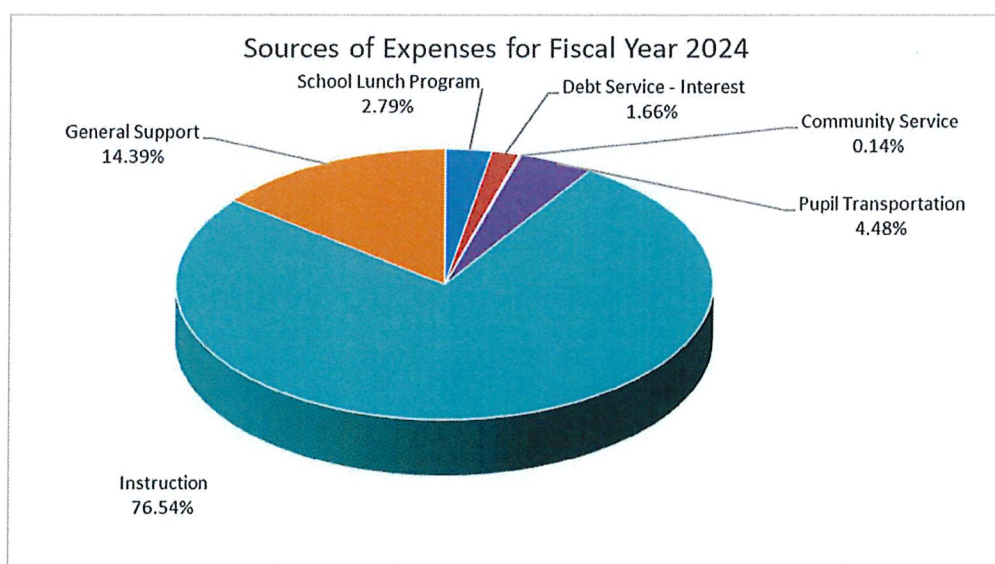
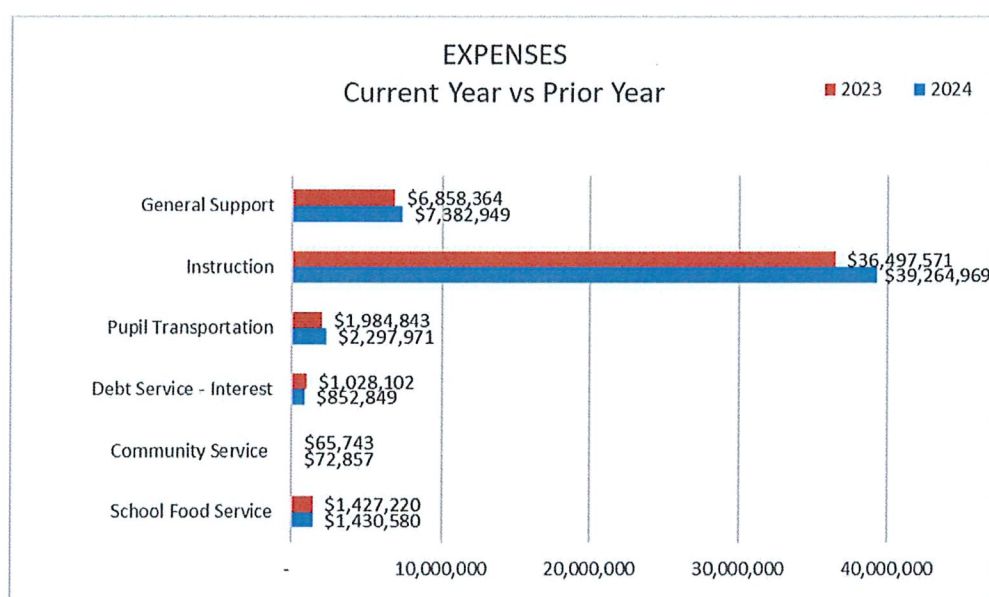
MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2024

FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT AS A WHOLE - Continued

Expenses – Continued

The following chart shows the expenses in district-wide statements for the current year ended June 30, 2024 in comparison to the prior year:



ENLARGED OGDENSBURG CITY SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2024

CAPITAL ASSETS & DEBT ADMINISTRATION

At the end of the fiscal year 2024, the School District had \$74,619,455 invested in land, buildings, furniture, equipment, vehicles, and intangible lease assets, net of accumulated depreciation and amortization.

Table 3: Capital Assets (Net of Accumulated Depreciation and Amortization)

This table compares fiscal 2023 balances to 2024.

	2023	2024	Total Percentage Change
Land	\$ 2,563,800	\$ 2,563,800	0.00%
Construction in Progress	-	407,661	100.00%
Buildings and Improvements	67,064,781	66,842,281	-0.33%
Site Improvements	1,554,435	1,448,416	-6.82%
Furniture and Equipment	3,370,671	3,011,219	-10.66%
Intangible Lease Assets - Equipment	471,133	346,078	-26.54%
Total	\$ 75,024,820	\$ 74,619,455	-0.54%

The increase in construction in progress is related to a capital project underway for a transportation facility. For more information, refer to Note 6.

Long-Term Debt

The long-term debt specific to bonds is broken down by current (within one year) and long term (after one year). The School District had the following breakdown of debt June 30, 2024 and 2023:

	2023	2024
Due and Payable in One Year, Net	\$ 4,075,722	\$ 3,903,589
Due and Payable After One Year, Net	28,201,386	24,297,797
Total Long-Term Bonds Payable, Net of Unamortized Premium	<u>\$ 32,277,108</u>	<u>\$ 28,201,386</u>

For more information refer to Note 8.

ENLARGED OGDENSBURG CITY SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2024

ANALYSIS OF THE SCHOOL DISTRICT'S FUNDS

Revenues for the District's governmental funds totaled \$55,357,055. Expenditures for the year ended June 30, 2024 were \$56,717,130, resulting in a excess of expenditures over revenues of \$1,360,075 before other financing sources and uses.

Table 4: Summary of Governmental Funds Expenditures

The cost of the District's activities for 2024 and 2023 were as follows:

	2023	2024	Total Percentage Change
General Support	\$ 6,359,731	\$ 6,323,349	-0.57%
Instruction	26,285,530	26,121,021	-0.63%
Pupil Transportation	1,419,160	1,576,818	11.11%
Community Service	44,258	43,801	-1.03%
Employee Benefits	12,937,970	14,017,301	8.34%
Debt Service	5,347,331	5,060,266	-5.37%
Capital Outlay	2,204,608	2,556,235	15.95%
Other Expenditures	175,718	228,091	29.81%
Cost of Sales - School Food Service	666,317	790,248	18.60%
Total Expenditures	\$ 55,440,623	\$ 56,717,130	2.30%

ENLARGED OGDENSBURG CITY SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2024

ANALYSIS OF THE SCHOOL DISTRICT'S FUNDS - Continued

The financial performance of the District as a whole is reflected in its governmental funds. As the District completed the fiscal year, its governmental funds reported a combined fund balance of \$15,573,538.

The Fund Balance is broken down into four categories (see page 25).

Non Spendable - \$ 58,695 (School Food Service) for Inventory

Non Spendable - \$ 274,500 (General Fund) for Prepaid Expenditures

Restricted - \$ 947,449 (General Fund) for Unemployment Benefits

Restricted - \$ 1,565,750 (General Fund) for ERS & TRS Retirement Benefits

Restricted - \$ 881,982 (General Fund) for Tax Certiorari Claims

Restricted - \$ 708,549 (General Fund) for Employee Benefits

Restricted - \$ 789,927 (Debt Service) for Debt Service

Restricted - \$ 372,221 (General Fund) for Capital Projects

Restricted - \$ 234,492 (Miscellaneous Special Revenue) for Scholarships

Restricted - \$ 209,575 (Extraclassroom) for Student Activities

Restricted - \$ 444,658 (Permanent) for Scholarships

Restricted - \$3,592,339 (Capital Fund) for Capital Projects

Assigned - \$ 3,039,613 (General Fund) - Appropriated for next year's budget

Assigned - \$ 372,711 (School Food Service) – Assigned Fund Balance

Unassigned - \$ (262,800) (Special Aid) Unassigned Fund Balance

Unassigned - \$ 2,343,877 (General Fund) Unassigned Fund Balance

The General Fund is the principal operating fund of the District. The actual revenues with operating transfers in the General Fund were more than expenditures by \$4,867,797. The School Food Service Fund revenues were more than expenditures by \$68,908. The Capital Project Fund – Transportation Facility revenues with operating transfers were more than expenditures by \$3,592,339.

The School District was able to keep actual expenditures incurred within the final budget amounts. Capital reserve monies of \$6,148,574 were transferred to the Capital Project Funds during the current year.

The School District continues to be in excellent financial condition with a total of \$15,573,538 in total fund balance among all funds.

ENLARGED OGDENSBURG CITY SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2024

GENERAL FUND BUDGETARY HIGHLIGHTS

A schedule showing the original and final budget amounts compared to the District's actual financial activity for the General Fund is provided in this report on pages 84-85 as required supplementary information.

Actual employee benefits expenses experienced an increase due to a result of rising health insurance premiums and exceeded the budgeted amount.

Actual transportation expenses were higher than prior years due to purchasing of a bus and other equipment.

Actual regular special education expenses were lower than budget due to reduced program costs and conservative budgeting techniques.

Table 5: Final Revenue Budget Compared to Actual Revenues

	<u>Final Budget</u>	<u>Actual</u>	<u>Dollar Variance</u>	<u>Percentage Variance</u>
Tax Items	\$ 11,128,360	\$ 11,381,936	\$ 253,576	2.28%
Charges for Services	1,050,000	1,346,741	296,741	28.26%
Use of Money and Property	450,000	578,605	128,605	28.58%
Sale of Property and Compensation for Loss	-	13,946	13,946	100.00%
Miscellaneous	1,600,880	1,522,588	(78,292)	-4.89%
Transfer From Other Funds	235,477	235,477	-	0.00%
State Sources	36,146,488	34,626,541	(1,519,947)	-4.20%
Medicaid Reimbursements	125,000	12,532	(112,468)	-89.97%
Appropriated Reserves	525,000	-	(525,000)	-100.00%
	<u>\$ 51,261,205</u>	<u>\$ 49,718,366</u>	<u>\$(1,542,839)</u>	<u>-3.01%</u>

The total difference between Final Budgeted Revenues and Actual Revenues for 2023-2024 is (\$2,532,839). This difference is mainly due to state sources and charges for services coming in under budget.

ENLARGED OGDENSBURG CITY SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2024

GENERAL FUND BUDGETARY HIGHLIGHTS - Continued

Table 6: Final Expenditure Budget Compared to Actual Expenditures

	<u>Final Budget</u>	<u>Actual Plus Encumbrances</u>	<u>Dollar Variance</u>	<u>Percentage Variance</u>
General Support	\$ 6,059,787	\$ 5,899,898	\$ 159,889	2.64%
Instruction	23,287,105	22,891,078	396,027	1.70%
Pupil Transportation	1,579,997	1,542,134	37,863	2.40%
Community Service	51,500	43,801	7,699	14.95%
Employee Benefits	13,018,035	12,983,939	34,096	0.26%
Debt Service	5,067,555	5,060,266	7,289	0.14%
Transfers to Other Funds	6,199,000	6,194,660	4,340	0.07%
	<u>\$ 55,262,979</u>	<u>\$ 54,615,776</u>	<u>\$ 647,203</u>	<u>1.17%</u>

The total difference between Final Budgeted Expenditures and Actual Expenditures and Encumbrances was \$647,203. This variance is due mainly to conservative budgeting techniques.

CURRENT FINANCIAL ISSUES AND CONCERNS

Many factors were considered by the District's administration during the process of developing the fiscal year 2024-2025 budget. The primary factors were the District's student enrollment and program offerings due to rising costs in salaries, fringe benefits and debt service.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact:

Kaleb Bertrand, Business Manager
Enlarged Ogdensburg City School District
1100 State Street
Ogdensburg, New York 13669

ENLARGED OGDENSBURG CITY SCHOOL DISTRICT
AUDITED BASIC FINANCIAL STATEMENTS

STATEMENT OF NET POSITION – GOVERNMENTAL ACTIVITIES

June 30, 2024

ASSETS	
Cash and Cash Equivalents	
Unrestricted	\$ 1,716,465
Restricted	10,113,456
Investments - Restricted	73,274
Receivables	
Taxes	1,366,696
State and Federal Aid	4,926,796
Due from Other Governments	2,387,612
Other	488,577
Prepaid Expenditures	274,500
Inventories	58,695
Capital Assets, Net	74,619,455
TOTAL ASSETS	\$ 96,025,526
DEFERRED OUTFLOWS OF RESOURCES	
Pensions	\$ 7,832,364
Other Postemployment Benefits	10,281,322
Total Deferred Outflows of Resources	\$ 18,113,686
LIABILITIES	
Payables	
Accounts Payable	\$ 488,157
Accrued Liabilities	2,504,320
Accrued Interest on Bonds Payable	44,822
Due to Teachers' Retirement System	1,656,315
Due to Employees' Retirement System	121,045
Compensated Absences Payable - Current	99,000
Unearned Credits	
Unearned Revenues - Other	40,896
Long-Term Liabilities	
Due and Payable Within One Year	
Bonds Payable, Net of Unamortized Premium	3,903,589
Lease Liability	127,463
Due and Payable After One Year	
Bonds Payable, Net of Unamortized Premium	24,297,797
Lease Liability	218,615
Incurred But Not Reported Claims Payable	582,576
Compensated Absences Payable	498,203
Net Pension Liability - Proportionate Share	2,508,420
Other Postemployment Benefits Payable	98,877,496
TOTAL LIABILITIES	\$ 135,968,714

See notes to audited basic financial statements.

ENLARGED OGDENSBURG CITY SCHOOL DISTRICT

STATEMENT OF NET POSITION – GOVERNMENTAL ACTIVITIES – CONTINUED

June 30, 2024

DEFERRED INFLOWS OF RESOURCES	
Other Postemployment Benefits	\$ 18,597,864
Pensions	1,861,842
TOTAL DEFERRED INFLOWS OF RESOURCES	\$ 20,459,706
NET POSITION	
Net Investment in Capital Assets	\$ 46,071,991
Restricted	
Debt Service	789,927
Other Legal Restrictions	8,957,015
Unrestricted (Deficit)	(98,108,141)
TOTAL NET POSITION	\$ (42,289,208)

See notes to audited basic financial statements.

ENLARGED OGDENSBURG CITY SCHOOL DISTRICT

**STATEMENT OF ACTIVITIES AND CHANGES IN NET POSITION –
GOVERNMENTAL ACTIVITIES**

Year Ended June 30, 2024

		<u>Program Revenues</u>		<u>Net (Expense)</u>
	<u>Expenses</u>	<u>Charges for</u>	<u>Operating</u>	<u>Revenue and</u>
		<u>Services</u>	<u>Grants</u>	<u>Changes in</u>
				<u>Net Position</u>
FUNCTIONS/PROGRAMS				
General Support	\$ 7,382,949	\$ -	\$ -	\$ (7,382,949)
Instruction	39,264,969	1,346,741	3,738,656	(34,179,572)
Pupil Transportation	2,297,971	-	-	(2,297,971)
Community Service	72,857	-	-	(72,857)
Debt Service - Interest	852,849	-	-	(852,849)
School Food Service Program	<u>1,430,580</u>	<u>264,551</u>	<u>1,230,912</u>	<u>64,883</u>
Total Functions and Programs	<u>\$ 51,302,175</u>	<u>\$ 1,611,292</u>	<u>\$ 4,969,568</u>	<u>(44,721,315)</u>
GENERAL REVENUES				
Real Property Taxes				8,820,624
Other Tax Items				2,561,312
Use of Money and Property				660,640
Sale of Property and Compensation for Loss				13,946
State Sources				34,626,541
Medicaid Reimbursements				12,532
Miscellaneous				<u>1,750,600</u>
Total General Revenues				<u>48,446,195</u>
Change in Net Position				<u>3,724,880</u>
Net Position - Beginning of Year				<u>(46,014,088)</u>
Net Position - End of Year				<u>\$ (42,289,208)</u>

See notes to audited basic financial statements.

ENLARGED OGDENSBURG CITY SCHOOL DISTRICT

BALANCE SHEET - GOVERNMENTAL FUNDS

June 30, 2024

	General Fund	Special Aid Fund	Capital Fund - Transportation Facility	Non-Major Funds	Total Governmental Funds
ASSETS					
Cash and Cash Equivalents					
Unrestricted	\$ 1,668,505	\$ 19,899	\$ -	\$ 28,061	\$ 1,716,465
Restricted	4,475,951	-	4,005,373	1,632,132	10,113,456
Investments - Restricted	-	-	-	73,274	73,274
Receivables					
Taxes	1,366,696	-	-	-	1,366,696
State and Federal Aid	1,175,487	3,681,204	-	70,105	4,926,796
Due from Other Funds	3,463,715	-	-	333,234	3,796,949
Due from Other Governments	2,387,612	-	-	-	2,387,612
Other	469,688	-	-	18,889	488,577
Prepaid Expenditures	274,500	-	-	-	274,500
Inventories	-	-	-	58,695	58,695
TOTAL ASSETS	\$ 15,282,154	\$ 3,701,103	\$ 4,005,373	\$ 2,214,390	\$ 25,203,020
LIABILITIES					
Payables					
Accounts Payable	\$ 308,231	\$ 66,250	\$ 113,676	\$ -	\$ 488,157
Accrued Liabilities	2,009,356	462,814	-	32,150	2,504,320
Due to Other Funds	294,266	3,172,039	299,358	31,286	3,796,949
Due to Teachers' Retirement System	1,656,315	-	-	-	1,656,315
Due to Employees' Retirement System	121,045	-	-	-	121,045
Compensated Absences Payable	99,000	-	-	-	99,000
Unearned Credits					
Unearned Revenues- Other	-	-	-	40,896	40,896
Total Liabilities	4,488,213	3,701,103	413,034	104,332	8,706,682
DEFERRED INFLOW OF RESOURCES					
Deferred Federal Grant - EFC	-	262,800	-	-	262,800
Deferred Charges for Services	660,000	-	-	-	660,000
Total Deferred Inflow of Resources	660,000	262,800	-	-	922,800
FUND BALANCES (DEFICIT)					
Nonspendable	274,500	-	-	58,695	333,195
Restricted	4,475,951	-	3,592,339	1,678,652	9,746,942
Assigned	4,029,613	-	-	372,711	4,402,324
Unassigned	1,353,877	(262,800)	-	-	1,091,077
Total Fund Balances (Deficit)	10,133,941	(262,800)	3,592,339	2,110,058	15,573,538
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES (DEFICIT)	\$ 15,282,154	\$ 3,701,103	\$ 4,005,373	\$ 2,214,390	\$ 25,203,020

See notes to audited basic financial statements.

ENLARGED OGDENSBURG CITY SCHOOL DISTRICT

RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION

June 30, 2024

Total Fund Balance - Governmental Funds \$ 15,573,538

Amounts reported for governmental activities in the Statement of Net Position are different because:

Proportionate share of long-term liabilities associated with participation in state retirement systems are not current financial resources or obligations and are not reported in the fund statements.

Net Pension Liability - Proportionate Share - TRS	\$ 959,244	
Net Pension Liability - Proportionate Share - ERS	<u>1,549,176</u>	(2,508,420)

Deferred inflows of resources are not available to pay for current-period expenditures and, therefore, are not reported in the funds statements consist of:

Other Postemployment Benefits	\$ 18,597,864	
Pensions	<u>1,861,842</u>	(20,459,706)

Deferred outflows of resources are not available to pay for current-period expenditures and, therefore, are not reported in the funds statements consist of:

Other Postemployment Benefits	\$ 10,281,322	
Pensions	<u>7,832,364</u>	18,113,686

Governmental funds report revenues only when they are considered "available", whereas the Statement of Activities report revenues when earned. Long-term revenue differences are reported as revenue in the Statement of Activities and Deferred Inflow in the governmental funds, and therefore not reported as revenue in the governmental funds.

922,800

Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds:

Cost of Capital Assets	\$ 134,345,249	
Accumulated Depreciation and Amortization	<u>(59,725,794)</u>	74,619,455

Long-term liabilities, including bonds payable and compensated absences, are not due in the current period and, therefore, are not reported as liabilities in the funds.

Long-term liabilities, at year end, consist of:

Bonds Payable	\$ 26,995,000	
Accrued Interest on Bonds Payable	44,822	
Lease Liability	346,078	
Incurred But Not Reported Claims Payable	582,576	
Compensated Absences Payable	498,203	
Other Postemployment Benefits Payable	98,877,496	
Premium on Bond Issue	<u>1,206,386</u>	(128,550,561)

Total Net Position - Governmental Activities	\$	<u>(42,289,208)</u>
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See notes to audited basic financial statements.

ENLARGED OGDENSBURG CITY SCHOOL DISTRICT

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCES - GOVERNMENTAL FUNDS**

Year Ended June 30, 2024

	General Fund	Special Aid Fund	Capital Fund - Transportation Facility	Non-Major Funds	Total Governmental Funds
REVENUES					
Real Property Taxes	\$ 8,820,624	\$ -	\$ -	\$ -	\$ 8,820,624
Other Tax Items	2,561,312	-	-	-	2,561,312
Charges for Services	1,346,741	-	-	-	1,346,741
Sale of Property and Compensation for Loss	13,946	-	-	-	13,946
Use of Money and Property	578,605	-	-	82,035	660,640
Miscellaneous	1,522,588	-	-	292,496	1,815,084
State Sources	34,626,541	736,224	-	243,941	35,606,706
Medicaid Reimbursements	12,532	-	-	-	12,532
Federal Sources	-	3,332,432	-	901,898	4,234,330
Surplus Food	-	-	-	85,073	85,073
Sales - School Food Service	-	-	-	200,067	200,067
Total Revenues	<u>49,482,889</u>	<u>4,068,656</u>	<u>-</u>	<u>1,805,510</u>	<u>55,357,055</u>
EXPENDITURES					
General Support	5,889,923	-	-	433,426	6,323,349
Instruction	22,871,440	3,249,581	-	-	26,121,021
Pupil Transportation	1,542,134	34,684	-	-	1,576,818
Community Service	43,801	-	-	-	43,801
Employee Benefits	12,983,939	830,477	-	202,885	14,017,301
Debt Service:					
Principal	3,950,055	-	-	-	3,950,055
Interest	1,110,211	-	-	-	1,110,211
Cost of Sales - School Food Service	-	-	-	790,248	790,248
Other Expenditures	-	-	-	228,091	228,091
Capital Outlay	-	-	407,661	2,148,574	2,556,235
Total Expenditures	<u>48,391,503</u>	<u>4,114,742</u>	<u>407,661</u>	<u>3,803,224</u>	<u>56,717,130</u>
Excess (Deficiency) of Revenues					
Over Expenditures	<u>1,091,386</u>	<u>(46,086)</u>	<u>(407,661)</u>	<u>(1,997,714)</u>	<u>(1,360,075)</u>
OTHER FINANCING SOURCES AND (USES)					
Operating Transfers In	235,477	46,086	4,000,000	2,169,271	6,450,834
Operating Transfers (Out)	(6,194,660)	-	-	(256,174)	(6,450,834)
Total Other Financing Sources (Uses)	<u>(5,959,183)</u>	<u>46,086</u>	<u>4,000,000</u>	<u>1,913,097</u>	<u>-</u>
Net Change in Fund Balances	(4,867,797)	-	3,592,339	(84,617)	(1,360,075)
Fund Balances (Deficit) - Beginning of Year	<u>15,001,738</u>	<u>(262,800)</u>	<u>-</u>	<u>2,194,675</u>	<u>16,933,613</u>
Fund Balances (Deficit) - End of Year	<u>\$ 10,133,941</u>	<u>\$ (262,800)</u>	<u>\$ 3,592,339</u>	<u>\$ 2,110,058</u>	<u>\$ 15,573,538</u>

See notes to audited basic financial statements.

ENLARGED OGDENSBURG CITY SCHOOL DISTRICT

RECONCILIATION OF GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES

Year Ended June 30, 2024

Net Change in Fund Balances - Total Governmental Funds \$ (1,360,075)

Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental funds report capital outlays as expenditures. However, in the Statement of Net Position, assets with an initial individual cost of more than \$5,000 are capitalized and in the Statement of Activities the cost is allocated over their estimated useful lives and reported as depreciation and amortization expense. This is the amount by which depreciation and amortization expense exceeded capital outlays in the current period.

Capital Outlays	\$	3,237,457	
Depreciation and Amortization Expense		<u>(3,642,822)</u>	(405,365)

Repayment of debt principal is an expenditure in the governmental funds, but the payment reduces long-term liabilities in the Statement of Net Position. This is the amount of debt repayments made in the current period for bonds and lease liabilities. 3,950,055

Interest on long-term debt in the Statement of Activities differs from the amount reported in the governmental funds because interest is recorded as an expenditure in the funds when it is paid, and thus requires the use of current financial resources. In the Statement of Activities, however, interest expense is recognized as the interest accrues, regardless of when it is paid. The following items resulted in a net decrease in interest expense being reported in the Statement of Activities:

Change in Accrued Interest Payable	\$	6,640	
Amortization of Bond Premium on Refunding		<u>250,722</u>	257,362

In the Statement of Activities, certain operating expenses--compensated absences (vacations and certain sick pay) and special termination benefits (early retirement), and incurred but not reported claims payable are measured by the amount earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid). (25,204)

Governmental funds report revenues only when they are considered "available", whereas the Statement of Activities report revenues when earned. Long-term revenue differences is reported as revenue in the Statement of Activities and Deferred Inflow in the governmental funds, and therefore not reported as revenue in the governmental funds. (330,000)

In the Statement of Activities, the actual and projected long-term expenditures for postemployment benefits and related deferred outflows/inflows are reported, whereas, on the governmental funds only the actual expenditures are recorded for postemployment benefits. 3,059,815

(Increases) decreases in proportionate share of net pension asset/liability, amounts due to ERS, and related deferred outflows/inflows reported in the Statement of Activities do not provide for or require the use of current financial resources and therefore are not reported as revenues or expenditures in the governmental funds.

Teachers' Retirement System	\$	(1,194,354)	
Employees' Retirement System		<u>(227,354)</u>	(1,421,708)

Change in Net Position of Governmental Activities \$ 3,724,880

See notes to audited basic financial statements.

ENLARGED OGDENSBURG CITY SCHOOL DISTRICT

STATEMENT OF FIDUCIARY NET POSITION

June 30, 2024

	<u>Custodial</u>
ASSETS	
Cash and Cash Equivalents	
Restricted	\$ -
Total Assets	<u>\$ -</u>
NET POSITION	
Restricted	<u>\$ -</u>

See notes to audited basic financial statements.

ENLARGED OGDENSBURG CITY SCHOOL DISTRICT

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

Year Ended June 30, 2024

	Custodial
ADDITIONS	
Taxes Collected for Other Governments (Library Levy)	<u>\$ 350,000</u>
DEDUCTIONS	
Payments of Tax to Other Governments (Library Levy)	<u>350,000</u>
Change in Net Position	-
Net Position - Beginning of Year	<u>-</u>
Net Position - End of Year	<u><u>\$ -</u></u>

See notes to audited basic financial statements.

ENLARGED OGDENSBURG CITY SCHOOL DISTRICT

NOTES TO AUDITED BASIC FINANCIAL STATEMENTS

June 30, 2024

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Enlarged Ogdensburg City School District (the District) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government 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 used by the District are described below:

Reporting Entity

The Enlarged Ogdensburg City School 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 nine 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 14, *The Financial Reporting Entity*, as amended by GASB 39, *Component Units*, GASB 61, *The Financial Reporting Entity: Omnibus an Amendment of GASB No. 14 and No. 39*, GASB Statement 80 - *Blending Requirements for Certain Component Units an amendment of GASB Statement No. 14*, GASB 84, *Fiduciary Activities*, and GASB 97, *Certain Component Unit Criteria*, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans—An Amendment of GASB Statements No. 14 And No. 84, and a Supersession of GASB 32. 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 following is a brief description of certain entities included in the District's reporting entity.

ENLARGED OGDENSBURG CITY SCHOOL DISTRICT

NOTES TO AUDITED BASIC FINANCIAL STATEMENTS

June 30, 2024

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES – Continued

Reporting Entity - ContinuedExtra Classroom Activity Funds

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

Joint Venture

The District is a component district in the St. Lawrence Board of Cooperative Educational Services (BOCES). A BOCES is a voluntary, cooperative association of school districts in a geographic area that shares planning, services, and programs that provide educational and support activities. There is no authority or process by which a school district can terminate its status as a BOCES component.

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

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

During the year, the District was billed \$8,032,115 for BOCES administrative, capital, and program costs.

The District's share of BOCES aid amounted to \$4,502,263. This represents state aid distributions of \$3,660,319 and 2023 fund balance returned to schools of \$841,944.

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

ENLARGED OGDENSBURG CITY SCHOOL DISTRICT

NOTES TO AUDITED BASIC FINANCIAL STATEMENTS

June 30, 2024

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES – Continued

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 and Federal 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 District at fiscal year-end. The Statement of Activities presents a comparison between direct program expenses and revenues 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 revenues include charges paid by the recipients of goods or services offered by the programs, and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Statements

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

The District reports the following governmental funds:

General Fund: This is the District's primary operating fund. It accounts for all financial transactions that are not 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, child nutrition, extra classroom activity funds which the District has administrative involvement or other activities whose funds are restricted as to use. These legal restrictions may be imposed either by governments that provide the funds, or by outside parties.

ENLARGED OGDENSBURG CITY SCHOOL DISTRICT

NOTES TO AUDITED BASIC FINANCIAL STATEMENTS

June 30, 2024

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES – Continued

Basis of Presentation - Continued

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.

Extra Classroom Activity Funds: Used to account for funds operated by and for the students of the District. The Board exercises general oversight of these funds. The extra classroom activity funds are independent of the District with respect to its financial transactions and the designation of student management.

Scholarships and Awards Fund: Used to account for proceeds received from various individuals and organizations that are restricted for specific scholarship and award programs not under specific trust arrangements.

Capital Projects Funds: These funds are used to account for the financial resources used for the 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.

Permanent Fund: This fund accounts for proceeds received from various individuals and organizations that is permanently restricted and earnings are only available for use on specific scholarship and award programs based on the agreements.

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.

The District reports the following fiduciary funds:

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.

ENLARGED OGDENSBURG CITY SCHOOL DISTRICT

NOTES TO AUDITED BASIC FINANCIAL STATEMENTS

June 30, 2024

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES – Continued

Basis of Presentation - Continued

There is one class of fiduciary funds:

Custodial Funds: These funds are limited to assets that are being held for individuals, private organizations, or other governments that are not held in a trust. Assets are held by the District as agent for property taxes collected on behalf of other governments.

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, State Aid, grants, and donations.

On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from 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 governmental fund statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The District considers all revenues reported in the governmental funds to be available if the revenues are collected within 60 days after the end of the fiscal year as it matches the liquidation of related obligations.

Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, compensated absences, pensions, and other post-employment benefits which are recognized as expenditures to the extent they have matured. General capital asset, intangible lease asset, and intangible subscription asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions of leases and subscriptions with terms greater than one year are reported as other financing sources.

ENLARGED OGDENSBURG CITY SCHOOL DISTRICT

NOTES TO AUDITED BASIC FINANCIAL STATEMENTS

June 30, 2024

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES – Continued

Property Taxes

Real property taxes are levied annually by the Board of Education no later than September 1 and became a lien on August 28, 2023. Taxes are collected during the period September 1, 2023 to January 5, 2024.

The City and County in which the District is located enforce uncollected real property taxes. An amount representing all uncollected real property taxes must be transmitted by the City to the District within two years from the return of unpaid taxes to the City. Real property taxes receivable expected to be collected within 60 days of year-end, less similar amounts collected during this period in the preceding year are recognized as revenue. Otherwise, deferred inflows of resources offset real property taxes receivable.

Restricted Resources

When an expense is incurred for purposes for which both restricted and unrestricted net position are available, the District's policy concerning which to apply first varies with the intended use, and with the associated legal requirements, many of which are described elsewhere in these Notes.

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 expenditures 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 Note 10 for a detailed disclosure by individual fund for interfund receivables, payables, expenditures, and revenues activity.

ENLARGED OGDENSBURG CITY SCHOOL DISTRICT

NOTES TO AUDITED BASIC FINANCIAL STATEMENTS

June 30, 2024

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES – Continued

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 and 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, potential contingent liabilities, useful lives of capital assets, intangible lease assets, and intangible subscription assets.

Cash and Cash Equivalents and Investments

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 net of an allowance for uncollectible amounts, when applicable. An allowance for uncollectible accounts represents the portion of accounts receivable that is not expected to be collected within 365 days.

Inventories and Prepaid Items

Inventories of food in the School Food Service Fund are recorded at cost on a first-in, first-out basis, or in the case of surplus food, at stated value, which approximates market. Purchases of inventory items in other funds are recorded as expenditures at the time of purchase and are considered immaterial in amount.

ENLARGED OGDENSBURG CITY SCHOOL DISTRICT

NOTES TO AUDITED BASIC FINANCIAL STATEMENTS

June 30, 2024

NOTE 1 – 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 amounts is recorded at the time of purchase and an expense/expenditure is reported in the year the goods or services are consumed.

A portion of the fund balance in the amount of these non-liquid assets (inventories) have been identified as not available for other subsequent expenditures.

Other Assets

In the district-wide financial statements, bond discounts and premiums, and any prepaid bond insurance costs are deferred and amortized over the life of the debt issue. Bond issuance costs are recognized as an expense in the period incurred.

Capital Assets and Intangible Lease Assets

Capital assets are reported at actual cost or estimated historical costs if actual historical cost is not available. Donated assets are reported at estimated fair market value at the time received.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Land and construction in progress 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	SL	15-40 yrs
Furniture and Equipment	5,000	SL	5-15 yrs
Site Improvements	5,000	SL	15-30 yrs

The District does not possess any infrastructure.

ENLARGED OGDENSBURG CITY SCHOOL DISTRICT

NOTES TO AUDITED BASIC FINANCIAL STATEMENTS

June 30, 2024

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES – Continued

Capital Assets and Intangible Lease Assets - Continued

Intangible lease assets are initially measured at an amount equal to the initial measurement of the related lease liability plus any lease payments made prior to the lease term, less lease incentives, plus ancillary charges necessary to place the lease into service. A capitalization threshold of \$5,000 is used for lease acquisitions that are prepaid and have no corresponding lease liability. Intangible lease assets are amortized over the shorter of the lease term or the useful life of the underlying asset.

Deferred Outflows and Inflows of Resources

In addition to assets, the Statement of Net Position or Balance Sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District has three items that qualify for reporting in this category. The first item is related to pensions reported in the district-wide Statement of Net Position. This represents the effect of the net change in the District's proportion of the collective net pension asset or liability and difference during the measurement period between the District's contributions and its proportion share of total contributions to the pension systems not included in pension expense. The second item is the District's contributions to the pension systems (TRS and ERS systems) and OPEB subsequent to the measurement date. The third item related 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 will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position 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. The first item arises only under a modified accrual basis of accounting and is reported as deferred charges for services and grants reported in the governmental funds Balance Sheet. 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 (TRS and 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 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.

ENLARGED OGDENSBURG CITY SCHOOL DISTRICT

NOTES TO AUDITED BASIC FINANCIAL STATEMENTS

June 30, 2024

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES – Continued

Unearned Revenue

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 the resources, the liability for unearned revenues is removed and revenue is recognized.

Vested Employee Benefits

Compensated Absences

Compensated absences consist of unpaid accumulated annual sick leave and 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 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 fund 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.

District employees may choose to participate in the District's elective deferred compensation plans established under Internal Revenue Code Sections 403(b) and 457.

ENLARGED OGDENSBURG CITY SCHOOL DISTRICT

NOTES TO AUDITED BASIC FINANCIAL STATEMENTS

June 30, 2024

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES – Continued

Other Benefits – Continued

In addition to providing pension benefits, the District provides postemployment 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 cost of providing post-retirement benefits is shared between the District and the retired employee. The District recognizes the cost of providing health insurance by recording its share of insurance premiums as an expenditure.

Short-Term Debt

The District may issue Revenue Anticipation Notes (RAN) and Tax Anticipation Notes (TAN), in anticipation of the receipt of revenues. These notes are recorded as a liability of the fund that will actually receive the proceeds from the issuance of the notes. The RANs and TANs represent a liability that will be extinguished by the use of expendable, available resources of the fund.

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

The 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 BANs issued for capital purposes are converted to long-term financing within five years after the original issue date.

ENLARGED OGDENSBURG CITY SCHOOL DISTRICT

NOTES TO AUDITED BASIC FINANCIAL STATEMENTS

June 30, 2024

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES – Continued

Accrued Liabilities and Long-Term Obligations

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

Long-term obligations represent the 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.

Equity ClassificationsDistrict-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) and intangible lease assets (present value of future payments remaining on the term less accumulated amortization) reduced by outstanding balances of related debt obligations from the acquisition, constructions, or improvements of those assets.

Restricted Net Position – reports net position when constraints placed on the assets 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 the balance of 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.

ENLARGED OGDENSBURG CITY SCHOOL DISTRICT

NOTES TO AUDITED BASIC FINANCIAL STATEMENTS

June 30, 2024

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES – Continued

Equity Classifications - Continued

Fund Statements

In the fund basis statements, there are five classifications of fund balance:

Nonspendable - Includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. Nonspendable fund balance includes prepaid expenditures recorded in the General Fund of \$274,500 and \$58,695 of inventory recorded in the School Food Service Fund as of June 30, 2024.

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

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.

Capital Project Funds

According to constraints placed on the use of resources established by approved capital projects, must be used for the specific purpose outlined in the approved proposition. These monies are accounted for in the Capital Projects Fund.

Scholarships and Awards Fund

According to constraints placed on the use of resources established by various scholarship and award programs, must be used for the specific purpose outlined in the program. These monies are accounted for in the Scholarships and Awards Fund.

ENLARGED OGDENSBURG CITY SCHOOL DISTRICT

NOTES TO AUDITED BASIC FINANCIAL STATEMENTS

June 30, 2024

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES – Continued

Equity Classifications - Continued**Permanent Fund – Scholarships**

The fund is used to account for and report resources that are legally restricted to the extent that earnings, not principal, may be used for purposes that benefit the School District and recipients of the designated scholarships. The monies are accounted for in the Permanent Fund – Scholarships.

Extra Classroom Activity Funds

According to the regulations of the Commissioner of Education (8 NYCRR Part 172), the Board of Education of the District is required to make the rules and regulations for the establishment, conduct, operation, and maintenance of extra classroom activities and for the safeguarding, accounting and audit of all moneys received. According to the regulations of the Board of Education, the monies represent the funds of the students of the District and must be used by the student organizations of the District. These monies are accounted for in the Extra Classroom Activity Funds.

Employee Benefit Accrued Liability

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.

Unemployment Insurance

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.

ENLARGED OGDENSBURG CITY SCHOOL DISTRICT

NOTES TO AUDITED BASIC FINANCIAL STATEMENTS

June 30, 2024

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES – Continued

Equity Classifications - Continued**Tax Certiorari**

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

Capital Reserve

According to Education Law §3651, all 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. Expenditures may be made from the reserve only for a specific purpose further authorized by the voters. The form for the required legal notice for the vote on establishing and funding the reserve and the form of the proposition to be placed on the ballot are set forth in §3651 of the Education Law. This reserve is accounted for in the General Fund.

Retirement Contributions

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.

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

ENLARGED OGDENSBURG CITY SCHOOL DISTRICT

NOTES TO AUDITED BASIC FINANCIAL STATEMENTS

June 30, 2024

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES – Continued

Equity Classifications - Continued

Restricted fund balance includes the following at June 30, 2024:

General Fund	
Capital Reserve	\$ 372,221
Employee Benefit Accrued Liability	708,549
Retirement Contributions- NYSERS	1,043,967
Retirement Contributions- NYSTRS	521,783
Tax Certiorari	881,982
Unemployment Insurance	947,449
Capital Fund - Transportation Facility	3,592,339
Debt Service Fund	789,927
Permanent Fund	444,658
Extra Classroom Activity Funds	209,575
Scholarships and Awards Fund	<u>234,492</u>
 Total Restricted Funds	 <u><u>\$ 9,746,942</u></u>

Committed – Includes amounts that can only be used for the specific purposes pursuant to constraints imposed by formal action of the District's highest level of decision-making authority, i.e., the Board of Education. The District had 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. All encumbrances of the General Fund are classified as Assigned Fund Balance in the General Fund. Encumbrances reported in the General Fund amounted to \$29,613. Any remaining fund balance in other funds is considered assigned.

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 and could report a surplus or deficit. 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.

ENLARGED OGDENSBURG CITY SCHOOL DISTRICT

NOTES TO AUDITED BASIC FINANCIAL STATEMENTS

June 30, 2024

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES – Continued

Equity Classifications - Continued

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. Nonspendable 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.

Order of Use of Fund Balance

In circumstances where an expenditure is incurred for a purpose for which amounts are available in multiple fund balance classifications (e.g., expenditures related to reserves) the expenditure is to be spent first from the restricted fund balance to the extent appropriated by either budget vote or board approved budget revision and then from the unrestricted fund balance. Expenditures incurred in the unrestricted fund balances shall be applied first to the assigned fund balance to the extent that there is an assignment and then to the unassigned fund balance.

New Accounting Standards

The District has adopted all current Statements of the Governmental Accounting Standards Board (GASB) that are applicable. At June 30, 2024, the District implemented the following new statement issued by GASB:

GASB Statement No. 100, *Accounting Changes and Error Corrections—an amendment of GASB Statement No. 62*.

Future Changes in Accounting Standards

GASB has issued Statement No. 101, *Compensated Absences*, effective for the year ended June 30, 2025.

GASB has issued Statement No. 102, *Certain Risk Disclosures*, effective for the year ended June 30, 2025.

GASB has issued Statement No. 103, *Financial Reporting Model Improvements*, effective for the year ended June 30, 2026.

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

ENLARGED OGDENSBURG CITY SCHOOL DISTRICT

NOTES TO AUDITED BASIC FINANCIAL STATEMENTS

June 30, 2024

NOTE 2 - EXPLANATION OF CERTAIN DIFFERENCES BETWEEN FUND STATEMENTS AND DISTRICT-WIDE STATEMENTS

Due to the differences in the measurement focus and basis of accounting used in the governmental fund statements and the District-wide statements, certain financial transactions are treated differently. The basic financial statements contain a full reconciliation of these items. The differences result primarily from the economic focus of the District-wide statements, 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 balances of the District's governmental funds differ 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 postemployment benefits payable.

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

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

1. Long-Term Revenue and Expense 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.

2. Capital Related Differences:

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

ENLARGED OGDENSBURG CITY SCHOOL DISTRICT

NOTES TO AUDITED BASIC FINANCIAL STATEMENTS

June 30, 2024

NOTE 2 - EXPLANATION OF CERTAIN DIFFERENCES BETWEEN FUND STATEMENTS AND DISTRICT-WIDE STATEMENTS- Continued

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

3. Long-Term Debt Transaction Differences:

Long-term debt transaction differences occur because both interest and principal payments are recorded as expenditures in the 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.

4. 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.

5. 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 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgets

The District administration prepares a proposed budget for approval by the Board of Education for the following governmental fund for which legal (appropriated) budgets are adopted:

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

Appropriations are adopted at the program line item level.

Appropriations established by the adoption of the budget constitute a limitation on expenditures (and encumbrances) that 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. Appropriations authorized for the current year are increased by the planned use of specific reserves, and budget amendments approved by the Board of Education as a result of selected new revenue sources not included in the original budget (when permitted by law).

ENLARGED OGDENSBURG CITY SCHOOL DISTRICT

NOTES TO AUDITED BASIC FINANCIAL STATEMENTS

June 30, 2024

NOTE 3 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY - Continued

Budgets – Continued

These 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. No supplemental appropriations occurred during the year ended June 30, 2024.

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

Budgets are established and used for individual capital project fund expenditures as approved by a special referendum of the District's voters. The maximum project amount authorized is based primarily upon the cost of the project plus any requirements for external borrowings, not annual appropriations. These budgets do not lapse and are carried over to subsequent fiscal years until the completion of the projects.

Special Revenue Funds have not been included in comparison because they do not have a legally authorized (appropriated) budget.

Encumbrances

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

Other

A portion of the District's fund balance subject to the New York State Real Property Tax Law § 1318 limit exceeded the amount allowance, which is 4% of the District's budget for the upcoming school year. Actions the District plans to pursue to address this issue include the purchasing of additional buses and transportation items.

The Special Aid Fund had a deficit balance of \$262,800 at June 30, 2024. The deficit will be funded when the District collects grants funds in the future period, as the revenues were not available at June 30, 2024.

ENLARGED OGDENSBURG CITY SCHOOL DISTRICT

NOTES TO AUDITED BASIC FINANCIAL STATEMENTS

June 30, 2024

**NOTE 4 - CASH AND CASH EQUIVALENTS- CUSTODIAL
CREDIT, CONCENTRATION OF CREDIT, INTEREST RATE,
AND FOREIGN CURRENCY RISKS**

Cash and Investments

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

The District's aggregate bank balances (disclosed in the financial statements), included balances not covered by depository insurance at year-end, collateralized as follows:

Uncollateralized	\$ -
Collateralized with securities held by the pledging financial institution, or its trust department or agent, but not in the District's name	\$ 4,412,742

Restricted cash and cash equivalents represent where use is limited by legal requirements. These assets represent amounts required by statute to be reserved for various purposes. Restricted cash as of year-end includes \$4,475,951 restricted for various fund balance reserves in the General Fund, \$4,005,373 restricted for a voter approved capital project in the Capital Project – Transportation Facility Fund, \$782,245 restricted for debt service in the Debt Service Fund, \$34,436 restricted for a voter approved capital project in the Capital Project – Other Fund, \$209,575 restricted for extra classroom activity funds in the Extra Classroom Activity Funds, \$406,526 restricted for scholarships in the Permanent Fund, and \$199,350 restricted for scholarships and awards within the Scholarships and Awards Fund within the governmental funds.

Deposits are valued at cost or cost plus interest and are categorized as either (1) insured, or for which the securities are held by the District's agent in the District's name, (2) collateralized, and for which the securities are held by the pledging financial institution's trust department or agent in the District's name, or (3) uncollateralized. At June 30, 2024, all deposits were fully insured and collateralized by the District's agent, but not in the District's name.

The District follows an investment and deposit policy, the overall objective of which is to adequately safeguard the principal amount of funds invested or deposited; conformance with Federal, State and other legal requirements; and provide sufficient liquidity of invested funds in order to meet obligations as they become due. Oversight of investment activity is the responsibility of the Business Administrator of the District.

ENLARGED OGDENSBURG CITY SCHOOL DISTRICT

NOTES TO AUDITED BASIC FINANCIAL STATEMENTS

June 30, 2024

NOTE 4 – CASH AND CASH EQUIVALENTS - CUSTODIAL CREDIT, CONCENTRATION OF CREDIT, INTEREST RATE, AND FOREIGN CURRENCY RISKS - Continued

Cash and Investments – Continued

Interest rate risk is the risk that the fair value of investments will be affected by changing interest rates. The District's investment policy does not limit investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

The District's policy is to minimize the risk of loss due to failure of an issuer or other counterparty to an investment to fulfill its obligations. The District's investment and deposit policy authorizes the reporting entity to purchase the following types of investments:

- Interest bearing demand accounts
- Certificates of deposit
- Obligations of the United States Treasury and United States agencies
- Obligations of New York State and its localities

Custodial credit risk is the risk that in the event of a failure of a depository financial institution, the reporting entity may not recover its deposits. In accordance with the District's investment and deposit policy, all deposits of the District including interest bearing demand accounts and certificates of deposit, in excess of the amount insured under the provisions of the Federal Deposit Insurance Act (FDIC) shall be secured by a pledge of securities with an aggregate value equal to 100% of the aggregate amount of deposits.

The District restricts the securities to the following eligible items:

- Obligations issued, fully insured or guaranteed as to the payment of principal and interest, by the United States Treasury and United States agencies.
- Obligations issued or fully insured or guaranteed by New York State and its localities.
- Obligations issued by other than New York State rated in one of the three highest rating categories by at least one nationally recognized statistical rating organization.

Investment Pool

The District participates in a multi-municipal cooperative investment pool agreement pursuant to New York State General Municipal Law Article 5-G, § 119-O, whereby it holds a portion of the investments in cooperation with other participants. The investments are highly liquid and are considered to be cash equivalents.

Total amounts held represent the cost of the investment pool shares and are considered to approximate net asset value. The investment pool is categorically exempt from the New York State collateral requirements. Additional information concerning the cooperative is presented in the annual report of NYCLASS. At June 30, 2024, the District held \$7,382,981 in the investment pool which are included in unrestricted and restricted cash and cash equivalents.

ENLARGED OGDENSBURG CITY SCHOOL DISTRICT

NOTES TO AUDITED BASIC FINANCIAL STATEMENTS

June 30, 2024

NOTE 5 – INVESTMENTS

U.S. GAAP establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy are described as follows:

Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the District has the ability to access.

Level 2: Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.
- If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used should maximize the use of observable inputs and minimize the use of unobservable inputs.

All of the District's investments are valued based on Level 1 of the hierarchy.

The following is a description of the valuation methodologies used for investments measured at fair value:

Cash and cash equivalents: Valued at cost plus accrued interest, which approximates fair market value.

Common stocks and mutual funds: Valued at the net assets value (NAV) of shares held at year end. The NAV is the closing price reported on the open market on which the securities are traded.

ENLARGED OGDENSBURG CITY SCHOOL DISTRICT

NOTES TO AUDITED BASIC FINANCIAL STATEMENTS

June 30, 2024

NOTE 5 – INVESTMENTS - Continued

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the District believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The District does not typically purchase investments for long enough duration to cause it to believe that it is exposed to any material interest rate risk.

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

At year-end, the District held \$73,274 in investments, detailed as follows:

Investment Fund	Griffin Fund Trust	Scholarship Fund Trust	Scholarship Fund Trust
Carrying Amount Fair Value	\$ 2,536	\$ 53,856	\$ 16,882
Type of Investment	Common Stocks	Cash and Mutual Funds	Common Stocks

NOTE 6 - CAPITAL ASSETS AND INTANGIBLE LEASE ASSETS

In accordance with the provisions of GASB Statement No 87, *Leases*, the District has recognized an intangible lease asset for agreements whereby the District obtains the right to the present service capacity of an underlying asset and the right to determine the nature and manner of an underlying asset's use for a period of one year or greater. The District has entered into such lease agreements for various items and other equipment.

ENLARGED OGDENSBURG CITY SCHOOL DISTRICT

NOTES TO AUDITED BASIC FINANCIAL STATEMENTS

June 30, 2024

NOTE 6 - CAPITAL ASSETS AND INTANGIBLE LEASE ASSETS

- Continued

Capital asset and intangible lease asset balances and activity for the year ended June 30 are as follows:

Governmental Activities	Beginning Balance	Additions	Retirements / Reclassifications	Ending Balance
Capital Assets That Are Not Depreciated:				
Land	\$ 2,563,800	\$ -	\$ -	\$ 2,563,800
Construction in Progress	-	407,661	-	407,661
Total Nondepreciable Assets	2,563,800	407,661	-	2,971,461
Other Capital Assets:				
Buildings and Improvements	118,566,182	2,393,606	-	120,959,788
Furniture and Equipment	6,979,155	436,190	-	7,415,345
Site Improvements	2,335,053	-	-	2,335,053
Intangible Lease Assets - Equipment	663,602	-	-	663,602
Total Other Capital Assets	128,543,992	2,829,796	-	131,373,788
Less Accumulated Depreciation:				
Buildings and Improvements	51,501,401	2,616,106	-	54,117,507
Furniture and Equipment	3,608,484	795,642	-	4,404,126
Site Improvements	780,618	106,019	-	886,637
Less Accumulated Amortization:				
Intangible Lease Assets - Equipment	192,469	125,055	-	317,524
Total Accumulated Depreciation and Amortization	56,082,972	3,642,822	-	59,725,794
Total Other Capital Assets, Net	72,461,020	(813,026)	-	71,647,994
Capital Assets, Net	\$ 75,024,820	\$ (405,365)	\$ -	\$ 74,619,455

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

General Support	\$ 624,081
Instruction	2,655,621
Pupil Transportation	359,099
School Food Service	4,021
Total Depreciation and Amortization Expense	<u>\$ 3,642,822</u>

ENLARGED OGDENSBURG CITY SCHOOL DISTRICT

NOTES TO AUDITED BASIC FINANCIAL STATEMENTS

June 30, 2024

NOTE 7 - SHORT-TERM DEBT

There were no short-term debt financing transactions during the year ended June 30, 2024.

NOTE 8 - LONG-TERM DEBT OBLIGATIONS

In the fund financial statements, governmental funds recognize bond premiums and discounts during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Further, the unmatured principal of general long-term debt does not require current appropriation and expenditure of governmental fund financial resources.

Serial Bonds

The 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.

Lease Liabilities

The District has entered into agreements to lease information technology equipment. Leases with a lease term greater than twelve months are recorded at the present value of the future minimum lease payments as of the date of their inception.

ENLARGED OGDENSBURG CITY SCHOOL DISTRICT

NOTES TO AUDITED BASIC FINANCIAL STATEMENTS

June 30, 2024

NOTE 8 - LONG-TERM DEBT OBLIGATIONS – Continued

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

Governmental Activities	Beginning Balance	Additions	Reductions	Ending Balance	Amount Due Within One Year
Bonds and Notes Payable					
General Obligation Debt					
Serial Bonds	\$ 30,820,000	\$ -	\$ 3,825,000	\$ 26,995,000	\$ 3,675,000
Premium on Bonds	1,457,108	-	250,722	1,206,386	228,589
Total Bonds & Notes Payable	32,277,108	-	4,075,722	28,201,386	3,903,589
Other Liabilities					
Compensated Absences Payable	409,642	88,561	-	498,203	-
Incurred But Not Reported Claims Payable	645,933	-	63,357	582,576	-
Other Postemployment Benefits Liability	96,695,962	2,181,534	-	98,877,496	-
Net Pension Liability - Proportionate Share	3,653,485	-	1,145,065	2,508,420	-
Lease Liability	471,133	-	125,055	346,078	127,463
Total Other Liabilities	101,876,155	2,270,095	1,333,477	102,812,773	127,463
Total Governmental Activities	\$ 134,153,263	\$ 2,270,095	\$ 5,409,199	\$ 131,014,159	\$ 4,031,052

The General Fund has typically been used to liquidate long-term liabilities such as compensated absences and postemployment benefits.

Existing serial and statutory bond obligations:

Description	Issue Date	Final Maturity	Interest Rate (%)	Balance
Serial Bond	6/20/2017	6/15/2030	2.0-3.0%	\$ 2,065,000
Serial Bond	6/19/2018	6/15/2032	3.0-3.125%	12,220,000
Serial Bond	6/17/2019	6/15/2034	5.00%	11,950,000
Serial Bond	2/1/2022	2/1/2027	0.5-1.75%	760,000
				<u>\$26,995,000</u>

ENLARGED OGDENSBURG CITY SCHOOL DISTRICT

NOTES TO AUDITED BASIC FINANCIAL STATEMENTS

June 30, 2024

NOTE 8 - LONG-TERM DEBT OBLIGATIONS – Continued

The following is a summary of debt service requirements for serial bonds payables at year-end June 30:

	Principal	Interest	Total
2025	\$ 3,675,000	\$ 970,400	\$ 4,645,400
2026	3,795,000	846,900	4,641,900
2027	3,925,000	717,631	4,642,631
2028	3,720,000	582,406	4,302,406
2029	3,635,000	448,463	4,083,463
2030-2034	8,245,000	809,938	9,054,938
Total	<u>\$ 26,995,000</u>	<u>\$ 4,375,738</u>	<u>\$ 31,370,738</u>

Existing lease obligations:

Description	Issue Date	Final Maturity	Interest Rate (%)	Balance
Xerox Copiers - Various	3/1/2021	3/1/2026	1.91	\$ 157,456
Xerox Copiers - Various	12/1/2022	12/1/2027	1.91	70,096
Xerox Copier - Workroom	1/1/2023	1/1/2028	1.91	24,023
Xerox Copiers - Various	7/1/2022	7/1/2027	1.91	69,686
Xerox Copier - Guidance	4/1/2023	4/1/2028	1.91	11,908
Xerox Copiers - Various	2/1/2023	2/1/2028	1.91	12,909
				<u>\$ 346,078</u>

ENLARGED OGDENSBURG CITY SCHOOL DISTRICT

NOTES TO AUDITED BASIC FINANCIAL STATEMENTS

June 30, 2024

NOTE 8 - LONG-TERM DEBT OBLIGATIONS – Continued

The following is a summary of debt service requirements for lease liabilities at year-end June 30:

	Principal	Interest	Total
2025	\$ 127,463	\$ 6,167	\$ 133,630
2026	129,898	2,811	132,709
2027	69,317	878	70,195
2028	19,400	93	19,493
Total	<u>\$ 346,078</u>	<u>\$ 9,949</u>	<u>\$ 356,027</u>

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

Interest Paid	\$ 1,110,211
Less: Interest Accrued in the Prior Year	(51,462)
Plus: Interest Accrued in the Current Year	44,822
Less: Amortization of Bond Premium	<u>(250,722)</u>
Total Interest on Long-Term Debt	<u>\$ 852,849</u>

NOTE 9 - PENSION PLANS

General Information

The District participates in New York State Teachers' Retirement System (NYSTRS) and the New York State Employees' Retirement System (NYERS). These are cost-sharing multiple employer public employee defined benefit 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.

ENLARGED OGDENSBURG CITY SCHOOL DISTRICT

NOTES TO AUDITED BASIC FINANCIAL STATEMENTS

June 30, 2024

NOTE 9 - PENSION PLANS - Continued

Teachers' Retirement System (TRS) Plan Description

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 State statute. Additional information regarding the System may be obtained by writing to the New York State Teachers' Retirement System, 10 Corporate Woods Drive, Albany, NY 12211-2395 or by referring to the NYSTRS Annual Comprehensive Financial report which can be found on the System's website at www.nystrs.org.

Employees' Retirement System (ERS) Plan Description

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 (RSSL). Once a public employer elects to participate in the System, the election is irrevocable. The New York State Constitution provides that pension membership is a contractual relationship and plan benefits cannot be diminished or impaired. Benefits can be changed for future members only by enactment of a State statute. The 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.

ENLARGED OGDENSBURG CITY SCHOOL DISTRICT

NOTES TO AUDITED BASIC FINANCIAL STATEMENTS

June 30, 2024

NOTE 9 - PENSION PLANS - Continued

TRS Benefits Provided

Benefits

The benefits provided to members of the System are established by New York State law and may be amended only by the Legislature with the Governor's approval. Benefit provisions vary depending on date of membership and are subdivided into the following six classes:

Tier 1

Members who last joined prior to July 1, 1973 are covered by the provisions of Article 11 of the Education Law.

Tier 2

Members who last joined on or after July 1, 1973 and prior to July 27, 1976 are covered by the provisions of Article 11 of the Education Law and Article 11 of the Retirement and Social Security Law (RSSL).

Tier 3

Members who last joined on or after July 27, 1976 and prior to September 1, 1983 are covered by the provisions of Article 14 and Article 15 of the RSSL.

Tier 4

Members who last joined on or after September 1, 1983 and prior to January 1, 2010 are covered by the provisions of Article 15 of the RSSL.

Tier 5

Members who joined on or after January 1, 2010 and prior to April 1, 2012 are covered by the provisions of Article 15 of the RSSL.

Tier 6

Members who joined on or after April 1, 2012 are covered by the provisions of Article 15 of the RSSL.

ENLARGED OGDENSBURG CITY SCHOOL DISTRICT

NOTES TO AUDITED BASIC FINANCIAL STATEMENTS

June 30, 2024

NOTE 9 - PENSION PLANS - Continued

TRS Benefits Provided – Continued

Service Retirements

Tier 1 members are eligible, beginning at age 55, for a service retirement allowance of approximately 2% per year of credited service times final average salary.

Under Article 19 of the RSSL, eligible Tier 1 and 2 members can receive additional service credit of one-twelfth of a year for each year of retirement credit as of the date of retirement or death up to a maximum of 2 additional years.

Tiers 2 through 5 are eligible for the same but with the following limitations: (1) Tiers 2 through 4 members receive an unreduced benefit for retirement at age 62 or retirement at ages 55 through 61 with 30 years of service or reduced benefit for retirement at ages 55 through 61 with less than 30 years of service. (2) Tier 5 members receive an unreduced benefit for retirement at age 62 or retirement at ages 57 through 61 with 30 years of service. They receive a reduced benefit for retirement at age 55 and 56 regardless of service credit, or ages 57 through 61 with less than 30 years of service.

Tier 6 members are eligible for a service retirement allowance of 1.75% per year of credited service for the first 20 years of service plus 2% per year for years of service in excess of 20 years times final average salary. Tier 6 members receive an unreduced benefit for retirement at age 63. They receive a reduced benefit at ages 55-62 regardless of service credit.

Vested Benefits

Retirement benefits for Tiers 1-6 are now vested after 5 years of credited service. Prior to April 9, 2022, Tier 5 and 6 members were to attain 10 years of state service credit to be vested. Benefits are payable at age 55 or greater with the limitations previously noted for service retirements.

Disability Retirement

Members are eligible for disability retirement benefits after 10 years of credited New York State service except for Tier 3 where disability retirement is permissible after 5 years of credited New York State service pursuant to the provisions of Article 14 of the RSSL. The Tier 3 benefit is integrated with Social Security.

ENLARGED OGDENSBURG CITY SCHOOL DISTRICT

NOTES TO AUDITED BASIC FINANCIAL STATEMENTS

June 30, 2024

NOTE 9 - PENSION PLANS - Continued

TRS Benefits Provided - Continued

Death Benefits

Death benefits are paid to the beneficiary of active members who die in service and certain retirees. For active members, the benefit is based on final salary, age, and the number of years of credited service. For retired members, it is also based on the number of years in retirement.

Prior and Military Service

After 2 years of membership, members of all tiers may claim and receive credit for prior New York State public or teaching service. Only Tier 1 and 2 members may, under certain conditions, claim out-of-state service. Certain members may also claim military service credit prior to or interrupting membership.

Tier Reinstatement

In accordance with Chapter 640 of the Laws of 1998, any active member who had a prior membership may elect to be reinstated to their original date and Tier of membership.

Permanent Cost-of-Living Adjustment (COLA)

Section 532-a of the Education Law provides a permanent cost-of-living benefit to both current and future retired members. This benefit will be paid commencing September of each year to retired members who have attained age 62 and have been retired for 5 years or attained age 55 and have been retired for 10 years. Disability retirees must have been retired for 5 years, regardless of age, to be eligible. The annual COLA percentage is equal to 50% of the increase in the consumer price index, not to exceed 3% nor be lower than 1%. It is applied to the first eighteen thousand dollars of maximum annual benefit. The applicable percentage payable beginning September 2022 and 2021 is 3.0% and 1.4%, respectively. Members who retired prior to July 1, 1970 are eligible for a minimum benefit of seventeen thousand five hundred dollars for 35 years of credited full-time New York State service. Certain members who retire pursuant to the provisions of Article 14 of the RSSL are eligible for automatic cost-of-living supplementation based on the increase in the consumer price index with a maximum per annum increase of 3%.

ENLARGED OGDENSBURG CITY SCHOOL DISTRICT

NOTES TO AUDITED BASIC FINANCIAL STATEMENTS

June 30, 2024

NOTE 9 - PENSION PLANS - Continued

ERS Benefits ProvidedBenefits

The System provides retirement benefits as well as death and disability benefits.

Tier 1 and 2

Eligibility: Tier 1 members, with the exception of those retiring under special retirement plans, must be at least age 55 to be eligible to collect a retirement benefit. There is no minimum service requirement for Tier 1 members. Tier 2 members, with the exception of those retiring under special retirement plans, must have 5 years of service and be at least age 55 to be eligible to collect a retirement benefit. The age at which full benefits may be collected for Tier 1 is 55, and the full benefit age for Tier 2 is 62.

Benefit Calculation: Generally, the benefit is 1.67 percent of final average salary for each year of service if the member retires with less than 20 years. If the member retires with 20 or more years of service, the benefit is 2 percent of final average salary for each year of service. Tier 2 members with five or more years of service can retire as early as age 55 with reduced benefits. Tier 2 members age 55 or older with 30 or more years of service can retire with no reduction in benefits. As a result of Article 19 of the RSSL, Tier 1 and Tier 2 members who worked continuously from April 1, 1999 through October 1, 2000 received an additional month of service credit for each year of credited service they have at retirement, up to a maximum of 24 additional months.

Final average salary is the average of the wages earned in the 3 highest consecutive years of employment. For Tier 1 members who joined on or after June 17, 1971, each year's compensation used in the final average salary calculation is limited to no more than 20 percent greater than the previous year. For Tier 2 members, each year of final average salary is limited to no more than 20 percent of the average of the previous 2 years.

Tier 3, 4, and 5

Eligibility: Tier 3, 4 and 5 members, with the exception of those retiring under special retirement plans, must have 5 years of service and be at least age 55 to be eligible to collect a retirement benefit. The full benefit age for Tier 3, 4 and 5 is 62.

ENLARGED OGDENSBURG CITY SCHOOL DISTRICT

NOTES TO AUDITED BASIC FINANCIAL STATEMENTS

June 30, 2024

NOTE 9 - PENSION PLANS - Continued

ERS Benefits Provided – Continued

Benefit Calculation: Generally, the benefit is 1.67 percent of final average salary for each year of service if the member retires with less than 20 years. If a member retires with between 20 and 30 years of service, the benefit is 2 percent of final average salary for each year of service. If a member retires with more than 30 years of service, an additional benefit of 1.5 percent of final average salary is applied for each year of service over 30 years. Tier 3 and 4 members with five or more years of service and Tier 5 members with 5 or more years of service can retire as early as age 55 with reduced benefits. Tier 3 and 4 members age 55 or older with 30 or more years of service can retire with no reduction in benefits.

Final average salary is the average of the wages earned in the 3 highest consecutive years of employment. For Tier 3, 4 and 5 members, each year's compensation used in the final average salary calculation is limited to no more than 10 percent greater than the average of the previous 2 years.

Tier 6

Eligibility: Tier 6 members, with the exception of those retiring under special retirement plans, must have 5 years of service and be at least age 55 to be eligible to collect a retirement benefit. The full benefit age for Tier 6 is 63 for ERS members.

Benefit Calculation: Generally, the benefit is 1.67 percent of final average salary for each year of service if the member retires with less than 20 years. If a member retires with 20 years of service, the benefit is 1.75 percent of final average salary for each year of service. If a member retires with more than 20 years of service, an additional benefit of 2 percent of final average salary is applied for each year of service over 20 years. Tier 6 members with 5 or more years of service can retire as early as age 55 with reduced benefits.

Final average salary is the average of the wages earned in the five highest consecutive years of employment. For Tier 6 members, each year's compensation used in the final average salary calculation is limited to no more than 10 percent greater than the average of the previous four years.

Vested Benefits

Members who joined the System prior to January 1, 2010 need five years of service to be 100 percent vested. Members who joined on or after January 1, 2010 require ten years of service credit to be 100 percent vested. As of April 9, 2022, legislation was passed that reduced the number of years of service credit from 10 to 5 years. Therefore, all Members are vested when they reach 5 years of service credit.

ENLARGED OGDENSBURG CITY SCHOOL DISTRICT

NOTES TO AUDITED BASIC FINANCIAL STATEMENTS

June 30, 2024

NOTE 9 - PENSION PLANS - Continued

ERS Benefits Provided – ContinuedDisability Retirement Benefits

Disability retirement benefits are available to ERS members unable to perform their job duties because of permanent physical or mental incapacity. There are three general types of disability benefits: ordinary, performance of duty, and accidental disability benefits. Eligibility, benefit amounts, and other rules such as any offset of other benefits depend on a member's tier, years of service, and plan.

Ordinary Death Benefits

Death benefits are payable upon the death, before retirement, of a member who meets eligibility requirements as set forth by law. The first \$50,000 of an ordinary death benefit is paid in the form of group term life insurance. The benefit is generally three times the member's annual salary. For most members, there is also a reduced post-retirement ordinary death benefit available.

Post-Retirement Benefit Increases

A cost-of-living adjustment is provided annually to: (i) all retirees who have attained age 62 and have been retired for five years; (ii) all retirees who have attained age 55 and have been retired for 10 years; (iii) all disability retirees, regardless of age, who have been retired for five years; (iv) ERS recipients of an accidental death benefit, regardless of age, who have been receiving such benefit for five years and (v) the spouse of a deceased retiree receiving a lifetime benefit under an option elected by the retiree at retirement. An eligible spouse is entitled to one-half the cost-of-living adjustment amount that would have been paid to the retiree when the retiree would have met the eligibility criteria. This cost-of-living adjustment is a percentage of the annual retirement benefit of the eligible retiree as computed on a base benefit amount not to exceed \$18,000 of the annual retirement benefit. The cost-of-living percentage shall be 50 percent of the annual Consumer Price Index as published by the U.S. Bureau of Labor but cannot be less than 1 percent or exceed 3 percent.

ENLARGED OGDENSBURG CITY SCHOOL DISTRICT

NOTES TO AUDITED BASIC FINANCIAL STATEMENTS

June 30, 2024

NOTE 9 - PENSION PLANS - Continued

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. The District chose to prepay the required contributions by December 15, 2023 and received an overall discount of \$2,743.

The District's share of the required contributions based on covered payroll paid for the current and two preceding years were:

	NYSTRS	NYSERS
2023-2024	\$ 1,594,125	\$ 384,585
2022-2023	1,316,522	275,243
2021-2022	1,187,600	323,734

ENLARGED OGDENSBURG CITY SCHOOL DISTRICT

NOTES TO AUDITED BASIC FINANCIAL STATEMENTS

June 30, 2024

NOTE 9 - PENSION PLANS - Continued

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

	ERS	TRS
Measurement Date	March 31, 2024	June 30, 2023
District's Proportionate Share of the Net Pension Asset (Liability)	\$ (1,549,176)	\$ (959,244)
District's Portion (%) of the Plan's Total Net Pension Asset (Liability)	0.0105214%	0.083880%
Change in Proportion Since the Prior Measurement Date	0.0002699%	0.008048%

For the year ended June 30, 2024, the District's recognized pension expense of \$227,354 for ERS and \$1,194,354 for TRS.

ENLARGED OGDENSBURG CITY SCHOOL DISTRICT

NOTES TO AUDITED BASIC FINANCIAL STATEMENTS

June 30, 2024

NOTE 9 - PENSION PLANS - Continued

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

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	\$ 498,988	\$ 2,325,911	\$ 42,242	\$ 5,748
Changes of Assumptions	585,709	2,065,223	-	450,104
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	490,346	756,764	-
Changes in Proportion and Differences Between the District's Contributions and Proportionate Share of Contributions	83,289	154,306	102,278	504,706
District's Contributions Subsequent to the Measurement Date	121,045	1,507,547	-	-
Total	<u>\$ 1,289,031</u>	<u>\$ 6,543,333</u>	<u>\$ 901,284</u>	<u>\$ 960,558</u>

District contributions subsequent to the measurement date will be recognized as a reduction of the net pension asset (liability) in the year ended June 30, 2025, if applicable. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense for the year ended as follows:

	ERS	TRS
2025	\$ (311,098)	\$ 379,252
2026	289,842	(555,988)
2027	455,210	3,799,307
2028	(167,252)	205,465
2029	-	149,925
Thereafter	-	97,267

ENLARGED OGDENSBURG CITY SCHOOL DISTRICT

NOTES TO AUDITED BASIC FINANCIAL STATEMENTS

June 30, 2024

NOTE 9 - PENSION PLANS - Continued

Actuarial Assumptions

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

Significant actuarial assumptions used in the valuations were as follows:

	ERS	TRS
Measurement Date	March 31, 2024	June 30, 2023
Actuarial Valuation Date	April 1, 2023	June 30, 2022
Interest Rate	5.9%	6.95%
Salary Scale	4.4%	1.3%
Decrement Tables	April 1, 2015 - March 31, 2020	July 1, 2015 - June 30, 2020
	System's Experience	System's Experience
Inflation Rate	2.9%	2.4%

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

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

ENLARGED OGDENSBURG CITY SCHOOL DISTRICT

NOTES TO AUDITED BASIC FINANCIAL STATEMENTS

June 30, 2024

NOTE 9 - PENSION PLANS - 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 as follows:

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

Discount Rate

The discount rate used to calculate the total pension asset (liability) was 5.9% for ERS and 6.95% for TRS. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. 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 asset (liability).

ENLARGED OGDENSBURG CITY SCHOOL DISTRICT

NOTES TO AUDITED BASIC FINANCIAL STATEMENTS

June 30, 2024

NOTE 9 - PENSION PLANS - 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 5.9% for ERS and 6.95% 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-percentage point lower (4.9% for ERS and 5.95% for TRS) or 1-percentage point higher (6.9% for ERS and 7.95% for TRS) than the current rate:

ERS	1% Decrease (4.9%)	Current Assumption (5.9%)	1% Increase (6.9%)
Employer's Proportionate Share of the Net Pension Asset (Liability)	\$ (4,870,767)	\$ (1,549,176)	\$ 1,225,042

TRS	1% Decrease (5.95%)	Current Assumption (6.95%)	1% Increase (7.95%)
Employer's Proportionate Share of the Net Pension Asset (Liability)	\$ (14,609,768)	\$ (959,244)	\$ 10,521,438

Pension Plan Fiduciary Net Position

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

	ERS	(In Thousands) TRS	Total
Measurement Date	March 31, 2024	June 30, 2023	
Employer's Total Pension Asset (Liability)	\$ (240,696,851)	\$ (138,365,122)	\$ (379,061,973)
Plan Net Position	225,972,801	137,221,537	363,194,338
Employer's Net Pension Asset (Liability)	<u>\$ (14,724,050)</u>	<u>\$ (1,143,585)</u>	<u>\$ (15,867,635)</u>
Ratio of Plan Net Position to the Employer's Total Pension Asset (Liability)	93.88%	99.17%	

ENLARGED OGDENSBURG CITY SCHOOL DISTRICT

NOTES TO AUDITED BASIC FINANCIAL STATEMENTS

June 30, 2024

NOTE 9 - PENSION PLANS - Continued

Payables to the Pension Plan

For ERS, employer contributions are paid annually based on the System's fiscal year which ends on March 31. Accrued retirement contributions as of June 30, 2024 represent the projected employer contribution for the period of April 1, 2024 through June 30, 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 \$121,045. Employee contributions are remitted monthly.

For TRS, employer and employee contributions for the fiscal year ended June 30, 2024 are paid to the System in September, October, and November 2024 through a state aid intercept. Accrued retirement contributions as of June 30, 2024 represent employee and employer contributions for the fiscal year ended June 30, 2024 based on paid TRS wages multiplied by the employer's contribution rate, by tier, and employee contributions for the fiscal year as reported to the TRS System. Accrued retirement contributions as of June 30, 2024 amounted to \$1,656,315.

NOTE 10 - INTERFUND TRANSACTIONS - GOVERNMENTAL FUNDS

Interfund balances at June 30, 2024 are as follows:

	Interfund		Interfund	
	Receivables	Payables	Revenues	Expenditures
General	\$ 3,463,715	\$ 294,266	\$ 235,477	\$ 6,194,660
Special Aid	-	3,172,039	46,086	-
School Food Service	287,806	-	-	-
Scholarships and Awards	37,746	-	20,697	-
Permanent Fund	-	31,286	-	20,697
Debt Service	7,682	-	-	235,477
Capital Projects	-	299,358	6,148,574	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total	<u>\$ 3,796,949</u>	<u>\$ 3,796,949</u>	<u>\$ 6,450,834</u>	<u>\$ 6,450,834</u>

The District typically loans resources between funds for the purpose of mitigating the effects of transient cash flow issues.

The General Fund advanced funds to the Special Aid Fund to provide temporary cash until New York State has reimbursed the grant programs. The Debt Service Fund transferred funds to the General Fund to cover a portion of current year debt payments. The General Fund transferred funds to the Capital Projects Fund for use of capital reserve funds and to fund capital outlay projects.

ENLARGED OGDENSBURG CITY SCHOOL DISTRICT

NOTES TO AUDITED BASIC FINANCIAL STATEMENTS

June 30, 2024

NOTE 11 – FUND BALANCE EQUITY

The following is a summary of the Governmental Funds fund balances of the District at the year ended June 30, 2024:

Fund Balances	General	Special Aid Fund	Capital Fund - Transportation Facility	Non-Major Funds	Total Governmental Funds
Non-Spendable					
Inventory	\$ -	\$ -	\$ -	\$ 58,695	\$ 58,695
Prepaid Expenditures	274,500	-	-	-	274,500
Restricted					
Capital Reserve	372,221	-	-	-	372,221
Employee Benefit Accrued Liability	708,549	-	-	-	708,549
Retirement Contributions-NYSERS	1,043,967	-	-	-	1,043,967
Retirement Contributions-NYSTERS	521,783	-	-	-	521,783
Tax Certiorari	881,982	-	-	-	881,982
Unemployment Insurance	947,449	-	-	-	947,449
Debt Service	-	-	-	789,927	789,927
Permanent Fund	-	-	-	444,658	444,658
Extra Classroom Activity Funds	-	-	-	209,575	209,575
Scholarships and Awards Fund	-	-	-	234,492	234,492
Capital Project	-	-	3,592,339	-	3,592,339
Assigned					
General Support	9,975	-	-	-	9,975
Instruction	19,638	-	-	-	19,638
Designated for Next Fiscal year	4,000,000	-	-	-	4,000,000
School Food Service Fund	-	-	-	372,711	372,711
Unassigned (Deficit)					
General Fund	1,353,877	-	-	-	1,353,877
Special Aid Fund	-	(262,800)	-	-	(262,800)
Total Governmental Fund Balances (Deficit)	<u>\$ 10,133,941</u>	<u>\$ (262,800)</u>	<u>\$ 3,592,339</u>	<u>\$ 2,110,058</u>	<u>\$ 15,573,538</u>

ENLARGED OGDENSBURG CITY SCHOOL DISTRICT

NOTES TO AUDITED BASIC FINANCIAL STATEMENTS

June 30, 2024

**NOTE 12 – POSTEMPLOYMENT (HEALTH INSURANCE)
BENEFITS**

General Information about the OPEB Plan

Plan Description – The District’s defined benefit OPEB plan, provides OPEB for all permanent full-time employees of the District. The plan is a single-employer defined benefit OPEB plan administered by the District. Article 11 of the State Compiled Statutes grants the authority to establish and amend the benefit terms and financing requirements to the District’s Board, subject to applicable collective bargaining and employment agreements, and Board of Education policy. The plan does not issue a separate financial report since there are no assets legally segregated for the sole purpose of paying benefits under the Plan. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

Benefits Provided – The District provides healthcare benefits for retirees and their dependents. The benefit terms are dependent on which contract each employee falls under. The specifics of each contract are on file at the District offices and are available upon request.

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	268
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	<u>286</u>
Total Covered Employees	<u><u>554</u></u>

The District provides a self-insured minimum premium plan through Excellus Health Insurance Plan. The Plan allows for eligible District employees and spouses to continue health coverage upon retirement until age 65. At age 65, retirees become Medicare eligible and are covered by The Hartford and MVP.

The District recognizes the cost of providing health insurance annually as expenditures in the General Fund of the fund financial statements as payments are made. For the year ended June 30, 2024, the District recognized \$1,339,929 for its share of insurance premiums for currently enrolled retirees.

ENLARGED OGDENSBURG CITY SCHOOL DISTRICT

NOTES TO AUDITED BASIC FINANCIAL STATEMENTS

June 30, 2024

NOTE 12 - POSTEMPLOYMENT (HEALTH INSURANCE)**BENEFITS - Continued**

General Information about the OPEB Plan - ContinuedTeachers and Administration

Employees who are members of the aforementioned employee group or have retirement eligibility requirements determined by the group must meet the minimum age of 55 and 5 (if hired on or before 6/30/2017 or 10 (if hired after 6/30/2017) years of continuous service to become eligible for postemployment health care benefits. All current and future retirees receive 100% retiree health insurance coverage for individual or family coverage.

CSEA (Hired Before 11/21/2013)

Employees who are members of the aforementioned employee group or have retirement eligibility requirements determined by the group must meet the minimum age of 55 and 10 years of continuous service to become eligible for postemployment health care benefits. All current and future retirees receive 100% retiree health insurance coverage for individual or family coverage.

CSEA (Hired On or After 11/21/2013)

Employees who are members of the aforementioned employee group or have retirement eligibility requirements determined by the group must meet the minimum age of 55 and 10 years of continuous service to become eligible for postemployment health care benefits. Retiree must pay the same premium for health insurance that is being paid on his/her last day of employment prior to retirement.

Total OPEB Liability

The District has obtained an actuarial valuation report as of June 30, 2024 which indicates that the total liability for other postemployment benefits is \$98,877,496 which is reflected in the Statement of Net Position. The OPEB liability was measured as of July 1, 2023 and was determined by actuarial valuation as of July 1, 2022.

ENLARGED OGDENSBURG CITY SCHOOL DISTRICT

NOTES TO AUDITED BASIC FINANCIAL STATEMENTS

June 30, 2024

**NOTE 12 - POSTEMPLOYMENT (HEALTH INSURANCE)
BENEFITS - Continued**

Total OPEB Liability - Continued

Actuarial Assumptions and Other Inputs – The total OPEB liability in the July 1, 2022 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Actuarial Methods and Assumptions

Measurement Date	7/1/2023
Rate of Compensation Increase	3.00%
Inflation Rate (CPI)	2.70%
Discount Rate	3.65%

Assumed Pre-65 Medical Trend Rates at June 30

Health Care Cost Trend Rate Assumed for Next Fiscal Year	7.80%
Rate to Which the Cost Trend Rate is Assumed to Decline (the Ultimate Trend Rate)	4.14%
Fiscal Year that the Rate reached the Ultimate Trend Rate	2093

Assumed Post-65 Medical Trend Rates at June 30

Health Care Cost Trend Rate Assumed for Next Fiscal Year	7.80%
Rate to Which the Cost Trend Rate is Assumed to Decline (the Ultimate Trend Rate)	4.14%
Fiscal Year that the Rate reached the Ultimate Trend Rate	2093

Additional Information

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage
Amortization Period (In Years)	5.58
Method Used to Determine Actuarial Value of Assets	N/A

ENLARGED OGDENSBURG CITY SCHOOL DISTRICT

NOTES TO AUDITED BASIC FINANCIAL STATEMENTS

June 30, 2024

NOTE 12 - POSTEMPLOYMENT (HEALTH INSURANCE)**BENEFITS - Continued**

Total OPEB Liability - Continued

The discount rate was based on the 20-year high-quality tax-exempt municipal bond index as of July 1, 2023.

Mortality rates were based on the sex-distinct, job category-specific headcount weighted Pub-2010 Public Retirement Plans Mortality Tables for employees and health retirees, adjusted for mortality improvements with scale MP-2021 mortality improvement scale on a generational basis.

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, 2021 – June 30, 2022.

Changes in the Total OPEB Liability

Balance at June 30, 2023	\$ 96,695,962
Changes for the Year	
Service Cost	3,373,325
Interest	3,490,407
Changes of Assumptions or Other Inputs	(1,741,769)
Benefit Payments	<u>(2,940,429)</u>
Net Changes	<u>2,181,534</u>
Balance at June 30, 2024	<u>\$ 98,877,496</u>

Changes of assumptions and other inputs reflect a change in the discount rate from 3.54 percent as of June 30, 2023 to 3.65 percent as of June 30, 2024.

ENLARGED OGDENSBURG CITY SCHOOL DISTRICT

NOTES TO AUDITED BASIC FINANCIAL STATEMENTS

June 30, 2024

NOTE 12 - POSTEMPLOYMENT (HEALTH INSURANCE)

BENEFITS - Continued

Changes in the Total OPEB Liability – Continued

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

	1% Decrease 2.65%	Discount Rate 3.65%	1% Increase 4.65%
Total OPEB Liability	<u>\$ 116,499,598</u>	<u>\$ 98,877,496</u>	<u>\$ 84,895,004</u>

Sensitivity of 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 healthcare cost trend rates that are 1 percentage point lower (trend decreasing to 3.14 percent) or 1 percentage point higher (trend increasing to 5.14 percent) than the current healthcare cost trend rate:

	Healthcare Cost Trend Rates 1% Decrease (Trend Less 1% Decreasing to 3.14%)	Healthcare Cost Trend Rates (Trend at 4.14%)	Healthcare Cost Trend Rates 1% Increase (Trend Plus 1% Increasing to 5.14%)
Total OPEB Liability	<u>\$ 82,700,055</u>	<u>\$ 98,877,496</u>	<u>\$ 119,927,682</u>

ENLARGED OGDENSBURG CITY SCHOOL DISTRICT

NOTES TO AUDITED BASIC FINANCIAL STATEMENTS

June 30, 2024

NOTE 12 - POSTEMPLOYMENT (HEALTH INSURANCE)

BENEFITS - 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 credit of (\$3,059,815). At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 3,871,103	\$ 11,986,084
Changes of Assumptions or Other Inputs	3,358,209	6,611,780
Benefit Payments Subsequent to the Measurement Date	<u>3,052,010</u>	<u>-</u>
	<u><u>\$ 10,281,322</u></u>	<u><u>\$ 18,597,864</u></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,

2025	\$ (3,930,761)
2026	(2,001,065)
2027	(3,226,430)
2028	(2,029,252)
2029	(181,044)
Thereafter	<u>-</u>
	<u><u>\$ (11,368,552)</u></u>

ENLARGED OGDENSBURG CITY SCHOOL DISTRICT

NOTES TO AUDITED BASIC FINANCIAL STATEMENTS

June 30, 2024

NOTE 13 - RISK MANAGEMENT

General

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

Consortiums and Self-Insured Plans

The District participates in the St. Lawrence-Lewis Counties School District Employees Workers' Compensation Plan, 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 to Workers' Compensation claims. The District's share of the liability for unbilled and open claims is \$-0-.

The District has chosen to establish a self-funded health insurance benefit program for its employees and retirees. The benefit program administrator, Excellus, is responsible for the approval, processing and payment of claims, after which they bill the District for reimbursement. The District is also responsible for a monthly administrative fee. The benefit program reports on a fiscal year-ending June 30. The program is accounted for in the General Fund of the District. At year-end, the District had a long-term liability of \$582,576, which represents incurred and unreported claims which were incurred on or before year-end, but which were not paid by the District as of that date.

NOTE 14 – COMMITMENTS AND CONTINGENCIES

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.

During previous years, the District was notified of tax certiorari suits by District taxpayers for a reduction of the assessed value. The District is not yet aware of the potential outcome of the suit or the implications concerning its impact on the District.

NOTE 15 – DONOR – RESTRICTED ENDOWMENTS

The District administers endowment funds, which are restricted by the donor for the purposes of providing student scholarships.

ENLARGED OGDENSBURG CITY SCHOOL DISTRICT

NOTES TO AUDITED BASIC FINANCIAL STATEMENTS

June 30, 2024

NOTE 15 – DONOR – RESTRICTED ENDOWMENTS - Continued

Donor-restricted endowments are reported at fair value. The amount of net appreciation on investments of donor-restricted endowments that is available for expenditure has not been tracked by the District.

The District authorizes expenditures from donor-restricted endowments in compliance with the wishes expressed by the donor, which varies among the unique endowments administered by the District.

NOTE 16 – TAX ABATEMENT

The District uses a property tax abatement agreement with local businesses. The local businesses entered into agreements directly with local tax jurisdictions within St. Lawrence County for tax abatement. The purpose of the Payment in Lieu of Taxes (PILOT) agreements are to provide real property tax abatement for value added by construction or renovations.

The District has nine PILOT agreements executed through the St. Lawrence County Industrial Development Agency. At the end of each PILOT agreement, the property will be placed back on the tax roll.

For the fiscal year ended June 30, 2024, the District's portion of the PILOTs were approximately \$139,000 and the District abated the following taxes:

					(A)	(B)	(A) * (B)
Owner Name	Start Date	End Date	2023 % Abated	Assessed Value	Abated Total	Appr. Tax Rate	Appr. Taxes Foregone
Ruler Solar Partners, LLC	2023	2052	100%	\$ 112,400	\$ 112,400	22.29275	\$ 2,506
Royal Solar Partners, LLC	2023	2052	100%	196,100	196,100	22.29275	4,372
Oswegatchie Solar, LLC	2023	2042	100%	117,300	117,300	22.29275	2,615
Ogdensburg Housing Authority	1969	n/a	100%	77,737	77,737	22.29275	1,733
Frederick Remington Museum	n/a	n/a	100%	165,000	165,000	22.29275	3,678
IDA/A.J. Missert, Inc.	n/a	2023	50%	300,000	150,000	22.29275	3,344
IDA/Hoosier Magnetics	n/a	2024	50%	70,000	35,000	22.29275	780
Beamko, LP (Defelsko)	n/a	2025	50%	1,000,000	500,000	22.29275	11,146
Ansen	n/a	2026	50%	450,000	225,000	22.29275	5,016
Total Approximate Taxes Foregone							<u>\$ 35,190</u>

ENLARGED OGDENSBURG CITY SCHOOL DISTRICT

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF CHANGES IN THE DISTRICT'S TOTAL OPEB LIABILITY AND RELATED RATIOS

LAST SEVEN FISCAL YEARS

Ended June 30, 2024

Total OPEB Liability	2024	2023	2022	2021	2020	2019	2018
Service Cost	\$ 3,373,325	\$ 3,180,664	\$ 3,171,513	\$ 2,066,867	\$ 3,363,482	\$ 3,448,742	\$ 4,515,764
Interest	3,490,407	2,402,299	2,390,955	2,647,878	4,535,564	5,067,878	4,451,008
Changes in Benefit Terms	-	-	-	-	-	(17,070,729)	-
Difference between Expected and Actual Experience	-	(8,442,541)	-	16,993,479	(45,673,963)	(15,987,184)	-
Changes in Assumptions or Other Inputs	(1,741,769)	(8,077,216)	1,330,885	12,206,688	121,207	4,218,476	(20,058,125)
Benefit Payments	(2,940,429)	(2,887,166)	(2,779,895)	(2,190,465)	(2,997,631)	(3,338,974)	(3,146,909)
Net Change in Total OPEB Liability	2,181,534	(13,823,960)	4,113,458	31,724,447	(40,651,341)	(23,661,791)	(14,238,262)
Total OPEB Liability - Beginning	96,695,962	110,519,922	106,406,464	74,682,017	115,333,358	138,995,149	153,233,411
Total OPEB Liability - Ending	\$ 98,877,496	\$ 96,695,962	\$ 110,519,922	\$ 106,406,464	\$ 74,682,017	\$ 115,333,358	\$ 138,995,149
Covered Payroll	\$ 17,231,285	\$ 14,499,291	\$ 14,120,271	\$ 14,120,271	\$ 15,002,562	\$ 15,002,562	\$ 13,872,404
Total OPEB Liability as a Percentage of Covered Payroll	573.83%	666.90%	782.70%	753.57%	497.80%	768.76%	1001.95%

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

See paragraph on supplementary schedules included in independent auditor's report.

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET (NON-GAAP BASIS) AND ACTUAL - GENERAL FUND**
Year Ended June 30, 2024

	Original Budget	Final Budget
REVENUES		
Local Sources		
Real Property Taxes	\$ 8,655,000	\$ 8,655,000
Other Tax Items	2,473,360	2,473,360
Charges for Services	1,050,000	1,050,000
Use of Money and Property	450,000	450,000
Sale of Property and Compensation for Loss	-	-
Miscellaneous	1,600,880	1,600,880
Total Local Sources	14,229,240	14,229,240
State Sources	36,146,488	36,146,488
Medicaid Reimbursements	125,000	125,000
Total Revenues	50,500,728	50,500,728
OTHER FINANCING SOURCES		
Appropriated Reserves	525,000	525,000
Transfers from Other Funds	235,477	235,477
Total Revenues and Other Financing Sources	51,261,205	51,261,205
EXPENDITURES		
General Support		
Board of Education	25,100	30,100
Central Administration	272,150	278,650
Finance	624,800	608,300
Staff	196,500	161,500
Central Services	3,469,272	3,451,237
Special Items	1,560,000	1,530,000
Total General Support	6,147,822	6,059,787
Instruction		
Instruction, Administration and Improvement	1,528,800	1,502,800
Teaching-Regular School	9,153,000	9,441,500
Programs for Children with Handicapping Conditions	8,695,505	7,792,805
Teaching - Special School	134,000	54,000
Occupational Education	1,620,000	1,620,000
Instructional Media	1,482,200	1,608,400
Pupil Services	2,056,100	1,267,600
Total Instruction	24,669,605	23,287,105
Pupil Transportation	1,645,497	1,579,997
Community Service	51,500	51,500
Employee Benefits	14,416,000	13,018,035
Debt Service	5,067,555	5,067,555
Total Expenditures	51,997,979	49,063,979
OTHER FINANCING USES		
Transfers to Other Funds	3,265,000	6,199,000
Total Expenditures and Other Financing Uses	55,262,979	55,262,979
Net Change in Fund Balance	(4,001,774)	(4,001,774)
Fund Balance - Beginning of Year	15,001,738	15,001,738
Fund Balance - End of Year	\$ 10,999,964	\$ 10,999,964

ENLARGED OGDENSBURG CITY SCHOOL DISTRICT

Actual		Final Budget Variance With Actual	
\$	8,820,624	\$	165,624
	2,561,312		87,952
	1,346,741		296,741
	578,605		128,605
	13,946		13,946
	1,522,588		(78,292)
	14,843,816		614,576
	34,626,541		(1,519,947)
	12,532		(112,468)
	49,482,889		(1,017,839)
	-		(525,000)
	235,477		-
	49,718,366	\$	(1,542,839)
Year-End Encumbrances		Final Budget Variance with Actual And Encumbrances	
	27,023	\$	3,077
	269,650		9,000
	582,711		25,589
	141,729		19,771
	3,353,279		87,983
	1,515,531		14,469
	5,889,923		159,889
	1,437,935		64,865
	9,340,907		99,268
	7,731,834		60,898
	34,817		19,183
	1,605,099		14,901
	1,562,153		44,047
	1,158,695		92,865
	22,871,440		396,027
	1,542,134		37,863
	43,801		7,699
	12,983,939		34,096
	5,060,266		7,289
	48,391,503		642,863
	6,194,660		4,340
	54,586,163	\$	647,203
	(4,867,797)		
	15,001,738		
\$	10,133,941		

Note to Required Supplementary Information Budget Basis of Accounting: Budgets are adopted on the modified accrual basis of accounting consistent with accounting principles generally accepted in the United States of America.

See paragraph on supplementary schedule included in independent auditor's report.

ENLARGED OGDENSBURG CITY SCHOOL DISTRICT

**SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION ASSET (LIABILITY) – NYSLRS PENSION PLAN
LAST TEN FISCAL YEARS**

Ended June 30, 2024

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Teachers' Retirement System (TRS)										
District's Proportion of the Net Pension Asset (Liability)	0.083880%	0.075832%	0.073420%	0.073092%	0.076718%	0.075936%	0.081565%	0.079411%	0.079939%	0.080780%
District's Proportionate Share of the Net Pension Asset (Liability)	\$ (959,244)	\$ (1,455,140)	\$ 12,722,953	\$ (2,019,735)	\$ 1,993,150	\$ 1,373,128	\$ 619,974	\$ (850,520)	\$ 8,303,121	\$ 8,998,394
District's Covered Payroll	\$ 15,553,120	\$ 13,479,251	\$ 13,479,251	\$ 12,496,031	\$ 12,406,059	\$ 12,805,555	\$ 12,369,163	\$ 12,923,242	\$ 12,253,846	\$ 11,487,292
District's Proportionate Share of the Net Pension Asset (Liability) as a Percentage of its Covered Payroll	6.17%	10.80%	94.39%	16.16%	16.07%	10.72%	5.01%	6.58%	67.76%	78.33%
Plan Fiduciary Net Position as a Percentage of the Total Pension Asset (Liability)	99.17%	98.57%	113.25%	97.76%	102.17%	101.53%	100.66%	99.01%	110.46%	114.48%
Employees' Retirement System (ERS)										
District's Proportion of the Net Pension Asset (Liability)	0.0105214%	0.0102515%	0.0083937%	0.0083937%	0.0090074%	0.0091991%	0.0082565%	0.0085583%	0.0090772%	0.0089765%
District's Proportionate Share of the Net Pension Asset (Liability)	\$ (1,549,176)	\$ (2,198,345)	\$ 679,090	\$ (8,358)	\$ (2,385,201)	\$ (651,786)	\$ (266,474)	\$ (804,159)	\$ (1,456,922)	\$ (303,248)
District's Covered Payroll	\$ 3,175,254	\$ 2,602,531	\$ 2,171,026	\$ 2,264,673	\$ 2,494,736	\$ 2,528,741	\$ 2,201,916	\$ 2,305,152	\$ 2,270,601	\$ 1,700,061
District's Proportionate Share of the Net Pension Asset (Liability) as a Percentage of its Covered Payroll	48.79%	84.47%	31.28%	0.37%	95.61%	25.78%	12.10%	34.89%	64.16%	17.84%
Plan Fiduciary Net Position as a Percentage of the Total Pension Asset (Liability)	93.88%	90.78%	103.65%	99.95%	86.39%	96.27%	98.24%	94.70%	90.68%	97.95%

See paragraph on supplementary schedule included in independent auditor's report.

ENLARGED OGDENSBURG CITY SCHOOL DISTRICT

SCHEDULE OF DISTRICT'S CONTRIBUTIONS – NYSLRS PENSION PLAN

LAST TEN FISCAL YEARS

Ended June 30, 2024

Teachers' Retirement System (TRS)

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually Required Contribution	\$ 1,594,125	\$ 1,316,522	\$ 1,187,600	\$ 1,190,872	\$ 1,099,177	\$ 1,359,950	\$ 1,212,178	\$ 1,514,604	\$ 1,624,860	\$ 2,104,267
Contributions in Relation to the Contractually Required Contribution	1,594,125	1,316,522	1,187,600	1,190,872	1,099,177	1,359,950	1,212,178	1,514,604	1,624,860	2,104,267
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's Covered Payroll	\$15,553,120	\$13,479,251	\$13,479,251	\$12,496,031	\$12,406,059	\$12,805,555	\$12,369,163	\$12,923,242	\$12,253,846	\$11,487,292
Contributions as a Percentage of Covered Payroll	10.25%	9.77%	8.81%	9.53%	8.86%	10.62%	9.80%	11.72%	13.26%	18.32%

Employees' Retirement System (ERS)

Contractually Required Contribution	\$ 384,585	\$ 275,243	\$ 323,734	\$ 309,512	\$ 335,865	\$ 337,092	\$ 332,462	\$ 374,153	\$ 377,027	\$ 408,686
Contributions in Relation to the Contractually Required Contribution	384,585	275,243	323,734	309,512	335,865	337,092	332,462	374,153	377,027	408,686
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's Covered Payroll	\$ 3,175,254	\$ 2,602,531	\$ 2,171,026	\$ 2,264,673	\$ 2,494,736	\$ 2,528,741	\$ 2,201,916	\$ 2,305,152	\$ 2,270,601	\$ 1,700,061
Contributions as a Percentage of Covered Payroll	12.11%	10.58%	14.91%	13.67%	13.46%	13.33%	15.10%	16.23%	16.60%	24.04%

See paragraph on supplementary schedule included in independent auditor's report.

ENLARGED OGDENSBURG CITY SCHOOL DISTRICT

SUPPLEMENTARY INFORMATION

**SCHEDULE OF CHANGE FROM ADOPTED BUDGET TO FINAL BUDGET AND THE
REAL PROPERTY TAX LIMIT – GENERAL FUND**

Year Ended June 30, 2024

CHANGE FROM ADOPTED BUDGET TO FINAL BUDGET

Adopted Budget	\$ 55,261,205
Add: Prior Year's Encumbrances	<u>1,774</u>
Original Budget	55,262,979
Budget Revision	<u>-</u>
Final Budget	<u><u>\$ 55,262,979</u></u>

SECTION 1318 OF REAL PROPERTY TAX LAW LIMIT CALCULATION

2024-25 Voter Approved Expenditure Budget	<u>\$ 55,261,205</u>
Maximum Allowed 4% of 2024 - 2025 Budget	<u><u>\$ 2,210,448</u></u>

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

Unrestricted Fund Balance:	
Assigned Fund Balance	\$ 4,029,613
Unassigned Fund Balance	<u>1,353,877</u>
Total Unrestricted Fund Balance	<u><u>5,383,490</u></u>

Less:	
Appropriated Fund Balance	4,000,000
Encumbrances Included in Assigned Fund Balance	<u>29,613</u>
Total Adjustments	<u><u>4,029,613</u></u>

General Fund Balance Subject to Section 1318 of Real Property Tax Law	<u><u>\$ 1,353,877</u></u>
Actual Percentage	<u><u>2.45%</u></u>

See paragraph on supplementary schedule included in independent auditor's report.

ENLARGED OGDENSBURG CITY SCHOOL DISTRICT

SCHEDULE OF CAPITAL PROJECTS FUND – PROJECT EXPENDITURES AND FINANCING RESOURCES

Year Ended June 30, 2024

PROJECT TITLE	Expenditures				Methods of Financing				Fund Balance 6/30/2024	
	Original Appropriation	Revised Appropriation	Prior Years	Current Year	Total	Unexpended Balance	Proceeds Of Obligations	Local Sources		
Capital Outlay	\$ 2,980,000	\$ 2,980,000	\$ -	\$ 2,148,574	\$ 2,148,574	\$ 831,426	\$ -	\$ 2,148,574	\$ 2,148,574	\$ -
Transportation Facility	65,500,000	65,500,000	-	407,661	407,661	65,092,339	-	4,000,000	4,000,000	3,592,339
Total	\$ 68,480,000	\$ 68,480,000	\$ -	\$ 2,556,235	\$ 2,556,235	\$ 65,923,765	\$ -	\$ 6,148,574	\$ 6,148,574	\$ 3,592,339

See paragraph on supplementary schedule included in independent auditor's report.

COMBINED BALANCE SHEET – NON-MAJOR GOVERNMENTAL FUNDS

June 30, 2024

	School Food Service Fund	Debt Service Fund	Capital Projects Fund - Capital Outlay	Capital Projects Fund - Other
ASSETS				
Cash and Cash Equivalents				
Unrestricted	\$ 28,061	\$ -	\$ -	\$ -
Restricted	-	782,245	-	34,436
Investments - Restricted	-	-	-	-
Receivables				
State and Federal Aid	70,105	-	-	-
Due From Other Funds	287,806	7,682	-	-
Other	18,889	-	-	-
Inventories	58,695	-	-	-
TOTAL ASSETS	<u>\$ 463,556</u>	<u>\$ 789,927</u>	<u>\$ -</u>	<u>\$ 34,436</u>
LIABILITIES				
Payables				
Accrued Liabilities	\$ 32,150	\$ -	\$ -	\$ -
Due to Other Funds	-	-	-	-
Unearned Credits				
Unearned Revenues - Other	-	-	-	34,436
Total Liabilities	<u>32,150</u>	<u>-</u>	<u>-</u>	<u>34,436</u>
FUND BALANCES				
Nonspendable	58,695	-	-	-
Restricted	-	789,927	-	-
Assigned	372,711	-	-	-
Total Fund Balances	<u>431,406</u>	<u>789,927</u>	<u>-</u>	<u>-</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 463,556</u>	<u>\$ 789,927</u>	<u>\$ -</u>	<u>\$ 34,436</u>

ENLARGED OGDENSBURG CITY SCHOOL DISTRICT

Permanent Fund	Extra Classroom Activity Funds	Scholarships and Awards Fund	Total Non-Major Funds
\$ -	\$ -	\$ -	\$ 28,061
406,526	209,575	199,350	1,632,132
69,418	-	3,856	73,274
-	-	-	70,105
-	-	37,746	333,234
-	-	-	18,889
-	-	-	58,695
<u>\$ 475,944</u>	<u>\$ 209,575</u>	<u>\$ 240,952</u>	<u>\$ 2,214,390</u>
\$ -	\$ -	\$ -	\$ 32,150
31,286	-	-	31,286
-	-	6,460	40,896
<u>31,286</u>	<u>-</u>	<u>6,460</u>	<u>104,332</u>
-	-	-	58,695
444,658	209,575	234,492	1,678,652
-	-	-	372,711
<u>444,658</u>	<u>209,575</u>	<u>234,492</u>	<u>2,110,058</u>
<u>\$ 475,944</u>	<u>\$ 209,575</u>	<u>\$ 240,952</u>	<u>\$ 2,214,390</u>

See paragraph on supplementary schedule included in independent auditor's report.

**COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES – NON-MAJOR GOVERNMENTAL FUNDS**

Year Ended June 30, 2024

	School Food Service Fund	Debt Service Fund	Capital Projects Fund - Capital Outlay	Capital Projects Fund - Other
REVENUES				
Use of Money and Property	\$ 4	\$ 54,523	\$ -	\$ -
Miscellaneous	64,484	-	-	-
State Sources	243,941	-	-	-
Federal Sources	901,898	-	-	-
Surplus Food	85,073	-	-	-
Sales - School Food Service	200,067	-	-	-
Total Revenues	<u>1,495,467</u>	<u>54,523</u>	<u>-</u>	<u>-</u>
EXPENDITURES				
General Support	433,426	-	-	-
Employee Benefits	202,885	-	-	-
Cost of Sales - School Food Service	790,248	-	-	-
Other Expenditures	-	-	-	-
Capital Outlays	-	-	2,148,574	-
Total Expenditures	<u>1,426,559</u>	<u>-</u>	<u>2,148,574</u>	<u>-</u>
Excess of Revenues Over Expenditures	<u>68,908</u>	<u>54,523</u>	<u>(2,148,574)</u>	<u>-</u>
OTHER FINANCING SOURCES AND (USES)				
Operating Transfers In	-	-	2,148,574	-
Operating Transfers Out	-	(235,477)	-	-
Total Other Financing Sources and (Uses)	<u>-</u>	<u>(235,477)</u>	<u>2,148,574</u>	<u>-</u>
Net Change in Fund Balances	68,908	(180,954)	-	-
Fund Balances - Beginning of Year	<u>362,498</u>	<u>970,881</u>	<u>-</u>	<u>-</u>
Fund Balances - End of Year	<u>\$ 431,406</u>	<u>\$ 789,927</u>	<u>\$ -</u>	<u>\$ -</u>

ENLARGED OGDENSBURG CITY SCHOOL DISTRICT

Permanent Fund	Extra Classroom Activity Funds	Scholarships and Awards Fund	Total Non-Major Funds
\$ 20,697	\$ -	\$ 6,811	\$ 82,035
1,187	186,748	40,077	292,496
-	-	-	243,941
-	-	-	901,898
-	-	-	85,073
-	-	-	200,067
<u>21,884</u>	<u>186,748</u>	<u>46,888</u>	<u>1,805,510</u>
-	-	-	433,426
-	-	-	202,885
-	-	-	790,248
-	162,961	65,130	228,091
-	-	-	2,148,574
<u>-</u>	<u>162,961</u>	<u>65,130</u>	<u>3,803,224</u>
<u>21,884</u>	<u>23,787</u>	<u>(18,242)</u>	<u>(1,997,714)</u>
-	-	20,697	2,169,271
<u>(20,697)</u>	<u>-</u>	<u>-</u>	<u>(256,174)</u>
<u>(20,697)</u>	<u>-</u>	<u>20,697</u>	<u>1,913,097</u>
1,187	23,787	2,455	(84,617)
<u>443,471</u>	<u>185,788</u>	<u>232,037</u>	<u>2,194,675</u>
<u>\$ 444,658</u>	<u>\$ 209,575</u>	<u>\$ 234,492</u>	<u>\$ 2,110,058</u>

See paragraph on supplementary schedule included in independent auditor's report.

ENLARGED OGDENSBURG CITY SCHOOL DISTRICT

NET INVESTMENT IN CAPITAL ASSETS

Year Ended June 30, 2024

Capital Assets, Net		\$ 74,619,455
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Deduct:

Premium on Bonds Payable	1,206,386	
Short-Term Portion of Lease Liability	127,463	
Short-Term Portion of Bonds Payable	3,675,000	
Long-Term Portion of Lease Liability	218,615	
Long-Term Portion of Bonds Payable	<u>23,320,000</u>	<u>28,547,464</u>

Net Investment in Capital Assets		<u>\$ 46,071,991</u>
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See paragraph on supplementary schedule included in independent auditor's report.

FEDERAL AWARD PROGRAM INFORMATION

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

**TO THE BOARD OF EDUCATION
ENLARGED OGDENSBURG CITY SCHOOL DISTRICT**

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 Enlarged Ogdensburg City School District as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise Enlarged Ogdensburg City School District's basic financial statements and have issued our report thereon dated October 3, 2024.

Report on Internal Control Over Financial Reporting

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

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

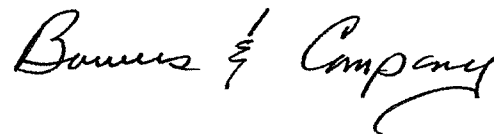
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not 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 Enlarged Ogdensburg City School District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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.

A handwritten signature in black ink that reads "Banner & Company". The signature is written in a cursive, flowing style.

Watertown, New York
October 3, 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
ENLARGED OGDENSBURG CITY SCHOOL DISTRICT**

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

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

In our opinion, Enlarged Ogdensburg City School District, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 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 Enlarged Ogdensburg City School District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Enlarged Ogdensburg City School District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Enlarged Ogdensburg City School District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Enlarged Ogdensburg City School District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Enlarged Ogdensburg City School District's internal control over compliance. Accordingly, no such opinion is expressed.

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

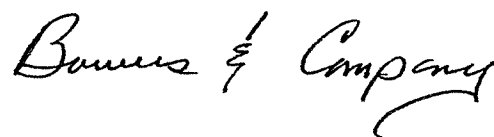
Report on Internal Control over Compliance

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



Watertown, New York
October 3, 2024

ENLARGED OGDENSBURG CITY SCHOOL DISTRICT

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Year Ended June 30, 2024

FEDERAL GRANTOR / PASS-THROUGH GRANTOR PROGRAM TITLE	Assistance Listing Number	Agency or Pass-Through Number	Total Federal Expenditures
<u>U. S. Department of Education</u>			
Passed-Through NYS Education Department:			
Title I Grants to Local Educational Agencies	84.010A	0021-24-2645	\$ 742,596
Total Title I Grants to Local Educational Agencies			742,596
Special Education Cluster:			
Special Education - Grants to States (IDEA, Part B)	84.027A	0032-24-0798	500,450
Special Education - Preschool Grants (IDEA Preschool)	84.173A	0033-24-0798	15,564
Total Special Education Cluster			516,014
Education Stabilization Fund:			
COVID-19: American Rescue Plan - Elementary and Secondary School Emergency Relief Fund	84.425U	5880-21-2645	1,894,747
Total Education Stabilization Fund			1,894,747
Supporting Effective Instruction State Grants	84.367A	0147-24-2645	58,758
Student Support and Academic Enrichment	84.424A	0204-24-2645	120,317
Total Passed Through NYS Education Department			3,332,432
Total U.S. Department of Education			3,332,432
<u>U. S. Department of Agriculture</u>			
Passed-Through NYS Education Department:			
Child Nutrition Cluster:			
Non-Cash Assistance (Food Distribution)			
Fresh Fruits and Vegetable Program	10.582		20,511
National School Lunch Program	10.555		64,562
Non-Cash Assistance Subtotal			85,073
Cash Assistance			
School Breakfast Program	10.553		252,886
COVID-19: Supply Chain Assistance Grant	10.555		52,477
National School Lunch Program	10.555		587,424
National School Snack Program	10.555		9,111
Cash Assistance Subtotal			901,898
Total Child Nutrition Cluster			986,971
Total Passed Through NYS Education Department			986,971
Total U.S. Department of Agriculture			986,971
Total Federal Assistance			\$ 4,319,403

See paragraph on supplementary information included in independent auditor's report and accompanying notes to schedule of expenditures of federal awards.

ENLARGED OGDENSBURG CITY SCHOOL DISTRICT

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

June 30, 2024

NOTE 1 – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) presents the activity of federal award programs administered by the District, which is described in Note 1 to the District's accompanying financial statements, using the modified accrual basis of accounting. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements. 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 in the Schedule is presented in accordance with the requirements of Title 2 *U.S. Code of Federal Regulations* part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance).

NOTE 2 – SUMMARY OF CERTAIN SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. The amounts reported as federal expenditures were obtained from the federal financial reports for the applicable programs and periods. The amounts reported in these reports are prepared from records maintained for each program, which are reconciled with the District's financial reporting system.

The federal expenditures are recognized under the Uniform Guidance.

The District has elected to use the 10 percent 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 of the data presented.

Matching costs (the District's share of certain program costs) are not included in the reported expenditures.

The basis of accounting varies by federal program consistent with the underlying regulations pertaining to each program.

NOTE 3 – SUBRECIPIENTS

No amounts were provided to subrecipients.

ENLARGED OGDENSBURG CITY SCHOOL DISTRICT

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

June 30, 2024

NOTE 4 – OTHER DISCLOSURES

No insurance is carried specifically to cover equipment purchased with federal funds. Any equipment purchased with federal funds is covered by the District's casualty insurance policies.

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

NOTE 5 - NON-MONETARY FEDERAL PROGRAM

This District is the recipient of federal award programs that do not result in cash received or disbursed. The District was granted \$64,562 of commodities under the National School Lunch Program (Assistance Listing Number 10.555) and \$20,511 of commodities under the Fresh Fruit and Vegetable Program (Assistance Listing Number 10.582).

NOTE 6 – SCOPE OF AUDIT

The District is an independent municipal corporation. All federal grant operations of the District are included in the scope of the single audit.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

June 30, 2024

NOTE A - SUMMARY OF AUDITOR'S RESULTS

1. The auditor's report expresses an unmodified opinion on the basic financial statements of Enlarged Ogdensburg City School District.
2. No significant deficiencies or material weaknesses were disclosed during the audit of the basic financial statements of Enlarged Ogdensburg City School District.
3. No instances of noncompliance material to the financial statements of Enlarged Ogdensburg City School District were disclosed, which would be required to be reported in accordance with *Government Auditing Standards*.
4. No significant deficiencies or material weaknesses in internal control over major programs were disclosed during the audit of the major federal award programs of Enlarged Ogdensburg City School District.
5. The auditor's report on compliance for the major federal award programs for Enlarged Ogdensburg City School District expresses an unmodified opinion on all major federal programs.
6. There were no audit findings required to be reported in accordance with 2 CFR section 200.516(a) related to the major federal award programs for Enlarged Ogdensburg City School District.
7. The Programs tested as major programs include:

U.S. Department of Education:

Passed Through NYS Education Department:

COVID-19: American Rescue Plan – Elementary and Secondary School Emergency Relief Fund	84.425U
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8. The threshold for distinguishing between Types A and B programs was \$750,000.
9. Enlarged Ogdensburg City School District qualifies as a low-risk auditee.

ENLARGED OGDENSBURG CITY SCHOOL DISTRICT

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

June 30, 2024

NOTE B - FINDINGS - FINANCIAL STATEMENT AUDIT

There were no findings to report.

**NOTE C - FINDINGS AND QUESTIONED COSTS - MAJOR
FEDERAL AWARD PROGRAMS AUDIT**

There were no findings to report.

ENLARGED OGDENSBURG CITY SCHOOL DISTRICT

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

June 30, 2024

NOTE A - FINDINGS - FINANCIAL STATEMENT AUDIT

There were no prior year audit findings.

**NOTE B - FINDINGS – MAJOR FEDERAL AWARD PROGRAMS
AUDIT**

There were no prior year audit findings.

FORM OF BOND COUNSEL'S OPINION

July 22, 2025

Enlarged Ogdensburg City School District
2758 Main Street
Crown Point, New York 12928

Re: Enlarged Ogdensburg City School District
St. Lawrence County, New York
\$5,000,000 Bond Anticipation Notes, 2025

Ladies and Gentlemen:

We have examined a record of proceedings relating to the issuance of \$5,000,000 Bond Anticipation Notes, 2025 (the "Notes") of Enlarged Ogdensburg City School District, County of Essex, State of New York (the "District"). The Notes are dated July 22, 2025 and are being issued pursuant to the Constitution and laws of the State of New York, including the Education Law and Local Finance Law, a resolution of the District dated August 22, 2023 and a Certificate of Determination dated on or before July 22, 2025 of the President of the Board of Education relative to the form and terms of the Notes.

In our opinion, the Notes are valid and legally binding general obligations of the District for which the District has validly pledged its faith and credit and, unless paid from other sources, all taxable real property within the District is subject to levy of ad valorem real estate taxes to pay the Notes and interest thereon without limitation of rate or amount. The enforceability of rights or remedies with respect to the Notes may be limited by bankruptcy, insolvency, or other laws affecting creditors' rights or remedies heretofore or hereinafter enacted.

The Internal Revenue Code of 1986, as amended (the "Code"), establishes certain requirements that must be met subsequent to the issuance and delivery of the Notes in order that interest on the Notes be and remain excluded from gross income under Section 103 of the Code. The President of the Board of Education of the District, in executing the Arbitrage and Use of Proceeds Certificate, has certified to the effect that the District will comply with the provisions and procedures set forth therein and that it will do and perform all acts and things necessary or desirable to assure that interest on the Notes is excluded from gross income under Section 103 of the Code. We have examined such Arbitrage and Use of Proceeds Certificate of the District delivered concurrently with the delivery of the Notes, and, in our opinion, such certificate contains provisions and procedures under which such requirements can be met.

In our opinion, interest on the Notes is excluded from gross income for federal income tax purposes under Section 103 of the Code and is excluded from adjusted gross income for purposes of New York State and New York City personal income taxes. Interest on the Notes is not treated as a preference item in calculating the alternative minimum tax under the Code, however, interest on the Notes is included in the "adjusted financial statement income" of certain corporations that are subject to the alternative minimum tax under Section 55 of the Code. We express no opinion regarding other tax consequences related to the ownership or disposition of, or the accrual or receipt of interest on, the Notes.

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. We have not undertaken to determine or to inform any person, whether any such actions are taken or omitted or events do occur or any other matters come to our attention after the date hereof. Our engagement with respect to the Notes 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 and Use of Proceeds 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 Notes to be included in gross income for federal income tax purposes or adjusted gross income for purposes of personal income taxes imposed by the State of New York and the City of New York. We call attention to the fact that the rights and obligations under the Notes and the Arbitrage and Use of Proceeds 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 New York municipal corporations such as the School District. We express no opinion with respect to any indemnification, contribution, penalty, choice of law, choice of forum, or waiver provisions contained in the foregoing documents.

The scope of our engagement in relation to the issuance of the Notes has extended solely to the examination of the facts and law incident to rendering the opinions expressed herein. The opinions expressed herein 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 School District, together with other legally available sources of revenue, if any, will be sufficient to enable the School District to pay the principal of or interest on the Notes as the same respectively become due and payable. Reference should be made to the Official Statement for factual information, which, in the judgment of the School District would materially affect the ability of the School District to pay such principal and interest. We have not verified the accuracy, completeness or fairness of the factual information contained in the Official Statement and, accordingly, no opinion is expressed by us as to whether the School District, in connection with the sale of the Notes, 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 light of the circumstances under which they were made, not misleading.

We have examined the first executed Note of each said issue and, in our opinion, the form of said Note and its execution are regular and proper.

Very truly yours,

TRESPASZ LAW OFFICES, LLP