PRELIMINARY OFFICIAL STATEMENT

RENEWAL ISSUE **REVENUE 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 "qualified tax-exempt obligations" under Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

$5,000,000

CITY SCHOOL DISTRICT OF THE CITY OF ONEIDA

MADISON AND ONEIDA COUNTIES, NEW YORK

GENERAL OBLIGATIONS

$5,000,000 Revenue Anticipation Notes, 2026 (Renewals)

(the "Notes")

Dated: September 16, 2026 **Due: September 16, 2027**

The Notes are general obligations of the City School District of the City of Oneida, Madison and Oneida Counties, New York (the "District"), all the taxable real property within which is subject to the levy of ad valorem taxes to pay the Notes and interest thereon, subject to applicable statutory limitations imposed by Chapter 97 of the Laws of 2011. See "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 purchaser(s), the Notes will be issued as registered notes registered in the name of the purchaser. If such Notes are issued as registered in the name of the purchaser, principal of and interest on the Notes will be payable in Federal Funds at maturity at such bank(s) or trust company(ies) located and authorized to do business in the State of New York as may be selected by the successful bidder(s). In such case, the Notes will be issued as registered in the name of the purchaser in denominations of $5,000 or multiples thereof, as may be determined by such successful bidder(s).

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

The Notes are offered when, as and if issued and received by the purchaser(s) and subject to the receipt of the approving legal opinion as to the validity of the Notes of Trespasz Law Offices, LLP, Syracuse, New York, Bond Counsel to the District. It is anticipated that the Notes will be available for delivery through the facilities of DTC located in Jersey City, New Jersey, or as agreed upon by the purchaser(s), on or about September 16, 2026.

ELECTRONIC BIDS for the Notes must be submitted via Fiscal Advisors Auction website ("Fiscal Advisors Auction") accessible via www.fiscaladvisorsauction.com on September 3, 2026 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.

August 31, 2026

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 – D, MATERIAL EVENT NOTICES" HEREIN.

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

SCHOOL DISTRICT OFFICIALS

2026-2027 BOARD OF EDUCATION

MARTY KELLY
President

HEATHER DENBY
Vice President

MARK BARBANO
MARK PUTNAM
NADINE FLYNN
STEPHANIE WAITE
MATTHEW WOODCOCK

* * * * *

ADMINISTRATION

MATTHEW CARPENTER
Superintendent of Schools

DR. STACEY TICE
Assistant Superintendent for Curriculum, Instruction & Assessment

WILLIAM WARES
School Business Official

GENEVIEVE BRAUNER
Administrator for Technology & Special Programs

TANYA MOORE
School District Treasurer

FERRARA FIORENZA PC
School District Attorney

TRESPASZ LAW OFFICES, LLP
Bond Counsel

FISCAL ADVISORS & MARKETING, INC.
Municipal Advisor

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

TABLE OF CONTENTS

Page

NATURE OF OBLIGATION **1**
THE NOTES **2**
Description of the Notes 2
No Optional Redemption 2
Purpose of Issue 3
BOOK-ENTRY-ONLY SYSTEM **3**
Certificated Notes 4
THE SCHOOL DISTRICT **5**
General Information 5
Population 5
Larger Employers 5
Selected Wealth and Income Indicators 5
Unemployment Rate Statistics 6
Form of School Government 6
Investment Policy 6
Budgetary Procedures 7
State Aid 7
State Aid Revenues 11
District Facilities 11
Enrollment Trends 11
Employees 11
Status and Financing of Employee Pension Payments 12
Other Post-Employment Benefits 14
Other Information 15
Financial Statements 15
New York State Comptroller Report of Examination 15
The State Comptroller's Fiscal Stress Monitoring System 15
TAX INFORMATION **16**
Taxable Valuations 16
Tax Rates Per $1,000 (Assessed) 17
Tax Collection Procedure 17
Tax Levy and Tax Collection Record 17
Real Property Tax Revenues 17
Larger Taxpayers 2025 Assessment Roll for 2025-26 District Tax Roll 18
STAR – School Tax Exemption 18
Additional Tax Information 19
TAX LEVY LIMITATION LAW **19**
STATUS OF INDEBTEDNESS **20**
Constitutional Requirements 20
Statutory Procedure 20
Debt Outstanding End of Fiscal Year 21
Details of Outstanding Indebtedness 21
Debt Statement Summary 22
Bonded Debt Service 22
Capital Project Financing Plans 22
Cash Flow Borrowings 22
Other Indebtedness 23
Estimated Overlapping Indebtedness 24
Debt Ratios 24

Page

SPECIAL PROVISIONS AFFECTING REMEDIES UPON DEFAULT **25**
MARKET RISK FACTORS **26**
TAX MATTERS **26**
LEGAL MATTERS **27**
CONTINUING DISCLOSURE **27**
Historical Compliance 27
LITIGATION **28**
MUNICIPAL ADVISOR **28**
RATINGS **28**
MISCELLANEOUS **28**

APPENDIX – A
GENERAL FUND - Balance Sheets

APPENDIX – A1
GENERAL FUND – Revenues, Expenditures and Changes in Fund Balance

APPENDIX – A2
GENERAL FUND – Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

APPENDIX – A3
GENERAL FUND – Revenues, Expenditures and Changes in Fund Balance – Budget

APPENDIX – B
BONDED DEBT SERVICE

APPENDIX – B1
CURRENT BONDS OUTSTANDING

APPENDIX – C
MATERIAL EVENT NOTICES

APPENDIX – D
GENERAL PURPOSE FINANCIAL STATEMENT - JUNE 30, 2025

APPENDIX – E
FORM OF OPINION OF BOND COUNSEL

PREPARED WITH THE ASSISTANCE OF

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OFFICIAL STATEMENT

of the

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

Relating To

$5,000,000 Revenue Anticipation Notes, 2026 (Renewals)

This Official Statement, which includes the cover page and appendices, has been prepared by the City School District of the City of Oneida, Madison and Oneida Counties, New York (the "School District" or "District", "Counties", and "State", respectively) in connection with the sale by the District of $5,000,000 Revenue Anticipation Notes, 2026 (Renewals) (the "Notes").

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

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

NATURE OF OBLIGATION

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

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

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

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

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

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

> "A pledge of the city's faith and credit is both a commitment to pay and a commitment of the city's revenue generating powers to produce the funds to pay. Hence, an obligation containing a pledge of the city's "faith and credit" is secured by a promise both to pay and to use in good faith the city's general revenue powers to produce sufficient funds to pay the principal and interest of the obligation as it becomes due. That is why both words, "faith" and "credit" are used and they are not tautological. That is what the words say and this is what the courts have held they mean… So, too, although the Legislature is given the duty to restrict municipalities in order to

> prevent abuses in taxation, assessment, and in contracting of indebtedness, it may not constrict the city's power to levy taxes on real estate for the payment of interest on or principal of indebtedness previously contracted… While phrased in permissive language, these provisions, when read together with the requirement of the pledge and faith and credit, express a constitutional imperative: debt obligations must be paid, even if tax limits be exceeded".

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

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

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

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

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

THE NOTES

Description of the Notes

The Notes are general obligations of the School District, and will contain a pledge of its faith and credit for the payment of the principal thereof and interest thereon as required by the Constitution and laws of the State of New York (State Constitution, Art. VIII, Section 2: Local Finance Law, Section 100.00). All the taxable real property within the School District is subject to the levy of ad valorem taxes to pay the Notes and interest thereon, subject to applicable statutory limitations imposed by Chapter 97 of the Laws of 2011. See "NATURE OF OBLIGATION" and "TAX LEVY LIMITATION LAW" herein.

The Notes are dated September 16, 2026 and mature, without option of prior redemption, on September 16, 2027. Interest will be calculated on a 30-day month and 360-day year basis, payable at maturity. The District will act as Paying Agent for the Notes. Paying agent fees, if any, will be paid by the purchaser(s).

The Notes will be issued in either (i) the name of the purchaser(s), as may be determined by the successful bidder(s) with principal and interest payable in Federal Funds at such bank(s) or trust company(ies) located and authorized to do business in the State as may be selected by such successful bidder(s); or (ii) at the option of the purchaser(s), registered in the name of Cede & Co. as nominee of The Depository Trust Company, New York, New York ("DTC") which will act as the securities depository for the Notes. See "BOOK-ENTRY-ONLY SYSTEM" herein.

No Optional Redemption

The Notes are not subject to redemption prior to maturity.

Purpose of Issue

The Notes are being issued pursuant to the Constitution and statutes of the State of New York, including among others, the Education Law, the Local Finance Law and pursuant to a revenue anticipation note resolution duly adopted by the Board of Education, in anticipation of State Aid and Federal Aid revenues..

The Notes are being issued to provide monies to meet a cash flow deficit expected to occur during the period that the Notes are outstanding (see "APPENDIX – C – C1 – ESTIMATED MONTHLY CASH FLOW"). Such cash flow deficit is the result of a delay in the receipt of State aid revenues, which receipt is not timely with the cash flow needs of the School District.

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

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

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

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

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

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

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

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

Source: The Depository Trust Company.

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

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

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

Certificated Notes

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

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

THE SCHOOL DISTRICT

General Information

The School District, with a land area of approximately 23.4 square miles is located in upstate New York, in the Counties of Madison and Oneida, and centers around the City of Oneida. The City of Syracuse is located 25 miles to the west and the City of Utica 20 miles to the east. The School District includes the entire City of Oneida as well as portions of the Towns of Lenox and Lincoln in Madison County, and the entire Village of Sylvan Beach and portions of the City of Sherrill and the Towns of Vernon, Verona and Vienna in Oneida County.

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

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

The majority of residents are engaged in industry, commerce and professions in the City of Oneida as well as the Syracuse, Rome and Utica metropolitan areas. The Turning Stone Casino was constructed in the fall of 1993 just north of the School District. The facility is operated by the Oneida Indian Nation of New York and employs 4,500. A hotel is also connected to the casino and two PGA-tour quality eighteen-hole golf courses and a nine hole executive course are on land adjacent to the Casino. In August 2024, the Oneida Indian Nation held a groundbreaking event at Point Place Casino in Madison County to mark a $50 million expansion at the property.

Source: District Officials.

Population

The current estimated population of the District is 13,957. (Source: 2024 U.S. Census Bureau estimate.)

Larger Employers

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

Name of Employer	Type of Business	Approximate Number of Employees
Oneida Indian Nation	Tourism	5,000
Mohawk Valley Health System	Healthcare	3,600
County of Oneida	Government	1,700
Upstate Caring Partners	Social Services	1,700
Utica City School District	Education	1,564
Resource Center for Independent Living	Social Services	1,250
Air Force Research Lab	Research & Development	1,242
Metlife Inc.	Insurance/Finance	1,200
Utica National Insurance Group	Insurance/Finance	1,149
Defense Finance and Accounting Service	Insurance/Finance	1,100
Colgate University	Education	1,025
Oneida Health Care	Hospital	920
Wal-Mart	Super Center	450
Morrisville State College	Education	450
Knowles Capacitors	Manufacturing	300
CPP	Ferrous Metal Castings	300
Community Memorial Hospital/Crouse	Hospital	300
Madison Cortland ARC	Manufacturing	225
HP Hood	Dairy Products	200
Green Empire Farms	Controlled Environmental Agriculture	117

Source: County of Madison Official Statement dated November 6, 2025 and County of Oneida Official Statement dated May 7, 2026

Selected Wealth and Income Indicators

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

	Per Capita Income			Median Family Income		
	2006-2010	2016-2020	2020-2024	2006-2010	2016-2020	2020-2024
Cities of:						
Oneida	$ 23,553	$ 29,279	$ 38,684	$ 58,078	$ 69,576	$ 87,835
Sherrill	28,678	35,477	44,370	84,732	88,281	109,145
Towns of:						
Lenox	22,970	27,115	37,991	59,847	69,904	90,066
Lincoln	30,055	33,207	49,111	67,321	73,558	111,500
Vernon	24,579	37,618	45,774	59,563	90,541	100,952
Verona	22,642	30,182	39,979	54,160	80,702	102,039
Vienna	22,896	29,385	39,552	55,508	70,903	90,025
Counties of:						
Madison	24,311	32,443	40,197	61,828	78,812	96,423
Oneida	23,458	30,678	37,903	58,017	74,796	90,731
State of:						
New York	30,948	40,898	50,712	67,405	87,270	106,873

Source: U.S. Census Bureau, 2006-2010, 2016-2020, and 2020-2024 American Community 5-year data.

Note: 2021-2025 American Community Survey estimates are 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 areas for which such statistics are available (which include the District) are the counties of Madison and Oneida. The information set forth below with respect to the counties and the State of New York is included for information purposes only. It should not be inferred from the inclusion of such data in this Official Statement that the Counties or State is necessarily representative of the District, or vice versa.

Annual Averages

	2019	2020	2021	2022	2023	2024	2025
Madison County	4.3%	7.8%	4.8%	3.5%	3.7%	3.8%	3.9%
Oneida County	4.0%	7.7%	5.1%	3.6%	3.5%	3.7%	3.9%
New York State	3.9%	9.8%	7.1%	4.3%	4.0%	4.2%	4.3%

2026 Monthly Figures

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
Madison County	4.9%	5.3%	4.6%	3.9%	3.8%	3.9%	N/A	N/A	N/A
Oneida County	4.4%	4.7%	4.2%	3.8%	3.9%	4.0%	N/A	N/A	N/A
New York State	4.7%	5.2%	4.4%	4.2%	4.2%	4.4%	N/A	N/A	N/A

Note: Unemployment rates for July, August and September 2026 are unavailable as of the date of this Official Statement.

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

Form of School Government

The Board of Education, which is the policy-making body of the School District, consists of seven members with overlapping three-year terms. The President and the Vice President are selected by the Board members. The President of the Board is the chief fiscal officer of the School District.

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

Investment Policy

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

Consistent with the above statutory limitations, it is the School District's current policy to invest in: (1) savings accounts or money market accounts of designated banks; (2) certificates of deposit issued by a bank or trust company located in and authorized to do business in the State; (3) demand deposit accounts in a bank or trust company located in and authorized to do business in the State; (4) obligations of New York State; and (5) obligations of the United States Government (U.S. Treasury Bills and Notes).

Budgetary Procedures

Pursuant to the Education Law, the Board of Education annually prepares or causes to be prepared, a 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, 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). Clarification may be needed to determine whether a Board of Education must adopt a budget that requires the same tax levy amount as used in the prior fiscal year, or whether changes to the levy are permitted for such purposes as the permitted school district exclusions or the tax base growth factor. For a complete discussion of Chapter 97, see "TAX LEVY LIMITATION LAW" herein.

Recent Budget Vote Results

The budget for the 2025-2026 fiscal year was adopted by qualified voters on May 20, 2025 by a vote of 282 to 110. The budget for the 2025-2026 fiscal year called for a tax levy increase of 3.43%, which is equal to the District's maximum allowable tax levy limit of 3.43% for the 2025-2026 fiscal year.

The budget for the 2026-2027 fiscal year was adopted by qualified voters on May 19, 2026 by a vote of 282 to 110. The budget for the 2026-2027 fiscal year called for a tax levy increase of 2.84%, which is equal to the District's maximum allowable tax levy limit of 2.84% for the 2026-2027 fiscal year.

State Aid

The District receives financial assistance from the State in the form of State aid for operating, building and other purposes at various times throughout its fiscal year, pursuant to formulas and payment schedules set forth by statute. In its adopted budget for the 2026-27 fiscal year, approximately 54.91% of the revenues of the District are estimated to be received in the form of State aid. While the State has a constitutional duty to maintain and support a system of free common schools that provides a "sound basic education" to children of the State, there can be no assurance that the State appropriation for State aid to school districts will be continued in future years, either pursuant to existing formulas or in any form whatsoever.

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

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

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. The State's Enacted Budgets were adopted after the April 1 deadline in the State's fiscal years 2023-24 (adopted on May 2, 2023, thirty-one (31) days late), 2024-25 (adopted on April 22, 2024, twenty-one (21) days late), 2025-26 (adopted on May 9, 2025, thirty-eight (38) days late) and 2026-27 (adopted on May 27, 2026, fifty-six (56) days late). The State's Enacted Budgets were adopted by April 1 or shortly thereafter in the State's fiscal years 2016-17 through 2022-23, inclusive. 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 (the "Education 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 Education 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.

In furtherance of the Education Executive Order, on June 16, 2026, the U.S. Department of Education announced four new interagency agreements that shift the management and administration of federal special education programs to the Department of Health and Human Services ("HHS"). Key elements of the change include:

- **Oversight Shift**: Day-to-day management and grant administration for the Office of Special Education and Rehabilitative Services and the Office of Special Education Programs are being transferred to HHS.
- **Statutory Responsibility**: Legally, the statutory authority for the Individuals with Disabilities Education Act remains with the Department of Education, but its actual execution is outsourced.
- **DOJ Integration**: Civil rights and student privacy enforcement are simultaneously being moved to the Department of Justice.

While the interagency agreements are immediately, Senior Administration officials have publicly noted that operational details, staff relocations, and specific execution timelines are still actively being sorted out.

The full impact that the Education 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 2026-27 building aid ratios, the District expects to receive State building aid of approximately 86.4% of debt service on State Education Department approved expenditures from July 1, 2004 to the present.

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

State Aid History

State aid to school districts within the State has declined in some recent years before increasing again in more recent years.

School district fiscal year (2021-2022): The State's 2021-22 Enacted 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 Enacted Budget included $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 Enacted Budget also included $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, was designed to assist public schools to reopen for in-person instruction, address learning loss, and respond to students' academic, social, and emotional needs due to the disruptions of the COVID-19 pandemic. The State's 2022-23 Enacted Budget 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 Enacted 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 Enacted Budget included $34.5 billion for school aid, an increase of $3.1 billion or 10%. The States 2023-24 Budget also provided a $2.6 billion increase in Foundation Aid, fully funding the program for the first time in history. The State's 2023-24 Enacted Budget provided $134 million to increase access to free school meals. An additional $20 million in grant funding was included to establish new Early College High School and Pathways in Technology Early College High School Programs. An investment of $10 million over two years in competitive funding for school districts, boards of cooperative educational services, and community colleges will be made to promote job readiness. An additional $150 million will be used to expand high-quality full-day prekindergarten, resulting in universal prekindergarten to be phased into 95% of the State.

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

School district fiscal year (2025-2026): The State's 2025-26 Enacted Budget included 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 provided 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. As part of the 2025–26 Enacted State Budget, the Governor and Legislature made targeted adjustments to the Foundation Aid formula. While the formula itself remains largely intact, the budget includes a hold harmless provision ensuring that no district receives less Foundation Aid than in the prior year. Additionally, all districts were guaranteed at least a 2% year-over-year increase in Foundation Aid. The enacted budget also includes formula modifications intended to provide enhanced support for high-need and disadvantaged school districts.

Provisions in the State's 2025-26 Enacted Budget granted the State Budget Director the authority to withhold all or some of the amounts appropriated therein, including amounts that are to be paid on specific dates prescribed in law or regulation (such as State Aid) if, on a cash basis of accounting, a "general fund imbalance" has or is expected to occur in fiscal year 2025-26. Specifically, the State's 2025-26 Enacted Budget provided that a "general fund imbalance" has occurred, and the State Budget Director's powers are activated, if any State fiscal year 2025-26 quarterly financial plan update required by Subdivision 4 of Section 23 of the New York State Finance Law reflects, or if at any point during the final quarter of State fiscal year 2025-26 the State Budget Director projects, that estimated general fund receipts and/or estimated general fund disbursements have or will vary from the estimates included in the State's 2025-26 Enacted Budget financial plan required by sections 22 and 23 of the New York State Finance Law results in a cumulative budget imbalance of $2 billion or more. Any significant reductions or delays in the payment of State aid could adversely affect the financial condition of school districts in the State. No "general fund imbalance" occurred during the State's 2025-26 fiscal year.

The State's 2026-27 Enacted Budget was signed into law on May 27, 2026 – fifty-six (56) days after the April 1 start of the fiscal year. The FY 2026-27 Education, Labor and Family Assistance (ELFA) legislation contains several significant provisions affecting New York public school districts. The major school district–related items include:

- **Foundation Aid increase:** The Enacted Budget provides an approximately $779 million increase in Foundation Aid, bringing total Foundation Aid to about $27.1 billion statewide. Every district is guaranteed at least a minimum annual increase.
- **Overall School Aid increase:** Total School Aid for the 2026-27 school year is projected at approximately $39.3 billion, an increase of roughly $1.6 billion over the prior year.
- **Universal Pre-K expansion:** The legislation significantly expands funding for universal prekindergarten programs. Districts will receive increased per-pupil funding for four-year-old programs, with the goal of statewide universal full-day Pre-K by the 2028-29 school year.
- **Expense-based aids fully funded:** The Enacted Budget continues statutory reimbursement formulas for Building Aid, Transportation Aid, BOCES Aid and special education expense aids. These aids are projected to increase by roughly $282 million statewide.
- **Building Aid for renewable energy projects:** Certain renewable energy improvements, including ground-mounted solar facilities, may now qualify as part of a project's "primary cost allowance" for Building Aid purposes.
- **Zero emission bus mandate:** The Enacted Budget also extended the zero-emission bus mandate by five years, allowing districts until July 1, 2032, to purchase only zero-emission buses and until July 1, 2040, to operate and maintain only zero-emission buses.

Foundation Aid formula adjustments. The budget continues recent efforts to modernize the Foundation Aid formula by relying more heavily on updated poverty and economic-need data instead of older census metrics and free-and-reduced lunch statistics.

State Aid Litigation

In January 2001, the State Supreme Court issued a decision in Campaign for Fiscal Equity v. New York ("CFE") 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 CFE 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 CFE 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 outlined 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.
- FY 2027 Budget: $27.1 billion in Foundation Aid, an increase of $779 million from 2025-26, and a 1% minimum increase in Foundation Aid to all school districts.

The State's 2025-26 and 2026-27 Budgets also made a number of alterations to the Foundation Aid formula to more accurately reflect low-income student populations and provide additional aid to low-wealth school districts.

State Aid Revenues

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

Fiscal Year	Total Revenues [1]	Total State Aid	Percentage of Total Revenues Consisting of State Aid
2020-2021	$ 45,418,047	$ 24,278,566	53.5%
2021-2022	45,284,564	25,327,727	55.9
2022-2023	47,457,439	26,187,830	55.2
2023-2024	49,966,428	28,236,259	56.5
2024-2025	50,700,911	28,003,898	55.2
2025-2026 (Budgeted)	51,467,588	28,379,412	55.1
2026-2027 (Budgeted)	52,677,645	28,924,126	54.9

[1] General fund only, does not include inter-fund transfers or reserve funds.

Source: Audited financial statements for the 2020-2021 fiscal year through and including the 2024-2025 fiscal year and the budget of the District for the 2025-2026 and 2026-2027 fiscal years. The unaudited projected figures for 2025-2026 are unavailable as of the date of this Official Statement.

District Facilities

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

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

Note: The District closed North Broad Street Elementary School at the end of the 2023-2024 school year. The District has moved to a "grade banded" Elementary model.

Enrollment Trends

School Year	Actual Enrollment	School Year	Projected Enrollment
2022-23	1,774	2027-28	1,614
2023-24	1,709	2028-29	1,594
2024-25	1,666	2029-30	1,584
2025-26	1,705	2030-31	1,580
2026-27	1,699	2031-32	1,575

Source: District officials.

Employees

The approximate number of persons employed by the School District is 390 with 369 full-time employees. The collective bargaining agents, if any, which represent them and the dates of expiration of the various collective bargaining agreements are as follows:

Employees	Union	Contract Expiration Date
202	Oneida Teachers' Association (NYSUT)	June 30, 2027
95	Oneida Support Staff (NYSUT)	June 30, 2027
11	Oneida Principals / Psychologists (School Administrators)	June 30, 2028
9	Oneida Confidential/Supervisors/Maintenance	June 30, 2029
45	Oneida Bus Drivers / Transportation	June 30, 2029

Source: School District records.

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 System 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 (other than those in Tier V and VI, as described below) working less than ten years must contribute 3% (ERS) or 3.5% (TRS) of gross annual salary towards the cost of retirement programs.

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

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

On March 16, 2012, a new Tier VI pension program was signed into law, effective for new ERS and TRS employees hired after April 1, 2012. The Tier VI legislation provides for increased employee contribution rates of between 3% and 6% 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 State's 2024-25 Enacted Budget included a provision that improved the pension benefits of Tier VI members by modifying the final average salary calculation from 5 years back to 3 years. This measure was effective as of April 1, 2024 for PFRS Tier VI members and April 20, 2024 for ERS Tier VI members.

The State's Enacted 2026-27 Budget made a number of changes to the Tier VI pension program:

- Lowered Retirement Age: The full-benefit retirement age for members of TRS is reduced from 63 to 58 for members with 30 years of service, allowing educators to retire without pension penalties earlier.
- Reduced Contribution Rates: Member pension contribution percentages for members of ERS are adjusted into tiered salary brackets:
    - $75,000 or less: 3%
    - Over $75,000 to $100,000: 4%
    - Over $100,000 to $125,000: 5.25%
    - Over $125,000: 5.75%
- Overtime Cap Increase: For eligible members, the maximum amount of overtime used to calculate final average salary benefits has been increased to $30,000 plus CPI (up from the previous $22,500 cap).

The District is required to contribute at an actuarially determined rate. The actual contributions for the last five years and budgeted figures for the 2026-2027 fiscal year are as follows:

Fiscal Year	ERS	TRS
2020-2021	$520,274	$1,372,236
2021-2022	506,197	1,405,905
2022-2023	538,112	1,755,558
2023-2024	536,558	1,573,337
2024-2025	454,262	1,729,155
2025-2026 (Budgeted)	375,000	1,946,250
2026-2027 (Budgeted)	736,938	1,643,121

Source: District officials.

The annual required pension contribution is due February 1 annually with the ability to pre-pay on December 15 at a discount. The District pre-pays this cost annually. Although permitted by recently enacted laws, the District is not amortizing any pension payments nor does it intend to do so in the foreseeable future.

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

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 employer contribution rates as a percent of payroll (2021-22 to 2026-27) is shown below:

Fiscal Year	ERS	TRS
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
2026-27	17.6	8.24

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

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

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

Stable Rate Pension Contribution Option: The 2013-14 State Budget included a provision that authorized local governments, 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 Rate Pension Contribution Option"). For 2016-17 the stable contribution option rate is 15.1% for ERS and 14.13% for TRS. The pension contribution rates under this program would reduce near-term payments for employers, but require higher than normal contributions in later years.

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

The State's 2019-2020 Enacted Budget, which was signed into law as Chapter 59 of the Laws of 2019, included a provision that allows school districts in the State to establish a reserve fund for the purpose of funding the cost of TRS contributions, as a sub-fund of retirement contribution reserve funds presently authorized for amounts payable to the ERS by a school district. School districts are 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 May 28, 2019, the District established a reserve fund for the purpose of funding the cost of TRS contributions.

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.

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Other Post-Employment Benefits

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

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

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

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

The District contracted with Questar III BOCES to calculate its actuarial valuation under GASB 75. The following outlines the changes to the Total OPEB Liability during the 2024 and 2025 fiscal years, by source.

Balance beginning at:	June 30, 2023	June 30, 2024
	$ 114,132,453	$ 108,235,643
Changes for the year:		
Service cost	3,247,410	3,079,482
Interest	4,213,144	4,294,538
Effect of demographic gains or losses	(5,033,947)	(17,398,166)
Differences between expected and actual experience	-	-
Changes in assumptions or other inputs	(4,385,618)	-
Benefit payments	(3,937,799)	(4,118,388)
Net Changes	$ (5,896,810)	$ (14,142,534)
Balance ending at:	June 30, 2024	June 30, 2025
	$ 108,235,643	**$ 94,093,109**

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 objects or purpose, or class of objects or purpose, or to accomplish the objects or purpose, for which the Notes are to be issued is the Education Law and the Local Finance Law.

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

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

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

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

Financial Statements

The District retains independent Certified Public Accountants. The last audit report covers the period ending June 30, 2025 and is attached hereto as "APPENDIX – E". Certain financial information of the District can be found attached as Appendices to the Official Statement. Unaudited projections for the period ending June 30, 2026 are unavailable as of the date of this Official Statement.

The District complies with the Uniform System of Accounts as prescribed for 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.

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.

There are no State Comptroller audits of the District released in the last five years, nor are there any that are currently in progress or pending release 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, and the website is not incorporated 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 classifications and fiscal scores of the District for the 2022-23 through 2024-25 fiscal years are as follows:

Fiscal Year Ending In	Stress Designation	Fiscal Score
2025	Susceptible Fiscal Stress	28.3
2024	Susceptible Fiscal Stress	33.3
2023	No Designation	15.0

Additional information regarding the Fiscal Stress Monitoring System can be found by visiting the Fiscal Stress Monitoring System section of the Office of the State Comptroller website.

Source: Website of the Office of the New York State Comptroller. References to website addresses presented herein are for informational purposes only. Unless specified otherwise, such websites and the information or links contained therein are not incorporated into, and are not part of, this Official Statement.

TAX INFORMATION

Taxable Valuations

Fiscal Year Ending June 30:		2023	2024	2025	2026	2027
Assessed Valuation						
Cities of:	Oneida	$ 458,280,171	$ 458,201,877	$ 462,073,928	$ 458,851,572	$ 460,149,476
	Sherill	786,235	787,060	792,095	792,101	657,101
Towns of:	Lenox	35,938,273	35,925,051	38,486,691	36,053,397	36,302,610
	Lincoln	17,250,870	17,067,974	17,187,321	18,006,862	17,702,877
	Vernon	52,141,520	52,129,255	53,140,194	52,376,039	53,045,898
	Verona	78,214,846	78,726,839	79,431,893	80,177,338	80,460,811
	Vienna	30,418,659	30,556,310	31,429,440	31,614,976	31,615,007
Total Assessed Valuation		$ 673,030,574	$ 673,394,366	$ 682,541,562	$ 677,872,285	$ 679,933,780
State Equalization Rates						
Cities of:	Oneida	83.00%	76.00%	71.00%	71.00%	60.00%
	Sherill	52.00%	46.00%	47.20%	43.50%	38.80%
Towns of:	Lenox	85.00%	70.00%	68.00%	63.00%	52.00%
	Lincoln	81.00%	64.00%	64.00%	60.00%	51.00%
	Vernon	52.00%	47.50%	47.20%	43.50%	38.80%
	Verona	57.00%	49.00%	48.00%	44.00%	40.50%
	Vienna	47.00%	40.00%	38.58%	34.00%	32.00%
Total Full Valuation		$ 919,446,199	$ 1,029,402,011	$ 1,095,473,678	$ 1,130,940,926	$ 1,307,315,386

Tax Rates Per $1,000 (Assessed)

Years Ending June 30:	2023	2024	2025	2026	2027
Cities of:					
Oneida	$ 24.91	$ 25.03	$ 25.87	$ 25.81	$ 27.19
Sherrill	39.77	40.05	38.92	42.13	42.05
Towns of:					
Lenox	24.33	27.18	26.87	29.09	31.38
Lincoln	25.53	29.73	28.55	30.55	31.99
Vernon	39.77	40.05	38.71	42.13	42.05
Verona	36.28	38.83	38.06	41.65	40.29
Vienna	44.00	47.56	50.75	53.90	50.99

Tax Collection Procedure

Real property taxes are levied annually by the Board of Education no later than September 1. Taxes which can be paid in full, or in two equal installments, one in the fall and one in the spring. Uncollected taxes are returned to the County for collection. The District receives this amount from the County prior to the end of the District's fiscal year, thereby assuring 100% tax collection annually. Tax sales are held annually by said County.

Tax Levy and Tax Collection Record

Years Ending June 30:	2023	2024	2025	2026	2027
Total Tax Levy	$ 19,013,222	$ 19,583,619	$ 20,038,970	$ 20,726,862	$ 21,315,407
Amount Uncollected	1,172,272	1,189,120	1,336,971	1,449,946	N/A
% Uncollected [1]	6.2%	6.1%	7.4%	7.7%	N/A

[1] School District taxes are made whole by the respective Counties and City. See "Tax Collection Procedure".

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

Real Property Tax Revenues

The following table illustrates the percentage of total revenues of the School District for each of the below completed fiscal years comprised of Property Taxes.

Fiscal Year	Total Revenues [1]	Total Real Property Taxes	Percentage of Total Revenues Consisting of Real Property Tax
2020-2021	$ 45,418,047	$ 15,589,749	34.3%
2021-2022	45,284,564	15,957,006	35.2
2022-2023	47,457,439	16,612,280	35.0
2023-2024	49,966,428	17,391,185	34.8
2024-2025	50,700,911	17,949,651	35.4
2025-2026 (Budgeted)	51,467,588	20,726,862	40.3
2026-2027 (Budgeted)	52,677,645	21,315,407	40.5

[1] General fund only, does not include inter-fund transfers or reserve funds.

Source: Audited financial statements for the 2020-2021 fiscal year through and including the 2024-2025 fiscal year and the budget of the District for the 2025-2026 and 2026-2027 fiscal years. The unaudited projected figures for 2025-2026 are unavailable as of the date of this Official Statement.

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Larger Taxpayers – 2025 Assessment Roll for 2025-26 Taxes

Name	Type	Total Assessed Valuation
Niagara Mohawk	Utility	$22,956,451
H.P. Hood	Manufacturing	14,051,400
Wal-Mart	Retail	9,750,000
Oneida Glenwood Association	Shopping Center	9,637,275
Oneida Any RE, LLC	Auto Dealership	9,525,700
SS Realty Northeast, LLC	Retail Store	7,406,300
Wachs Oneida Development	Shopping Center	4,421,200
CSX	Railroad	4,092,353
Alliance Apartments LLC	Apartments	2,272,300
NYE	Auto Dealership	1,925,100

The larger taxpayers listed above have a total assessed valuation of $86,038,079 which represents 7.61% of the tax base of the School District.

The District currently does not have any pending or outstanding tax certioraris that are known or expected to have a material impact on the District. The list of Larger Taxpayers – 2026 Assessment Roll for 2026-2027 Taxes are unavailable as of the date of this Official Statement.

Source: District Tax Rolls.

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 $110,750 or less for the 2026-27 school year, increased annually according to a cost of living adjustment, are eligible for a "full value" exemption of the first $88,500 for the 2026-27 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.

Part A of Chapter 60 of the Laws of 2016 of the State of New York ("Chapter 60") gradually converts the STAR program from a real property tax exemption to a personal income tax credit. Chapter 60 prohibits new STAR exemptions from being granted unless at least one of the applicants held title to the property on the taxable status date of the assessment roll that was used to levy school district taxes for the 2015-16 school year (generally, March 1, 2015), and the property was granted a STAR exemption on that assessment roll. A taxpayer who is eligible for the new credit will receive a check from the State equal to the amount by which the STAR exemption would have reduced his or her school tax bill. A homeowner who owned his or her home on the taxable status date for the assessment roll used to levy taxes for the 2015-16 school year, and who received a STAR exemption on that roll, may continue to receive a STAR exemption on that home as long as he or she still owns and primarily resides in it. No further action is required (unless the homeowner has been receiving Basic STAR and wants to apply for Enhanced STAR, which is permissible).

The 2019-20 Enacted State Budget made several changes to the STAR program, which went into effect immediately. The changes were 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 of the STAR exemption remains the same each year, while the amount of the STAR credit can increase up to two percent annually.

The table below lists the basic and enhanced exemption amounts for the 2026-27 District tax roll for the municipalities applicable to the District:

Municipality:	Enhanced Exemption	Basic Exemption	Date Certified
City of Oneida	$ 62,840	$ 21,300	4/10/2026
Town of Lenox	55,760	18,900	4/10/2026
Town of Lincoln	53,100	18,000	4/10/2026
Town of Vernon	38,500	13,050	4/10/2026
Town of Verona	38,940	13,200	4/10/2026
Town of Vienna	30,090	10,200	4/10/2026

$2,080,799 of the District's $20,726,862 school tax levy for the 2025-26 fiscal year was exempted by the STAR Program. The District received full reimbursement of such exempt taxes from the State in January 2026.

A similar amount of the District's $21,315,407 school tax levy for the 2026-2027 fiscal year is expected to be exempt by the STAR Program. The District anticipates receiving full reimbursement of such exempt taxes from the State by January 2027.

Additional Tax Information

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

Senior citizens' exemptions are offered to those who qualify.

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

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

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; unless substantially level or declining annual debt service is utilized, no installment maybe more than fifty percent in excess of the smallest prior installment. The District is required to provide an annual appropriation for the payment of interest due during the year on its indebtedness and for the amounts required in such year for amortization and redemption of its serial bonds and such required annual installments on its notes.

Statutory Procedure

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

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

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 School District is not authorized to expend money, or

(2) There has not been substantial compliance with the provisions of law which should have been complied within the authorization of such obligations and an action contesting such validity, is commenced within twenty days after the date of such publication, or

(3) Such obligations are authorized in violation of the provisions of the Constitution.

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

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.

The District is further subject to constitutional limitation by the general constitutionally imposed duty on the State Legislature to restrict the power of taxation and contracting indebtedness; however, the State Legislature is prohibited by a specific constitutional provision from restricting the power of the District to levy taxes on real estate for the payment of interest on or principal of indebtedness theretofore contracted.

Debt Outstanding End of Fiscal Year

Fiscal Year Ending June 30:	2022	2023	2024	2025	2026
Bonds	$ 13,720,000	$ 11,450,000	$ 28,535,000	$ 26,200,000	$ 24,345,000
Bond Anticipation Notes	1,453,000	38,033,000	0	0	2,735,000
Revenue Anticipation Notes	0	0	0	0	5,000,000
Lease Liability [(1)]	1,978,199	1,946,748	2,267,447	2,138,526	1,907,550
Total Debt Outstanding	$ 17,151,199	$ 51,429,748	$ 30,802,447	$ 28,338,526	33,987,550

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

Details of Outstanding Indebtedness

The following table sets forth the indebtedness of the District as of August 31, 2026:

Type of Indebtedness	Maturity	Amount
Bonds	2027-2039	$ 24,345,000
Bond Anticipation Notes		
Capital Improvement and Energy Efficiency Project	June 25, 2026	2,735,000
	Total Indebtedness	$ 27,080,000

Note: Chart does not include Energy Performance Contracts (EPCs), which are subject to appropriation but do not involve a pledge of faith and credit of the District, and therefore do not technically constitute general obligation indebtedness of the District. Such obligations do, however, count towards the debt limit of the District. See "Other Obligations" herein.

Debt Statement Summary

Summary of Indebtedness, Debt Limit and Net Debt-Contracting Margin as of August 31, 2026:

Full Valuation of Taxable Real Property		$ 1,307,315,386
Debt Limit 10% thereof		130,731,538
Inclusions:		
Bonds	$ 24,345,000	
Bond Anticipation Notes	2,735,000	
Total Inclusions	$ 27,080,000 [1]	
Exclusions:		
State Building Aid [2]	$ 0	
Total Exclusions	$ 0	
Total Net Indebtedness after issuance of the Notes		$ 27,080,000
Net Debt-Contracting Margin		$ 103,651,538
The percent of debt contracting power exhausted is		20.71%

[1] 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.

[2] Based on preliminary 2026-2027 building aid estimates, the District anticipates State Building aid of 86.4% for debt service on State Education Department approved expenditures from July 1, 2004 to the present. The District has no reason to believe that it will not ultimately receive all of the building aid it anticipates, however, no assurance can be given as to when and how much building aid the District will receive in relation to the outstanding bonds.

Bonded Debt Service

A schedule of Bonded Debt Service may be found attached hereto as "APPENDIX –B" to this Official Statement.

Capital Project Financing Plans

On May 19, 2026, the voters of the District approved a proposition for the leasing of school buses and incidental equipment in the amount of $1,766,365.

In June 2025, a flood caused significant damage to the District's high school. The high school was temporarily taken out of service, and high school students shared the middle school building at the start of the 2025-2026 school year. Repairs and cleanup at the high school were funded through insurance proceeds and emergency project funds.

On November 12, 2025, the voters of the district approved a $3,000,000 proposition for a Capital Improvement and Energy Efficiency Project. On June 25, 2026 the District issued $2,735,000 bond anticipation notes, along with $265,000 available funds of the District, to redeem and renew $3,000,000 bond anticipation notes which matured on June 26, 2026 for the aforementioned purpose.

The District is anticipating bringing a larger project to be voted on in the fall of 2026. The project is expected to be about $30 million with the use on $1 million reserve funds.

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

Cash Flow Borrowings

The School District issued $5,000,000 Revenue Anticipation Notes on September 17, 2025 to address cash flow needs related to flood damage, which mature on September 17, 2026. Prior to such issuance, the School District had not found it necessary to issue revenue anticipation notes since 2003. The Notes are being issued in anticipation of the emergency state aid that will be received for the flood project. Prior to the maturity of the current cash flow financing the timing of the aid will be analyzed to determine if one is needed. Other than the cash flow financing due to the flood, the District does not anticipate issuing additional revenue anticipation notes. The School District has not issued tax anticipation notes in the past and has no current plans to issue them in the future.

Lease Liability

The District has entered into agreements with the BOCES and other vendors to lease certain vehicles and equipment such as copiers and other technology equipment. The following is a summary of the District's principal payments for its leases as of June 30, 2026:

Year	Principal
2027	$ 816,155
2028	527,155
2029	354,740
2030	209,500
TOTAL	$ 1,907,550

Source: District officials.

Estimated Overlapping Indebtedness

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

Municipality	Status of Debt as of	Gross Indebtedness [1]	District Share	Applicable Indebtedness
County of:				
Madison	12/31/2024	$ 42,473,390	11.60%	$ 4,926,913
Oneida	12/31/2024	475,600,014	2.08%	9,892,480
City of:				
Oneida	12/31/2024	$ 72,405,618	93.10%	$ 67,409,630
Sherrill	12/31/2024	5,885,000	0.65%	38,253
Town of:				
Lenox	12/31/2024	4,339,900	8.05%	349,362
Lincoln	12/31/2024	534,456	16.63%	88,880
Vernon	12/31/2024	-	15.38%	-
Verona	12/31/2024	26,691,667	31.99%	8,538,664
Vienna	12/31/2024	1,660,494	13.41%	222,672
Village of:				
Oneida Castle	5/31/2025	-	100.00%	-
Sylvan Beach	5/31/2025	32,740,895	100.00%	32,740,895
Wampsville	5/31/2025	7,002	100.00%	7,002
			Total:	$ 124,214,752

[1] Outstanding bonds and bond anticipation notes of the respective municipality. Not adjusted to include subsequent issuances, if any, from the date of the status of indebtedness stated in the table above for each respective municipality.

Note: Gross indebtedness sourced from local government data provided by the State Comptroller's office. Information regarding excludable debt for municipalities, such as water debt, sewer debt and budgeted appropriations, to the extent such indebtedness may be applicable to the respective municipality, is not provided in the local government data the above table is sourced from.

Debt Ratios

The following table sets forth certain ratios relating to the District's indebtedness as of August 31, 2026:

	Amount	Per Capita [a]	Percentage of Full Value [b]
Net Indebtedness [c]	$ 27,080,000	$ 1,940.25	2.07%
Net Indebtedness Plus Gross Overlapping Indebtedness [d]	151,294,752	10,840.06	11.57

[a] The 2024 estimated population of the District is 13,957. (See "THE SCHOOL DISTRICT - Population" herein.)
[b] The District's full value of taxable real estate for 2026-2027 is $1,307,315,386. (See "TAX INFORMATION – Taxable Assessed Valuations" herein.)
[c] See "Debt Statement Summary" herein.
[d] Estimated gross overlapping indebtedness is $124,214,751. (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.

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 investment risk.

The financial and economic condition of the District as well as the market for the Notes could be affected by a variety of factors, some of which are beyond the District's control. There can be no assurance that adverse events in the State and in other jurisdictions, 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 another jurisdiction or any of its agencies or political subdivisions thereby further impairing the acceptability of obligations issued by borrowers within the State, both the ability of the District to arrange for additional borrowings, and the market for and market value of outstanding debt obligations, including the Notes could be adversely affected.

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

There are a number of general factors which could have a detrimental effect on the ability of the District to continue to generate revenues, particularly property taxes. For instance, the termination of a major commercial enterprise or an unexpected increase in tax certiorari proceedings could result in a significant reduction in the assessed valuation of taxable real property in the District. Unforeseen developments could also result in substantial increases in District expenditures, thus placing strain on the District's financial condition. These factors may have an effect on the market price of the Notes.

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

If a holder elects to sell his investment prior to its scheduled maturity date, market access or price risk may be incurred. If and when a holder of any of the Notes should elect to sell a Note prior to its maturity, there can be no assurance that a market shall have been established, maintained and be in existence for the purchase and sale of any of the Notes. Recent global financial crises have included limited periods of significant disruption. In addition, the price and principal value of the Notes is dependent on the prevailing level of interest rates; if interest rates rise, the price of a bond or note will decline, causing the bondholder or noteholder to incur a potential capital loss if such bond or note is sold prior to its maturity.

An outbreak of disease or similar public health threat, such as the COVID-19 outbreak, or fear of such an event, could have an adverse impact on the District's financial condition and operating results by potentially delaying the receipt of real property taxes or resulting in a delay or reduction by the State in the payment of State aid. Should the District fail to receive State aid expected from the State in the amounts or at the times expected, occasioned by a delay in the payment of such monies or by a reduction in State aid, the District is authorized by the Local Finance Law to provide operating funds by borrowing on account of the uncollected State aid.

The enactment of the Tax Levy Limitation Law, which imposes a tax levy limitation upon municipalities, school districts and fire districts in the State, including the District and continuing technical and constitutional issues raised by its enactment and implementation could have an impact upon the finances and operations of the District and hence 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. 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.

Cybersecurity

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

TAX MATTERS

In the opinion of 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 School District has covenanted to comply with certain restrictions designed to insure 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 the 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.

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. For example, legislative proposals have been advanced that would limit the exclusion from gross income of interest on obligations like the Notes to some extent for taxpayers who are individuals whose income is subject to higher marginal income tax rates. Other 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 opinions of Trespasz Law Offices, LLP, Bond Counsel. Bond Counsel's opinions will be in substantially the forms attached hereto as "APPENDIX – F".

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

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 a Continuing Disclosure Undertaking Certificate, the form substantially of which is attached hereto as "APPENDIX – D".

Historical Continuing Disclosure Compliance

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

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

On December 27, 2025, the Districts 2025 audited financial statements were due to be filed to EMMA. The filing was not made until January 12, 2026. A failure to file notice was submitted to EMMA on January 12, 2026

On June 26, 2026, the District had an interest payment due in the amounts of $42,875.00 and as a result of clerical oversight the payment was not made until June 30, 2026. The District has rectified the oversight and foresees no reason to believe the oversight will happen again in the future. An event notice, along with a failure to file notice was filed on August 31, 2026.

LITIGATION

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

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

There is no action, suit, proceedings or investigation, at law or in equity, before or by any court, public board or body pending or, to the best knowledge of the District, threatened against or affecting the District to restrain or enjoin the issuance, sale or delivery of the Notes or the levy and collection of taxes or assessments to pay same, or in any way contesting or affecting the validity of the Notes or any proceedings or authority of the District taken with respect to the authorization, issuance or sale of the Notes or contesting the corporate existence or boundaries of the District.

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.

RATINGS

The Notes are NOT rated. Subject to the approval of the District, the purchaser(s) of the Notes may choose to have a rating completed after the sale at the expense of the purchaser(s) pending the approval of the District, including any fees to be incurred by the District, as such rating action may result in a material event notification to be posted to EMMA and/or the prevision of a supplement to the final Official Statement.

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. S&P has contacted the District with the intention of conducting a standard rating review. As of the date of this Official Statement, there has not been a rating call scheduled and the determination is unknown. Any rating action will result in the filing of a material event notification to EMMA and the provision of a supplement to the Preliminary Official Statement. 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 this Official Statement, and the documents included by specific reference, that are not historical facts are forward-looking statements, which are based on the District management's beliefs as well as assumptions made by, and information currently available to, the District's management and staff. Because the statements are based on expectations about future events and economic performance and are not statements of fact, actual results may differ materially from those projected. Important factors that could cause future results to differ include legislative and regulatory changes, changes in the economy, and other factors discussed in this and other documents that the District's files with the repositories. When used in District documents or oral presentation, the words "anticipate", "estimate", "expect", "objective", "projection", "forecast", "goal", or similar words are intended to identify forward-looking statements.

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

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

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

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

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

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

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

The District contact information is as follows: William Wares, Business Official, Oneida City School District, District Offices, 565 Sayles Street, Oneida, New York 13421, Phone: (315) 363-2550, Email: wwares@oneidacsd.org.

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

CITY SCHOOL DISTRICT OF THE CITY OF ONEIDA

Dated: August 31, 2026

MARTY KELLY
President of the Board of Education

GENERAL FUND

Balance Sheets

Fiscal Years Ending June 30:	2021	2022	2023	2024	2025
ASSETS					
Cash and Cash Equivalents	$ 5,677,654	$ 4,326,843	$ 4,768,664	$ 3,623,609	$ 3,100,500
Restricted Cash and Investments	7,209,968	9,310,995	9,066,744	8,096,805	5,512,449
Net Taxes Receivable	441,496	377,146	446,477	391,667	487,415
Net Accounts Receivable	-	-	-	-	-
Due from Other Governments	1,645,989	1,331,685	1,747,403	3,318,952	2,676,657
Due from Other Funds	1,418,997	4,724,162	1,285,137	1,230,347	1,065,240
Due from State and Federal Government	-	-	-	-	-
Lease Receivables	-	74,621	646,749	569,849	1,158,856
Other Receivables	207,236	363,661	501,135	306,216	541,207
TOTAL ASSETS	$ 16,601,340	$ 20,509,113	$ 18,462,309	$ 17,537,445	$ 14,542,324
LIABILITIES AND FUND EQUITY					
Accounts Payable	$ 135,570	$ 169,454	$ 184,900	$ 299,253	$ 246,778
Accrued Liabilities	853,858	416,745	918,479	527,529	617,260
Agency Liabilities	-	603,736	572,722	509,552	455,733
Due to Other Funds	876,477	2,391,687	385,381	1,064,069	435,380
Due to Other Governments	-	-	-	-	-
Due to Teachers' Retirement System	1,541,130	1,671,873	1,905,364	1,953,018	2,039,697
Due to Employees' Retirement System	144,537	112,601	132,007	164,331	182,041
Deferred Revenue	31,071	99,162	671,129	596,254	1,154,086
Other Liabilities	-	-	-	-	55,809
TOTAL LIABILITIES	3,582,643	5,465,258	4,769,982	5,114,006	5,186,784
FUND EQUITY					
Nonspendable	$ -	$ -	$ -	$ -	$ -
Restricted	7,209,968	9,310,995	9,066,744	8,096,805	3,574,678
Assigned	2,585,813	2,681,952	3,238,679	3,553,291	4,417,163
Unassigned	3,222,916	3,050,908	1,386,904	773,343	1,363,699
TOTAL FUND EQUITY	13,018,697	15,043,855	13,692,327	12,423,439	9,355,540
TOTAL LIABILITIES and FUND EQUITY	$ 16,601,340	$ 20,509,113	$ 18,462,309	$ 17,537,445	$ 14,542,324

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

GENERAL FUND

Revenues, Expenditures and Changes in Fund Balance

Fiscal Years Ending June 30:	2020	2021	2022	2023	2024
REVENUES					
Real Property Taxes	$ 15,153,349	$ 15,589,749	$ 15,957,006	$ 16,612,280	$ 17,391,185
Real Property Tax Items	2,828,540	2,840,029	2,741,955	2,719,102	2,490,878
Charges for Services	42,649	35,075	51,447	358,770	298,633
Use of Money & Property	195,939	149,719	74,489	325,060	379,513
Sale of Property and Compensation for Loss	37,525	39,179	46,586	20,385	71,686
Miscellaneous	844,922	1,399,876	720,552	712,457	589,601
Oneida Indian Nation Settlement	4,596	7,771	66,921	88,760	76,900
Lease Revenue	-	-	-	71,775	58,143
Interfund Revenues	-	-	8,127	-	-
Revenues from State Sources	25,170,472	24,278,566	25,327,727	26,187,830	28,236,259
Revenues from Federal Sources	270,016	1,078,083	289,754	361,020	373,630
Total Revenues	$ 44,548,008	$ 45,418,047	$ 45,284,564	$ 47,457,439	$ 49,966,428
Other Sources:					
Interfund Transfers	50,897	50,000	1,494,615	86,000	50,000
Total Revenues and Other Sources	44,598,905	45,468,047	46,779,179	47,543,439	50,016,428
EXPENDITURES					
General Support	$ 3,540,621	$ 3,569,792	$ 3,695,016	$ 3,937,493	$ 3,886,466
Instruction	22,320,366	22,122,041	22,255,733	24,289,882	25,489,700
Pupil Transportation	1,975,734	2,158,953	1,675,256	2,127,632	2,252,891
Community Services	-	-	-	-	-
Employee Benefits	12,120,706	12,802,261	13,166,849	13,947,967	14,420,736
Debt Service	3,544,893	2,868,288	3,808,091	4,365,054	5,050,826
Total Expenditures	$ 43,502,320	$ 43,521,335	$ 44,600,945	$ 48,668,028	$ 51,100,619
Other Uses:					
Interfund Transfers	222,542	145,737	153,076	226,939	184,697
Total Expenditures and Other Uses	43,724,862	43,667,072	44,754,021	48,894,967	51,285,316
Excess (Deficit) Revenues Over Expenditures	874,043	1,800,975	2,025,158	(1,351,528)	(1,268,888)
FUND BALANCE					
Fund Balance - Beginning of Year	10,343,679	11,217,722	13,018,697	15,043,855	13,692,327
Prior Period Adjustments (net)	-	-	-	-	-
Fund Balance - End of Year	$ 11,217,722	$ 13,018,697	$ 15,043,855	$ 13,692,327	$ 12,423,439

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

GENERAL FUND

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

Fiscal Years Ending June 30:	2025			2026	2027
	Adopted Budget	Final Budget	Actual	Adopted Budget	Adopted Budget
REVENUES					
Real Property Taxes	$ 20,038,970	$ 20,038,970	$ 17,949,651	$ 20,726,862	$ 21,315,407
Real Property Tax Items	340,000	340,000	2,437,710	352,120	461,612
Charges for Services	67,258	330,258	334,114	68,000	50,000
Use of Money & Property	860,788	572,788	496,292	721,194	521,194
Sale of Property and Compensation for Loss	45,000	45,000	121,006	70,000	10,000
Miscellaneous	670,584	771,133	829,412	675,000	820,306
Lease Revenue	-	75,000	132,084	-	-
Oneida Indian Nation Settlement	-	-	4,930	-	-
Revenues from State Sources	28,220,481	28,220,481	28,003,898	28,379,412	28,924,126
Revenues from Federal Sources	560,549	410,000	391,814	475,000	575,000
Total Revenues	$ 50,803,630	$ 50,803,630	$ 50,700,911	$ 51,467,588	$ 52,677,645
Other Sources:					
Appropriated Reserve	$ -	$ -	$ -	$ -	$ -
Appropriated Fund Balance	3,500,000	3,552,692	-	4,411,966	2,985,493
Interfund Transfers	-	-	-	-	-
Total Revenues and Other Sources	54,303,630	54,356,322	50,700,911	55,879,554	55,663,138
EXPENDITURES					
General Support	$ 4,063,972	$ 4,478,021	$ 4,347,951	$ 4,212,130	$ 4,394,369
Instruction	27,004,297	26,835,346	26,475,337	27,082,973	23,483,814
Pupil Transportation	2,915,530	2,075,808	2,031,547	2,391,886	2,369,235
Community Services	-	-	-	-	-
Employee Benefits	16,112,143	15,767,533	15,714,421	16,775,793	17,036,668
Debt Service	4,052,688	5,029,903	5,029,903	5,261,772	5,204,052
Total Expenditures	$ 54,148,630	$ 54,186,611	$ 53,599,159	$ 55,724,554	$ 52,488,138
Other Uses:					
Interfund Transfers	155,000	169,711	169,641	155,000	175,000
Total Expenditures and Other Uses	54,303,630	54,356,322	53,768,800	55,879,554	52,663,138
Excess (Deficit) Revenues Over Expenditures	-	-	(3,067,889)	-	3,000,000
FUND BALANCE					
Fund Balance - Beginning of Year	-	-	12,423,429	-	-
Prior Period Adjustments (net)	-	-	-	-	-
Fund Balance - End of Year	$ -	$ -	$ 9,355,540	$ -	$ -

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

BONDED DEBT SERVICE

Fiscal Year Ending June 30th	Principal	Interest	Total
2027	$ 1,960,000	$ 1,167,538	$ 3,127,538
2028	2,055,000	1,078,438	3,133,438
2029	2,145,000	983,825	3,128,825
2030	2,250,000	884,888	3,134,888
2031	2,365,000	780,431	3,145,431
2032	2,465,000	670,550	3,135,550
2033	2,040,000	555,250	2,595,250
2034	1,505,000	453,250	1,958,250
2035	1,580,000	378,000	1,958,000
2036	1,655,000	299,000	1,954,000
2037	1,740,000	216,250	1,956,250
2038	1,825,000	129,250	1,954,250
2039	370,000	38,000	408,000
2040	390,000	19,500	409,500
TOTALS	$ 24,345,000	$ 7,654,169	$ 31,999,169

Note: The totals above do not include Lease Liabilities. See "Lease Liability" herein.

APPENDIX - B1
Oneida City SD

CURRENT BONDS OUTSTANDING

Fiscal Year Ending June 30th	2014 Refunding			DASNY - 2018A Construction		
	Principal	Interest	Total	Principal	Interest	Total
2027	$ 445,000	$ 96,538	$ 541,538	$ 450,000	$ 183,250	$ 633,250
2028	465,000	83,188	548,188	470,000	160,750	630,750
2029	475,000	68,075	543,075	495,000	137,250	632,250
2030	495,000	52,638	547,638	520,000	112,500	632,500
2031	515,000	35,931	550,931	550,000	86,500	636,500
2032	530,000	18,550	548,550	575,000	59,000	634,000
2033	-	-	-	605,000	30,250	635,250
TOTALS	$ 2,925,000	$ 354,919	$ 3,279,919	$ 3,665,000	$ 769,500	$ 4,434,500

Fiscal Year Ending June 30th	DASNY 2024A		
	Principal	Interest	Total
2027	$ 1,065,000	$ 887,750	$ 1,952,750
2028	1,120,000	834,500	1,954,500
2029	1,175,000	778,500	1,953,500
2030	1,235,000	719,750	1,954,750
2031	1,300,000	658,000	1,958,000
2032	1,360,000	593,000	1,953,000
2033	1,435,000	525,000	1,960,000
2034	1,505,000	453,250	1,958,250
2035	1,580,000	378,000	1,958,000
2036	1,655,000	299,000	1,954,000
2037	1,740,000	216,250	1,956,250
2038	1,825,000	129,250	1,954,250
2039	370,000	38,000	408,000
2040	390,000	19,500	409,500
TOTALS	$ 17,755,000	$ 6,529,750	$ 24,284,750

2025-26 ACTUAL MONTHLY CASH FLOW

(General Fund)

CASH FLOW	2025 *September*	*October*	*November*	*December*	2026 *January*	*February*	*March*	*April*	*May*	*June*	*July*	*(Estimated)* *August*	12 MONTH TOTAL
Beginning Balance:	$ 5,823,637	$ 25,994,458	$ 25,450,804	$ 23,505,623	$ 16,868,948	$ 14,502,618	$ 10,933,635	$ 16,935,537	$ 15,644,098	$ 15,864,846	$ 15,864,846	$ 10,438,515	
Receipts:													
Property Taxes	$12,491,293	$4,894,338	$61,310	$11,057	$25,256	$ -	$138,569	$638,121	$ -	$68,965	$31,880		$ 18,360,789
PILOTs	216,944	19,709				67,543	16,676	16,746	7,236				344,854
State Aid	6,178,374	119,153	440,416	119,153	2,598,037	548,753	9,402,077	2,365,728	4,020,863	2,213,044		524,378	28,529,976
Grant Payments			458,938	100,671	25,000	10,933	582,883	4,790	478,638	163,668	1,225,904	14,611	3,066,036
Benefit Reimbursement		95,097	-	-	93,444	-	-	92,872					281,413
Interfund Transfers (net)	2,195,045	2,308,731	2,230,671	2,223,861	3,237,199	2,189,340	2,171,872	2,142,589	2,221,107	4,196,018	1,783,783	2,083,353	28,983,569
Interest Earnings	4,707	22,446	14,160	9,845	12,021	4,973	14,825	17,318	16,082	13,582	8,095		138,054
All other	86,144	37,877	531,072	300,609	527,491	27,139	307,265	276,250	343,795	427,781	593,311	350,295	3,809,029
RAN Proceeds	5,000,000	-	-	-	-	-	-	-	-	-	-	-	5,000,000
Total Receipts	$ 26,172,507	$ 7,497,351	$ 3,736,567	$ 2,765,196	$ 6,518,448	$ 2,848,681	$ 12,634,167	$ 5,554,414	$ 7,087,721	$ 7,083,058	$ 3,642,973	$ 2,972,637	$ 88,513,720
Disbursements:													
Payroll	$4,081,662	$4,291,589	$4,146,274	$4,147,475	$6,041,218	$4,059,418	$4,042,590	$3,982,964	$4,100,845	$7,941,907	$1,595,688	$991,018	$ 49,422,648
Accounts Payable (warrants)	906,812	2,736,191	509,848	3,609,198	1,827,585	1,345,942	1,581,042	1,854,269	1,756,600	1,075,560	2,243,667	1,106,230	20,552,944
Interfund Transfers (net)													-
Health Insurance ACHs	1,013,212	1,013,225	1,025,626	1,015,054	1,015,975	1,012,304	1,008,633	1,008,620	1,009,528	1,006,778	1,078,362	1,078,221	12,285,538
Debt Service				630,144						2,485,144			3,115,288
RAN Repayment	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Disbursements	$ 6,001,686	$ 8,041,005	$ 5,681,748	$ 9,401,871	$ 8,884,778	$ 6,417,664	$ 6,632,265	$ 6,845,853	$ 6,866,973	$ 12,509,389	$ 4,917,717	$ 3,175,469	$ 85,376,418
Ending Balance:	$ 25,994,458	$ 25,450,804	$ 23,505,623	$ 16,868,948	$ 14,502,618	$ 10,933,635	$ 16,935,537	$ 15,644,098	$ 15,864,846	$ 10,438,515	$ 14,590,102	$ 10,235,683	

2026-27 ESTIMATED MONTHLY CASH FLOW

(General Fund)

INCLUDES RAN PROCEEDS

CASH FLOW	2026 *September*	*October*	*November*	*December*	2027 *January*	*February*	*March*	*April*	*May*	*June*	*July*	*August*	12 MONTH TOTAL
Beginning Balance:	$ 10,235,683	$ 25,417,678	$ 25,339,673	$ 22,839,668	$ 14,316,394	$ 12,884,389	$ 9,261,384	$ 15,047,379	$ 13,807,374	$ 11,598,369	$ 5,663,095	$ (422,350)	
Receipts:													
Property Taxes	$12,600,000	$5,000,000	$70,000	$ -	$40,000	$50,000	$70,000	$700,000	$25,000	$70,000	$ -	$ -	$ 18,625,000
PILOTs	217,000	20,000	-	-	-	67,000	17,000	17,000	-	-	-	-	338,000
State Aid	6,200,000	125,000	440,000	125,000	2,600,000	550,000	9,500,000	2,400,000	4,000,000	2,250,000	-	530,000	28,720,000
Grant Payments	-	300,000	200,000	150,000	100,000	50,000	400,000	25,000	400,000	150,000	500,000	-	2,275,000
Benefit Reimbursement	-	96,000	-	-	96,000	-	-	96,000	-	-	96,000	-	384,000
Interfund Transfers (net)	2,250,000	2,250,000	2,250,000	2,250,000	2,250,000	2,250,000	2,250,000	2,250,000	2,250,000	2,250,000	2,250,000	2,250,000	27,000,000
Interest Earnings	4,000	20,000	14,000	9,500	11,000	4,000	13,000	16,000	15,000	12,500	7,000	5,000	131,000
All other	85,000	35,000	300,000	300,000	520,000	30,000	310,000	280,000	345,000	450,000	600,000	50,000	3,305,000
RAN Proceeds	5,000,000	-	-	-	-	-	-	-	-	-	-	-	5,000,000
Total Receipts	$ 26,356,000	$ 7,846,000	$ 3,274,000	$ 2,834,500	$ 5,617,000	$ 3,001,000	$ 12,560,000	$ 5,784,000	$ 7,035,000	$ 5,182,500	$ 3,453,000	$ 2,835,000	$ 85,778,000
Disbursements:													
Payroll	$4,150,000	$4,150,000	$4,150,000	$6,100,000	$4,150,000	$4,150,000	$4,150,000	$4,150,000	$4,150,000	$4,150,000	$6,150,000	$4,175,000	$ 53,775,000
Accounts Payable (warrants)	950,000	2,700,000	550,000	3,600,000	1,825,000	1,400,000	1,550,000	1,800,000	1,800,000	1,100,000	2,250,000	1,150,000	20,675,000
Transfers to other funds													-
Health Insurance ACHs	1,074,005	1,074,005	1,074,005	1,074,005	1,074,005	1,074,005	1,074,005	1,074,005	1,074,005	1,074,005	1,138,445	1,138,445	13,016,940
Debt Service				583,769						2,543,769			3,127,538
RAN Repayment	5,000,000	-	-	-	-	-	-	-	2,220,000	2,250,000	-	530,000	10,000,000
Total Disbursements	$ 11,174,005	$ 7,924,005	$ 5,774,005	$ 11,357,774	$ 7,049,005	$ 6,624,005	$ 6,774,005	$ 7,024,005	$ 9,244,005	$ 11,117,774	$ 9,538,445	$ 6,993,445	$ 100,594,478
Ending Balance:	$ 25,417,678	$ 25,339,673	$ 22,839,668	$ 14,316,394	$ 12,884,389	$ 9,261,384	$ 15,047,379	$ 13,807,374	$ 11,598,369	$ 5,663,095	$ (422,350)	$ (4,580,795)	

Note: The District expects its largest deficit to occur December 2026 in the amount of $8,523,274.

APPENDIX – D

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 aforedescribed material event notices, if any, on or before the date specified.

The District reserves the right to terminate its obligation to provide the aforedescribed notices of material events, as set forth above, if and when the District no longer remains an obligated person with respect to the 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.

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CITY SCHOOL DISTRICT OF THE CITY OF ONEIDA

MADISON AND ONEIDA COUNTIES, NEW YORK

AUDITED FINANCIAL STATEMENT

FISCAL YEAR ENDED JUNE 30, 2025

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

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

CITY SCHOOL DISTRICT OF THE CITY OF ONEIDA, NEW YORK

MANAGEMENT'S DISCUSSION AND ANALYSIS

AND

BASIC FINANCIAL STATEMENTS

For the Year Ended
June 30, 2025

CITY SCHOOL DISTRICT OF THE CITY OF ONEIDA, NEW YORK
TABLE OF CONTENTS

	Page
AUDITOR'S REPORT	
Independent Auditor's Report	1-2
MANAGEMENT'S DISCUSSION AND ANALYSIS	3-12
BASIC FINANCIAL STATEMENTS	
District-Wide Financial Statements	
• Statement of Net Position	13
• Statement of Activities	14
Fund Financial Statements	
• Balance Sheet – Governmental Funds	15
• Reconciliation of the Governmental Fund Balances to the District-Wide Net Position	16
• Statement of Revenues, Expenditures, and Changes in Fund Balances – All Governmental Funds	17
• Reconciliation of the Statement of Revenues and Expenditures of the Governmental Funds to the Statement of Activities	18
Fiduciary Fund Financial Statements	
• Statement of Fiduciary Net Position	19
• Statement of Changes in Fiduciary Net Position	20
Notes to Basic Financial Statements	21-48
REQUIRED SUPPLEMENTARY INFORMATION OTHER THAN MANAGEMENT'S DISCUSSION AND ANALYSIS	
Schedule of Revenues, Expenditures, and Changes in Fund Balance Budget and Actual – General Fund	49
Schedules of Changes in the District's Total OPEB Liability and Related Ratios	50
Schedules of Local Government Pension Contributions	51
Schedules of the Local Government's Proportionate Share of the Net Pension Asset (Liability)	52
OTHER SUPPLEMENTARY INFORMATION	
Schedules of Change from Original Budget to Revised Budget and Real Property Tax Limit – General Fund	53
Schedule of Project Expenditures – Capital Projects Fund	54
Net Investment in Capital Assets	55
SINGLE AUDIT REPORTS AND SCHEDULES	
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	56
Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by The Uniform Guidance	57-58
Schedule of Expenditures of Federal Awards	59
Notes to Schedule of Expenditures of Federal Awards	60
Schedule of Findings and Questioned Costs – Federal Compliance Requirements	61
Status of Prior Year's Findings and Questioned Costs – Federal Compliance Requirements	62

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

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

Independent Auditor's Report

Board of Education
Oneida City School District

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Oneida City School District, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Oneida City School District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Oneida City School District, as of June 30, 2025, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Change in Accounting Principle

As discussed in Note 1 and 19 to the financial statements, Oneida City School District, changes in accounting policies relating to the recognition and reporting of compensated absences by adopting Governmental Accounting Standards Board (GASB) Statement No. 101, *Compensated Absences*. Our opinion is not modified with respect to this mater.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Oneida City School District's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Oneida City School District's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and other required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Oneida City School District's basic financial statements. The other supplementary information as listed in the table of contents is presented for purposes of additional analysis as required by the New York State Education Department and is not a required part of the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the financial statements.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 6, 2026, on our consideration of the Oneida City School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Oneida City School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Oneida City School District's internal control over financial reporting and compliance.

D'Arcangelo & Co., LLP

January 6, 2026

Rome, New York

The City School District of the City of Oneida, New York's discussion and analysis of financial performance provides an overall review of the District's financial activities for the fiscal years ended June 30, 2025 and 2024. The intent of this discussion and analysis is to look at the District's financial performance as a whole. This should be read in conjunction with the financial statements, which immediately follow this section.

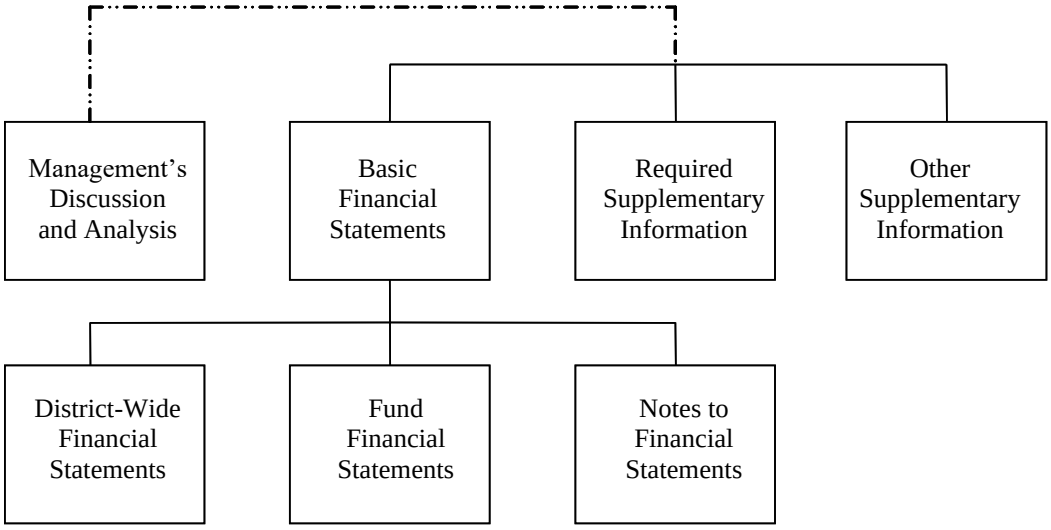
1. FINANCIAL HIGHLIGHTS

Key financial highlights for the fiscal year ended June 30, 2025, are as follows:

- The District's total Net Position, as reflected in the District-wide financial statements, decreased by $3,270,908.
- The current total net position is a deficit in the amount of $78,003,307. The deficit is primarily the result of the requirement to accrue other postemployment benefits, which required the recognition of an unfunded liability of $94,093,109 at June 30, 2025. Since New York State Laws provide no mechanism for funding the liability, any subsequent accruals are expected to increase the deficit in subsequent years.
- The District's expenses for the year, as reflected in the District-wide financial statements, totaled $58,647,672. This amount was offset with $354,463 for program charges for services and $4,520,678 for operating grants to support instructional and food service programs. General revenues of $50,501,623 amount to 91.2% of total revenues.
- State and federal revenue decreased by 0.7% to $28,395,712 in 2025 from $28,609,889 in 2024. This decrease was primarily due to a decrease of $684,718 in State Foundation Aid.
- The total fund balance, as reflected in the fund financial statements on pages 15 and 17, decreased by $3,810,796 to $10,887,300. This was mainly due to a decrease of $3,067,889 in the General Fund resulting from spending down reserve accounts.
- The General Fund's unassigned fund balance is 2.44% of the subsequent year's budget.

2. OVERVIEW OF THE FINANCIAL STATEMENTS

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



A. District-wide Financial Statements

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

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

The Statement of Net Position

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

The Statement of Activities

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

B. Fund Financial Statements

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

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

Governmental Funds

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

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

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

Fiduciary Funds

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

3. FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

A. Net Position

The District's total Net Position decreased by $3,270,908 between fiscal year 2024 and 2025. A summary of the District's Statement of Net Position for June 30, 2025 and 2024 is as follows:

	2025	(Restated) 2024	Increase (Decrease)	Percentage Change
Current and Other Assets	$ 16,330,641	$ 19,257,728	$ (2,927,087)	(15.2%)
Net Pension Asset - Proportionate Share	2,823,658		2,823,658	100.0%
Capital and Right to Use Assets, Net	60,165,611	63,170,704	(3,005,093)	(4.8%)
Total Assets	79,319,910	82,428,432	(3,108,522)	(3.8%)
Deferred Outflows of Resources	8,659,633	14,008,653	(5,349,020)	(38.2%)
Current Liabilities	4,290,300	4,029,708	260,592	6.5%
Net Pension Liability - Proportionate Share	2,461,308	3,070,387	(609,079)	(19.8%)
Non-Current Liabilities	130,029,313	146,821,254	(16,791,941)	(11.4%)
Total Liabilities	136,780,921	153,921,349	(17,140,428)	(11.1%)
Deferred Inflows of Resources	29,201,929	17,248,135	11,953,794	69.3%
Net Investment in Capital Assets	29,385,322	30,048,551	(663,229)	(2.2%)
Restricted	5,286,924	10,250,776	(4,963,852)	(48.4%)
Unrestricted (Deficit)	(112,675,553)	(115,031,726)	2,356,173	2.0%
Total Net (Deficit)	$ (78,003,307)	$ (74,732,399)	$ (3,270,908)	(4.4%)

Current and other assets decreased by $2,927,087, as compared to the prior year. This decrease is primarily due to a decrease in the District's cash balances. The decrease was also due to expenditures exceeding revenues in 2024-2025.

Capital and right to use leased assets, net of accumulated depreciation and amortization, decreased by $3,005,093, as compared to the prior year. This decrease is due to depreciation and amortization expense exceeding additions to capital and right to use leased assets.

Deferred Outflows of Resources decreased by $5,349,020, as compared to the prior year, primarily due to the change in actuarial assumptions used in estimating the OPEB liability, as well as the net pension liability, as reported by the retirement systems.

Government accounting standards requires the inclusion of the District's proportionate share of net assets and/or liabilities in the New York State Teachers' Retirement System and Employees' Retirement System. The proportionate share relating to the Teacher's Retirement System changed from a $1,056,272 liability at June 30, 2024 to a $2,823,658 asset at June 30, 2025 due to changes in actuarially calculated portion of the statewide Pensions systems as reported to the District. The Employee's Retirement System liability increased by $447,193 in the current year.

Current liabilities increased by $260,592, as compared to the prior year. This increase is primarily a result of an increase of $485,471 in unearned revenue and an increase in accrued liabilities of $101,823 offset by a decrease in accounts payable of $366,291 in the current year.

Non-current liabilities decreased by $16,791,941 as compared to the prior year. This decrease is primarily the result of a decrease in Serial Bonds debt of $2,335,000, due to serial bond payments, and a decrease in Other Postemployment Liabilities of $14,142,534.

Deferred Inflows of Resources increased by $11,953,794, as compared to the prior year, primarily due to the change in actuarial assumptions used in estimating the OPEB liability, as well as the net pension liability, as reported by the retirement systems.

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

The unrestricted Net Position at June 30, 2025, is a deficit of $112,675,553, which represents the amount by which the District's liabilities and deferred inflows of resources, excluding debt related to capital construction, exceeded the District's assets other than capital assets and deferred outflows of resources, and excluding restricted amounts. This deficit is primarily due to the recognition of the $94,093,109 liability for other postemployment benefits.

The restricted Net Position at June 30, 2025 is $5,286,924 which represents the amount of the District's restricted funds in the General, Miscellaneous Special Revenue, Debt Service, and Capital Funds.

B. Changes in Net Position

The results of this year's operations as a whole are reported in the Statement of Activities in a programmatic format in the accompanying financial statements. In the accompanying financial statements STAR (school tax relief) revenue is included in the other tax items line. However, in this MD&A, STAR revenue has been combined with property taxes. A summary of this statement for the years ended June 30, 2025 and 2024 is as follows:

Revenues	2025	2024	Increase (Decrease)	Percentage Change
Program Revenues				
Charges for Services	$ 354,463	$ 327,424	$ 27,039	(8.3%)
Operating Grants	4,520,678	6,146,836	(1,626,158)	(26.5%)
General Revenues				
Property Taxes and STAR	20,416,765	19,884,088	532,677	2.7%
State and Federal Sources	28,395,712	28,609,889	(214,177)	(0.7%)
Oneida Indian Nation Settlement	4,930	58,143	(53,213)	(91.5%)
Other	1,684,216	1,260,186	424,030	33.6%
Total Revenues	55,376,764	56,286,566	(909,802)	(1.6%)
Expenses				
General Support	5,516,191	4,380,955	1,135,236	25.9%
Instruction	45,589,964	49,441,686	(3,851,722)	(7.8%)
Pupil Transportation	4,153,101	4,593,676	(440,575)	(9.6%)
Food Service Program	1,872,538	971,725	900,813	92.7%
Debt Service-Unallocated Interest	1,515,878	1,132,940	382,938	33.8%
Total Expenses	58,647,672	60,520,982	(1,873,310)	(3.1%)
Total Change in Net Position	$ (3,270,908)	$ (4,234,416)	$ 963,508	22.8%

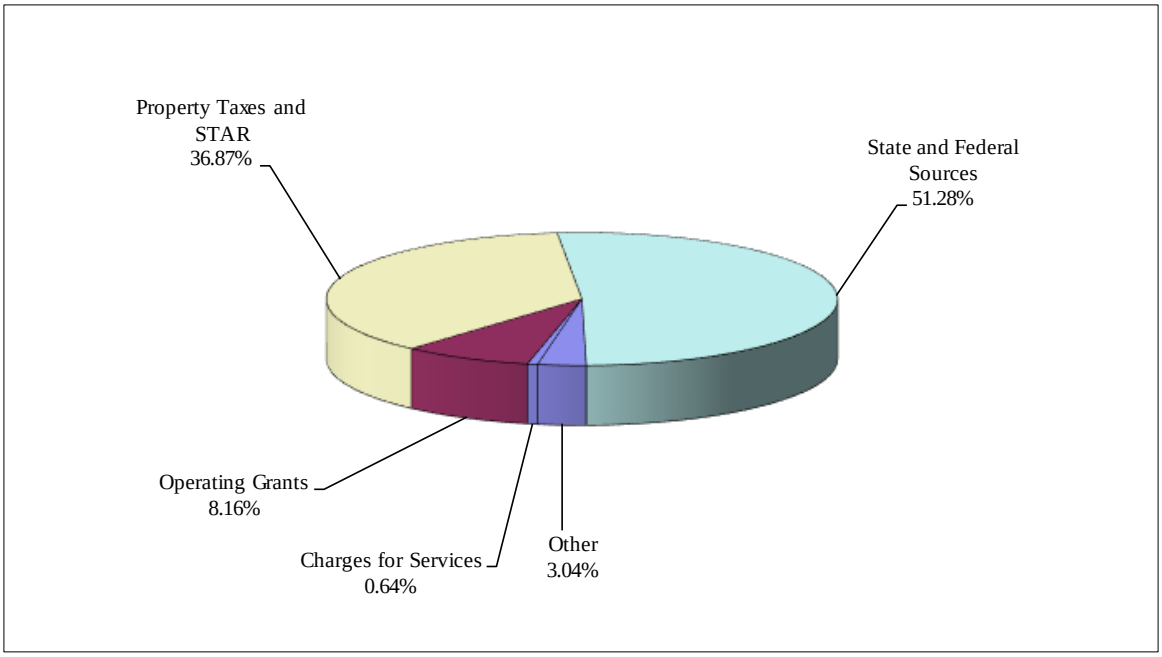
The District's revenues decreased by $909,802 in 2025 or 1.6%. The major factors that contributed to the decrease were:

- The District received $1,626,158 less in operating grants mainly due to a decrease of $2,062,736 in federal grants from the American Rescue Plan Act of 2021.
- The District's Property Taxes and STAR revenue increased by $532,677 due to an increase in property taxes of 2.33%.
- The District's State and Federal Sources decrease was primarily due to a decrease of $689,458 in Building State aid, which was mainly offset with an increase of $265,800 in Nonresidential Homeless State Aid.

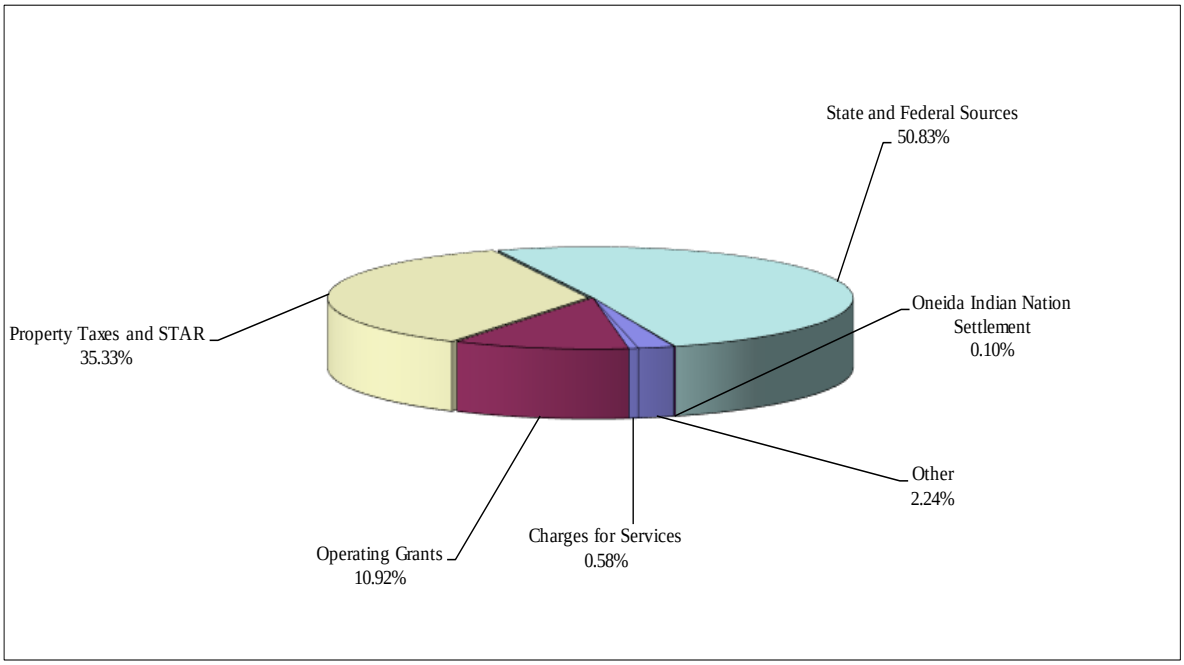
The District's expenses for the year decreased by $1,873,310 or 3.1% mainly due to a decrease in pension expense of $357,355 and a decrease in contractual expenses of $1,274,033.

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

For the Year Ended June 30, 2025

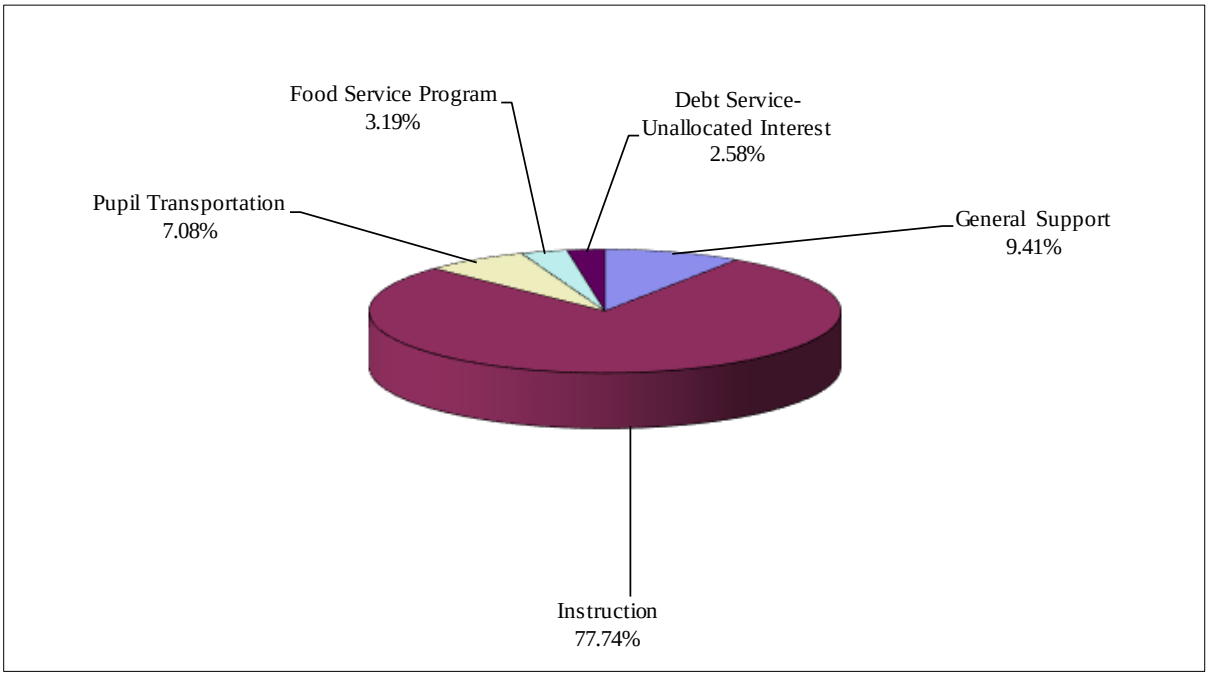


For the Year Ended June 30, 2024

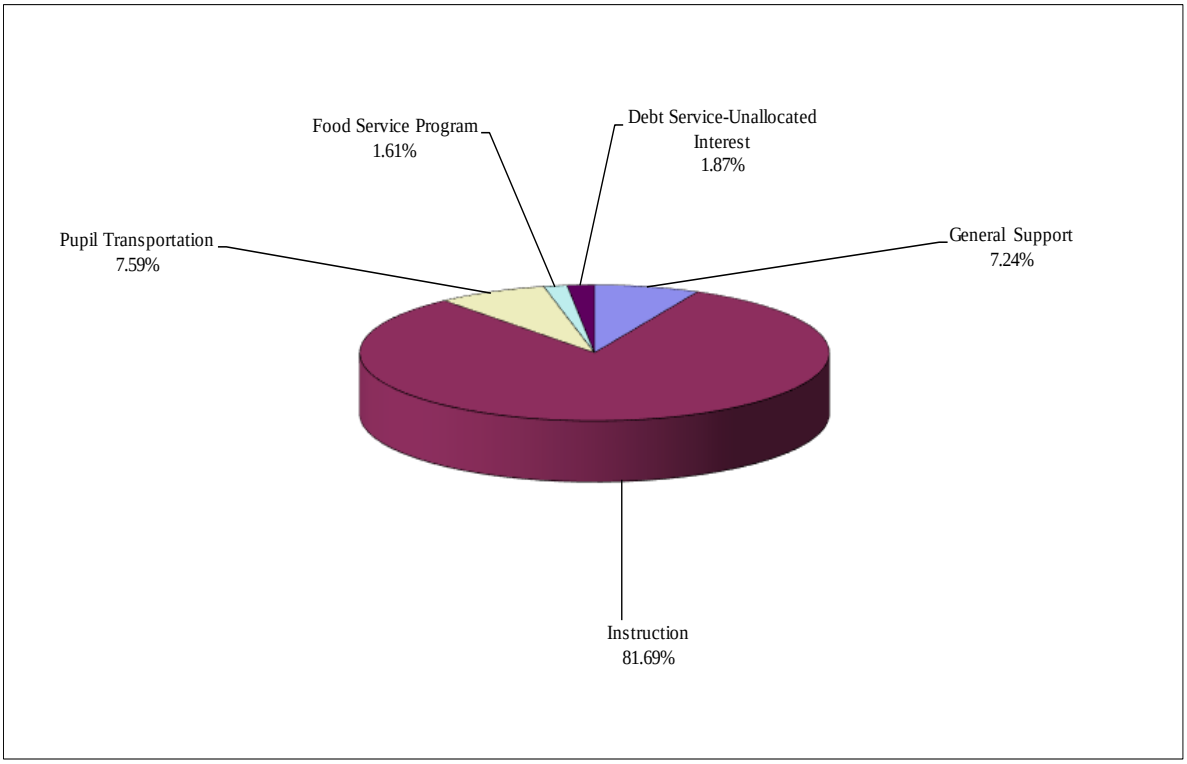


A graphic display of the distribution of expenses for the two years follows:

For the Year Ended June 30, 2025



For the Year Ended June 30, 2024



4. FINANCIAL ANALYSIS OF THE DISTRICT'S FUND BALANCES

At June 30, 2025, the District's governmental funds reported a combined fund balance of $10,887,300 which is a decrease of $3,810,796 over the prior year. This decrease is primarily due to a surplus of expenditure over revenues for the year in the General Fund and the Capital Fund. The summary of the change in fund balance by fund is as follows:

General Fund	2025	2024	Increase (Decrease)
Mandatory Debt Service	$ 4,094	$ 3,968	$ 126
Workers' Compensation	9,559	9,265	294
Unemployment Insurance	517,190	501,294	15,896
Employee Benefit Accrued Liability		994,330	(994,330)
Retirement Contribution - ERS		1,673,227	(1,673,227)
Retirement Contribution - TRS	13,667	13,247	420
Property Loss		962,542	(962,542)
Liability		1,001,895	(1,001,895)
Capital	1,093,516	1,059,907	33,609
Repairs	870,987	844,217	26,770
Insurance	963,088	933,488	29,600
Tax Certiorari	102,577	99,425	3,152
Total Restricted	3,574,678	8,096,805	(4,522,127)
Assigned			
Appropriated for Subsequent Year's Budget	4,411,966	3,500,000	911,966
General Support		42,842	(42,842)
Instruction	5,197	10,449	(5,252)
Total Assigned	4,417,163	3,553,291	863,872
Unassigned			
Unassigned	1,363,699	773,333	590,366
Total General Fund	9,355,540	12,423,429	(3,067,889)
School Lunch Fund			
Nonspendable	38,988	66,167	(27,179)
Assigned	528,296	336,062	192,234
Total School Lunch Fund	567,284	402,229	165,055
Miscellaneous Special Revenue Fund			
Restricted	57,233	61,211	(3,978)
Debt Service Fund			
Restricted	772,607	747,723	24,884
Capital Fund			
Restricted	882,406	1,345,038	(462,632)
Unassigned (Deficit)	(747,770)	(281,534)	(466,236)
Total Capital Fund	134,636	1,063,504	(928,868)
Total Fund Balance	$ 10,887,300	$ 14,698,096	$ (3,810,796)

5. GENERAL FUND BUDGETARY HIGHLIGHTS

A. 2024-2025 Budget

The District's General Fund original budget for the year ended June 30, 2025, was $54,356,921. This is an increase of $1,084,001 over the prior year's original budget.

The budget was funded through a combination of revenues and designated fund balance. The majority of this funding source was $20,378,970 in estimated property taxes and STAR and $28,220,481 in State Aid.

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

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

Opening, Unassigned Fund Balance	$ 773,333
Revenues over Budget and Appropriated Fund Balance and Reserve	(3,655,411)
Increase in Appropriated Fund Balance	(911,966)
Expenditures and Encumbrances under Budget	582,325
Encumbrances at June 30, 2024	53,291
Net Decrease to Restricted Funds	4,522,127
Closing, Unassigned Fund Balance	$ 1,363,699

Opening, Unassigned Fund Balance

The $773,333 shown in the table is the portion of the District's June 30, 2024, fund balance that was retained as unassigned. This was 1.42% of the District's 2024-2025 voter and Board approved operating budget.

Revenues Over Budget and Appropriated Fund Balance and Reserve

The 2024-2025 final budget for revenues and appropriated fund balance and appropriate reserve was $54,356,322. The actual revenues received for the year were $50,700,911. The actual revenue was under budget by $102,719, while appropriated fund balance were under budget by $3,552,692, resulting in a net decrease of $3,655,411. This variance contributes directly to the change to the unassigned portion of the General Fund balance from June 30, 2024 to June 30, 2025.

Increase in Appropriated Fund Balance

The District has chosen to use $4,411,966 of its available June 30, 2025, fund balance to partially fund its 2025-2026 approved operating budget. This appropriation is $911,966 more than the appropriated fund balance of $3,500,000 in the 2024-2025 budget.

Expenditures and Encumbrances Under Budget

The 2024-2025 final budget for expenditures was $54,356,322. The actual expenditures and encumbrances were $53,773,997. The final budget was under expended and encumbered by $582,325. This under expenditure contributes to the change to the unassigned portion of the General Fund balance from June 30, 2024 to June 30, 2025.

Net Decrease to Restricted Funds

Combined decrease of $4,522,127 to the General Fund restricted fund balances during the year ended June 30, 2025 is primarily due to a decrease of $1,673,227 in the Retirement Contribution - Employee Retirement System Reserve, a decrease of $1,001,895 in the Liability Reserve, a decrease of $994,330 in the Employee Benefit Accrued Liability Reserve and a decrease of $962,542 in the Property Loss Reserve.

Closing, Unassigned Fund Balance

Based upon the summary changes shown in the above table, the District will begin the 2025-2026 fiscal year with an unassigned fund balance of $1,363,699. This is a increase of $590,366 over the unassigned balance from the prior year as of June 30, 2025. This was 2.44% of the District's 2025-2026 voter and Board approved operating budget.

6. CAPITAL ASSET AND DEBT ADMINISTRATION

A. Capital Assets

At June 30, 2025, the District had invested in a broad range of capital and right to use leased assets, including land, construction in progress, buildings and improvements, vehicles, and equipment. The net decrease in capital right to use leased assets is due to depreciation and amortization exceeding capital and lease additions for the year ended June 30, 2025. A summary of the District's capital and right to use leased assets, net of depreciation and amortization at June 30, 2025 and 2024, is as follows:

	2025	2024	Increase (Decrease)
Land	$ 3,787,300	$ 3,787,300	$
Construction in Progress		3,952,723	(3,952,723)
Buildings and Improvements	52,230,435	51,398,308	832,127
Furniture, Equipment and Vehicles	1,525,065	945,482	579,583
Right to Use Leased Assets	2,622,811	3,086,891	(464,080)
Capital and Right to Use Leased Assets, Net	$ 60,165,611	$ 63,170,704	$ (3,005,093)

B. Debt Administration

At June 30, 2025, the District had total long term debt payable of $26,200,000. At June 30, 2025, the School District exhausted 52.4% of its Statutory Debt Limit. A summary of the outstanding debt at June 30, 2025 and 2024 is as follows:

Issue Date	Interest Rate %	2025	2024	Increase (Decrease)
Serial Bonds				
12/15/11	3.00-5.00	$	$ 60,000	$ (60,000)
08/19/14	2.00-5.00	3,340,000	3,740,000	(400,000)
11/09/17	2.00-5.00		770,000	(770,000)
06/07/18	5.00	4,095,000	4,505,000	(410,000)
06/18/24	5.00	18,765,000	19,460,000	(695,000)
Total Serial Bonds		$ 26,200,000	$ 28,535,000	$ (2,335,000)

7. ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

On May 21, 2025, the voters of the District approved a budget of $55,879,554 for the 2025-2026 school year, and approved a separate proposition for the leasing of 4 school busses for an annual cost not to exceed $97,000 for no more than 5 years and a proposition to finance purchase 1 school bus at a cost not to exceed $100,000.

The 2025-2026 budget increased appropriations 1.98% as the costs of salaries, benefits, special education costs, debt service, bus leasing, significant retirements, discontinuation of certain federal funds, and the cost of supplies has increased. The District increased the use of fund balance and reserves from $3,500,000 in 2024-2025 to $4,411,966 in 2025-2026. The tax levy increase of 3.43% complied with the New York State Tax Cap Law limit. The budget maintained all existing programing and compliance with state education standards. The District's collective bargaining agreements with the Oneida Confidential Employees and Oneida Transportation Department both expire June 30, 2026.

On June 22, 2025, the District's High School was damaged by a flood. Damage was limited to the electronical switch gear, electrical wiring, water heaters, elevator, refrigeration compressors, fire monitoring system, and boilers located in the basements. Also, there were 10 classrooms that had water damage. Classroom damage was limited to flooring, casework, and furniture. The budget for repairs and mitigation to prevent future flooding is estimated to be $5,010,000. For the 2025-2026 years, the High School students are having classes in the Middle School.

8. CONTACTING THE DISTRICT

This financial report is designed to provide the School District's citizens, taxpayers, customers, investors, and creditors with a general overview of the School District's finances and to demonstrate the School District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the School District's Business Office, City School District of the City of Oneida, New York, P.O. Box 327, Oneida, New York 13421.

CITY SCHOOL DISTRICT OF THE CITY OF ONEIDA, NEW YORK
STATEMENT OF NET POSITION
June 30, 2025

Assets	
Cash and Cash Equivalents	$ 4,047,767
Restricted Cash and Cash Equivalents	1,062,831
Investments	5,512,449
Receivables	
Tax Receivables	487,415
Other Governments	3,450,784
Other Receivables	571,551
Lease Receivables	1,158,856
Inventory	38,988
Net Pension Asset-Proportionate Share	2,823,658
Right To Use Leased Assets, Net	2,622,811
Capital Assets, Net	57,542,800
Total Assets	79,319,910
Deferred Outflows of Resources	
Pensions	7,829,463
OPEB	684,679
Deferred Charge from Refunding of Debt, Net	145,491
Total Deferred Outflows of Resources	8,659,633
Total Assets and Deferred Outflows of Resources	$ 87,979,543
Liabilities	
Accounts Payable	$ 275,645
Accrued Liabilities	651,949
Agency Liabilities	455,733
Accrued Interest Payable	56,854
Due To	
Other Governments	375
Teachers' Retirement System	2,039,697
Employees' Retirement System	182,041
Unearned Revenue	628,006
Net Pension Liability-Proportionate Share	2,461,308
Noncurrent Liabilities	
Due Within One Year	8,199,932
Due in More Than One Year	121,829,381
Total Liabilities	136,780,921
Deferred Inflows of Resources	
Leases	1,154,086
Pensions	3,676,434
OPEB	24,371,409
Total Deferred Inflows of Resources	29,201,929
Total Liabilities and Deferred Inflows of Resources	165,982,850
Net Position	
Net Investment in Capital Assets	29,385,322
Restricted	5,286,924
Unrestricted (Deficit)	(112,675,553)
Total Net Position (Deficit)	(78,003,307)
Total Liabilities, Deferred Inflows of Resources and Net Position (Deficit)	$ 87,979,543

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

CITY SCHOOL DISTRICT OF THE CITY OF ONEIDA, NEW YORK
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2025

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Net (Expense) Revenue and Changes in Net Position
General Support	$ 5,516,191	$	$	$ (5,516,191)
Instruction	45,589,964	334,114	3,326,753	(41,929,097)
Pupil Transportation	4,153,101			(4,153,101)
Food Service Program	1,872,538	20,349	1,193,925	(658,264)
Debt Service-Unallocated Interest	1,515,878			(1,515,878)
Total Functions/Programs	$ 58,647,672	$ 354,463	$ 4,520,678	(53,772,531)
General Revenues				
Real Property Taxes				17,979,055
STAR and Other Real Property Tax Items				2,437,710
Use of Money and Property				522,008
Oneida Indian Nation Settlement				4,930
Sale of Property and Compensation for Loss				114,477
State and Federal Sources				28,395,712
Lease Revenue				132,084
Miscellaneous				915,647
Total General Revenues				50,501,623
Change in Net Position				(3,270,908)
Net Position (Deficit), Beginning of Year				(70,590,932)
Cumulative Effect of Change in Accounting Principle				(4,141,467)
Net Position (Deficit), Beginning of Year (Restated)				(74,732,399)
Net Position (Deficit), End of Year				$ (78,003,307)

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

CITY SCHOOL DISTRICT OF THE CITY OF ONEIDA, NEW YORK

BALANCE SHEET - GOVERNMENTAL FUNDS

June 30, 2025

	General	School Lunch	Special Aid	Miscellaneous Special Revenue	Debt Service	Capital	Total
Assets							
Cash and Cash Equivalents	$ 3,100,500	$ 526,814	$ 420,453	$	$	$	$ 4,047,767
Restricted Cash and Cash Equivalents				125,348	696,177	241,306	1,062,831
Unrestricted Investments	1,937,771						1,937,771
Restricted Investments	3,574,678						3,574,678
Receivables							
Tax Receivables	487,415						487,415
Other Governments	2,676,657	85,949	688,178				3,450,784
Due from Other Funds	1,065,240	82,994	204,908	515	262,430	47,006	1,663,093
Lease Receivable	1,158,856						1,158,856
Other Receivables	541,207	721	3,140			26,483	571,551
Inventory		38,988					38,988
Total Assets	$ 14,542,324	$ 735,466	$ 1,316,679	$ 125,863	$ 958,607	$ 314,795	$ 17,993,734
Liabilities							
Payables							
Accounts Payable	$ 246,778	$ 76	$ 28,791	$	$	$	$ 275,645
Accrued Liabilities	617,260	16,636	18,053				651,949
Agency Liabilities	455,733						455,733
Due To							
Other Governments		375					375
Other Funds	435,380	151,095	641,829	68,630	186,000	180,159	1,663,093
Teachers' Retirement System	2,039,697						2,039,697
Employees' Retirement System	182,041						182,041
Unearned Revenue			628,006				628,006
Total Liabilities	3,976,889	168,182	1,316,679	68,630	186,000	180,159	5,896,539
Deferred Inflows of Resources							
Deferred Inflow of Resources - Leases	1,154,086						1,154,086
Unavailable - Real Property Taxes	55,809						55,809
Total Deferred Inflows of Resources	1,209,895						1,209,895
Fund Balance							
Nonspendable		38,988					38,988
Restricted	3,574,678			57,233	772,607	882,406	5,286,924
Assigned	4,417,163	528,296					4,945,459
Unassigned (Deficit)	1,363,699					(747,770)	615,929
Total Fund Balance (Deficit)	9,355,540	567,284		57,233	772,607	134,636	10,887,300
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	$ 14,542,324	$ 735,466	$ 1,316,679	$ 125,863	$ 958,607	$ 314,795	$ 17,993,734

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

CITY SCHOOL DISTRICT OF THE CITY OF ONEIDA, NEW YORK
RECONCILIATION OF THE GOVERNMENTAL FUND BALANCES
TO THE DISTRICT-WIDE NET POSITION
June 30, 2025

Total Governmental Fund Balances		$ 10,887,300
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Revenues that do not provide current financial resources are recognized in the Statement of Net Position but not the fund financial statements.		
	Real Property Taxes	55,809
The cost of building, acquiring, or leasing capital or right to use leased assets financed from the governmental funds are reported as expenditures in the year they are incurred, and the assets do not appear on the balance sheet. However, the Statement of Net Position includes those capital assets among the assets of the School District as a whole, and their original costs are expensed annually over their useful lives.		
	Original Cost Right To Use Leased Assets	5,726,906
	Accumulated Amortization	(3,104,095)
	Original Cost of Capital Assets	119,674,149
	Accumulated Depreciation	(62,131,349)
		60,165,611
Deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources until that time. Deferred outflows of resources at year end consisted of:		
	Deferred Outflows - OPEB	684,679
	Deferred Outflows - Pensions	7,829,463
	Deferred Charge on Advance Refunding	145,491
		8,659,633
Deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources until that time. Deferred inflows of resources at year end consisted of:		
	Deferred Inflows - Pensions	(3,676,434)
	Deferred Inflows - OPEB	(24,371,409)
		(28,047,843)
Proportionate share of long-term asset and liability associated with participation in state retirement system are not current financial resources or obligations and are not reported in the funds.		
	Net Pension Asset - Proportionate Share	2,823,658
	Net Pension Liability - Proportionate Share	(2,461,308)
		362,350
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported as liabilities in the funds. Long-term liabilities at year end consist of:		
	Bonds Payable	(26,200,000)
	Unamortized Premium	(2,828,560)
	Accrued Interest on Bonds Payable	(56,854)
	Lease Liability	(2,138,526)
	Other Post Employment Liabilities	(94,093,109)
	Compensated Absences Payable	(4,769,118)
		(130,086,167)
Total Net Position (Deficit)		$ (78,003,307)

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

CITY SCHOOL DISTRICT OF THE CITY OF ONEIDA, NEW YORK
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
ALL GOVERNMENTAL FUNDS
For the Year Ended June 30, 2025

	General	School Lunch	Special Aid	Miscellaneous Special Revenue	Debt Service	Capital	Total
Revenues							
Real Property Taxes	$ 17,949,651	$	$	$	$	$	$ 17,949,651
STAR and Other Real Property Tax Items	2,437,710						2,437,710
Charges for Services	334,114						334,114
Use of Money and Property	496,292	832			24,884		522,008
Lease Revenue	132,084						132,084
Sale of Property and Compensation for Loss	121,006					6,927	127,933
Miscellaneous	829,412	58,999	8,944	18,292			915,647
Oneida Indian Nation Settlement	4,930						4,930
State Aid	28,003,898	313,016	1,670,782				29,987,696
Federal Aid	391,814	880,909	1,655,971				2,928,694
School Lunch Sales		20,349					20,349
Total Revenues	50,700,911	1,274,105	3,335,697	18,292	24,884	6,927	55,360,816
Expenditures							
General Support	4,347,951			22,270		889,047	5,259,268
Instruction	26,475,337		3,026,889			454,512	29,956,738
Pupil Transportation	2,031,547		56,889			512,796	2,601,232
Food Service Program		1,019,079					1,019,079
Employee Benefits	15,714,421	89,971	321,560				16,125,952
Debt Service - Principal	3,284,481						3,284,481
Debt Service - Interest	1,745,422						1,745,422
Total Expenditures	53,599,159	1,109,050	3,405,338	22,270		1,856,355	59,992,172
Excess (Deficit) Revenues Over Expenditures	(2,898,248)	165,055	(69,641)	(3,978)	24,884	(1,849,428)	(4,631,356)
Other Financing Sources (Uses)							
Proceeds from Leases						820,560	820,560
Transfers from Other Funds			69,641			100,000	169,641
Transfers to Other Funds	(169,641)						(169,641)
Total Other Financing Sources (Uses)	(169,641)		69,641			920,560	820,560
Excess (Deficit) Revenues Over Expenditures and Other Financing Sources (Uses)	(3,067,889)	165,055		(3,978)	24,884	(928,868)	(3,810,796)
Fund Balance, Beginning of Year	12,423,429	402,229		61,211	747,723	1,063,504	14,698,096
Fund Balance, End of Year	$ 9,355,540	$ 567,284	$	$ 57,233	$ 772,607	$ 134,636	$ 10,887,300

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

CITY SCHOOL DISTRICT OF THE CITY OF ONEIDA, NEW YORK
RECONCILIATION OF THE STATEMENT OF REVENUES AND EXPENDITURES OF THE GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2025

Net Changes in Fund Balance - Total Governmental Funds		$ (3,810,796)
Capital Outlays to purchase, build capital, or right to use leased assets are reported in governmental funds as expenditures. However, for governmental activities, those costs are shown in the statement of Net Position and allocated over their useful lives as depreciation and amortization expense in the statement of activities. This is the amount by which capital and lease outlays exceeded depreciation and amortization in the period.		
Amortization of Right To Use Leased Assets	(1,345,432)	
Cost of Right To Use Assets	881,352	
Depreciation Expense	(3,638,384)	
Loss on Disposal	(13,456)	
Capital Outlays	1,110,827	(3,005,093)
Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of Net Position. Repayment of bond and lease principal is an expenditure in governmental funds, but the repayment reduces long-term liabilities in the statement of Net Position. This is the amount of repayments and issuances of leases in the period.		
Issuance of Lease Obligation	(820,560)	
Repayment of Lease Principal	949,481	
Repayment of Bond Principal	2,335,000	2,463,921
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds.		
Real Property Taxes		29,404
Certain expenses in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
Change in Accrued Interest on Serial Bonds	9,475	
Amortization of Deferred Premium	240,854	
Amortization of Deferred Charge on Advance Refunding	(20,785)	
Change in Other Post Employment Liabilities	520,125	
Change in Compensated Absences	(55,368)	
Change in Pension Expense	357,355	1,051,656
Change in Net Position Governmental Activities		$ (3,270,908)

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

CITY SCHOOL DISTRICT OF THE CITY OF ONEIDA, NEW YORK
STATEMENT OF FIDUCIARY NET POSITION
June 30, 2025

	Custodial Fund
Assets	
Cash and Cash Equivalents - Restricted	$ 98,693
Net Position	
Restricted for Extraclassroom Activities	$ 98,693

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

CITY SCHOOL DISTRICT OF THE CITY OF ONEIDA, NEW YORK
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
For the Year Ended June 30, 2025

	Custodial Fund
Additions	
Charges for Services, Sale of Property, and Miscellaneous	$ 189,217
Deductions	
Club Expenses	190,846
Change in Net Position	(1,629)
Net Position, Beginning of Year	100,322
Net Position, End of Year	$ 98,693

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

Reporting Entity

The School District is governed by the laws of New York State. The School District is an independent entity governed by an elected Board of Education consisting of 7 members. The President of the Board serves as the chief fiscal officer, and the Superintendent is the chief executive officer. The Board is responsible for, and controls all activities related to public school education within the School District. Board members have authority to make decisions, power to appoint management, and primary accountability for all fiscal matters.

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

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

(a) Extraclassroom Activity Funds

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

Joint Venture

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

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

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

Basis of Presentation

(a) District-Wide Statements

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

The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the School District's governmental activities. Direct expenses are those that are specifically associated with and are clearly identifiable to a particular function. Indirect expenses, principally employee benefits and depreciation expense for the year, are allocated to functional areas in proportion to their expenditures. Program revenues include charges paid by the recipients of goods or services offered by the programs, and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

(b) Fund Financial Statements

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

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

Special Revenue Funds:

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

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

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

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

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

(c) Fiduciary Funds

Fiduciary funds are used to account for and report fiduciary activities. Fiduciary activities are those in which the School District acts as trustee or agent for resources that belong to others. These activities are not included in the District wide financial statements, because their resources do not belong to the School District, and are not available to be used. There is one class of fiduciary funds:

Custodial Funds: These funds are strictly custodial in nature. Assets are held by the School District as agent for various student groups or Extraclassroom activity funds.

Measurement Focus and Basis of Accounting

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

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

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

Estimates

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

Cash and Cash Equivalents

The School District's cash and cash equivalents consist of cash on hand, demand deposits, and short-term investments with original maturities of three months or less from date of acquisition. New York State law governs the School District's investment policies. Resources must be deposited in Federal Deposit Insurance Corporation (FDIC) insured commercial banks or trust companies located within the State. Permissible investments include obligations of the United States Treasury, United States Agencies, repurchase agreements, and obligations of New York State or its localities.

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

Investments

Investments held by the School District are stated at fair value. Changes in the fair value of the investments and interest in dividends are reported as investment income.

Property Taxes

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

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

Receivables

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

Interfund Transactions and Transfers

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

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

Capital Assets

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

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

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

Right to Use Leased Assets

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

Deferred Outflow of Resources

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

Inventories

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

Short-Term Debt

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

Accrued Liabilities and Long-Term Obligations

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

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

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

Compensated Absences

The School District employees are granted vacation in varying amounts, based primarily on length of service and employment classification. Some earned vacation benefits may be forfeited if not used within designated timeframes, as specified in collective bargaining agreements and administrative policies.

Sick leave eligibility, accumulation and payout provisions are governed by negotiated labor agreements and individual employment contracts. Upon retirement, resignation, or death, employees may receive a payment based on unused accumulated sick leave, in accordance with those agreements.

In accordance with GASB Statement No. 101, Compensated Absences, a liability is recognized in the district-wide financial statements for vacation, sick leave, and other compensated absences when the benefit is earned by the employee and it is more likely than not that the leave will be used or paid. The compensated absences liability is measured using the pay rates in effect at year-end, and includes salary-related payments such as applicable employer payroll taxes.

In the funds statements, a liability is reported only for amounts that have natured-typically when a payment is due upon resignation, retirement, or other termination-based on expendable and available financial resources.

Retirement Plans

School District employees participate in the New York State Employees' Retirement System and the New York State Teachers' Retirement System. (See Note 9.)

Postemployment Benefits

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

Unearned Revenue

Unearned revenues are reported when potential revenues do not meet both the measurable and available criteria for recognition in the current period. Unearned revenues also arise when resources are received by the School District before it has legal claim to them, as when grant monies are received prior to the incidence of qualifying expenditures. In subsequent periods, when both recognition criteria are met, or when the School District has legal claim to the resources, the liability for unearned revenues is removed and revenues are recorded.

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

Deferred Inflows of Resources

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has three items that qualify for reporting in this category. The first item is related to pensions reported in the District-wide Statement of Net Position. This represents the effect of the net change in the District's proportion of the collective net pension liability or asset and difference during the measurement periods between the District's contributions and its proportionate share of total

contributions to the pension systems not included in pension expense. The second item is related to OPEB reported in the District-wide Statement of Net Position. This represents the effect of the net changes of assumptions or other inputs. The third item is related to agreements in which the District acts as a lessor and is deferring the lease receivable and any initial payments received over the term of the lease.

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

Equity Classifications

(a) District-Wide Financial Statements

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

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

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

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

(b) Fund Statements

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

Non-spendable

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

Restricted Resources

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

- ***Reserve for Tax Certiorari***

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

- ***Capital Reserve***

  The Capital Reserve Fund is used to pay the cost of any object or purpose for which bonds may be issued. The creation of a capital reserve fund requires authorization by a majority of the voters establishing the purpose of reserve, the ultimate amount, its probable term, and the source of the funds. Expenditures may be made from the reserve only for a specific purpose further authorized by the voters. The reserve is accounted for in the General Fund.

- ***Reserve for Repairs***

  The Repair Reserve (GML §6-d) is used to pay the cost of repairs to capital improvements or equipment, which repairs are of a type not recurring annually. The Board of Education without voter approval may establish a repair reserve fund by a majority vote of its members. Voter approval is required to fund this reserve (Opinion of the New York State Comptroller 81-401). Expenditures from this reserve may be made only after a public hearing has been held, except in

emergency situations. If no hearing is held, the amount expended must be repaid to the reserve fund over the next two subsequent fiscal years. This reserve is accounted for in the General Fund.

- ***Unemployment Insurance Reserve***

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

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

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

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

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

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

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

- ***Reserve for Retirement Contribution***

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

- ***Reserve for Insurance***

  The Reserve for Insurance (GML §6-n) is used to pay liability, casualty, and other types of uninsured losses, except losses incurred for which the following types of insurance may be purchases; life, accident, health, annuities, fidelity and surety, credit, title residual value, and mortgage guarantee. The reserve is funded by budgetary appropriations or fund from other reserves subject to permissive referendum. May not be used for any purpose for which a special reserve may be established pursuant to law e.g. Unemployment Compensation Insurance. There is no limit on the amount that may be accumulated in the reserve balance however, the annual contribution to this reserve may not exceed greater of $33,000 or 5 percent of the budget. Settled or compromised claims up to $25,000 may be paid from the reserve without judicial approval. This reserve is accounted for in the General Fund.

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

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

- ***Miscellaneous Special Revenue Fund***

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

- ***Debt Service***

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

- ***Capital Projects***

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

Unrestricted Resources

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

- ***Committed*** – Includes amounts that can only be used for the specific purposes pursuant to constraints imposed by formal action of the school districts highest level of decision making authority, i.e., the Board of Education. The School District has no committed fund balances as of June 30, 2025.

- ***Assigned*** – Includes amounts that are constrained by the School District's intent to be used for specific purposes, but are neither restricted nor committed. Intent is expressed by (a) the Board of Education or (b) the designated official, such as the District's Purchasing Agent, to which the Board has delegated the authority to assign amounts to be used for specific purposes. All encumbrances, other than in the Capital Fund, are classified as Assigned Fund Balance in the applicable fund. The amount appropriated for the subsequent year's budget of the General fund is also classified as Assigned Fund Balance in the General Fund.

- ***Unassigned*** – Includes all other fund resources that do not meet the definition of the above classifications and are deemed to be available for general use by the School District. In other governmental funds, if expenditures incurred for specific purposes exceeded the amounts restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in the respective fund.

(c) Restriction for Extraclassroom Activities

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

(d) Order of Use of Fund Balance

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

Implementation of New Accounting Standards

Effective for the fiscal year ended June 30, 2025, the District implemented Governmental Accounting Standards Board (GASB) Statement No. 101, *Compensated Absences*. This standard establishes recognition and measurement guidance for all types of compensated absences, including vacation leave, sick leave, personal leave, and other paid time off. Under GASB 101, a liability is recognized for compensated absences when earned by employees, provided the leave is attributable to services already rendered and is more likely than not to be used or paid.

Prior to the implementation of GASB 101, the District recognized compensated absences liabilities based primarily on vested amounts or payments due at termination. GASB 101 requires the recognition of these liabilities earlier, based on the accrual of leave and historical usage patterns, resulting in a change in the timing and methodology of liability recognition.

The District applied the provisions of GASB 101 prospectively as of July 1, 2024. As a result of the implementation, compensated absences liabilities were remeasured, and a restatement of beginning net position (deficit) was made to reflect the cumulative effect of applying the standard. The impact of this restatement is disclosed in Note 19.

GASB Statement No. 102, *Certain Risk Disclosures*, requires a government to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. This standard is effective for fiscal years beginning after June 15, 2024.

Future Changes in Accounting Standards

GASB has issued Statement No. 103, *Financial Reporting Model Improvements*, effective for the year ending June 30, 2026. This Statement's objective is to improve key components of the financial reporting model to enhance effectiveness in providing information that is essential for decision making and assisting a government's accountability. Additionally, the statements also addresses certain application issues.

GASB has issued Statement No. 104, *Disclosure of Certain Capital Assets*, effective for the year ending June 30, 2026. This statement requires certain types of capital assets to be disclosed separately in the capital assets note disclosure such as leased assets, intangible right-to-use assets, and assets held for sale.

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

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

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

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

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

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

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

(a) Long-Term Revenue Differences

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

(b) Capital Related Differences

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

(c) Long-Term Debt Transaction Differences

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

(d) Employee Benefit Allocation

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

(e) Pension Differences

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

(f) OPEB Differences

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

3. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

General Fund – Statutory Unassigned Fund Balance Limit

The School District's unassigned fund balance was over the New York State Real Property Tax Law §1318 limit, which restricts it to an amount not greater than 4% of the School District's budget for the upcoming school year. At June 30, 2025, the School District's unassigned fund balance was 2.44% of the 2025-2026 budget.

Budgetary Procedures and Budgetary Accounting

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

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

Appropriations are adopted at the program line item level.

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

Adopted Budget	$ 54,303,630
Add: Prior Year's Encumbrances	53,291
Original Budget	54,356,921
Adjustments:	
Prior Year's Encumbrances Adjustment	(599)
Final Budget	$ 54,356,322

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

Encumbrances

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

NYS Real Property Tax Cap

Chapter 97 of the Laws of 2011 established a property tax levy limit (generally referred to as the tax cap) that restricts the amount of property taxes local governments including school districts can levy. The tax levy for the 2024-2025 school year was in compliance with the NYS Tax Cap Limit.

4. CASH AND CASH EQUIVALENTS

Custodial Credit Risk

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

As of June 30, 2025, the School District's bank balances of $5,444,551 were fully covered by the FDIC and collateralized with securities held by an agent of the pledging financial institutions in the School District's name and not exposed to custodial credit risk.

Restricted Cash and Cash Equivalents and Investments

The restricted assets in the General Fund consist Restricted Cash and Cash Equivalents and Investments as follows:

Description	Amount
Workers' Compensation	$ 9,559
Unemployment Insurance	517,190
Retirement Contribution - TRS	13,667
Tax Certiorari	102,577
Capital Reserve	1,093,516
Repair Reserve	870,987
Reserve for Mandatory Debt Service	4,094
Insurance Reserve	963,088
Total General Fund Restricted Assets	$ 3,574,678

Restricted Cash and Cash Equivalents of $98,693 in the Fiduciary Custodial Fund represent funds for the School District's Extraclassroom funds.

Restricted Cash and Cash Equivalents of $125,348 in the Miscellaneous Special Revenue Fund represents gifted funds held by the District for scholarships and awards.

Restricted Cash and Cash Equivalents of $696,177 in the Debt Service Fund represents money held for the payment of future debt service. Also, a net amount due from other funds of $262,430 is restricted for the payment of future debt service.

Restricted Cash and Cash Equivalents of $241,306 in the Capital Fund represents funds for current capital projects.

5. FAIR MARKET VALUE OF INVESTMENTS

The District's investment policy for these investments is also governed by New York State statutes. Investments are stated at fair value. The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset.

- Level 1 inputs are quoted prices in active markets for identical assets.
- Level 2 inputs are significant other observable inputs.
- Level 3 inputs are significant unobservable inputs.

The investments consist of only United States Treasury Bills. These securities are considered Level 1 because the valuation is based on quoted market prices. The investments are registered and held by the financial institution's trust department in the name of the District. The net change in the unrealized gain or loss is recognized as investment income, which is displayed in use of money and property revenue. All assets have been valued using a market approach, unless otherwise noted. The following table sets the District's assets measured at fair value on a recurring basis as of June 30, 2025:

Description	Quantity	Maturity	Cost	Fair Value
U.S. Treasury Bill	5,559,000	$5,559,000	$ 5,500,165	$ 5,512,449
General Fund - Restricted Investments				$ 5,512,449

6. PARTICIPATION IN BOCES

During the year, the School District was billed $8,201,705 for BOCES' administrative and program costs.

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

7. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2025, is as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Capital Assets Not Being Depreciated				
Land	$ 3,787,300	$	$	$ 3,787,300
Construction in Progress	3,952,723		3,952,723	
Total	7,740,023		3,952,723	3,787,300
Capital Assets Being Depreciated				
Buildings and Improvements	108,015,706	3,952,723		111,968,429
Furniture, Equipment and Vehicles	4,883,770	1,110,827	2,076,177	3,918,420
Total	112,899,476	5,063,550	2,076,177	115,886,849
Accumulated Depreciation				
Buildings and Improvements	56,617,398	3,120,596		59,737,994
Furniture, Equipment and Vehicles	3,938,288	517,788	2,062,721	2,393,355
Total	60,555,686	3,638,384	2,062,721	62,131,349
Net Capital Assets Being Depreciated	52,343,790	1,425,166	13,456	53,755,500
Net Capital Assets	$ 60,083,813	$ 1,425,166	$ 3,966,179	$ 57,542,800

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

Function/Program	
General Support	$ 363,838
Instruction	2,408,485
Pupil Transportation	168,229
School Lunch	697,832
Total Depreciation	$ 3,638,384

Right to use leased asset activity for the year ended June 30, 2025, is as follows:

	Beginnning Balance	Additions	Deletions	Ending Balance
Right to Use Leased Assets				
Leased Equipment	$ 5,628,930	$ 881,352	$ 783,376	$ 5,726,906
Accumulated Amortization				
Leased Equipment	2,542,039	1,345,432	783,376	3,104,095
Net Right To Use Leased Assets	$ 3,086,891	$ (464,080)	$	$ 2,622,811

Amortization expense is charged as follows:

Function/Program	
Instruction	$ 554,931
Transportation	790,501
	$ 1,345,432

8. NONCURRENT LIABILITIES

Summary of Noncurrent Liabilities

Noncurrent liability balances and activity are as follows:

Description	Outstanding Beginning Balance	Restatement	Issued	Paid	Outstanding Ending Balance	Due Within One Year
Governmental Activities						
Serial Bonds Payable	$ 28,535,000	$	$	$ (2,335,000)	$ 26,200,000	$ 1,855,000
Unamortized Premium	3,069,414			(240,854)	2,828,560	240,854
	31,604,414			(2,575,854)	29,028,560	2,095,854
Other Liabilities						
Lease Liability	2,267,447		820,560	(949,481)	2,138,526	789,464
OPEB Liability	108,235,643		7,374,020	(21,516,554)	94,093,109	4,501,770
Compensated Absences	572,283	4,141,467	55,368		4,769,118	812,844
Total Governmental Activities	$ 142,679,787	$ 4,141,467	$ 8,249,948	$ (25,041,889)	$ 130,029,313	$ 8,199,932

Serial Bonds

The School District borrows funds on a long-term basis for the purpose of financing acquisitions of land and equipment on construction of buildings and improvements. This policy enables the cost of these capital assets to be borne by the present and future taxpayers receiving the benefit of the capital assets. These long-term liabilities for governmental funds are maintained separately and represent a reconciling item between the fund and District-wide statements. Interest associated with long-term debt is recorded as expenditure when such amounts are due. In the event of a default in the payment of the principal and/ or interest on the Bonds, the State Comptroller is required to withhold, under certain conditions prescribed by Section 99-b of the State Finance Law, state aid and assistance to the District and to apply the amount thereof so withheld to the payment of such defaulted principal and/or interest, which requirement constitutes a covenant by the State with the holders from time to time of the Bonds.

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

Payable From/Description	Date of Original Issue	Original Amount	Date of Final Maturity	Interest Rate (%)	Outstanding Amount
General Fund					
Advance Refunding of 2005 Bonds	08/19/14	$ 10,455,000	06/15/32	2.00-5.00	$ 3,340,000
Serial Bond – DASNY	06/07/18	$ 6,485,000	06/15/33	5.00	4,095,000
Serial Bond – DASNY	06/18/24	$ 19,460,000	06/15/40	5.00	18,765,000
Total					$ 26,200,000

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

For the Year Ending	Serial Bonds			Lease Liability		
June 30,	Principal	Interest	Total	Principal	Interest	Total
2026	$ 1,855,000	$ 1,260,287	$ 3,115,287	$ 789,464	$ 107,812	$ 897,276
2027	1,960,000	1,167,537	3,127,537	493,656	67,222	560,878
2028	2,055,000	1,078,437	3,133,437	351,934	36,296	388,230
2029	2,145,000	983,825	3,128,825	398,357	21,562	419,919
2030	2,250,000	884,887	3,134,887	105,115	4,387	109,502
2031-2035	9,955,000	2,837,481	12,792,481			
2036-2040	5,980,000	702,000	6,682,000			
Total	$ 26,200,000	$ 8,914,454	$ 35,114,454	$ 2,138,526	$ 237,279	$ 2,375,805

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

Interest Paid - Serial Bonds	$ 1,634,674
Interest Paid - Leases	110,748
Amortization of Deferred Charge on Advance Refunding	20,785
Amortization of Deferred Premium	(240,854)
Less: Interest Accrued in the Prior Year	(66,329)
Plus: Interest Accrued in the Current Year	56,854
Total Interest Expense on Long-Term Debt	$ 1,515,878

Prior-Year Defeasance of Debt

In prior years, the School District defeased certain general obligation bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the School District's financial statements. On June 30, 2025, $3,420,000 of bonds outstanding are considered defeased.

Unamortized Premium

The original issue premiums on bonds has been deferred and recorded as an addition to long-term liabilities on the District-wide financial statements. The premiums are being amortized using the straight-line method over 15 to 18 years, the remaining time to maturity of the respective bond issue. The current year amortization is $240,854 and is included as a reduction to interest expense on the statement of activities.

Deferred Premium from Debt	$ 3,874,993
Less: Amount Recognized	(1,046,433)
Unamortized Premium	$ 2,828,560

Deferred Outflows of Resources

The cost of issuing the serial bonds has been capitalized and recorded as a deferred outflow on the District-wide financial statements. The cost is being amortized using the straight-line method over 15 to 18 years, the remaining time to maturity of the bonds. The current year amortization is $20,785 and is included as an addition to interest expense on the statement of activities.

Deferred Charge from Refunding of Debt	$ 374,137
Less: Accumulated Amortization	(228,646)
Net Capitalized Refunding of Debt Costs	$ 145,491

Lease Liability

The District has entered into agreements with the BOCES and other vendors to lease certain vehicles and equipment such as copiers and other technology equipment. The lease agreements qualify as other than short-term leases under GASB 87 and, therefore, have been recorded at the present value of the future minimum lease payments as of the date of the inception of the agreements. The agreements were executed on various dates ranging from July 1, 2020 to October 1, 2024 and are for a term of 5-6 years. Annual lease payments for these agreements range from $74,224 to $249,300. The lease liability is measured at a discount rate of 2.05% to 5.48% which is stated in the lease agreements. As a result of these leases, the District has recorded a right to use asset with a net book value of $2,622,811 at June 30, 2025. The District has made some lump sum payments at the beginning of certain lease agreements and thus there are right to use assets with a net book value of $421,867 at June 30, 2025 with no corresponding lease liability.

9. PENSION PLANS

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

(a) Plan Description

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

The net position of the System is held in the New York State Common Retirement Fund (the Fund), which was established to hold all net assets and record changes in plan net position allocated to the System. The Comptroller of the State of New York serves as the trustee of the Fund and is the administrative head of the System. The Comptroller is an elected official determined in a direct statewide election and serves a four-year term. System benefits are established under the provisions of the New York State Retirement and Social Security Law (RSSL). Once a public employer elects to participate in the System, the election is irrevocable. The New York State Constitution provides that pension membership is a contractual relationship and plan benefits cannot be diminished or impaired. Benefits can be changed for future members only by enactment of a State statute. The School District also participates in the Public Employees' Group Life Insurance Plan (GLIP), which provides death benefits in the form of life insurance. The System maintains records and accounts, and prepares financial statements using the accrual basis of accounting. Contributions are recognized when due. Benefit payments are recognized when due and payable. Investments are recognized at fair value. The System is included in the State's financial report as a pension trust fund. That report, including information with regard to benefits provided, may be found at www.osc.state.ny.us/retire/publications/index.php or obtained by writing to the New York State and Local Retirement System, 110 State Street, Albany, NY 12244.

(b) Contributions

The System is noncontributory for employees who joined prior to July 28, 1976. For employees who joined after July 27, 1976, and prior to January 1, 2010, employees contribute 3% of their salary for the first ten years of membership. Employees who joined on or after January 1, 2010 are required to contribute 3% of their annual salary for their entire working career. Employees who joined on or after April 1, 2012 must contribute at a specific percentage of earnings (between 3% and 6%) for their entire career. Under the authority of the RSSL, the Comptroller certifies the actuarially determined rates expressly used in computing the employers' contributions based on salaries paid during the Systems' fiscal year ending March 31. All required contributions for the NYSERS fiscal year ended March 31, 2025, were paid.

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

	Amount
2023	$ 538,112
2024	$ 660,586
2025	$ 743,313

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

At June 30, 2025, the School District reported a liability of $2,461,308 for its proportionate share of the net pension liability. The net pension liability was measured as of March 31, 2025, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of April 1, 2024. The School District's proportion of the net pension liability was based on a projection of the School District's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined.

At June 30, 2025, the School District's proportion was .0143552% which represents an increase of .0006761 percent over the .0136791% District's proportion at June 30, 2024.

For the year ended June 30, 2025, the School District recognized pension expense of $602,818. At June 30, 2025, the School District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	$ 610,913	$ 28,817
Change of Assumptions	103,222	
Net Difference Between Projected and Actual Earnings on Pensions Plan Investments	193,107	
Changes in Proportion and Differences Between Contributions and Proportionate Share of Contributions	157,175	15,060
Contributions Subsequent to the Measurement Date	182,041	
Total	$ 1,246,458	$ 43,877

At June 30, 2025, $182,041 was reported as deferred outflow of resources related to pensions resulting from School District contributions subsequent to the measurement date and will be recognized as a reduction of the net pension liability in the year ended June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2026	$ 478,905
2027	677,593
2028	(172,539)
2029	36,581

(d) Actuarial Assumptions

The total pension liability at March 31, 2025 was determined by using an actuarial valuation as of April 1, 2024, with updated procedures used to roll forward the total pension liability to March 31, 2025. The actuarial valuation used the following actuarial assumptions.

Significant actuarial assumptions used in the April 1, 2024 valuation were as follows:

Investment Rate of Return (Net of Investment Expense, including Inflation)	5.90%
Salary Scale	4.40%
Decrement Tables	April 1, 2015 - March 31, 2020 System's Experience
Inflation Rate	2.90%

Annuitant mortality rates are based on April 1, 2015 - March 31, 2020 System's experience with adjustments for mortality improvements based on MP-2021.

The actuarial assumptions used in the April 1, 2024 valuation are based on the results of an actuarial experience study for the period April 1, 2015- March 31, 2020.

The long term expected rate of return on pension plan investments was determined using a building block method in which best estimate ranges of expected future real rates of return (expected returns net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of March 31, 2025 are summarized below.

Asset Class	Target Allocation	Expected Real Rate of Return*
Domestic Equity	25.00%	3.54%
International Equity	14.00%	6.57%
Private Equity	15.00%	7.25%
Real Estate	12.00%	4.95%
Opportunistic/Absolute Return Strategy	3.00%	5.25%
Credit	4.00%	5.40%
Real Assets	4.00%	5.55%
Fixed Income	22.00%	2.00%
Cash	1.00%	0.25%
	100%	

*The real rate of return is net of the long-term inflation assumption of 2.90%.

(e) Discount Rate

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

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

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

	1% Decrease (4.90%)	Current Assumption (5.90%)	1% Increase (6.90%)
Proportionate Share of the Net Pension Liability	$ 7,123,334	$ 2,461,308	$ 1,431,488

(g) Pension Plan Fiduciary Net Position

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

(h) Payables to the Pension Plan

The School District has recorded an amount due to ERS in amount of $182,041 at June 30, 2025. This amount represents the three months of the School District's fiscal year that will be covered in the ERS 2025-2026 billing cycle and has been accrued as an expenditure in the current year.

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

(a) Plan Description

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

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

(b) Contributions

Pursuant to Article 11 of the New York State Education Law, employers are required to contribute at an actuarially determined rate adopted annually by the Retirement Board. Tier 3 and Tier 4 members who have less than 10 years of service or membership are required by law to contribute 3% of salary to the System. Tier 5 members are required by law to contribute 3.5% of salary throughout their active membership. Tier 6 members are required by law to contribute between 3% and 6% of salary throughout their active membership in accordance with a schedule based upon salary earned. Pursuant to Article 14 and Article 15 of the Retirement and Social Security Law, those member contributions are used to help fund the benefits provided by the System. However, if a member dies or leaves covered employment with less than 5 years of credited service for Tiers 3 and 4, or 10 years of credited service for Tiers 5 and 6, the member contributions with interest calculated at 5% per annum are refunded to the employee or designated beneficiary. Eligible Tier 1 and Tier 2 members may make member contributions under certain conditions pursuant to the provisions of Article 11 of the Education Law and Article 11 of the Retirement and Social Security Law. Upon termination of membership, such accumulated member contributions are refunded. At retirement, such accumulated member contributions can be withdrawn or are paid as a life annuity.

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

	Amount
2023	$ 1,755,558
2024	$ 1,763,626
2025	$ 1,804,146

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

At June 30, 2025, the School District reported a liability (asset) of ($2,823,658) for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of June 30, 2023. The School District's proportion of the net pension liability (asset) was based on a projection of the School District's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined.

At June 30, 2024, the School District's proportion was .094639%, which was an increase of .002274 percent from its .092365% proportion measured as of June 30, 2023.

For the year ended June 30, 2025, the School District recognized a pension expense of $1,532,969. At June 30, 2025, the School District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	$ 3,040,561	$
Changes of Assumptions	1,689,120	284,126
Net Difference Between Projected and Actual Earnings on Pensions Plan Investments		3,137,324
Changes in Proportion and Differences Between Contributions and Proportionate Share of Contributions	49,178	211,107
Contributions Subsequent to the Measurement Date	1,804,146	
Total	$ 6,583,005	$ 3,632,557

At June 30, 2025, $1,804,146 was reported as a deferred outflow of resources related to pensions resulting from School District contributions subsequent to the measurement date, and, will be recognized as a reduction of the net pension asset. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2025	$ (1,465,364)
2026	3,430,545
2027	(608,516)
2028	(676,721)
2029	334,220
Thereafter	132,138

(d) Actuarial Assumptions

The total pension liability at June 30, 2024 measurement date was determined by using an actuarial valuation as of June 30, 2023, with update procedures used to roll forward the total pension liability to June 30, 2024. The actuarial valuation used the following actuarial assumptions.

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

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

Projected COLAs	1.30% compounded annually.
Inflation Rate	2.40%

Annuitant mortality rates are based on plan member experience, with adjustments for mortality improvements based on the Society of Actuaries Scale MP 2021, applied on a generational basis. Active member mortality rates are based on plan member experience.

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

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

Best estimates of arithmetic real rates of return for each major asset class included in the System's target asset allocation as of the measurement date of June 30, 2024 is summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return*
Domestic equities	33.0%	6.6%
International equities	15.0%	7.4%
Global equities	4.0%	6.9%
Real estate equities	11.0%	6.3%
Private Equities	9.0%	10.0%
Domestic fixed income	16.0%	2.6%
Global bonds	2.0%	2.5%
Private debt	2.0%	5.9%
Real estate debt	6.0%	3.9%
High-yield fixed income securities	1.0%	4.8%
Cash equivalents	1.0%	0.5%
	100.0%	

** Real rates of return are net pension plan investment expenses and long-term inflation expectations.*

(e) Discount Rate

The discount rate used to measure the pension liability (asset) was 6.95 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from school districts will be made at statutorily required rates, actuariallydetermined. Based on those assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of

return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

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

	1% Decrease (5.95%)	Current Assumption (6.95%)	1% Increase (7.95%)
Proportionate Share of the Net Pension Liability (Asset)	$ 13,042,638	$ (2,823,658)	$ (16,167,639)

(g) Pension Plan Fiduciary Net Position

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

(h) Payables to the Pension Plan

The School District has recorded an amount due to TRS in the amount of $1,804,146 in the General Fund net of employees portion at June 30, 2025. This amount represents the employer contributions for the 2024-2025 fiscal year that will be made in 2025-2026.

10. OTHER POSTEMPLOYMENT BENEFITS (OPEB)

(a) Plan Descriptions

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

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

(b) Benefits Provided

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

(c) Employees Covered by Benefit Terms

	Total
Inactive employees currently receiving benefit payments	322
Beneficiaries	2
Spouses of Retirees	127
Active employees	281
Total	732

(d) Total OPEB Liability

The District's total OPEB liability of $94,093,109 was measured as of June 30, 2025 and was determined by an actuarial valuation as of July 1, 2023.

(e) Changes in the Total OPEB Liability

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

	Total OPEB Liability
Balances, June 30, 2024	$ 108,235,643
Changes recognized for the year:	
Service cost	3,079,482
Interest on Total OPEB Liability	4,294,538
Effect of assumptions changes or inputs	(17,398,166)
Benefit payments	(4,118,388)
Net changes	(14,142,534)
Balances, June 30, 2025	$ 94,093,109

(f) Actuarial Methods and Assumptions

The total OPEB liability was determined by an actuarial valuation as of July 1, 2023 rolled forward to June 30, 2025, the measurement date. The following actuarial assumptions applied to all periods in the measurement, unless otherwise specified:

Valuation Date	July 1, 2023
Measurement Date	June 30, 2025
Actuarial Cost Method	Entry Age Normal - Level Percent of Pay
Plan Type	Single Employer Defined Benefit Plan
Inflation Rate	2.40%
Medical Trend Rates	6.5% in 2025, decreasing to an ultimate rate of 4.0% over 50 years
Discount Rate	5.20% (Prior Year 3.93%) (based on the S&P Municipal Bond 20-year Municipal Bond Index for bonds with an average rating of AA/Aa or higher)
Mortality Rates	Pub-T 2010 Headcount-Weighted Mortality Table for Teaching Positions and PubG-2010 Headcount Weighted Mortality for Non-Teaching Positions, both generationally projected using MP-2021 Ultimate Scale, with employee rates before commencement and healthy annuitant rates after benefit commencement. This assumption includes a margin for future improvements in longevity.

Discount Rate – The selected discount rate of 5.20% is based on the prescribed discount interest rate methodology under GASB 75 based on an average of three 20-year bond indices (S&P-20 Municipal Bond Index) as of June 30, 2025.

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

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

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

	1% Decrease 4.20%	Discount Rate 5.20%	1% Increase 6.20%
Total OPEB liability	$ 107,401,985	$ 94,093,109	$ 83,183,906

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

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

	1% Decrease	Trend Rate	1% Increase
Total OPEB liability	$ 80,732,429	$ 94,093,109	$ 110,819,068

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

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

For the year ended June 30, 2025, the District recognized OPEB expense of $3,598,263. At June 30, 2025, 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	$ 647,386	$ (3,203,421)
Changes of assumptions	37,293	(21,167,988)
Total	$ 684,679	$ (24,371,409)

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

Year ended June 30:	Amount
2026	$ (7,489,397)
2027	(6,669,093)
2028	(5,192,281)
2029	(4,335,959)

11. RISK MANAGEMENT

General Information

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

Risk Financing and Related Insurance

The School District participates in the Madison-Oneida-Herkimer Consortium consisting of 16 other governmental entities for their health insurance coverage, as well as, in the Madison-Oneida-Herkimer Workers' Compensation Consortium consisting of 28 other school districts for its workers' compensation insurance coverage. Entities joining the plans must remain members for a minimum of one year; a member may withdraw from the plans after that time by submitting a notice of withdrawal 30 days prior to the plans' year end. Plan members are subject to a supplemental assessment in the event of deficiencies. If the plans' assets were to be exhausted, members would be responsible for the plan's liabilities. The plans use a reinsurance agreement to reduce its exposure to large losses on insured events. Reinsurance permits recovery of a portion of losses from the reinsurer, although it does not discharge the liability of the plan as direct insurer of the risks reinsured. The plans establish a liability for both reported and unreported insured events, which includes estimates of both future payments of losses and related claim adjustment expenses. However, because actual claims costs depend on complex factors, the process used in computing claims liabilities does not necessarily result in an exact amount. Such claims are based on the ultimate cost of claims (including future claim adjustment expenses) that have been reported but not settled and claims that have been incurred but not reported. Adjustments to claims liabilities are charged or credited to expense in the periods in which they are made. The Consortiums are shared-risk public entity risk pools whereby each entity pays annual premiums as follows: Health Consortium - Monthly premium from individual members based on the type of coverage selected. The Health Consortium is a minimum premium insured plan through an insurance carrier. Workers' Compensation - Premiums are computed based upon an established rate of covered payroll. Premiums paid to the Health and Workers' Compensation Consortium totaled $11,829,716 and $223,382, respectively, for the year ended June 30, 2025. Paid claims are accounted for in the aggregate with individual entity activity not being tracked separately.

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

12. CONTINGENCIES AND COMMITMENTS

Grantors

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

Bargaining Unit Agreements

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

Bargaining Unit	Contract Expiration Date
Oneida Principals / Psychologists (OAA)	June 30, 2025
Oneida Confidential/Supervisors/Maintenance	June 30, 2026
Oneida Bus Drivers / Transportation	June 30, 2026
Oneida Teachers' Association (NYSUT)	June 30, 2027
Oneida Support Staff (NYSUT)(OSEU)	June 30, 2027

Encumbrances

Encumbrance accounting is employed as an extension of formal budgetary integration for the General Fund, special revenue funds, and capital projects funds. At June 30, 2025, certain amounts which were previously restricted, committed, or assigned for specific purposes have been encumbered in the governmental funds. The General Fund encumbrances are reflected as part of the assigned fund balance. The other encumbrances are not reflected on the fund financial statements because the assignment would result in a negative unassigned fund balance. At June 30, 2025, there were no significant encumbrances outstanding.

13. CONSTRUCTION COMMITTMENTS

The School District had open capital projects at June 30, 2025. Various construction contracts have been awarded for these projects totaling $7,324,639 of which $0 remain unexpended at June 30, 2025.

14. BUILDINGS LEASED TO MADISON-ONEIDA BOCES

In November 2013, the School District renewed an agreement to lease building space at the Bus Maintenance Garage to the Madison-Oneida BOCES. The term of the lease is ten years. In addition to the minimum lease payment, the BOCES is also responsible for heat, light, water, and sewer charges. The BOCES is also required to maintain building insurance, including fire and extended risk coverage, at the replacement cost of the leased premises. The building's cost is $6,916,114, of which $2,757,937 was depreciated as of June 30, 2025. The term of the original lease expired June 30, 2023. Madison Oneida BOCES signed a ten-year lease extension that will expire June 30, 2033, and is presently leased at $76,900 per year. Future lease payments are increased with the Consumer Price Index to a maximum of 4%.

Effective July 1, 2024 the School District entered into a second agreement to lease the North Broad Street Building to the Madison-Oneida BOCES. The term of the lease is ten years. In addition to the minimum lease payment, the BOCES is also responsible for heat, light, water, and sewer charges. The BOCES is also required to maintain building insurance, including fire and extended risk coverage, at the replacement cost of the leased premises. The building's cost is $758,131 and was fully depreciated as of June 30, 2025. The ten-year lease will expire June 30, 2034, and is presently leased at $84,700 per year. Future lease payments are increased with the Consumer Price Index to a maximum of 4%.

During the year ended June 30, 2025, the BOCES paid $161,600 to the School District with respect to the leases.

The following is a schedule of the minimum lease payments:

Fiscal Year Ended June 30,	Minimum Payment
2026	$ 161,600
2027	161,600
2028	161,600
2029	161,600
2030	161,600
Thereafter	569,500
Total	1,377,500
Total Payment Interest	(218,644)
Lease Receivable	$ 1,158,856

15. INTERFUND TRANSACTIONS – GOVERNMENTAL AND FIDUCIARY FUNDS

Fund Type	Interfund Receivables	Interfund Payables	Interfund Revenues	Interfund Expenditures
General	$ 1,065,240	$ 435,380	$	$ 169,641
School Lunch	82,994	151,095		
Special Aid	204,908	641,829	69,641	
Debt Service	262,430	186,000		
Capital Fund	47,006	180,159	100,000	
Miscellaneous Special Revenue	515	68,630		
Total	$ 1,663,093	$ 1,663,093	$ 169,641	$ 169,641

- The School District typically transfers from the General Fund to the Special Aid Fund, to fund a percentage of the Summer Handicapped Program. A total of $69,641 was transferred in the current year.
- The School District transferred a total of $100,000 from the General Fund to the Capital Fund for the 2024-2025 Capital Outlay Project.
- Interfund receivables and payables are considered temporary. The School District intends to repay the amounts within the next fiscal year.

16. FUND BALANCE

(a) The following is a summary of the change in General Fund restricted fund balances during the year ended June 30, 2025:

	Beginning Balance	Increases	Decreases	Ending Balance
General Fund				
Workers' Compensation	$ 9,265	$ 294	$	$ 9,559
Unemployment Insurance	501,294	15,896		517,190
Retirement Contribution - ERS	1,673,227	53,057	(1,726,284)	
Retirement Contribution - TRS	13,247	420		13,667
Employee Benefit Accrued Liability	994,330	31,530	(1,025,860)	
Liability	1,001,895	31,769	(1,033,664)	
Property Loss	962,542	30,522	(993,064)	
Tax Certiorari	99,425	3,152		102,577
Capital Reserve	1,059,907	33,609		1,093,516
Repair Reserve	844,217	26,770		870,987
Insurance Reserve	933,488	29,600		963,088
Reserve for Mandatory Debt Service	3,968	126		4,094
Total General Fund Restricted	$ 8,096,805	$ 256,745	$ (4,778,872)	$ 3,574,678

(b) The following is the disaggregation of the fund balance that is reported in summary on the Governmental Fund's Balance Sheet at June 30, 2025:

	General	School Lunch	Miscellaneous Special Revenue	Debt Service	Capital	Total
Nonspendable	$	$ 38,988	$	$	$	$ 38,988
Restricted						
Workers' Compensation	9,559					9,559
Unemployment Insurance	517,190					517,190
Retirement Contribution - TRS	13,667					13,667
Tax Certiorari	102,577					102,577
Capital Reserve	1,093,516					1,093,516
Repair Reserve	870,987					870,987
Reserve for Mandatory Debt Service	4,094					4,094
Insurance Reserve	963,088					963,088
Scholarships and Donations			57,233			57,233
Capital Fund					882,406	882,406
Debt Service				772,607		772,607
Total Restricted	3,574,678		57,233	772,607	882,406	5,286,924
Assigned						
Instruction	5,197					5,197
School Lunch		528,296				528,296
Appropriated for Subsequent Year's Budget	4,411,966					4,411,966
Total Assigned	4,417,163	528,296				4,945,459
Unassigned (Deficit)	1,363,699				(747,770)	615,929
Total Fund Balances	$ 9,355,540	$ 567,284	$ 57,233	$ 772,607	$ 134,636	$ 10,887,300

17. DEFICIT NET POSITION

At June 30, 2025, the District Wide Statement of Net Position had a deficit net position of $78,003,307 and an unrestricted net deficit of $112,675,553. The deficit is primarily the result of GASB Statement 75, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, which required the recognition of an unfunded liability of $94,093,109 at June 30, 2025. Since New York State Laws provide no mechanism for funding the liability, any subsequent accruals are expected to increase the deficit in subsequent years.

18. TAX ABATEMENTS

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

Property abatements may be partially offset by an agreement that requires payments in lieu of taxes. These agreements specify the annual amount to be remitted by the property owner and are allocated to the effected jurisdiction based on the proportion of taxes abated. The District has chosen to disclose information about its tax abatement by purpose. At June 30, 2025, there are no amounts receivable from MCIDA or OCIDA.

Abatement agreements of MCIDA, OCIDA and the Town of Verona resulted in a revenue impact to the District for the year ended June 30, 2025 as follows:

Purpose	Gross Tax Amounts	Payments in Lieu of Taxes	Net Revenue Reduction
Economic Development and Job Creation	$587,317	$339,414	$247,903

19. CUMULTIVE EFFECT OF IMPLEMENTING CHANGE IN ACCOUNTING PRINCIPLE

As the result of implementing GASB Statement No. 101, *Compensated Absences*, the District has restated beginning net position in the Statement of Net Position as of July 1, 2024, to reflect the additional liability for compensated absences required by the implementation this implementation as follows:

	Government - Wide
Net Position (Deficit) Beginning of Year, As Previously Stated	$ (70,590,932)
Increase in Compensated Absences Liability as a result GASB Statement No. 101 Implementation:	(4,141,467)
Net Position (Deficit) Beginning of Year, As Restated	$ (74,732,399)

20. SIGNIFICANT EVENT – FLOOD AT HIGH SCHOOL

On June 22, 2025, the District's High School was damaged by a flood. Damage was limited to the electronical switch gear, electrical wiring, water heaters, elevator, refrigeration compressors, fire monitoring system, and boilers located in the basements. Also, there were 10 classrooms that had water damage. Classroom damage was limited to flooring, casework, and furniture. The budget for repairs and mitigation to prevent future flooding is estimated to be $5,010,000. For the 2025-2026 year, the High School students are having classes in the Middle School.

CITY SCHOOL DISTRICT OF THE CITY OF ONEIDA, NEW YORK
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
For the Year Ended June 30, 2025

	Original Budget	Final Budget	Actual	Final Budget Variance With Actual
Revenues				
Local Sources				
Real Property Taxes	$ 20,038,970	$ 20,038,970	$ 17,949,651	$ (2,089,319)
Other Real Property Tax Items	340,000	340,000	2,437,710	2,097,710
Oneida Indian Nation Settlement			4,930	4,930
Charges for Services	330,258	330,258	334,114	3,856
Use of Money and Property	572,788	572,788	496,292	(76,496)
Lease Revenue	75,000	75,000	132,084	57,084
Sale of Property and Compensation for Loss	45,000	45,000	121,006	76,006
Miscellaneous	771,133	771,133	829,412	58,279
State Aid	28,220,481	28,220,481	28,003,898	(216,583)
Federal Aid	410,000	410,000	391,814	(18,186)
Total Revenues	50,803,630	50,803,630	50,700,911	(102,719)
Other Financing Sources				
Appropriated Fund Balance	3,553,291	3,552,692		(3,552,692)
Total Revenues and Other Financing Sources	$ 54,356,921	$ 54,356,322	50,700,911	$ (3,655,411)

	Original Budget	Final Budget	Actual	Year-End Encumbrances	Final Budget Variance With Actual And Encumbrances
Expenditures					
Board of Education	$ 21,000	$ 44,381	44,381	$	$
Central Administration	237,622	233,828	233,630		198
Finance	633,712	758,626	736,763		21,863
Staff	192,168	199,901	192,156		7,745
Central Services	2,489,706	2,630,625	2,530,733		99,892
Special Items	532,606	610,660	610,288		372
Total General Support	4,106,814	4,478,021	4,347,951		130,070
Instruction					
Instruction, Administration, and Improvement	2,302,584	2,386,390	2,345,054		41,336
Teaching - Regular School	12,298,654	12,674,573	12,523,674	508	150,391
Programs for Children With Special Needs	7,334,686	6,778,425	6,720,475	44	57,906
Occupational Education	1,501,482	1,620,156	1,620,156		
Teaching - Special School	248,024	411,898	411,898		
Instructional Media	1,334,217	829,022	755,261	1,550	72,211
Pupil Services	1,995,099	2,134,882	2,098,819	3,095	32,968
Total Instruction	27,014,746	26,835,346	26,475,337	5,197	354,812
Pupil Transportation	2,915,530	2,075,808	2,031,547		44,261
Employee Benefits	16,112,143	15,767,533	15,714,421		53,112
Debt Service - Principal	2,710,000	3,284,481	3,284,481		
Debt Service - Interest	1,342,688	1,745,422	1,745,422		
Total Expenditures	54,201,921	54,186,611	53,599,159	5,197	582,255
Other Financing Uses					
Transfers to Other Funds	155,000	169,711	169,641		70
Total Expenditures and Other Financing Uses	$ 54,356,921	$ 54,356,322	53,768,800	$ 5,197	$ 582,325
Net Change in Fund Balance			(3,067,889)		
Fund Balance - Beginning of Year			12,423,429		
Fund Balance - End of Year			$ 9,355,540		

Notes to Required Supplementary Information:

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

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

CITY SCHOOL DISTRICT OF THE CITY OF ONEIDA, NEW YORK
SCHEDULES OF CHANGES IN THE DISTRICT'S TOTAL OPEB LIABILITY AND RELATED RATIOS
For the Year Ended June 30, 2025

	2025	2024	2023	2022	2021	2020	2019	2018 *
Measurement Date	6/30/2025	6/30/2024	6/30/2023	6/30/2022	6/30/2021	6/30/2020	6/30/2019	6/30/2018
Total OPEB Liability								
Service cost	$ 3,079,482	$ 3,247,410	$ 3,446,713	$ 3,871,434	$ 3,739,273	$ 2,556,170	$ 2,837,191	$ 2,754,554
Interest on Total OPEB Liability	4,294,538	4,213,144	4,151,482	2,630,759	2,608,386	3,086,070	2,787,921	2,700,749
Effect of plan changes						(2,476,137)		
Effect of demographic gains or losses		(5,033,947)		2,497,062		8,364,754		579,615
Effect of assumptions changes or inputs	(17,398,166)	(4,385,618)	(5,321,850)	(9,237,977)	969,618	20,660,204	(6,873,621)	
Benefit payments	(4,118,388)	(3,937,799)	(3,907,386)	(3,821,132)	(3,542,997)	(3,488,476)	(2,975,100)	(3,444,997)
Net change in total OPEB Liability	(14,142,534)	(5,896,810)	(1,631,041)	(4,059,854)	3,774,280	28,702,585	(4,223,609)	2,589,921
Total OPEB Liability - Beginning	108,235,643	114,132,453	115,763,494	119,823,348	116,049,068	87,346,483	91,570,092	88,980,171
Total OPEB Liability - Ending	$ 94,093,109	$ 108,235,643	$ 114,132,453	$ 115,763,494	$ 119,823,348	$ 116,049,068	$ 87,346,483	$ 91,570,092
Covered payroll	$ 18,039,371	$ 18,039,371	$ 16,693,758	$ 16,693,758	$ 15,766,645	$ 15,766,645	$ 18,635,022	$ 18,635,022
Total OPEB Liability as a percentage of covered pay	521.60%	600.00%	683.68%	693.45%	759.98%	736.04%	468.72%	491.39%

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

Notes to Required Supplementary Information:

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

Actuarial Assumptions

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

Changes to Assumptions

The discount rate changed from 3.93% to 5.20% at 6/30/2025.

CITY SCHOOL DISTRICT OF THE CITY OF ONEIDA, NEW YORK
SCHEDULES OF LOCAL GOVERNMENT PENSION CONTRIBUTIONS
For the Year Ended June 30, 2025

ERS Pension Plan
Last 10 Fiscal Years

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Contractually Required Contribution	$ 743,313	$ 660,586	$ 538,112	$ 447,294	$ 528,688	$ 523,338	$ 530,442	$ 526,767	$ 532,903	$ 527,116
Contributions in Relation to the Contractually Required Contribution	743,313	660,586	538,112	447,294	528,688	523,338	530,442	526,767	532,903	527,116
Contribution Deficiency (Excess)	$	$	$	$	$	$	$	$	$	$
School District's Covered-ERS Employee Payroll	$ 5,065,995	$ 4,813,812	$ 4,474,329	$ 4,113,934	$ 3,768,402	$ 3,802,982	$ 3,679,215	$ 3,544,608	$ 3,503,272	$ 3,947,276
Contributions as a Percentage of Covered-Employee Payroll	14.67%	13.72%	12.03%	10.87%	14.03%	13.76%	14.42%	14.86%	15.21%	13.35%

TRS Pension Plan
Last 10 Fiscal Years

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Contractually Required Contribution	$ 1,804,146	$ 1,763,626	$ 1,755,558	$ 1,553,677	$ 1,443,563	$ 1,329,780	$ 1,597,289	$ 1,469,044	$ 1,683,164	$ 1,901,628
Contributions in Relation to the Contractually Required Contribution	1,804,146	1,763,626	1,755,558	1,553,677	1,443,563	1,329,780	1,597,289	1,469,044	1,683,164	1,901,628
Contribution Deficiency (Excess)	$	$	$	$	$	$	$	$	$	$
School District's Covered-TRS Employee Payroll	$ 17,845,163	$ 18,069,939	$ 17,060,816	$ 15,853,843	$ 15,147,566	$ 15,008,804	$ 15,040,386	$ 14,990,245	$ 16,225,495	$ 13,418,351
Contributions as a Percentage of Covered-Employee Payroll	10.11%	9.76%	10.29%	9.80%	9.53%	8.86%	10.62%	9.80%	11.72%	13.26%

See Independent Auditor's Report.

CITY SCHOOL DISTRICT OF THE CITY OF ONEIDA, NEW YORK
SCHEDULES OF THE LOCAL GOVERNMENT'S PROPORTIONATE SHARE OF THE NET PENSION ASSET (LIABILITY)
For the Year Ended June 30, 2025

ERS Pension Plan

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
District's proportion of the net pension liability (asset)	0.0143552%	0.0136791%	0.0127361%	0.0120336%	0.0118060%	0.0118206%	0.0118603%	0.0113734%	0.0115545%	0.0112272%
District's proportionate share of the net pension liability (asset)	$ 2,461,308	$ 2,014,115	$ 2,731,140	$ (983,695)	$ 11,756	$ 3,130,163	$ 840,340	$ 367,069	$ 1,085,687	$ 1,801,995
District's covered-employee payroll	$ 5,065,995	$ 4,813,812	$ 4,474,329	$ 4,113,934	$ 3,768,402	$ 3,802,982	$ 3,679,215	$ 3,544,608	$ 3,503,272	$ 3,947,276
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	48.58%	41.84%	61.04%	(23.91%)	0.31%	82.31%	22.84%	10.36%	30.99%	45.65%
Plan fiduciary net position as a percentage of total pension liability (asset)	93.08%	93.88%	90.78%	103.65%	99.95%	86.39%	96.30%	98.20%	94.70%	90.70%

TRS Pension Plan

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
District's Proportion of the net pension liability (asset)	0.094639%	0.092365%	0.089519%	0.089244%	0.088492%	0.090107%	0.092027%	0.090627%	0.092937%	0.089328%
District's proportionate share of the net pension asset liability (asset)	$ (2,823,658)	$ 1,056,272	$ 1,717,776	$ (15,465,125)	$ 2,445,280	$ (2,340,996)	$ (1,664,099)	$ (688,859)	$ 995,392	$ (9,278,383)
District's covered-employee payroll	$ 18,069,939	$ 17,060,816	$ 15,853,843	$ 15,147,566	$ 15,008,804	$ 15,040,386	$ 14,990,245	$ 16,225,495	$ 13,418,351	$ 13,450,443
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	(15.63%)	6.19%	10.84%	(102.10%)	16.29%	(15.56%)	(11.10%)	(4.25%)	7.42%	(68.98%)
Plan fiduciary net position as a percentage of total pension liability (asset)	102.10%	99.20%	98.60%	113.20%	97.80%	102.20%	101.53%	100.66%	99.01%	110.46%

See Independent Auditor's Report.

CITY SCHOOL DISTRICT OF THE CITY OF ONEIDA, NEW YORK
SCHEDULES OF CHANGE FROM ORIGINAL BUDGET TO REVISED BUDGET
AND REAL PROPERTY TAX LIMIT - GENERAL FUND
For the Year Ended June 30, 2025

Change from Adopted Budget to Revised Budget

Adopted Budget	$ 54,303,630
Add: Prior Year's Encumbrances	53,291
Original Budget	54,356,921
Adjustments:	
Prior Year's Encumbrances Adjustment	(599)
Final Budget	$ 54,356,322

Section 1318 of Real Property Tax Law Limit Calculation

2025-26 Voter-Approved Expenditure Budget		$ 55,879,554
Maximum Allowed (4% of 2025-26 budget)		**$ 2,235,182**
General Fund - Fund Balance Subject to Section 1318 of Real Property Tax Law :		
Unrestricted Fund Balance:		
Assigned Fund Balance	$ 4,417,163	
Unassigned Fund Balance	1,363,699	
Total Unrestricted Fund Balance		5,780,862
Less:		
Appropriated Fund Balance	4,411,966	
Encumbrances Included in Committed and Assigned Fund Balance	5,197	
Total adjustments		4,417,163
General Fund's Fund Balance Subject to Section 1318 of Real Property Tax Law		**$ 1,363,699**
Actual Percentage		**2.44%**

CITY SCHOOL DISTRICT OF THE CITY OF ONEIDA, NEW YORK
SCHEDULE OF PROJECT EXPENDITURES - CAPITAL PROJECTS FUND
For the Year Ended June 30, 2025

			Expenditures				Methods of Financing				Fund
	Original Authorization	Revised Authorization	Prior Years	Current Year	Total	Unexpended Balance	Proceeds of Obligations	Federal and State Aid	Local Sources	Total	Balance (Deficit) June 30, 2025
PROJECT TITLE											
Smart Bonds Phase 1	$ 430,863	$ 430,863	$ 430,863	$	$ 430,863	$	$	$ 425,362	$ 5,501	$ 430,863	$
Smart Bonds Phase 2	557,273	557,273	767,128		767,128	(209,855)		767,128		767,128	
Smart Bonds Phase 3	1,079,153	1,079,153	19,554		19,554	1,059,599		19,554		19,554	
Oneida Castle Building Sale Proceeds Project Account	221,099	221,099	220,374		220,374	725			221,099	221,099	725
2023-24 High School Capital Outlay	100,000	100,000	98,083		98,083	1,917			98,083	98,083	
2024-25 High School Capital Outlay	100,000	100,000		100,000	100,000				100,000	100,000	
2020 Reconstruction and Improvement Project	20,841,000	20,758,476	20,276,535	462,632	20,739,167	19,309	19,460,000		2,160,848	21,620,848	881,681
2020 Reconstruction Phase II	759,000	841,524	281,534	466,236	747,770	93,754					(747,770)
High School Flood Emergency	5,010,000	5,010,000		6,927	6,927	5,003,073			6,927	6,927	
Leased Equipment and Vehicles	820,560	820,560		820,560	820,560		820,560			820,560	
Totals	$ 29,918,948	$ 29,918,948	$ 22,094,071	$ 1,856,355	$ 23,950,426	$ 5,968,522	$ 20,280,560	$ 1,212,044	$ 2,592,458	$ 24,085,062	$ 134,636

See Independent Auditor's Report.

CITY SCHOOL DISTRICT OF THE CITY OF ONEIDA, NEW YORK
NET INVESTMENT IN CAPITAL ASSETS
For the Year Ended June 30, 2025

Capital Assets, Net	$	57,542,800
Right To Use Leased Assets, Net		2,622,811
Total Assets		60,165,611
Add:		
Unamortized Bond Issuance Costs		145,491
Capital Fund Unspent Bond Proceeds		241,306
		386,797
Deduct:		
Premium on Bonds Payable		2,828,560
Serial Bonds Payable		26,200,000
Lease Liability		2,138,526
		31,167,086
Net Investment in Capital Assets	$	29,385,322

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

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

Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards*

Board of Education
Oneida City School District

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Oneida City School District, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise Oneida City School District's basic financial statements, and have issued our report thereon dated January 6, 2026.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

D'Arcangelo & Co., LLP

January 6, 2026

Rome, New York

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

200 E. Garden St., P.O. Box 4300, Rome, N.Y. 13442-4300
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Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance

Board of Education
Oneida City School District, New York

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Oneida City School District's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of Oneida City School District's major federal programs for the year ended June 30, 2025. Oneida City School District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Oneida City School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2025.

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control Over Compliance

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

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

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

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

D'Arcangelo & Co., LLP

January 6, 2026

Rome, New York

CITY SCHOOL DISTRICT OF THE CITY OF ONEIDA, NEW YORK
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2025

Federal Grantor/Pass-Through Grantor/Program Title	Federal ALN Number	Agency or Pass-through Number	Current Year Expenditures	Expenditures to Subrecipients
U.S. Department of Agriculture				
(Passed Through the State Education Department of the State of New York - Pass-Through Grantor's No. 411-8000-10000)				
National School Lunch Program (Noncash)	10.555	N/A	$ 53,733	$
Nutrition Cluster				
School Breakfast Program	10.553	N/A	228,228	
National School Lunch Program	10.555	N/A	582,503	
COVID 19 - Supply Chain Assistance	10.555	N/A	4,872	
Summer Food Service Program	10.559	N/A	11,573	
Total Cash Assistance Subtotal			827,176	
Total Child Nutrition Cluster			880,909	
Total U.S. Department of Agriculture			880,909	
U.S. Department of Education				
(Passed Through the State Education Department of the State of New York)				
COVID 19- American Rescue Plan -Elementary and Secondary School Emergency Relief (ARP ESSER)	84.425U	5880-21-1315	238,339	
Title I Grants to Local Educational Agencies	84.010	0011-24-2154	288	
Title I Grants to Local Educational Agencies	84.010	0021-24-1315	3,201	
Title I Grants to Local Educational Agencies	84.010	0011-25-2154	94,385	
Title I Grants to Local Educational Agencies	84.010	0021-25-1315	600,564	
Total			698,438	
Special Education Cluster				
Special Education - Grants to States	84.027A	0032-25-0350	584,455	
Special Education - Preschool Grants (IDEA Preschool)	84.173A	0033-25-0350	23,449	
Total Special Education Cluster			607,904	
Improving Teacher Quality State Grants	84.367	0147-24-1315	56,514	
Improving Teacher Quality State Grants	84.367	0147-25-1315	4,690	
Total			61,204	
Title IV, Part A, Student Support and Academic Enrichment (SSAE) Program	84.424A	0204-24-1315	3,475	
Title IV, Part A, Student Support and Academic Enrichment (SSAE) Program	84.424A	0204-25-1315	46,611	
Total			50,086	
Total U.S. Department of Education			1,655,971	
Total Federal Financial Assistance			$ 2,536,880	$

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

CITY SCHOOL DISTRICT OF THE CITY OF ONEIDA, NEW YORK
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2025

1. SIGNIFICANT ACCOUNTING POLICIES

Organization

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

Basis of Accounting

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

Cluster Programs

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

U.S. Department of Agriculture
Nutrition Cluster

AL #10.553	School Breakfast Program
AL #10.555	National School Lunch Program
AL #10.559	Summer Food Service Program

U.S. Department of Education
Special Education Cluster

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

Indirect Cost Rate

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

Food Donation

Nonmonetary assistance is reported in the schedule at fair market value of the food commodities received. At June 30, 2025, the School District had food commodities totaling $11,067 in inventory.

CITY SCHOOL DISTRICT OF THE CITY OF ONEIDA, NEW YORK
SCHEDULE OF FINDINGS AND QUESTIONED COSTS – FEDERAL COMPLIANCE REQUIREMENTS
For the Year Ended June 30, 2025

Summary of Auditor's Results

(d)(1)(i)	Type of Financial Statement Opinion	Unmodified
(d)(1)(ii)	Were there any material control weakness conditions reported at the financial statement level (GAGAS)?	No
(d)(1)(ii)	Were there any other significant deficiencies reported at the financial statement level (GAGAS)?	No
(d)(1)(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
(d)(1)(iv)	Were there any material internal control weakness conditions reported for major Federal programs?	No
(d)(1)(iv)	Were there any other significant deficiencies reported for major Federal programs?	No
(d)(1)(v)	Type of Major Programs' Compliance Opinion	Unmodified
(d)(1)(vi)	Are there any reportable findings under 2 CFR Section 200.516 (a)?	No
(d)(1)(vii)	Major Programs (list):	U.S. Department of Education Child Nutrition Cluster ALN 10.553 School Breakfast Program ALN 10.555 National School Lunch Program ALN 10.559 Summer Food Service Program
(d)(1)(viii)	Dollar Threshold: Type A\B Programs	Type A: > $ 750,000 Type B: all others
(d)(1)(ix)	Low Risk Auditee?	Yes

Findings – Financial Statement Audit

None noted in the current year.

Findings and Questioned Costs – Major Federal Award Programs Audit

None noted.

(Continued)

CITY SCHOOL DISTRICT OF THE CITY OF ONEIDA, NEW YORK
STATUS OF PRIOR YEAR'S FINDINGS AND QUESTIONED COSTS – FEDERAL COMPLIANCE REQUIREMENTS
For the Year Ended June 30, 2025

No items noted.

APPENDIX – F

FORM OF OPINION OF BOND COUNSEL

September 16, 2026

City School District of the City of Oneida
565 Sayles Street
Oneida, New York 13421

Re: City School District of the City of Oneida
$5,000,000 Revenue Anticipation Notes, 2026 (Renewals) CUSIP No.

Ladies and Gentlemen:

We have examined a record of proceedings relating to the issuance of $5,000,000 Revenue Anticipation Notes, 2026 (Renewals) (the "Notes") of the City School District of the City of Oneida, Counties of Madison and Oneida, State of New York (the "District"). The Notes are dated September 16, 2026 and are being issued pursuant to the Constitution and laws of the State of New York, including the Education Law and Local Finance Law, resolutions of the District and a Certificate of Determination dated on or before September 16, 2026 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, subject to applicable statutory limitations imposed by Chapter 97 of the Laws of 2011. 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 Note is included in the "adjusted financial statement income" of certain corporations that are subject to the alternative 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