

PRELIMINARY OFFICIAL STATEMENT

NEW 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, 2025 (the "Notes")

Dated: September 17, 2025

Due: September 17, 2026

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 17, 2025.

ELECTRONIC BIDS for the Notes must be submitted via Fiscal Advisors Auction website ("Fiscal Advisors Auction") accessible via www.fiscaladvisorsauction.com on September 3, 2025 until 11:00 A.M., Eastern Time, pursuant to the Notice of Sale. No other form of electronic bidding services will be accepted. No bid will be received after the time for receiving bids specified above. Bids may also be submitted by facsimile at (315) 930-2354. Once the bids are communicated electronically via Fiscal Advisors Auction or facsimile to the District, each bid will constitute an irrevocable offer to purchase the Notes pursuant to the terms provided in the Notice of Sale.

August 29, 2025

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

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

SCHOOL DISTRICT OFFICIALS

2025-2026 BOARD OF EDUCATION

MARTY KELLY
President



HEATHER DENBY
Vice President

MARK BARBANO
MARK PUTNAM
NADINE FLYNN
KURT GORMLEY
SHANE TODD

* * * * *

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.

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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, 2025

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, 2025 (the "Notes").

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

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

NATURE OF OBLIGATION

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

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

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

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

Under the Constitution of the State, the District is required to pledge its faith and credit for the payment of the principal of and interest on the Notes and is required to raise real estate taxes, and without specification, other revenues, if such levy is necessary to repay such indebtedness. While the Tax Levy Limitation Law imposes a statutory limitation on the District's power to increase its annual tax levy, with the amount of such increase limited by the formulas set forth in the Tax Levy Limitation Law, it also provides the procedural method to surmount that limitation. See "TAX 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 17, 2025 and mature, without option of prior redemption, on September 17, 2026. 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 13,986. (Source: 2023 U.S. Census Bureau estimate.)

Larger Employers

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

<u>Name of Employer</u>	<u>Type of Business</u>	<u>Approximate Number of Employees</u>
Oneida Indian Nation	Casino/Business	4,500
Mohawk Valley Health System	Healthcare / Hospital	4,300
Upstate Caring Partners	Human Services	1,670
Resource Center for Independent Living	Nonprofit / persons with disabilities	1,250
Utica National Group	Insurance	1,149
Colgate University	Education	1,007
Indium Corporation	Manufacturing	971
Oneida Health Care Center	Hospital	920
Utica University	Education	806
Masonic Care Community of NY	Senior Care / Living	740
Hamilton College	Education	725
Rome Memorial Hospital	Healthcare / Hospital	688
ConMed	Medical-technology	500
Morrisville State College	Education	450
Wal-Mart	Retail Sales	450
SUNY Polytechnic	Education	409
Slocum-Dickson Medical Group	Multi-specialty Medical	400
AmeriCU	Credit Union	345
Knowles Capacitors (formerly DLI)	Manufacturing	300
CPP	Ferrous Metal Castings	300
HP Hood	Milk Products	200
Green Empire Farms	Controlled Environmental Agriculture	117

Source: County of Madison Official Statement dated November 12, 2024 and County of Oneida Continuing Disclosure Statement submitted to the EMMA MSRB system on June 27, 2024.

Selected Wealth and Income Indicators

Per capita income statistics are not available for the District as such. The smallest areas for which such statistics are available, which includes the District, are the 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.

	<u>Per Capita Income</u>			<u>Median Family Income</u>		
	<u>2006-2010</u>	<u>2016-2020</u>	<u>2019-2023</u>	<u>2006-2010</u>	<u>2016-2020</u>	<u>2019-2023</u>
Cities of:						
Oneida	\$ 23,553	\$ 29,279	\$ 38,436	\$ 58,078	\$ 69,576	\$ 87,070
Sherrill	28,678	35,477	43,030	84,732	88,281	106,071
Towns of:						
Lenox	22,970	27,115	35,837	59,847	69,904	85,469
Lincoln	30,055	33,207	43,154	67,321	73,558	94,250
Vernon	24,579	37,618	44,995	59,563	90,541	103,851
Verona	22,642	30,182	38,380	54,160	80,702	97,120
Vienna	22,896	29,385	41,428	55,508	70,903	92,867
Counties of:						
Madison	24,311	32,443	39,904	61,828	78,812	94,317
Oneida	23,458	30,678	36,865	58,017	74,796	88,011
State of:						
New York	30,948	40,898	49,520	67,405	87,270	105,060

Source: U.S. Census Bureau, 2006-2010, 2016-2020, and 2019-2023 American Community 5-year data.

Note: 2020-2024 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 area for which such statistics are available (which includes 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 implied from the inclusion of such data in this Continuing Disclosure Statement that the Counties or State is necessarily representative of the District, or vice versa.

	<u>Annual Average</u>						
	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Madison County	4.7%	4.3%	7.5%	4.6%	3.5%	3.7%	3.8%
Oneida County	4.4%	4.1%	7.8%	5.1%	3.6%	3.7%	3.7%
New York State	4.1%	3.9%	9.8%	7.1%	4.3%	4.1%	4.3%

	<u>2025 Monthly Figures</u>								
	<u>Jan</u>	<u>Feb</u>	<u>Mar</u>	<u>Apr</u>	<u>May</u>	<u>Jun</u>	<u>Jul</u>	<u>Aug</u>	<u>Sep</u>
Madison County	4.9%	5.0%	4.4%	3.2%	2.9%	3.3%	N/A	N/A	N/A
Oneida County	4.3%	4.6%	4.1%	3.2%	3.1%	3.4%	N/A	N/A	N/A
New York State	4.6%	4.3%	4.1%	3.7%	4.5%	3.8%	N/A	N/A	N/A

Note: Unemployment rates for July, August and September 2025 are unavailable as of the date of this Official Statement.

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

Form of School Government

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

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

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 tentative budget of the District for the ensuing fiscal year. This tentative budget must be completed at least fourteen days before the annual District meeting at which it is to be presented. Copies are available upon request to taxpayers within the District, fourteen days preceding such meeting and at each such meeting. The Board must also give notice that a copy of the tentative budget may be obtained at each schoolhouse within the District.

The Board of Education causes a notice to be published stating the time, date, place and purpose of the annual or district meeting. At least forty-five days must elapse between the first publication of such notice and the date specified for such meeting. The meeting must be held at the time and place specified but it may be adjourned to permit voting on the following day. If the qualified voters at the annual or District meeting approve the tentative budget, the Board of Education, by resolution adopts the tentative budget as the budget of the District for the ensuing year.

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

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

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

Recent Budget Vote Results

The budget for the 2024-2025 fiscal year was adopted by qualified voters on May 21, 2024 by a vote of 383 to 138. The budget for the 2024-2025 fiscal year called for a tax levy increase of 2.33%, which is equal to the District's maximum allowable tax levy limit of 2.33% for the 2024-2025 fiscal year.

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.

State Aid

The District receives financial assistance from the State in the form of State aid for operating, building and other purposes at various times throughout its fiscal year, pursuant to formulas and payment schedules set forth by statute. In its adopted budget for the 2025-26 fiscal year, approximately 55.14% 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

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

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

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

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

Federal Aid Received by the State

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

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

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

Building Aid

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

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

Pursuant to the provisions of Chapter 760 of the Laws of 1963, the District is eligible to receive a Building Aid Estimate from the New York State Department of Education. Since the gross indebtedness of the District is within the debt limit, the District is not required to apply for a Building Aid Estimate. Based on 2025-26 preliminary building aid ratios, the District expects to receive State building aid of approximately 86.3% of debt service on State Education Department approved expenditures from July 1, 2004 to the present.

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

State Aid History

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

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

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

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

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

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

State Aid Litigation

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

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

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

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

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

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

State Aid Revenues

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

<u>Fiscal Year</u>	<u>Total Revenues</u> ⁽¹⁾	<u>Total State Aid</u>	<u>Percentage of Total Revenues Consisting of State Aid</u>
2019-2020	\$ 44,548,008	\$ 25,170,472	56.5%
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 (Budgeted)	50,803,630	28,220,481	55.6
2024-2025 (Unaudited)	49,808,301	27,786,085	55.8
2025-2026 (Budgeted)	51,467,588	28,379,412	55.14

⁽¹⁾ General fund only, does not include inter-fund transfers or reserve funds.

Source: Audited financial statements for the 2019-2020 fiscal year through and including the 2024-2024 fiscal year, unaudited estimate for 2024-2025 and the budgets of the District for the 2024-2025 and 2025-2026 fiscal years.

District Facilities

<u>Name</u>	<u>Type</u>	<u>Capacity</u>	<u>Year(s) Built</u>
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

<u>School Year</u>	<u>Actual Enrollment</u>	<u>School Year</u>	<u>Projected Enrollment</u>
2021-22	1,825	2026-27	1,634
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

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:

<u>Employees</u>	<u>Union</u>	<u>Contract Expiration Date</u>
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, 2026
45	Oneida Bus Drivers / Transportation	June 30, 2026

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 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 vest after ten years of credited service. The Retirement System Law generally provides that all participating employers in each retirement system are jointly and severally liable for any unfunded amounts. Such amounts are collected through annual billings to all participating employers. Generally, all employees, except certain part-time employees, participate in the Retirement Systems. The Retirement Systems are non-contributory with respect to members hired prior to July 27, 1976. All members working less than ten years must contribute 3% (ERS) or 3.5% (TRS) of gross annual salary towards the cost of retirement programs.

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

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

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

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

<u>Fiscal Year</u>	<u>ERS</u>	<u>TRS</u>
2019-2020	\$498,826	\$1,265,168
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 (Budgeted)	471,898	1,818,027
2024-2025 (Unaudited)	454,262	1,729,155
2025-2026 (Budgeted)	375,000	1,946,250

Source: District officials.

Pursuant to various laws enacted between 1991 and 2002, the State Legislature authorized local governments to make available certain early retirement incentive programs to its employees. The District currently does have early retirement incentive programs for its employees.

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

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

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

*Estimated.

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

contribution for a given fiscal year is based on the valuation of the pension fund on the prior April 1 of the calendar year preceding the contribution due date instead of the following April 1 in the year of contribution so that the exact amount may now be included in a budget.

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

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

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

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

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

The State’s 2019-2020 Enacted Budget, which was signed into law as Chapter 59 of the Laws of 2019, includes a provision that will allow school districts in the State to establish a reserve fund for the purpose of funding the cost of TRS contributions, as a sub-fund of retirement contribution reserve funds presently authorized for amounts payable to the ERS by a school district. School districts will be permitted to pay into such reserve fund during any particular fiscal year, an amount not to exceed two percent of the total compensation or salaries of all district-employed teachers who are members of the TRS paid during the immediately preceding fiscal year; provided that the balance of such fund may not exceed ten percent of the total compensation or salaries of all district-employed teachers who are members of the TRS paid during the immediately preceding fiscal year. As of May 28, 2019, the District established a reserve fund for the purpose of funding the cost of TRS contributions.

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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. For the fiscal year ended June 30, 2018, the District implemented GASB 75. The implementation of this statement requires District's to report OPEB liabilities, OPEB expenses, deferred outflow of resources and deferred inflow of resources related to OPEB. GASB Statement No. 75 replaced GASB Statement 45, which also required the District to calculate and report a net OPEB obligation. However, under GASB 45 districts could amortize the OPEB liability over a period of years, whereas GASB 75 requires districts to report the entire OPEB liability on the statement of net position.

The District contracted with Questar III BOCES to calculate its actuarial valuation under GASB 75. The following outlines the changes to the Total OPEB Liability during the 2023 and 2024 fiscal years, by source.

	Balance beginning at:	June 30, 2022	June 30, 2023
		\$ 115,763,494	\$ 114,132,453
<u>Changes for the year:</u>			
Service cost		3,446,713	3,247,410
Interest		4,151,482	4,213,144
Effect of demographic gains or losses		(5,321,850)	(5,033,947)
Differences between expected and actual experience			
Changes in assumptions or other inputs		-	(4,385,618)
Benefit payments		(3,907,386)	(3,937,799)
Net Changes		\$ (1,631,041)	\$ (5,896,810)
	Balance ending at:	June 30, 2023	June 30, 2024
		<u>\$ 114,132,453</u>	<u>\$ 108,235,643</u>

Source: Audited financial statements. The above tables are not audited. For additional information see "APPENDIX - C" attached hereto.

The aforementioned liability is recognized and disclosed in accordance with GASB 75 standards in the District's audited financial statements for the fiscal years ending June 30, 2023 and June 30, 2024.

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.

Under GASB 75, an actuarial valuation will be required every 2 years for all plans, however, the Alternative Measurement Method continues to be available for plans with less than 100 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, 2024 and is attached hereto as “APPENDIX – E”. Certain financial information of the District can be found attached as Appendices to the Official Statement.

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

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

Unaudited Results for Fiscal Year Ending June 30, 2025

The District expects to end the fiscal year ending June 30, 2025 with an unassigned fund balance of \$3,413.

Summary anticipated unaudited information for the General Fund for the period ending June 30, 2025 is as follows:

Revenues:	\$49,808,301
Expenditures:	\$53,761,797
Excess (Deficit) Revenues Over Expenditures:	<u>(\$3,953,496)</u>
 Total Fund Balance at June 30, 2024:	 \$ 826,024
Total Estimated Fund Balance at June 30, 2025:	\$ 3,515 ⁽¹⁾

⁽¹⁾ District estimate as of August 18, 2025.

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

New York State Comptroller Report of Examination

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

The State Comptroller's office released an audit report of the District on October 16, 2020. The purpose of the audit was to determine whether the District's network was adequately secure to protect the student information system (SIS) against unauthorized use, access and loss for the period July 1, 2018-December 3, 2019.

Key Findings:

- The District's network was not adequately secure to protect the SIS against unauthorized use, access and loss.
- District officials did not adequately manage user accounts or administrative permissions to limit access to assets and data.
- Some District computers were used for personal activity, increasing the likelihood of the District's network being exposed to malicious software.
- A written disaster recovery plan was not made available to us or the Board of Education for review and approval.

Key Recommendations

- Review network user accounts and permissions, disable unnecessary accounts and remove excessive permissions.
- Monitor employees' Internet use and enforce the District's acceptable use policy (AUP).
- Ensure that a comprehensive written disaster recovery plan is developed and shared with key District officials.

District officials agreed the State Comptroller's recommendations and indicated they have initiated corrective action.

There are no other State Comptroller's audits of the District, nor any that are currently in progress or pending release.

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

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

The State Comptroller's Fiscal Stress Monitoring System

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

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

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

<u>Fiscal Year Ending In</u>	<u>Stress Designation</u>	<u>Fiscal Score</u>
2024	Susceptible Fiscal Stress	33.3
2023	No Designation	15.0
2022	No Designation	0.0

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

TAX INFORMATION

Taxable Valuations

Fiscal Year Ending June 30:		<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
<u>Assessed Valuation</u>						
Cities of:	Oneida	\$ 459,779,326	\$ 458,280,171	\$ 458,201,877	\$ 462,073,928	\$ 458,851,572
	Sherill	785,411	786,235	787,060	792,095	792,101
Towns of:	Lenox	35,824,058	35,938,273	35,925,051	38,486,691	36,053,397
	Lincoln	17,336,177	17,250,870	17,067,974	17,187,321	18,006,862
	Vernon	51,965,419	52,141,520	52,129,255	53,140,194	52,376,039
	Verona	77,514,781	78,214,846	78,726,839	79,431,893	80,177,338
	Vienna	<u>30,005,566</u>	<u>30,418,659</u>	<u>30,556,310</u>	<u>31,429,440</u>	<u>31,614,976</u>
Total Assessed Valuation		\$ 673,210,738	\$ 673,030,574	\$ 673,394,366	\$ 682,541,562	\$ 677,872,285

State Equalization Rates

Cities of:	Oneida	93.00%	83.00%	76.00%	71.00%	71.00%
	Sherill	61.00%	52.00%	46.00%	47.20%	43.50%
Towns of:	Lenox	91.50%	85.00%	70.00%	68.00%	63.00%
	Lincoln	91.50%	81.00%	64.00%	64.00%	60.00%
	Vernon	61.00%	52.00%	47.50%	47.20%	43.50%
	Verona	63.00%	57.00%	49.00%	48.00%	44.00%
	Vienna	52.00%	47.00%	40.00%	38.58%	34.00%

Full Valuation

Cities of:	Oneida	\$ 494,386,372	\$ 552,144,784	\$ 602,897,207	\$ 650,808,349	\$ 646,269,820
	Sherill	1,287,559	1,511,990	1,711,000	1,678,167	\$ 1,820,922
Towns of:	Lenox	39,151,976	42,280,321	51,321,501	56,598,075	\$ 57,227,614
	Lincoln	18,946,642	21,297,370	26,668,709	26,855,189	\$ 30,011,437
	Vernon	85,189,211	100,272,154	109,745,800	112,585,157	\$ 120,404,687
	Verona	123,039,335	137,219,028	160,667,018	165,483,110	\$ 182,221,223
	Vienna	<u>57,703,012</u>	<u>64,720,551</u>	<u>76,390,775</u>	<u>81,465,630</u>	<u>\$ 92,985,224</u>
Total Full Valuation		\$ 819,704,106	\$ 919,446,199	\$ 1,029,402,011	\$ 1,095,473,678	\$ 1,130,940,926

Tax Rates Per \$1,000 (Assessed)

Years Ending June 30:		<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
Cities of:						
	Oneida	\$ 24.21	\$ 24.91	\$ 25.03	\$ 25.87	\$ 25.81
	Sherrill	36.92	39.77	40.05	38.92	42.13
Towns of:						
	Lenox	24.61	24.33	27.18	26.87	29.09
	Lincoln	24.61	25.53	29.73	28.55	30.55
	Vernon	36.92	39.77	40.05	38.71	42.13
	Verona	35.75	36.28	38.83	38.06	41.65
	Vienna	43.31	44.00	47.56	50.75	53.90

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

<u>Years Ending June 30:</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
Total Tax Levy	\$ 18,459,677	\$ 19,013,222	\$ 19,583,619	\$ 20,038,970	\$ 20,726,862
Amount Uncollected	1,090,249	1,172,272	1,189,120	1,336,971	N/A
% Uncollected ⁽¹⁾	5.9%	6.2%	6.1%	7.4%	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.

<u>Fiscal Year</u>	<u>Total Revenues ⁽¹⁾</u>	<u>Total Real Property Taxes</u>	<u>Percentage of Total Revenues Consisting of Real Property Tax</u>
2019-2020	\$ 44,548,008	\$ 17,981,889	40.4%
2020-2021	45,418,047	18,429,778	40.6
2021-2022	45,284,564	18,698,961	41.3
2022-2023	47,457,439	19,331,382	40.7
2023-2024	49,966,428	19,882,063	39.8
2024-2025 (Budgeted)	50,803,630	20,038,970	39.4
2024-2025 (Unaudited)	49,808,301	20,038,970	40.2
2025-2026 (Budgeted)	51,467,588	20,726,826	40.3

⁽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 2023-2024 fiscal year, unaudited estimate for 2024-2025, and the budgets of the District for the 2024-2025 and 2025-2026 fiscal years.

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Larger Taxpayers – 2024 Assessment Roll for 2024-2025 Taxes

<u>Name</u>	<u>Type</u>	<u>Assessed Valuation</u>
National Grid	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.

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.

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 \$93,200 or less in 2023-2024 and \$98,700 or less in 2024-2025, increased annually according to a cost of living adjustment, are eligible for a “full value” exemption of the first \$81,400 of the full value of a home for the 2023-2024 school year and the first \$84,000 of the full value of a home for the 2024-2025 school year (adjusted annually). Other homeowners with household STAR Adjusted Gross income not in excess of \$250,000 (\$500,000 in the case of a STAR credit, as discussed below) are eligible for a \$30,000 “full value” exemption on their primary residence.

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

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

<u>Municipality:</u>	<u>Enhanced Exemption</u>	<u>Basic Exemption</u>	<u>Date Certified</u>
City of Oneida	\$ 63,840	\$ 22,800	4/9/2024
Town of Lenox	58,550	20,400	4/10/2025
Town of Lincoln	55,100	19,350	4/10/2025
Town of Vernon	40,640	14,160	4/10/2025
Town of Verona	41,330	14,400	4/10/2025
Town of Vienna	31,000	11,170	4/10/2025

\$2,029,915 of the District’s \$20,038,970 school tax levy for the 2024-25 fiscal year was exempted by the STAR Program. The District received full reimbursement of such exempt taxes from the State in January 2025.

Approximately \$2,080,799 of the District’s \$20,726,862 school tax levy for the 2025-2026 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 2026.

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 may be more than fifty percent in excess of the smallest prior installment. The District is required to provide an annual appropriation for the payment of interest due during the year on its indebtedness and for the amounts required in such year for amortization and redemption of its serial bonds and such required annual installments on its notes.

Statutory Procedure

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

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

<u>Fiscal Year Ending June 30:</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Bonds	\$ 15,880,000	\$ 13,720,000	\$ 11,450,000	\$ 28,535,000	\$ 26,200,000
Bond Anticipation Notes	1,500,000	1,453,000	38,033,000	0	0
Revenue Anticipation Notes	0	0	0	0	0
Lease Liability ⁽¹⁾	<u>0</u>	<u>1,978,199</u>	<u>1,946,748</u>	<u>2,267,447</u>	<u>2,824,034</u>
Total Debt Outstanding	<u>\$ 17,380,000</u>	<u>\$ 17,151,199</u>	<u>\$ 51,429,748</u>	<u>\$ 30,802,447</u>	<u>\$ 29,024,034</u>

⁽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 29, 2025:

<u>Type of Indebtedness</u>	<u>Maturity</u>	<u>Amount</u>
<u>Bonds</u>	2026-2039	\$ 26,200,000
<u>Bond Anticipation Notes</u>	-	<u>0</u>
	Total Indebtedness	<u>\$ 26,200,000</u>

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.

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Debt Statement Summary

Summary of Indebtedness, Debt Limit and Net Debt-Contracting Margin as of August 29, 2025:

Full Valuation of Taxable Real Property	\$ 1,130,940,926
Debt Limit 10% thereof	113,094,092

Inclusions:

Bonds	\$ 26,200,000
Bond Anticipation Notes	0
Total Inclusions.....	<u>\$ 26,200,000</u> ⁽¹⁾

Exclusions:

State Building Aid ⁽²⁾	\$ 0
Total Exclusions.....	<u>\$ 0</u>

Total Net Indebtedness <u>after issuance of the Notes</u>	<u>\$ 26,200,000</u>
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Net Debt-Contracting Margin	<u>\$ 86,894,092</u>
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The percent of debt contracting power exhausted is	23.17%
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- (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 2025-2026 building aid estimates, the District anticipates State Building aid of 86.3% 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 20, 2025, the voters of the District approved a proposition for the leasing of school buses and incidental equipment in the amount of \$250,000.

In June 2025 a flood cause significant damage to the Districts high school. The high school is currently not in use and high school students will be sharing the middle school buildings to begin the 2025-2026 school year. Repairs and clean up at the high school will be paid for by the use of insurance and emergency project funds.

The District is in preliminary discussions of a small project expected to be voted on in the fall of 2025. As of the date of this official statement, the exact amount of the project is unknown.

The District is anticipating bringing a larger project to be voted on in the fall of 2026. The project is expected to be about \$25 million with the use on \$1 million reserve funds.

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

Cash Flow Borrowings

Other than the current issuance of the Notes, the District has not found it necessary to issue revenue anticipation notes since 2003 and does not expect to 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, 2025:

<u>Year</u>	<u>Principal</u>
2026	\$ 1,016,484
2027	816,155
2028	527,155
2029	354,740
2030	209,500
TOTAL	\$ 2,924,034

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 bonds and bond anticipation notes are listed as of the close of the fiscal year of the respective municipalities.

<u>Municipality</u>	<u>Status of Debt as of</u>	<u>Gross Indebtedness</u> ⁽¹⁾	<u>Exclusions</u> ⁽²⁾	<u>Net Indebtedness</u>	<u>District Share</u>	<u>Applicable Indebtedness</u>
County of:						
Madison	6/30/2025	\$ 39,478,000 ⁽³⁾	\$ 850,000	\$ 38,628,000	12.19%	\$ 4,708,753
Oneida	6/27/2025	460,937,175 ⁽³⁾	288,050,449	172,886,726	2.10%	3,630,621
City of:						
Oneida	6/27/2025	\$ 83,833,084 ⁽³⁾	\$ 68,888,084	\$ 14,945,000	93.13%	\$ 13,918,279
Sherrill	12/31/2023	6,228,018 ⁽⁴⁾	- ⁽⁵⁾	6,228,018	0.68%	42,351
Town of:						
Lenox	12/31/2023	4,460,900 ⁽⁴⁾	- ⁽⁵⁾	4,460,900	8.05%	359,102
Lincoln	12/31/2023	609,456 ⁽⁴⁾	- ⁽⁵⁾	609,456	17.02%	103,729
Vernon	12/31/2023	- ⁽⁴⁾	-	-	15.36%	-
Verona	12/31/2023	25,394,716 ⁽⁴⁾	- ⁽⁵⁾	25,394,716	31.72%	8,055,204
Vienna	12/31/2023	1,797,887 ⁽⁴⁾	- ⁽⁵⁾	1,797,887	13.31%	239,299
Village of:						
Oneida Castle	5/31/2023	- ⁽⁴⁾	-	-	100.00%	-
Sylvan Beach	5/8/2025	39,046,275 ⁽³⁾	35,406,060	3,640,215	100.00%	3,640,215
Wampsville	5/31/2023	- ⁽⁴⁾	-	-	100.00%	-
Total:						\$ 34,697,553

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

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

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

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

⁽⁵⁾ Exclusion information not available.

Debt Ratios

The following table sets forth certain ratios relating to the District's indebtedness as of August 29, 2025:

	<u>Amount</u>	<u>Per Capita</u> ^(a)	<u>Percentage of Full Value</u> ^(b)
Net Indebtedness ^(c)	\$ 26,200,000	\$ 1,873.30	2.32%
Net Indebtedness Plus Net Overlapping Indebtedness ^(d)	60,897,553	4,354.18	5.38

(a) The 2023 estimated population of the District is 13,986. (See "THE SCHOOL DISTRICT - Population" herein.)

(b) The District's full value of taxable real estate for 2025-2026 is \$1,130,940,926. (See "TAX INFORMATION – Taxable Assessed Valuations" herein.)

(c) See "Debt Statement Summary" herein.

(d) Estimated net overlapping indebtedness is \$34,697,553. (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 risk.

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

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

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

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

TAX MATTERS

In the opinion of 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 – F”.

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 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

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.

The District is otherwise in all material respects in compliance with all prior undertakings pursuant to rule 15c2-12 for the past five years.

LITIGATION

The District represents that there are no suits pending or, to the knowledge of the District, threatened against the District wherein an unfavorable result would have a material adverse effect on the financial condition or operations of the District, and any potential or pending litigation known to the District does not affect the right of the District to conduct its business or affect the validity or enforceability of its obligations with respect to the School District Bonds and the contracts executed in connection therewith. However, 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.

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 provision 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. 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 29, 2025

BRAD MYATT
President of the Board of Education

GENERAL FUND

Balance Sheets

Fiscal Years Ending June 30:	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
ASSETS					
Cash and Cash Equivalents	\$ 5,237,761	\$ 5,677,654	\$ 4,326,843	\$ 4,768,664	\$ 3,623,609
Restricted Cash and Investments	5,638,273	7,209,968	9,310,995	9,066,744	8,096,805
Net Taxes Receivable	578,592	441,496	377,146	446,477	391,667
Net Accounts Receivable	-	-	-	-	-
Due from Other Governments	1,490,328	1,645,989	1,331,685	1,747,403	3,318,952
Due from Other Funds	661,801	1,418,997	4,724,162	1,285,137	1,230,347
Due from State and Federal Government	-	-	-	-	-
Lease Receivables	-	-	74,621	646,749	569,849
Other Receivables	250,893	207,236	363,661	501,135	306,216
TOTAL ASSETS	<u>\$ 13,857,648</u>	<u>\$ 16,601,340</u>	<u>\$ 20,509,113</u>	<u>\$ 18,462,309</u>	<u>\$ 17,537,445</u>
LIABILITIES AND FUND EQUITY					
Accounts Payable	\$ 101,619	\$ 135,570	\$ 169,454	\$ 184,900	\$ 299,253
Accrued Liabilities	281,311	853,858	416,745	918,479	527,529
Agency Liabilities	-	-	603,736	572,722	509,552
Due to Other Funds	328,087	876,477	2,391,687	385,381	1,064,069
Due to Other Governments	-	-	-	-	-
Due to Teachers' Retirement System	1,411,663	1,541,130	1,671,873	1,905,364	1,953,018
Due to Employees' Retirement System	130,342	144,537	112,601	132,007	164,331
Deferred Revenue	386,904	31,071	99,162	671,129	596,254
Other Liabilities	-	-	-	-	-
TOTAL LIABILITIES	<u>2,639,926</u>	<u>3,582,643</u>	<u>5,465,258</u>	<u>4,769,982</u>	<u>5,114,006</u>
FUND EQUITY					
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	5,638,273	7,209,968	9,310,995	9,066,744	8,096,805
Assigned	2,432,433	2,585,813	2,681,952	3,238,679	3,553,291
Unassigned	3,147,016	3,222,916	3,050,908	1,386,904	773,343
TOTAL FUND EQUITY	<u>11,217,722</u>	<u>13,018,697</u>	<u>15,043,855</u>	<u>13,692,327</u>	<u>12,423,439</u>
TOTAL LIABILITIES and FUND EQUITY	<u><u>\$ 13,857,648</u></u>	<u><u>\$ 16,601,340</u></u>	<u><u>\$ 20,509,113</u></u>	<u><u>\$ 18,462,309</u></u>	<u><u>\$ 17,537,445</u></u>

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:	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
REVENUES					
Real Property Taxes	\$ 14,668,716	\$ 15,153,349	\$ 15,589,749	\$ 15,957,006	\$ 16,612,280
Real Property Tax Items	2,961,002	2,828,540	2,840,029	2,741,955	2,719,102
Charges for Services	97,567	42,649	35,075	51,447	358,770
Use of Money & Property	191,418	195,939	149,719	74,489	325,060
Sale of Property and Compensation for Loss	31,557	37,525	39,179	46,586	20,385
Miscellaneous	633,761	844,922	1,399,876	720,552	712,457
Oneida Indian Nation Settlement	1,331	4,596	7,771	66,921	88,760
Lease Revenue					71,775
Interfund Revenues	-	-	-	8,127	-
Revenues from State Sources	25,219,595	25,170,472	24,278,566	25,327,727	26,187,830
Revenues from Federal Sources	276,658	270,016	1,078,083	289,754	361,020
Total Revenues	<u>\$ 44,081,605</u>	<u>\$ 44,548,008</u>	<u>\$ 45,418,047</u>	<u>\$ 45,284,564</u>	<u>\$ 47,457,439</u>
Other Sources:					
Interfund Transfers	50,000	50,897	50,000	1,494,615	86,000
Total Revenues and Other Sources	<u>44,131,605</u>	<u>44,598,905</u>	<u>45,468,047</u>	<u>46,779,179</u>	<u>47,543,439</u>
EXPENDITURES					
General Support	\$ 3,457,545	\$ 3,540,621	\$ 3,569,792	\$ 3,695,016	\$ 3,937,493
Instruction	22,351,211	22,320,366	22,122,041	22,255,733	24,289,882
Pupil Transportation	2,013,718	1,975,734	2,158,953	1,675,256	2,127,632
Community Services	-	-	-	-	-
Employee Benefits	11,944,583	12,120,706	12,802,261	13,166,849	13,947,967
Debt Service	4,113,363	3,544,893	2,868,288	3,808,091	4,365,054
Total Expenditures	<u>\$ 43,880,420</u>	<u>\$ 43,502,320</u>	<u>\$ 43,521,335</u>	<u>\$ 44,600,945</u>	<u>\$ 48,668,028</u>
Other Uses:					
Interfund Transfers	414,807	222,542	145,737	153,076	226,939
Total Expenditures and Other Uses	<u>44,295,227</u>	<u>43,724,862</u>	<u>43,667,072</u>	<u>44,754,021</u>	<u>48,894,967</u>
Excess (Deficit) Revenues Over Expenditures	<u>(163,622)</u>	<u>874,043</u>	<u>1,800,975</u>	<u>2,025,158</u>	<u>(1,351,528)</u>
FUND BALANCE					
Fund Balance - Beginning of Year	10,507,301	10,343,679	11,217,722	13,018,697	15,043,855
Prior Period Adjustments (net)	-	-	-	-	-
Fund Balance - End of Year	<u>\$ 10,343,679</u>	<u>\$ 11,217,722</u>	<u>\$ 13,018,697</u>	<u>\$ 15,043,855</u>	<u>\$ 13,692,327</u>

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

GENERAL FUND

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

Fiscal Years Ending June 30:

	2024			2025	2026
	Adopted <u>Budget</u>	Final <u>Budget</u>	<u>Actual</u>	Adopted <u>Budget</u>	Adopted <u>Budget</u>
REVENUES					
Real Property Taxes	\$ 17,236,051	\$ 17,236,051	\$ 17,391,185	\$ 20,038,970	\$ 20,726,862
Real Property Tax Items	2,664,214	2,664,214	2,490,878	340,000	352,120
Charges for Services	40,000	40,000	298,633	67,258	68,000
Use of Money & Property	387,000	387,000	379,513	860,788	721,194
Sale of Property and Compensation for Loss	3,500	3,500	71,686	45,000	70,000
Miscellaneous	525,000	525,000	589,601	670,584	675,000
Lease Revenue	-	-	76,900	-	-
Oneida Indian Nation Settlement	-	-	58,143	-	-
Revenues from State Sources	27,754,075	27,754,075	28,236,259	28,220,481	28,379,412
Revenues from Federal Sources	125,000	125,000	373,630	560,549	475,000
Total Revenues	<u>\$ 48,734,840</u>	<u>\$ 48,734,840</u>	<u>\$ 49,966,428</u>	<u>\$ 50,803,630</u>	<u>\$ 51,467,588</u>
Other Sources:					
Appropriated Reserve	\$ 1,250,000	\$ 1,250,000	\$ -	\$ -	\$ -
Appropriated Fund Balance	3,238,080	3,238,080	-	3,500,000	4,411,966
Interfund Transfers	50,000	50,000	50,000	-	-
Total Revenues and Other Sources	<u>53,272,920</u>	<u>53,272,920</u>	<u>50,016,428</u>	<u>54,303,630</u>	<u>55,879,554</u>
EXPENDITURES					
General Support	\$ 4,109,022	\$ 4,312,588	\$ 3,886,466	\$ 4,063,972	\$ 4,212,130
Instruction	26,187,211	26,279,801	25,489,700	27,004,297	27,082,973
Pupil Transportation	2,917,815	2,459,685	2,252,891	2,915,530	2,391,886
Community Services	-	-	-	-	-
Employee Benefits	15,436,972	14,988,856	14,420,736	16,112,143	16,775,793
Debt Service	4,466,900	5,045,376	5,050,826	4,052,688	5,261,772
Total Expenditures	<u>\$ 53,117,920</u>	<u>\$ 53,086,306</u>	<u>\$ 51,100,619</u>	<u>\$ 54,148,630</u>	<u>\$ 55,724,554</u>
Other Uses:					
Interfund Transfers	155,000	186,614	184,697	155,000	155,000
Total Expenditures and Other Uses	<u>53,272,920</u>	<u>53,272,920</u>	<u>51,285,316</u>	<u>54,303,630</u>	<u>55,879,554</u>
Excess (Deficit) Revenues Over Expenditures	<u>-</u>	<u>-</u>	<u>(1,268,888)</u>	<u>-</u>	<u>-</u>
FUND BALANCE					
Fund Balance - Beginning of Year	-	-	13,692,237	-	-
Prior Period Adjustments (net)	-	-	-	-	-
Fund Balance - End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,423,349</u>	<u>\$ -</u>	<u>\$ -</u>

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
2026	\$ 1,855,000	\$ 1,260,288	\$ 3,115,288
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	\$ 26,200,000	\$ 8,914,456	\$ 35,114,456

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

CURRENT BONDS OUTSTANDING

Fiscal Year Ending June 30th	2014 Refunding			DASNY - 2018A Construction		
	Principal	Interest	Total	Principal	Interest	Total
2026	\$ 415,000	\$ 117,288	\$ 532,288	\$ 430,000	\$ 204,750	\$ 634,750
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	\$ 3,340,000	\$ 472,206	\$ 3,812,206	\$ 4,095,000	\$ 974,250	\$ 5,069,250

Fiscal Year Ending June 30th	DASNY 2024A		
	Principal	Interest	Total
2026	1,010,000	938,250	1,948,250
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	\$ 18,765,000	\$ 7,468,000	\$ 26,233,000

2024-25 ACTUAL MONTHLY CASH FLOW
(General Fund)

CASH FLOW	2024			2025									(Estimated)	(Estimated)	12
	October	November	December	January	February	March	April	May	June	July	August	September	TOTAL		
Beginning Balance:	\$ 22,038,048	\$ 21,962,162	\$ 19,217,294	\$ 16,468,094	\$ 14,036,537	\$ 10,816,071	\$ 16,229,123	\$ 16,591,883	\$ 15,272,124	\$ 9,313,260	\$ 7,544,372	\$ 5,090,280			
Receipts:															
Property Taxes	\$ 2,479,310	\$ 100,002	\$ 22,248	\$ 348,513	\$ -	\$ 172,573	\$ 528,633	\$ -	\$ 139,091	\$ -	\$ 79,825	\$ 14,300,000	\$ 18,170,196		
PILOTs	177,517	-	-	14,184	-	89,463	-	-	-	-	-	26,000	307,164		
State/BOCES Aid	122,735	127,730	1,619,250	2,152,650	497,413	9,093,152	2,134,870	3,800,714	1,910,415	76,201	550,494	6,500,000	28,585,624		
Grant Payments	1,775,064	191,617	768,074	204,148	132,045	138,735	426,606	-	212,655	450,000	-	-	4,298,944		
Benefit Reimbursement	87,649	-	-	85,269	-	-	83,964	-	56,927	130,475	36	-	444,319		
Interfund Transfers (net)	2,400,546	2,192,357	2,846,276	3,198,368	2,145,875	2,185,521	2,206,601	2,153,115	4,230,789	502,331	-	2,100,000	26,161,779		
Interest Earnings	31,148	18,568	10,425	165,533	10,422	12,803	18,311	15,403	104,078	7,199	7,000	8,000	408,890		
All other	555,862	179,352	192,606	147,355	390,563	129,115	387,695	277,527	247,594	263,474	225,000	100,000	3,096,143		
RAN Proceeds	-	-	-	-	-	-	-	-	-	-	-	5,000,000	5,000,000		
Total Receipts	\$ 7,629,831	\$ 2,809,626	\$ 5,458,879	\$ 6,316,020	\$ 3,176,317	\$ 11,821,363	\$ 5,786,680	\$ 6,246,760	\$ 6,901,548	\$ 1,429,680	\$ 862,355	\$ 28,034,000	\$ 86,473,059		
Disbursements:															
Payroll	\$ 4,040,098	\$ 4,118,330	\$ 3,907,274	\$ 5,967,474	\$ 3,992,856	\$ 4,017,125	\$ 4,046,738	\$ 3,967,159	\$ 7,978,209	\$ 978,370	\$ 1,598,189	\$ 3,920,000	\$ 48,531,822		
Accounts Payable (warrants)	1,176,874	1,128,022	1,176,821	1,739,381	1,149,213	944,865	218,819	2,053,275	1,264,198	1,205,938	700,000	1,500,000	14,257,406		
Interfund Transfers (net)	1,502,349	308,143	1,190,560	56,984	274,943	466,549	173,739	566,327	465,464	-	-	700,000	5,705,058		
Health Insurance	986,396	-	987,268	983,738	979,772	979,772	984,624	979,758	979,772	1,014,260	1,018,258	1,055,000	10,948,618		
Debt Service	-	-	946,155	-	-	-	-	-	2,172,769	-	-	-	3,118,924		
RAN Repayment	-	-	-	-	-	-	-	-	-	-	-	-	-		
Total Disbursements	\$ 7,705,716	\$ 5,554,495	\$ 8,208,078	\$ 8,747,577	\$ 6,396,784	\$ 6,408,310	\$ 5,423,920	\$ 7,566,519	\$ 12,860,412	\$ 3,198,569	\$ 3,316,447	\$ 7,175,000	\$ 82,561,827		
Ending Balance:	\$ 21,962,162	\$ 19,217,294	\$ 16,468,094	\$ 14,036,537	\$ 10,816,071	\$ 16,229,123	\$ 16,591,883	\$ 15,272,124	\$ 9,313,260	\$ 7,544,372	\$ 5,090,280	\$ 25,949,280			

2025-26 ESTIMATED MONTHLY CASH FLOW

(General Fund)

INCLUDES RAN PROCEEDS

CASH FLOW	2025			2026										12
	October	November	December	January	February	March	April	May	June	July	August	September	MONTH TOTAL	
Beginning Balance:	\$ 25,949,280	\$ 25,519,280	\$ 20,969,280	\$ 18,924,136	\$ 16,247,136	\$ 13,307,136	\$ 19,060,136	\$ 19,128,136	\$ 18,223,136	\$ 12,207,992	\$ 9,921,992	\$ 7,819,992		
Receipts:														
Property Taxes	\$ 2,500,000	\$ 110,000	\$ 25,000	\$ 350,000	\$ -	\$ 175,000	\$ 530,000	\$ -	\$ 140,000	\$ -	\$ -	\$ 14,730,000	\$ 18,560,000	
PILOTs	192,000	-	-	-	-	90,000	-	-	-	-	-	26,000	308,000	
State Aid	125,000	125,000	1,700,000	2,200,000	300,000	9,200,000	2,200,000	3,900,000	2,000,000	-	-	6,700,000	28,450,000	
Grant Payments	300,000	200,000	200,000	200,000	300,000	200,000	200,000	200,000	300,000	-	-	-	2,100,000	
Benefit Reimbursement	88,000	-	-	88,000	-	-	88,000	-	65,000	140,000	-	-	469,000	
Interfund Transfers (net)	2,450,000	1,650,000	2,900,000	3,250,000	2,500,000	2,450,000	2,250,000	2,200,000	4,350,000	525,000	520,000	2,200,000	27,245,000	
Interest Earnings	55,000	30,000	15,000	190,000	15,000	18,000	25,000	20,000	105,000	9,000	8,000	12,000	502,000	
All other	575,000	200,000	200,000	150,000	400,000	100,000	400,000	280,000	240,000	270,000	200,000	150,000	3,165,000	
RAN Proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total Receipts	\$ 6,285,000	\$ 2,315,000	\$ 5,040,000	\$ 6,428,000	\$ 3,515,000	\$ 12,233,000	\$ 5,693,000	\$ 6,600,000	\$ 7,200,000	\$ 944,000	\$ 728,000	\$ 23,818,000	\$ 80,799,000	
Disbursements:														
Payroll	\$ 4,110,000	\$ 4,160,000	\$ 3,950,000	\$ 6,000,000	\$ 4,000,000	\$ 4,075,000	\$ 4,100,000	\$ 4,050,000	\$ 8,075,000	\$ 1,000,000	\$ 1,050,000	\$ 4,000,000	\$ 48,570,000	
Accounts Payable (warrants)	1,300,000	1,300,000	1,200,000	1,700,000	1,150,000	950,000	220,000	2,100,000	1,350,000	1,150,000	700,000	1,400,000	14,520,000	
Interfund Transfers (net)	250,000	350,000	250,000	350,000	250,000	400,000	250,000	300,000	250,000	-	-	550,000	3,200,000	
Health Insurance	1,055,000	1,055,000	1,055,000	1,055,000	1,055,000	1,055,000	1,055,000	1,055,000	1,055,000	1,080,000	1,080,000	1,080,000	12,735,000	
Debt Service	-	-	630,144	-	-	-	-	-	2,485,144	-	-	-	3,115,288	
RAN Repayment	-	-	-	-	-	-	-	-	-	-	-	5,000,000	5,000,000	
Total Disbursements	\$ 6,715,000	\$ 6,865,000	\$ 7,085,144	\$ 9,105,000	\$ 6,455,000	\$ 6,480,000	\$ 5,625,000	\$ 7,505,000	\$ 13,215,144	\$ 3,230,000	\$ 2,830,000	\$ 12,030,000	\$ 87,140,288	
Ending Balance:	\$ 25,519,280	\$ 20,969,280	\$ 18,924,136	\$ 16,247,136	\$ 13,307,136	\$ 19,060,136	\$ 19,128,136	\$ 18,223,136	\$ 12,207,992	\$ 9,921,992	\$ 7,819,992	\$ 19,607,992		
Surplus or (Deficit):	\$ (430,000)	\$ (4,550,000)	\$ (2,045,144)	\$ (2,677,000)	\$ (2,940,000)	\$ 5,753,000	\$ 68,000	\$ (905,000)	\$ (6,015,144)	\$ (2,286,000)	\$ (2,102,000)	\$ 11,788,000		

Note: The District expects its largest deficit to occur in June 2026 in the amount of \$6,015,144

MATERIAL EVENT NOTICES

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

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

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

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

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

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

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

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

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

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

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

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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, 2024

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

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



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, 2024

CITY SCHOOL DISTRICT OF THE CITY OF ONEIDA, NEW YORK
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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, 2024, 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, 2024, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of 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.

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 October 18, 2024, 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

October 18, 2024

Rome, New York

CITY SCHOOL DISTRICT OF THE CITY OF ONEIDA, NEW YORK
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2024

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, 2024 and 2023. 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.

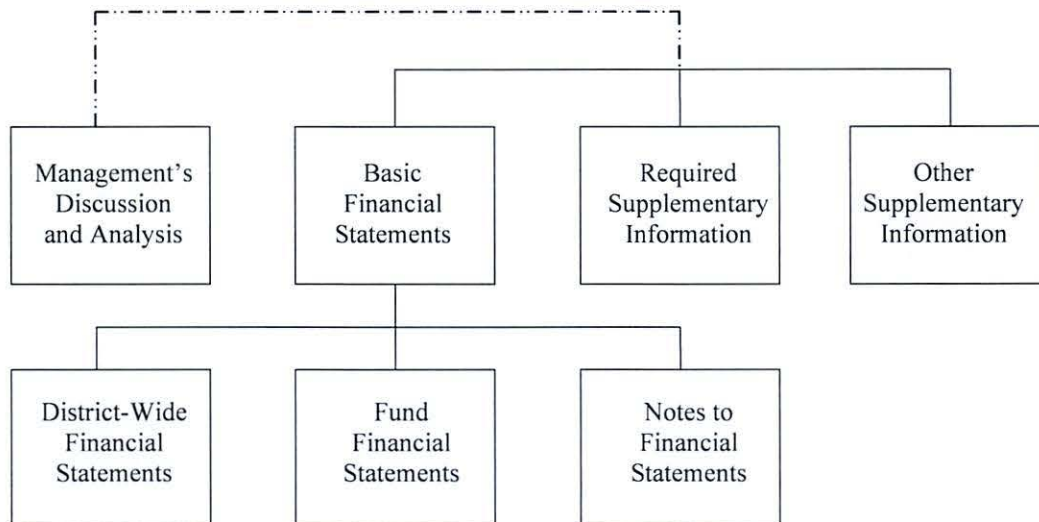
1. FINANCIAL HIGHLIGHTS

Key financial highlights for the fiscal year ended June 30, 2024, are as follows:

- The District's total Net Position, as reflected in the District-wide financial statements, decreased by \$6,932,514.
- The current total net position is a deficit in the amount of \$70,590,920. The deficit is primarily the result of the requirement to accrue other postemployment benefits, which required the recognition of an unfunded liability of \$108,235,643 at June 30, 2024. 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 \$63,219,080. This amount was offset with \$327,424 for program charges for services and \$6,146,836 for operating grants to support instructional and food service programs. General revenues of \$49,812,306 amount to 88.5% of total revenues.
- State and federal revenue increased by 7.8% to \$28,609,889 in 2024 from \$26,548,850 in 2023. This increase was primarily due to an increase of \$1,680,988 in Foundation State Aid.
- The total fund balance, as reflected in the fund financial statements on pages 15 and 17, increased by \$16,144,456 to \$14,698,107. This was mainly due to an increase of \$17,298,744 in the Capital Fund resulting from the issuance of a serial bond.
- The General Fund's unassigned fund balance is 1.42% 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:



CITY SCHOOL DISTRICT OF THE CITY OF ONEIDA, NEW YORK
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2024

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.

CITY SCHOOL DISTRICT OF THE CITY OF ONEIDA, NEW YORK
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2024

3. FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

A. Net Position

The District's total Net Position decreased by \$6,932,514 between fiscal year 2023 and 2024. A summary of the District's Statement of Net Position for June 30, 2024 and 2023 is as follows:

	2024	2023	Increase (Decrease)	Percentage Change
Current and Other Assets	\$ 19,257,740	\$ 41,887,851	\$ (22,630,111)	(54.0%)
Capital and Right to Use Assets, Net	63,170,704	60,923,473	2,247,231	3.7%
Total Assets	<u>82,428,444</u>	<u>102,811,324</u>	<u>(20,382,880)</u>	(19.8%)
Deferred Outflows of Resources	<u>14,008,653</u>	<u>22,016,526</u>	<u>(8,007,873)</u>	(36.4%)
Current Liabilities	4,029,708	42,717,239	(38,687,531)	(90.6%)
Net Pension Liability - Proportionate Share	3,070,387	4,448,916	(1,378,529)	(31.0%)
Non-Current Liabilities	<u>142,679,787</u>	<u>129,091,934</u>	<u>13,587,853</u>	10.5%
Total Liabilities	<u>149,779,882</u>	<u>176,258,089</u>	<u>(26,478,207)</u>	(15.0%)
Deferred Inflows of Resources	<u>17,248,135</u>	<u>12,228,167</u>	<u>5,019,968</u>	41.1%
Net Investment in Capital Assets	30,048,551	31,195,101	(1,146,550)	(3.7%)
Restricted	10,250,776	9,886,170	364,606	3.7%
Unrestricted (Deficit)	<u>(110,890,247)</u>	<u>(104,739,677)</u>	<u>(6,150,570)</u>	(5.9%)
Total Net (Deficit)	<u>\$ (70,590,920)</u>	<u>\$ (63,658,406)</u>	<u>\$ (6,932,514)</u>	(10.9%)

Current and other assets decreased by \$22,630,111, as compared to the prior year. This decrease is primarily due to a decrease in the District's cash balances. The decrease was due to an overlapping bond anticipation note at June 30, 2023 for \$16,500,000 that was repaid in July of 2023 with proceeds of a \$21,533,000 BAN issued in June of 2023.

Capital and right to use leased assets, net of accumulated depreciation and amortization, increased by \$2,247,231, as compared to the prior year. This increase is due to additions to capital and right to use leased assets exceeding depreciation and amortization expense. The main additions were the result of \$3,952,723 spent for capital projects and \$1,487,157 for new leases for buses and vehicles.

Deferred Outflows of Resources decreased by \$8,007,873, 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. In the current year, both retirement systems have a net liability. The net change in the proportionate share of net assets and/or liabilities resulted in a decrease in financial position of \$1,378,529.

Current liabilities decreased by \$38,687,531, as compared to the prior year. This decrease is primarily a result of a decrease of \$38,033,000 in bond anticipation notes paid in the current year.

Non-current liabilities increased by \$13,587,853 as compared to the prior year. This increase is primarily the result of an increase in Serial Bonds debt of \$17,085,000, due to the issuance of serial bonds, and a decrease in Other Postemployment Liabilities of \$5,896,810.

Deferred Inflows of Resources increased by \$5,019,968, 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.

CITY SCHOOL DISTRICT OF THE CITY OF ONEIDA, NEW YORK
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2024

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, 2024, is a deficit of \$110,890,247, 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 \$108,235,643 liability for other postemployment benefits.

The restricted Net Position at June 30, 2024 is \$10,250,776 which represents the amount of the District's restricted funds in the General, Miscellaneous Special Revenue, and Debt Service 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, 2024 and 2023 is as follows:

	2024	2023	Increase (Decrease)	Percentage Change
Revenues				
Program Revenues				
Charges for Services	\$ 327,424	\$ 465,231	\$ (137,807)	(29.6%)
Operating Grants	6,146,836	4,519,647	1,627,189	36.0%
Capital Grants and Contributions		236,172	(236,172)	(100.0%)
General Revenues				
Property Taxes and STAR	19,884,088	19,331,221	552,867	2.9%
State and Federal Sources	28,609,889	26,548,850	2,061,039	7.8%
Oneida Indian Nation Settlement	58,143	88,760	(30,617)	(34.5%)
Other	1,260,186	1,407,526	(147,340)	(10.5%)
Total Revenues	<u>56,286,566</u>	<u>52,597,407</u>	<u>3,689,159</u>	7.0%
Expenses				
General Support	5,398,076	4,380,955	1,017,121	23.2%
Instruction	50,337,948	49,441,686	896,262	1.8%
Pupil Transportation	4,731,701	4,593,676	138,025	3.0%
Food Service Program	1,294,713	971,725	322,988	33.2%
Debt Service-Unallocated Interest	1,456,642	1,132,940	323,702	28.6%
Total Expenses	<u>63,219,080</u>	<u>60,520,982</u>	<u>2,698,098</u>	4.5%
Total Change in Net Position	<u>\$ (6,932,514)</u>	<u>\$ (7,923,575)</u>	<u>\$ 991,061</u>	12.5%

The District's revenues increased by \$3,689,159 in 2024 or 7.0%. The major factors that contributed to the increase were:

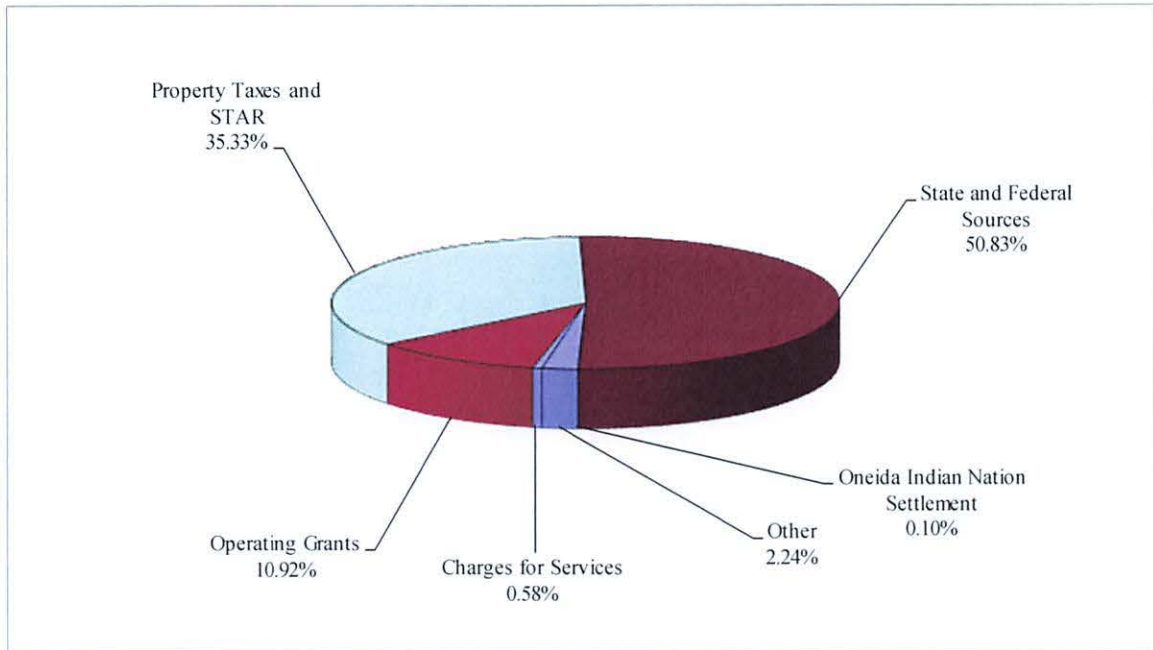
- The District received \$1,627,189 more in operating grants mainly due to an increase of \$887,951 in federal grants from the American Rescue Plan Act of 2021 and an increase of \$505,161 in school breakfast and lunch grants.
- The District's Property Taxes and STAR revenue increased by \$552,867 due to an increase in property taxes of 3.1%.
- The District's State and Federal Sources increase was primarily due to an increase of \$1,680,988 in Foundation State aid.

The District's expenses for the year increased by \$2,698,098 or 4.5% mainly due to an increase in pension expense of \$738,291 with the remaining increase coming from salaries and other benefits.

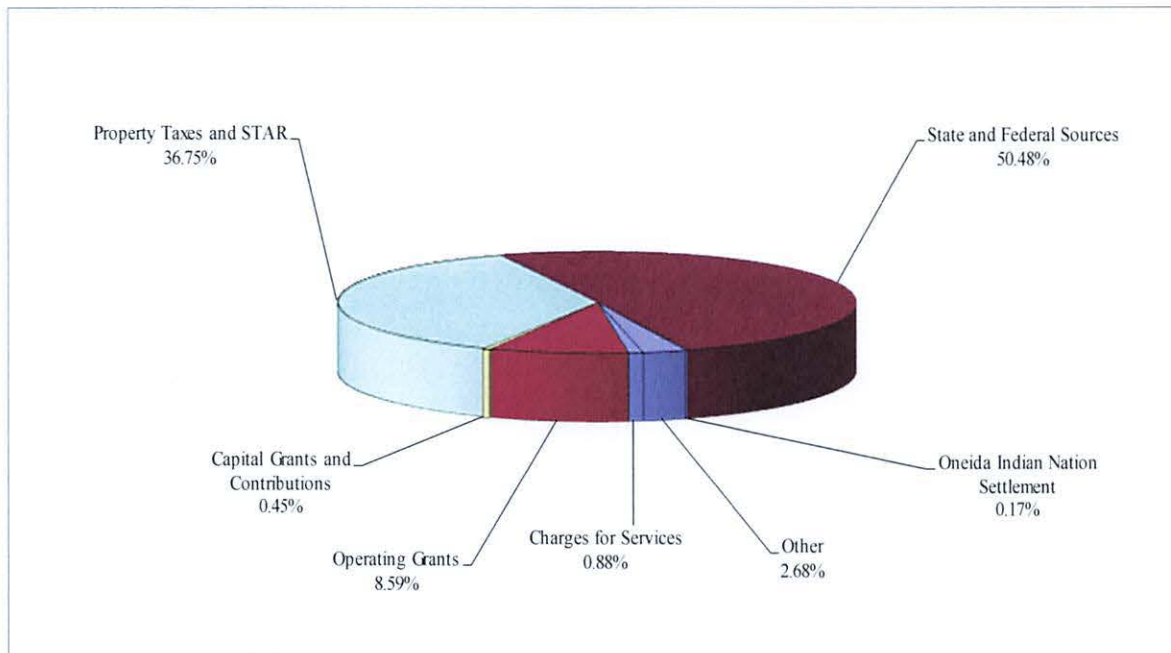
CITY SCHOOL DISTRICT OF THE CITY OF ONEIDA, NEW YORK
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2024

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

For the Year Ended June 30, 2024



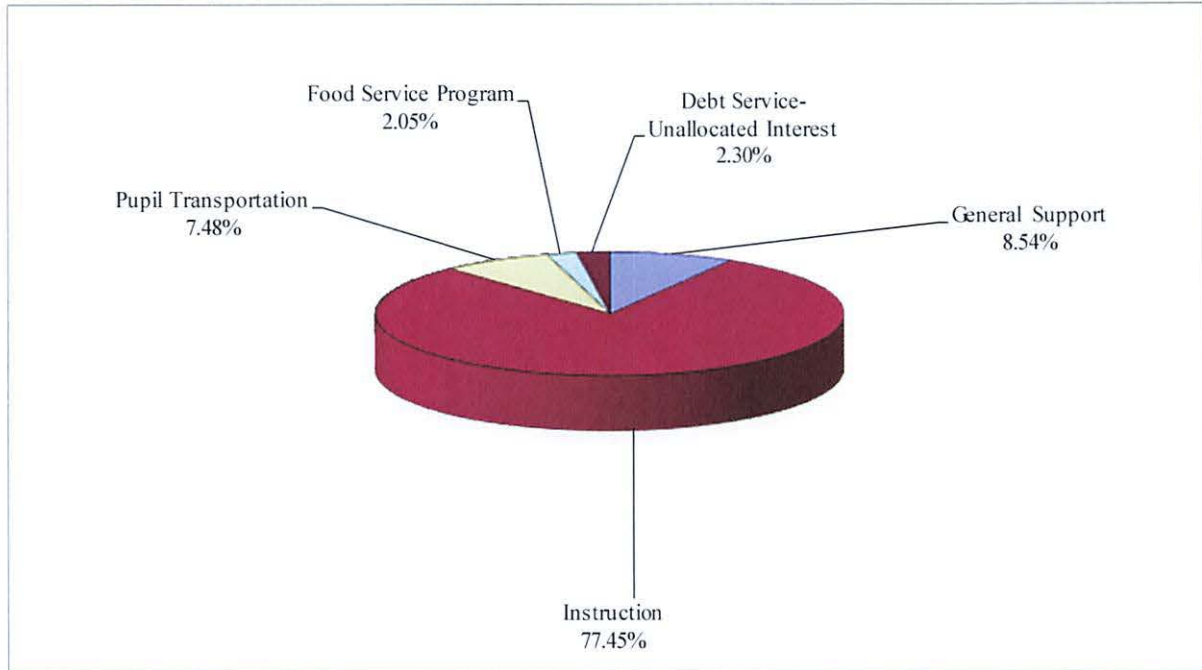
For the Year Ended June 30, 2023



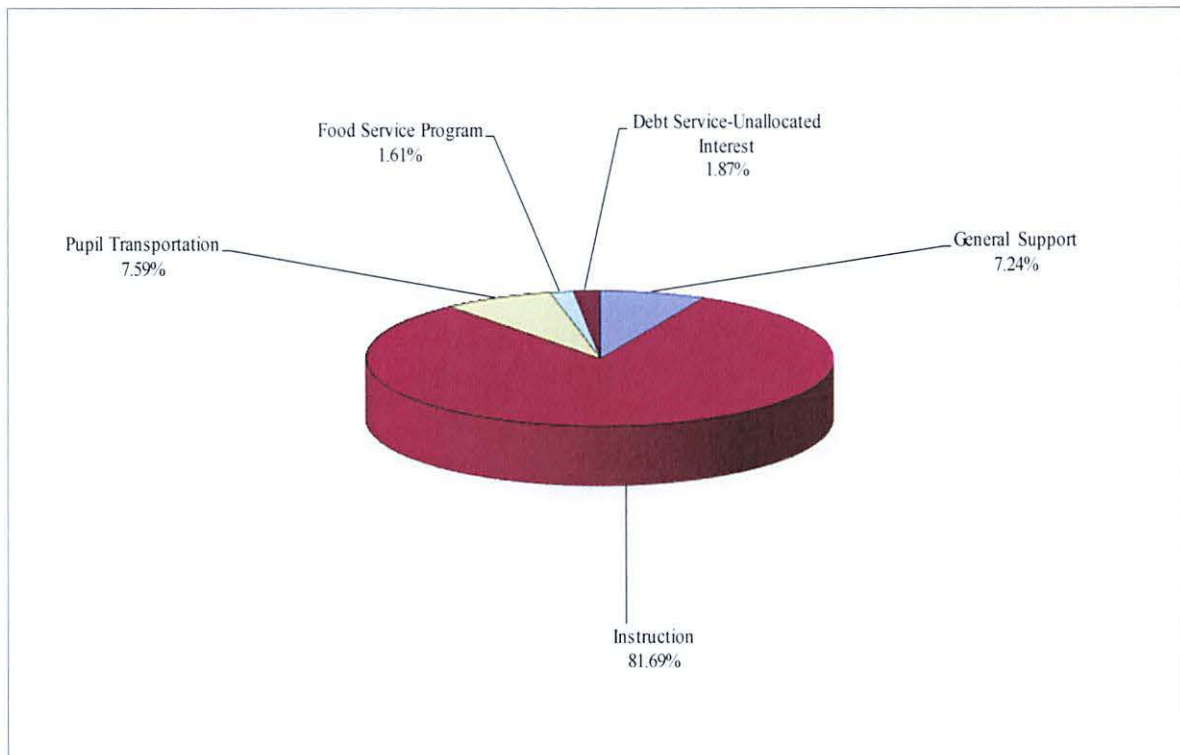
CITY SCHOOL DISTRICT OF THE CITY OF ONEIDA, NEW YORK
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2024

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

For the Year Ended June 30, 2024



For the Year Ended June 30, 2023



CITY SCHOOL DISTRICT OF THE CITY OF ONEIDA, NEW YORK
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2024

4. FINANCIAL ANALYSIS OF THE DISTRICT'S FUND BALANCES

At June 30, 2024, the District's governmental funds reported a combined fund balance of \$14,698,107 which is an increase of \$16,144,456 over the prior year. This increase is primarily due to a surplus of revenues over expenditures for the year in the Capital Fund as a result of using short term financing in the prior year and permanent financing in the current year. The summary of the change in fund balance by fund is as follows:

General Fund	2024	2023	Increase (Decrease)
Mandatory Debt Service	\$ 3,968	\$ 3,849	\$ 119
Workers' Compensation	9,265	251,497	(242,232)
Unemployment Insurance	501,294	486,274	15,020
Employee Benefit Accrued Liability	994,330	1,110,043	(115,713)
Retirement Contribution - ERS	1,673,227	2,108,110	(434,883)
Retirement Contribution - TRS	13,247	352,363	(339,116)
Property Loss	962,542	933,701	28,841
Liability	1,001,895	971,875	30,020
Capital	1,059,907	1,028,149	31,758
Repairs	844,217	818,920	25,297
Insurance	933,488	905,518	27,970
Tax Certiorari	99,425	96,445	2,980
Total Restricted	<u>8,096,805</u>	<u>9,066,744</u>	<u>(969,939)</u>
Assigned			
Appropriated for Subsequent Year's Budget	3,500,000	3,212,106	287,894
General Support	42,842	3,715	39,127
Instruction	10,449	22,858	(12,409)
Total Assigned	<u>3,553,291</u>	<u>3,238,679</u>	<u>314,612</u>
Unassigned			
Unassigned	<u>773,343</u>	<u>1,386,904</u>	<u>(613,561)</u>
Total General Fund	<u>12,423,439</u>	<u>13,692,327</u>	<u>(1,268,888)</u>
School Lunch Fund			
Nonspendable	66,167	73,593	(7,426)
Assigned	<u>336,063</u>	<u>203,544</u>	<u>132,519</u>
Total School Lunch Fund	<u>402,230</u>	<u>277,137</u>	<u>125,093</u>
Miscellaneous Special Revenue Fund			
Restricted	<u>61,211</u>	<u>61,769</u>	<u>(558)</u>
Debt Service Fund			
Restricted	<u>747,722</u>	<u>757,657</u>	<u>(9,935)</u>
Capital Fund			
Restricted	1,345,038		1,345,038
Unassigned (Deficit)	<u>(281,533)</u>	<u>(16,235,239)</u>	<u>15,953,706</u>
Total Fund Balance (Deficit)	<u>\$ 14,698,107</u>	<u>\$ (1,446,349)</u>	<u>\$ 16,144,456</u>

CITY SCHOOL DISTRICT OF THE CITY OF ONEIDA, NEW YORK
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2024

5. GENERAL FUND BUDGETARY HIGHLIGHTS

A. 2023-2024 Budget

The District's General Fund original budget for the year ended June 30, 2024, was \$53,272,920. This is an increase of \$3,757,983 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 \$19,900,265 in estimated property taxes and STAR and \$27,754,075 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	\$ 1,386,904
Revenues over Budget and Appropriated Fund Balance and Reserve	(3,256,492)
Increase in Appropriated Fund Balance	(287,894)
Expenditures and Encumbrances under Budget	1,934,313
Encumbrances at June 30, 2023	26,573
Net Decrease to Restricted Funds	<u>969,939</u>
Closing, Unassigned Fund Balance	<u>\$ 773,343</u>

Opening, Unassigned Fund Balance

The \$1,386,904 shown in the table is the portion of the District's June 30, 2023, fund balance that was retained as unassigned. This was 2.6% of the District's 2023-2024 voter and Board approved operating budget.

Revenues Over Budget and Appropriated Fund Balance and Reserve

The 2023-2024 final budget for revenues and appropriated fund balance and appropriate reserve was \$53,272,920. The actual revenues received for the year were \$50,016,428. The actual revenue was over budget by \$1,231,588, while appropriated reserves and appropriated fund balance were under budget by \$1,250,000 and \$3,238,080, respectively, resulting in a net decrease of \$3,256,492. This variance contributes directly to the change to the unassigned portion of the General Fund balance from June 30, 2023 to June 30, 2024.

Increase in Appropriated Fund Balance

The District has chosen to use \$3,500,000 of its available June 30, 2024, fund balance to partially fund its 2024-2025 approved operating budget. This appropriation is \$287,894 more than the appropriated fund balance of \$3,212,106 in the 2023-2024 budget.

Expenditures and Encumbrances Under Budget

The 2023-2024 final budget for expenditures was \$53,272,920. The actual expenditures and encumbrances were \$51,338,607. The final budget was under expended and encumbered by \$1,934,313. This under expenditure contributes to the change to the unassigned portion of the General Fund balance from June 30, 2023 to June 30, 2024.

Net Decrease to Restricted Funds

Combined decrease of \$969,939 to the General Fund restricted fund balances during the year ended June 30, 2024 is primarily due to a decrease of \$434,883 in the Retirement Contribution- Employee Retirement System Reserve and a decrease of \$339,116 in the Retirement Contribution- Teacher Retirement System Reserve.

CITY SCHOOL DISTRICT OF THE CITY OF ONEIDA, NEW YORK
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2024

Closing, Unassigned Fund Balance

Based upon the summary changes shown in the above table, the District will begin the 2024-2025 fiscal year with an unassigned fund balance of \$773,343. This is a decrease of \$613,561 over the unassigned balance from the prior year as of June 30, 2024. This was 1.50% of the District's 2024-2025 voter and Board approved operating budget.

6. CAPITAL ASSET AND DEBT ADMINISTRATION

A. Capital Assets

At June 30, 2024, 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, 2024. A summary of the District's capital and right to use leased assets, net of depreciation and amortization at June 30, 2024 and 2023, is as follows:

	2024	2023	Increase (Decrease)
Land	\$ 3,787,300	\$ 3,787,300	\$
Construction in Progress	3,952,723	16,834,768	(12,882,045)
Buildings and Improvements	51,398,308	36,685,092	14,713,216
Furniture, Equipment and Vehicles	945,482	1,049,394	(103,912)
Right to Use Leased Assets	3,086,891	2,566,919	519,972
Capital and Right to Use Leased Assets, Net	<u>\$ 63,170,704</u>	<u>\$ 60,923,473</u>	<u>\$ 2,247,231</u>

B. Debt Administration

At June 30, 2024, the District had total long term debt payable of \$28,535,000. At June 30, 2024, the School District exhausted 60.7% of its Statutory Debt Limit. A summary of the outstanding debt at June 30, 2024 and 2023 is as follows:

Issue Date	Interest Rate %	2024	2023	Increase (Decrease)
Serial Bonds				
12/15/11	3.00-5.00	\$ 60,000	\$ 175,000	\$ (115,000)
08/19/14	2.00-5.00	3,740,000	4,115,000	(375,000)
11/09/17	2.00-5.00	770,000	2,265,000	(1,495,000)
06/07/18	5.00	4,505,000	4,895,000	(390,000)
06/18/24	5.00	19,460,000		19,460,000
Total Serial Bonds		<u>\$ 28,535,000</u>	<u>\$ 11,450,000</u>	<u>\$ 17,085,000</u>

7. ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

On May 21, 2024 the voters of the District approved a budget of \$54,303,630 for the 2024-2025 school year, and approved a separate proposition for the leasing of 3 school busses for an annual cost not to exceed \$97,000 for no more than 5 years.

The 2024-2025 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 reduced the use of fund balance and reserves from \$4,488,080 in 2023-2024 to \$3,500,000 in 2024-2025. The tax levy increase of 2.33% 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 Administrators Association expires June 30, 2025.

CITY SCHOOL DISTRICT OF THE CITY OF ONEIDA, NEW YORK
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2024

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, 2024

Assets	
Cash and Cash Equivalents	\$ 4,090,017
Restricted Cash and Cash Equivalents	4,192,045
Investments	5,267,039
Receivables	
Tax Receivables	391,667
Other Governments	4,354,172
Other Receivables	326,784
Lease Receivables	569,849
Inventory	66,167
Right To Use Leased Assets, Net	3,086,891
Capital Assets, Net	<u>60,083,813</u>
Total Assets	<u>82,428,444</u>
Deferred Outflows of Resources	
Pensions	8,944,346
OPEB	4,898,031
Deferred Charge from Refunding of Debt, Net	<u>166,276</u>
Total Deferred Outflows of Resources	<u>14,008,653</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 96,437,097</u>
Liabilities	
Accounts Payable	\$ 641,936
Accrued Liabilities	550,126
Agency Liabilities	509,552
Accrued Interest Payable	66,329
Due To	
Other Governments	1,881
Teachers' Retirement System	1,953,018
Employees' Retirement System	164,331
Unearned Revenue	142,535
Net Pension Liability-Proportionate Share	3,070,387
Noncurrent Liabilities	
Due Within One Year	3,372,042
Due in More Than One Year	<u>139,307,745</u>
Total Liabilities	<u>149,779,882</u>
Deferred Inflows of Resources	
Leases	569,849
Pensions	1,715,934
OPEB	<u>14,962,352</u>
Total Deferred Inflows of Resources	<u>17,248,135</u>
Total Liabilities and Deferred Inflows of Resources	<u>167,028,017</u>
Net Position	
Net Investment in Capital Assets	30,048,551
Restricted	10,250,776
Unrestricted (Deficit)	<u>(110,890,247)</u>
Total Net Position (Deficit)	<u>(70,590,920)</u>
Total Liabilities, Deferred Inflows of Resources and Net Position (Deficit)	<u>\$ 96,437,097</u>

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, 2024

Functions/Programs	Expenses	Program Revenues		Net (Expense)
		Charges for Services	Operating Grants and Contributions	Revenue and Changes in Net Position
General Support	\$ 5,398,076	\$	\$	\$ (5,398,076)
Instruction	50,337,948	298,633	4,986,272	(45,053,043)
Pupil Transportation	4,731,701			(4,731,701)
Food Service Program	1,294,713	28,791	1,160,564	(105,358)
Debt Service-Unallocated Interest	<u>1,456,642</u>			<u>(1,456,642)</u>
Total Functions/Programs	<u>\$ 63,219,080</u>	<u>\$ 327,424</u>	<u>\$ 6,146,836</u>	<u>(56,744,820)</u>
General Revenues				
Real Property Taxes				17,393,210
STAR and Other Real Property Tax Items				2,490,878
Use of Money and Property				419,899
Oneida Indian Nation Settlement				58,143
Sale of Property and Compensation for Loss				71,686
State and Federal Sources				28,609,889
Lease Revenue				76,900
Miscellaneous				<u>691,701</u>
Total General Revenues				<u>49,812,306</u>
Change in Net Position				(6,932,514)
Net Position (Deficit), Beginning of Year				<u>(63,658,406)</u>
Net Position (Deficit), End of Year				<u>\$ (70,590,920)</u>

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, 2024

	General	School Lunch	Special Aid	Miscellaneous Special Revenue	Debt Service	Capital	Total
Assets							
Cash and Cash Equivalents	\$ 3,623,609	\$ 334,368	\$ 132,040	\$	\$	\$	\$ 4,090,017
Restricted Cash and Cash Equivalents	2,829,766			107,556	671,291	583,432	4,192,045
Restricted Investments	5,267,039						5,267,039
Receivables							
Tax Receivables	391,667						391,667
Other Governments	3,318,952	71,778	963,442				4,354,172
Due from Other Funds	1,230,347	24,995	106,074	1,015	262,431	776,080	2,400,942
Lease Receivable	569,849						569,849
Other Receivables	306,216	721	293			19,554	326,784
Inventory		66,167					66,167
Total Assets	<u>\$ 17,537,445</u>	<u>\$ 498,029</u>	<u>\$ 1,201,849</u>	<u>\$ 108,571</u>	<u>\$ 933,722</u>	<u>\$ 1,379,066</u>	<u>\$ 21,658,682</u>
Liabilities							
Payables							
Accounts Payable	\$ 299,253	\$	\$ 153,347	\$	\$	\$ 189,336	\$ 641,936
Accrued Liabilities	527,529	9,497	13,100				550,126
Agency Liabilities	509,552						509,552
Due To							
Other Governments		355	1,526				1,881
Other Funds	1,064,069	85,947	891,341	47,360	186,000	126,225	2,400,942
Teachers' Retirement System	1,953,018						1,953,018
Employees' Retirement System	164,331						164,331
Unearned Revenue			142,535				142,535
Total Liabilities	<u>4,517,752</u>	<u>95,799</u>	<u>1,201,849</u>	<u>47,360</u>	<u>186,000</u>	<u>315,561</u>	<u>6,364,321</u>
Deferred Inflows of Resources							
Deferred Inflow of Resources - Leases	569,849						569,849
Unavailable - Real Property Taxes	26,405						26,405
Total Deferred Inflows of Resources	<u>596,254</u>						<u>596,254</u>
Fund Balance							
Nonspendable		66,167					66,167
Restricted	8,096,805			61,211	747,722	1,345,038	10,250,776
Assigned	3,553,291	336,063					3,889,354
Unassigned (Deficit)	773,343					(281,533)	491,810
Total Fund Balance (Deficit)	<u>12,423,439</u>	<u>402,230</u>		<u>61,211</u>	<u>747,722</u>	<u>1,063,505</u>	<u>14,698,107</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	<u>\$ 17,537,445</u>	<u>\$ 498,029</u>	<u>\$ 1,201,849</u>	<u>\$ 108,571</u>	<u>\$ 933,722</u>	<u>\$ 1,379,066</u>	<u>\$ 21,658,682</u>

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, 2024

Total Governmental Fund Balances (Deficits)	\$ 14,698,107
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	<u>26,405</u>
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	5,628,930
Accumulated Amortization	(2,542,039)
Original Cost of Capital Assets	120,639,499
Accumulated Depreciation	<u>(60,555,686)</u>
	<u>63,170,704</u>
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	4,898,031
Deferred Outflows - Pensions	8,944,346
Deferred Charge on Advance Refunding	<u>166,276</u>
	<u>14,008,653</u>
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	(1,715,934)
Deferred Inflows - OPEB	<u>(14,962,352)</u>
	<u>(16,678,286)</u>
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 Liability - Proportionate Share	<u>(3,070,387)</u>
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	(28,535,000)
Unamortized Premium	(3,069,414)
Accrued Interest on Bonds Payable	(66,329)
Lease Liability	(2,267,447)
Other Post Employment Liabilities	(108,235,643)
Compensated Absences Payable	<u>(572,283)</u>
	<u>(142,746,116)</u>
Total Net Position (Deficit)	\$ <u>(70,590,920)</u>

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, 2024

	General	School Lunch	Special Aid	Miscellaneous Special Revenue	Debt Service	Capital	Total
Revenues							
Real Property Taxes	\$ 17,391,185	\$	\$	\$	\$	\$	\$ 17,391,185
STAR and Other Real Property Tax Items	2,490,878						2,490,878
Charges for Services	298,633						298,633
Use of Money and Property	379,513	321			40,065		419,899
Lease Revenue	76,900						76,900
Sale of Property and Compensation for Loss	71,686						71,686
Miscellaneous	589,601	63,720	18,028	20,352			691,701
Oneida Indian Nation Settlement	58,143						58,143
State Aid	28,236,259	258,197	1,110,689				29,605,145
Federal Aid	373,630	902,367	3,875,583				5,151,580
School Lunch Sales		28,791					28,791
Total Revenues	49,966,428	1,253,396	5,004,300	20,352	40,065		56,284,541
Expenditures							
General Support	3,886,466			20,910		3,699,069	7,606,445
Instruction	25,489,700		4,209,631			633,270	30,332,601
Pupil Transportation	2,252,891		56,225			1,253,857	3,562,973
Food Service Program		1,006,720					1,006,720
Employee Benefits	14,420,736	121,583	825,058				15,367,377
Debt Service - Principal	3,521,159						3,521,159
Debt Service - Interest	1,529,667						1,529,667
Total Expenditures	51,100,619	1,128,303	5,090,914	20,910		5,586,196	62,926,942
Excess (Deficit) Revenues Over Expenditures	(1,134,191)	125,093	(86,614)	(558)	40,065	(5,586,196)	(6,642,401)
Other Financing Sources (Uses)							
Proceeds of Long Term Debt						19,460,000	19,460,000
Proceeds from Leases						1,253,857	1,253,857
Premium on Obligations					2,158,121		2,158,121
Bond Anticipation Notes Redeemed from Appropriations						213,000	213,000
Bond Issuance Costs					(298,121)		(298,121)
Transfers from Other Funds	50,000		86,614			1,958,083	2,094,697
Transfers to Other Funds	(184,697)				(1,910,000)		(2,094,697)
Total Other Financing Sources (Uses)	(134,697)		86,614		(50,000)	22,884,940	22,786,857
Excess (Deficit) Revenues Over Expenditures and Other Financing Sources (Uses)	(1,268,888)	125,093		(558)	(9,935)	17,298,744	16,144,456
Fund Balance (Deficit), Beginning of Year	13,692,327	277,137		61,769	757,657	(16,235,239)	(1,446,349)
Fund Balance, End of Year	\$ 12,423,439	\$ 402,230	\$	\$ 61,211	\$ 747,722	\$ 1,063,505	\$ 14,698,107

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, 2024

Net Changes in Fund Balance - Total Governmental Funds	\$ 16,144,456
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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	(967,185)	
Cost of Right To Use Assets	1,487,157	
Depreciation Expense	(2,521,687)	
Capital Outlays	<u>4,248,945</u>	2,247,230

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	(1,253,857)	
Repayment of Lease Principal	933,159	
Issuance of Serial Bond	(19,460,000)	
Premium on Bond Issuance	(2,158,121)	
Repayment of Bond Principal	<u>2,375,000</u>	(19,563,819)

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	2,025
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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	(12,161)	
Amortization of Deferred Premium	105,971	
Amortization of Deferred Charge on Advance Refunding	(20,785)	
Change in Other Post Employment Liabilities	(4,197,572)	
Change in Compensated Absences	(26,815)	
Change in Pension Expense	<u>(1,611,044)</u>	<u>(5,762,406)</u>

Change in Net Position Governmental Activities	\$ <u>(6,932,514)</u>
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CITY SCHOOL DISTRICT OF THE CITY OF ONEIDA, NEW YORK
STATEMENT OF FIDUCIARY NET POSITION
June 30, 2024

	Custodial Fund
	<u> </u>
Assets	
Cash and Cash Equivalents - Restricted	\$ <u> 100,322</u>
Net Position	
Restricted for Extraclassroom Activities	\$ <u> 100,322</u>

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, 2024

	Custodial Fund
Additions	
Charges for Services, Sale of Property, and Miscellaneous	\$ 187,426
Deductions	
Club Expenses	<u>187,661</u>
Change in Net Position	(235)
Net Position, Beginning of Year	<u>100,557</u>
Net Position, End of Year	<u><u>\$ 100,322</u></u>

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

CITY SCHOOL DISTRICT OF THE CITY OF ONEIDA, NEW YORK
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2024

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.

CITY SCHOOL DISTRICT OF THE CITY OF ONEIDA, NEW YORK
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2024

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.

CITY SCHOOL DISTRICT OF THE CITY OF ONEIDA, NEW YORK
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2024

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.

CITY SCHOOL DISTRICT OF THE CITY OF ONEIDA, NEW YORK
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2024

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 16 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:

	<u>Lives</u>	<u>Depreciation Method</u>
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 inventorable 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.

CITY SCHOOL DISTRICT OF THE CITY OF ONEIDA, NEW YORK
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2024

Accrued Liabilities and Long-Term Obligations

Payables, accrued liabilities and long-term obligations are reported in the District-wide financial statements. In the governmental funds, payables and accrued liabilities are paid in a timely manner and in full from current financial resources. Claims and judgments, 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 service position. Some earned benefits may be forfeited if not taken within varying time periods.

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

Consistent with GASB, an accrual for accumulated sick leave is included in the compensated absences liability at year end. The compensated absences liability is calculated based on the pay rates in effect at year end.

In the Funds statements, only the amount of matured liabilities is accrued within the General Fund based upon expendable and available financial resources.

Retirement Plans

School District employees participate in the New York State Employees' Retirement System and the New York State Teachers' Retirement System. (See Note 10.)

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 11).

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

CITY SCHOOL DISTRICT OF THE CITY OF ONEIDA, NEW YORK
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2024

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.

CITY SCHOOL DISTRICT OF THE CITY OF ONEIDA, NEW YORK
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2024

- ***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.

CITY SCHOOL DISTRICT OF THE CITY OF ONEIDA, NEW YORK
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2024

- ***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, 2024.
- ***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.

Future Changes in Accounting Standards

- GASB Statement No. 101, *Compensated Absences*, effective for the year ending June 30, 2025.
- GASB Statement No. 102, *Certain Risk Disclosures*, effective for the year ending June 30, 2025.
- GASB Statement No. 103, *Financial Reporting Model Improvements*, effective for the year ending June 30, 2026.

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

CITY SCHOOL DISTRICT OF THE CITY OF ONEIDA, NEW YORK
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2024

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, 2024, the School District's unassigned fund balance was 1.42% of the 2024-2025 budget.

CITY SCHOOL DISTRICT OF THE CITY OF ONEIDA, NEW YORK
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2024

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	\$ 53,246,946
Add: Prior Year's Encumbrances	<u>25,974</u>
Original Budget	<u>53,272,920</u>
Final Budget	<u><u>\$ 53,272,920</u></u>

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 2023-2024 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, 2024, the School District's bank balances of \$9,642,384 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.

CITY SCHOOL DISTRICT OF THE CITY OF ONEIDA, NEW YORK
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2024

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	\$ 9,265
Unemployment Insurance	501,294
Retirement Contribution - ERS	1,673,227
Retirement Contribution - TRS	13,247
Employee Benefit Accrued Liability	994,330
Liability	1,001,895
Property Loss	962,542
Tax Certiorari	99,425
Capital Reserve	1,059,907
Repair Reserve	844,217
Reserve for Mandatory Debt Service	3,968
Insurance Reserve	933,488
Total	<u>\$ 8,096,805</u>
 Restricted Cash and Cash Equivalents	 \$ 2,829,766
Restricted Investments	<u>5,267,039</u>
Total General Fund Restricted Assets	<u>\$ 8,096,805</u>

Restricted Cash and Cash Equivalents of \$100,322 in the Fiduciary Custodial Fund represent funds for the School District's Extraclassroom funds.

Restricted Cash and Cash Equivalents of \$107,556 in the Miscellaneous Special Revenue Fund represents gifted funds held by the District for scholarships and awards.

Restricted Cash and Cash Equivalents of \$671,291 in the Debt Service Fund represents money held for the payment of future debt service. Also, a net amount due from other funds of \$262,431 is restricted for the payment of future debt service.

Restricted Cash and Cash Equivalents of \$583,432 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, 2024:

Description	Quantity	Maturity	Cost	Fair Value
U.S. Treasury Bill	5,353,000	\$5,353,000	<u>\$ 5,263,996</u>	<u>\$ 5,267,039</u>
 General Fund - Restricted Investments				 <u>\$ 5,267,039</u>

CITY SCHOOL DISTRICT OF THE CITY OF ONEIDA, NEW YORK
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2024

6. PARTICIPATION IN BOCES

During the year, the School District was billed \$7,480,153 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, 2024, is as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Capital Assets Not Being Depreciated				
Land	\$ 3,787,300	\$	\$	\$ 3,787,300
Construction in Progress	<u>16,834,768</u>	<u>3,952,723</u>	<u>16,834,768</u>	<u>3,952,723</u>
Total	<u>20,622,068</u>	<u>3,952,723</u>	<u>16,834,768</u>	<u>7,740,023</u>
Capital Assets Being Depreciated				
Buildings and Improvements	91,022,938	16,992,768		108,015,706
Furniture, Equipment and Vehicles	<u>4,745,547</u>	<u>138,223</u>		<u>4,883,770</u>
Total	<u>95,768,485</u>	<u>17,130,991</u>		<u>112,899,476</u>
Accumulated Depreciation				
Buildings and Improvements	54,337,846	2,279,552		56,617,398
Furniture, Equipment and Vehicles	<u>3,696,153</u>	<u>242,135</u>		<u>3,938,288</u>
Total	<u>58,033,999</u>	<u>2,521,687</u>		<u>60,555,686</u>
Net Capital Assets Being Depreciated	<u>37,734,486</u>	<u>14,609,304</u>		<u>52,343,790</u>
Net Capital Assets	<u>\$ 58,356,554</u>	<u>\$ 18,562,027</u>	<u>\$ 16,834,768</u>	<u>\$ 60,083,813</u>

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

<u>Function/Program</u>	
General Support	\$ 252,169
Instruction	1,970,448
Pupil Transportation	254,520
School Lunch	<u>44,550</u>
Total Depreciation	<u>\$ 2,521,687</u>

CITY SCHOOL DISTRICT OF THE CITY OF ONEIDA, NEW YORK
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2024

Right to use leased asset activity for the year ended June 30, 2024, is as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Right to Use Leased Assets				
Leased Equipment	\$ 4,589,852	\$ 1,487,157	\$ 448,079	\$ 5,628,930
Accumulated Amortization				
Leased Equipment	<u>2,022,933</u>	<u>967,185</u>	<u>448,079</u>	<u>2,542,039</u>
Net Right To Use Leased Assets	<u>\$ 2,566,919</u>	<u>\$ 519,972</u>	<u>\$</u>	<u>\$ 3,086,891</u>

Amortization expense is charged as follows:

<u>Function/Program</u>	
Instruction	\$ 172,534
Transportation	<u>794,651</u>
	<u>\$ 967,185</u>

8. SHORT-TERM DEBT

Changes in the School District's short-term outstanding debt for the year ended June 30, 2024, is as follows:

Description	Balance 7/1/23	Refinanced	Paid	Balance 6/30/24
Governmental Activities				
BAN 2023	\$ 21,533,000	\$ 19,460,000	\$ 2,073,000	\$
BAN 2023	<u>16,500,000</u>	<u></u>	<u>16,500,000</u>	<u></u>
Total Governmental Activities	<u>\$ 38,033,000</u>	<u>\$ 19,460,000</u>	<u>\$ 18,573,000</u>	<u>\$</u>

Total interest paid for the year was:

Interest Paid	\$ 1,521,335
Less: Interest Accrued in the Prior Year	<u>548,853</u>
Total Interest Expense on Short-Term Debt	<u>\$ 972,482</u>

CITY SCHOOL DISTRICT OF THE CITY OF ONEIDA, NEW YORK
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2024

9. NONCURRENT LIABILITIES

Summary of Noncurrent Liabilities

Noncurrent liability balances and activity are as follows:

Description	Outstanding Beginning Balance	Issued	Paid	Outstanding Ending Balance	Due Within One Year
Governmental Activities					
Serial Bonds Payable	\$ 11,450,000	\$ 19,460,000	\$ (2,375,000)	\$ 28,535,000	\$ 2,335,000
Unamortized Premium	<u>1,017,264</u>	<u>2,158,121</u>	<u>(105,971)</u>	<u>3,069,414</u>	<u>240,854</u>
	12,467,264	21,618,121	(2,480,971)	31,604,414	2,575,854
Other Liabilities					
Lease Liability	1,946,749	1,253,857	(933,159)	2,267,447	796,188
OPEB Liability	114,132,453	2,426,607	(8,323,417)	108,235,643	
Compensated Absences	<u>545,468</u>	<u>26,815</u>		<u>572,283</u>	
Total Governmental Activities	<u>\$ 129,091,934</u>	<u>\$ 25,325,400</u>	<u>\$ (11,737,547)</u>	<u>\$ 142,679,787</u>	<u>\$ 3,372,042</u>

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					
Serial Bond – Reconstruction					
2007 Capital Project	12/15/11	\$ 15,695,000	07/15/25	3.00-5.00	\$ 60,000
Advance Refunding of 2005 Bonds	08/19/14	\$ 10,455,000	06/15/32	2.00-5.00	3,740,000
Serial Bond – Refunded 2011 Bonds	11/09/17	\$ 3,715,000	07/15/24	2.00-5.00	770,000
Serial Bond – DASNY	06/07/18	\$ 6,485,000	06/15/33	5.00	4,505,000
Serial Bond – DASNY	06/18/24	\$ 19,460,000	06/15/40	5.00	19,460,000
Total					<u>\$ 28,535,000</u>

CITY SCHOOL DISTRICT OF THE CITY OF ONEIDA, NEW YORK
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2024

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

For the Year Ending June 30,	Serial Bonds			Lease Liability		
	Principal	Interest	Total	Principal	Interest	Total
2025	\$ 2,335,000	\$ 1,634,673	\$ 3,969,673	\$ 796,188	\$ 110,748	\$ 906,936
2026	1,855,000	1,260,287	3,115,287	657,985	80,074	738,059
2027	1,960,000	1,167,537	3,127,537	355,528	52,794	408,322
2028	2,055,000	1,078,437	3,133,437	208,446	25,084	233,530
2029	2,145,000	983,825	3,128,825	249,300	13,700	263,000
2030-2034	10,625,000	3,344,368	13,969,368			
2035-2039	7,170,000	1,060,500	8,230,500			
2040	390,000	19,500	409,500			
Total	<u>\$ 28,535,000</u>	<u>\$ 10,549,127</u>	<u>\$ 39,084,127</u>	<u>\$ 2,267,447</u>	<u>\$ 282,400</u>	<u>\$ 2,549,847</u>

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

Interest Paid - Serial Bonds	\$ 482,538
Interest Paid - Bond Anticipation Note	972,482
Interest Paid - Leases	74,647
Amortization of Deferred Charge on Advance Refunding	20,785
Amortization of Deferred Premium	(105,971)
Less: Interest Accrued in the Prior Year	(54,168)
Plus: Interest Accrued in the Current Year	66,329
Total Interest Expense on Long-Term Debt	<u>\$ 1,456,642</u>

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, 2024, \$4,670,000 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 \$105,971 and is included as a reduction to interest expense on the statement of activities.

Deferred Premium from Debt	\$ 3,874,993
Less: Amount Recognized	(805,579)
Unamortized Premium	<u>\$ 3,069,414</u>

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	(207,861)
Net Capitalized Refunding of Debt Costs	<u>\$ 166,276</u>

CITY SCHOOL DISTRICT OF THE CITY OF ONEIDA, NEW YORK
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2024

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, 2019 to August 25, 2023 and are for a term of 4-6 years. Annual lease payments for these agreements range from \$89,616 to \$208,976. The lease liability is measured at a discount rate of 2.05% to 7.78% 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 \$3,086,891 at June 30, 2024. 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 \$510,656 at June 30, 2024 with no corresponding lease liability.

10. 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, 2024, were paid.

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

	Amount
2022	\$ 447,294
2023	\$ 538,112
2024	\$ 660,586

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

At June 30, 2024, the School District reported a liability of \$2,014,115 for its proportionate share of the net pension liability. The net pension liability was measured as of March 31, 2024, and the total pension liability used to calculate

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For the Year Ended June 30, 2024

the net pension liability was determined by an actuarial valuation as of April 1, 2023. 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, 2024, the School District's proportion was .0136791% which represents an increase of .000943 percent over the .0127361% District's proportion at June 30, 2023.

For the year ended June 30, 2024, the School District recognized pension expense of \$931,053. At June 30, 2024, 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	\$ 648,745	\$ 54,920
Change of Assumptions	761,492	
Net Difference Between Projected and Actual Earnings on Pensions Plan Investments		983,885
Changes in Proportion and Differences Between Contributions and Proportionate Share of Contributions	144,121	330
Contributions Subsequent to the Measurement Date	<u>164,331</u>	
Total	<u>\$ 1,718,689</u>	<u>\$ 1,039,135</u>

At June 30, 2024, \$164,331 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:

2025	\$ (322,160)
2026	423,472
2027	612,315
2028	(198,404)

(d) Actuarial Assumptions

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

Significant actuarial assumptions used in the April 1, 2023 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.

CITY SCHOOL DISTRICT OF THE CITY OF ONEIDA, NEW YORK
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For the Year Ended June 30, 2024

The actuarial assumptions used in the April 1, 2023 valuation are based on the results of an actuarial experience study for the period April 1, 2015- March 31, 2020.

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, 2024 are summarized below.

Asset Class	Target Allocation	Expected Real Rate of Return*
Domestic Equity	32.00%	4.00%
International Equity	15.00%	6.65%
Private Equity	10.00%	7.25%
Real Estate	9.00%	4.60%
Opportunistic/Absolute Return Strategy	3.00%	5.25%
Credit	4.00%	5.40%
Real Assets	3.00%	5.79%
Fixed Income	23.00%	1.50%
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:

	Decrease (4.90%)	Assumption (5.90%)	Increase (6.90%)
Proportionate Share of the Net Pension Liability	\$ 6,332,585	\$ 2,014,115	\$ (1,592,702)

(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 \$164,331 at June 30, 2024. This amount represents the three months of the School District's fiscal year that will be covered in the ERS 2024-2025 billing cycle and has been accrued as an expenditure in the current year.

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NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2024

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
2022	\$ 1,553,677
2023	\$ 1,755,558
2024	\$ 1,763,626

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

At June 30, 2024, the School District reported a liability of \$1,056,272 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2022. 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, 2023, the School District's proportion was .092365%, which was an increase of .002846 percent from its .089519% proportion measured as of June 30, 2022.

For the year ended June 30, 2024, the School District recognized a pension expense of \$3,013,274. At June 30, 2024, the School District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

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	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 2,561,180	\$ 6,330
Changes of Assumptions	2,274,123	495,633
Net Difference Between Projected and Actual Earnings on Pensions Plan Investments	539,946	
Changes in Proportion and Differences Between Contributions and Proportionate Share of Contributions	86,782	174,836
Contributions Subsequent to the Measurement Date	1,763,626	
Total	<u>\$ 7,225,657</u>	<u>\$ 676,799</u>

At June 30, 2024, \$1,763,626 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:

2024	\$ 426,612
2025	(541,361)
2026	4,236,519
2027	294,196
2028	227,699
Thereafter	141,567

(d) Actuarial Assumptions

The total pension liability at June 30, 2023 measurement date was determined by using an actuarial valuation as of June 30, 2022, with update procedures used to roll forward the total pension liability to June 30, 2023. 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.

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For the Year Ended June 30, 2024

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, 2023 is summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return*
Domestic equities	33.0%	6.8%
International equities	15.0%	7.6%
Global equities	4.0%	7.2%
Real estate equities	11.0%	6.3%
Private Equities	9.0%	10.1%
Domestic fixed income	16.0%	2.2%
Global bonds	2.0%	1.6%
Private debt	2.0%	6.0%
Real estate debt	6.0%	3.2%
High-yield fixed income securities	1.0%	4.4%
Cash equivalents	1.0%	0.3%
	<u>100.0%</u>	

* Real rates of return are net of the long-term inflation assumption of 2.4% for 2023.

(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, actuarially determined. 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)	\$ 16,087,565	\$ 1,056,272	\$ (11,585,695)

(g) Pension Plan Fiduciary Net Position

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

CITY SCHOOL DISTRICT OF THE CITY OF ONEIDA, NEW YORK
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2024

(h) Payables to the Pension Plan

The School District has recorded an amount due to TRS in the amount of \$1,953,018 (including the employees' portion of \$189,392) in the General Fund at June 30, 2024. This amount includes the School District and the Employees' contribution for the 2023-2024 fiscal year that will be made in 2024-2025.

11. 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	<u>732</u>

(d) Total OPEB Liability

The District's total OPEB liability of \$108,235,643 was measured as of June 30, 2024 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, 2023	<u>\$ 114,132,453</u>
Changes recognized for the year:	
Service cost	3,247,410
Interest on Total OPEB Liability	4,213,144
Effect of demographic gains or losses	(5,033,947)
Effect of assumptions changes or inputs	(4,385,618)
Benefit payments	<u>(3,937,799)</u>
Net changes	<u>(5,896,810)</u>
Balances, June 30, 2024	<u>\$ 108,235,643</u>

CITY SCHOOL DISTRICT OF THE CITY OF ONEIDA, NEW YORK
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2024

(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, 2024, 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, 2024
Actuarial Cost Method	Entry Age Normal - Level Percent of Pay
Plan Type	Single Employer Defined Benefit Plan
Inflation Rate	2.40%
Medical Trend Rates	6.8% in 2023, decreasing to an ultimate rate of 3.8% over 50 years
Discount Rate	3.93% (Prior Year 3.65%) (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 3.93% 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, 2024.

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 2.93%	Discount Rate 3.93%	1% Increase 4.93%
Total OPEB liability	\$ 125,196,823	\$ 108,235,643	\$ 94,514,395

(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	\$ 92,478,874	\$ 108,235,643	\$ 128,214,843

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

CITY SCHOOL DISTRICT OF THE CITY OF ONEIDA, NEW YORK
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2024

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

For the year ended June 30, 2024, the District recognized OPEB expense of \$8,135,371. At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 2,137,054	\$ 4,118,684
Changes of assumptions	2,760,977	10,843,668
Total	<u>\$ 4,898,031</u>	<u>\$ 14,962,352</u>

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
2025	\$ (296,124)
2026	(4,009,764)
2027	(3,189,460)
2028	(1,712,648)
2029	(856,325)

12. 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 \$10,504,770 and \$260,310, respectively, for the year ended June 30, 2024. 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.

CITY SCHOOL DISTRICT OF THE CITY OF ONEIDA, NEW YORK
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2024

13. 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:

<u>Bargaining Unit</u>	<u>Contract Expiration Date</u>
Oneida Teachers' Association (NYSUT)	June 30, 2024
Oneida Support Staff (NYSUT)(OSEU)	June 30, 2024
Oneida Principals / Psychologists (OAA)	June 30, 2025
Oneida Confidential/Supervisors/Maintenance	June 30, 2026
Oneida Bus Drivers / Transportation	June 30, 2026

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, 2024, 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, 2024, there were no significant encumbrances outstanding.

14. CONSTRUCTION COMMITMENTS

The School District had open capital projects at June 30, 2024. Various construction contracts have been awarded for these projects totaling \$17,602,352 of which \$793,832 remain unexpended at June 30, 2024.

15. BUILDING 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 \$2,623,622 was depreciated as of June 30, 2024. 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%.

During the year ended June 30, 2024, the BOCES paid \$76,860 to the School District with respect to the lease.

The following is a schedule of the minimum lease payments:

<u>Fiscal Year Ended June 30,</u>	<u>Minimum Payment</u>
2025	\$ 76,900
2026	76,900
2027	76,900
2028	76,900
2029	76,900
Thereafter	<u>307,600</u>
Total	692,100
Total Payment Interest	<u>(122,251)</u>
Lease Receivable	<u>\$ 569,849</u>

CITY SCHOOL DISTRICT OF THE CITY OF ONEIDA, NEW YORK
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2024

16. INTERFUND TRANSACTIONS – GOVERNMENTAL AND FIDUCIARY FUNDS

Fund Type	Interfund		Interfund	
	Receivables	Payables	Revenues	Expenditures
General	\$ 1,230,347	\$ 1,064,069	\$ 50,000	\$ 184,697
School Lunch	24,995	85,947		
Special Aid	106,074	891,341	86,614	
Debt Service	262,431	186,000		1,910,000
Capital Fund	776,080	126,225	1,958,083	
Miscellaneous Special Revenue	1,015	47,360		
Total	<u>\$ 2,400,942</u>	<u>\$ 2,400,942</u>	<u>\$ 2,094,697</u>	<u>\$ 2,094,697</u>

- The School District transferred a total of \$1,860,000 from the Debt Service Fund to the Capital Fund for 2023-2024 capital projects.
- The School District transferred a total of \$50,000 from the Debt Service Fund to the General Fund for the 2023-2024 debt payments.
- 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 \$86,614 was transferred in the current year.
- The School District transferred a total of \$98,083 from the General Fund to the Capital Fund for the 2023-2024 Capital Outlay Project.
- Interfund receivables and payables are considered temporary. The School District intends to repay the amounts within the next fiscal year.

17. FUND BALANCE

(a) The following is a summary of the change in General Fund restricted fund balances during the year ended June 30, 2024:

	Beginning Balance	Increases	Decreases	Ending Balance
General Fund				
Workers' Compensation	\$ 251,497	\$ 7,768	\$ (250,000)	\$ 9,265
Unemployment Insurance	486,274	15,020		501,294
Retirement Contribution - ERS	2,108,110	65,117	(500,000)	1,673,227
Retirement Contribution - TRS	352,363	10,884	(350,000)	13,247
Employee Benefit Accrued Liability	1,110,043	34,287	(150,000)	994,330
Liability	971,875	30,020		1,001,895
Property Loss	933,701	28,841		962,542
Tax Certiorari	96,445	2,980		99,425
Capital Reserve	1,028,149	31,758		1,059,907
Repair Reserve	818,920	25,297		844,217
Insurance Reserve	905,518	27,970		933,488
Reserve for Mandatory Debt Service	3,849	119		3,968
Total General Fund Restricted	<u>\$ 9,066,744</u>	<u>\$ 280,061</u>	<u>\$ (1,250,000)</u>	<u>\$ 8,096,805</u>

CITY SCHOOL DISTRICT OF THE CITY OF ONEIDA, NEW YORK
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2024

(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, 2024:

	General	School Lunch	Miscellaneous Special Revenue	Debt Service	Capital	Total
Nonspendable	\$	\$ 66,167	\$	\$	\$	\$ 66,167
Restricted						
Workers' Compensation	9,265					9,265
Unemployment Insurance	501,294					501,294
Retirement Contribution - ERS	1,673,227					1,673,227
Retirement Contribution - TRS	13,247					13,247
Employee Benefit Accrued Liability	994,330					994,330
Liability	1,001,895					1,001,895
Property Loss	962,542					962,542
Tax Certiorari	99,425					99,425
Capital Reserve	1,059,907					1,059,907
Repair Reserve	844,217					844,217
Reserve for Mandatory Debt Service	3,968					3,968
Insurance Reserve	933,488					933,488
Scholarships and Donations			61,211			61,211
Capital Fund					1,345,038	1,345,038
Debt Service				747,722		747,722
Total Restricted	<u>8,096,805</u>		<u>61,211</u>	<u>747,722</u>	<u>1,345,038</u>	<u>10,250,776</u>
Assigned						
General Support	42,842					42,842
Pupil Transportation						-
School Lunch		336,063				336,063
Appropriated for Subsequent Year's Budget	<u>3,500,000</u>					<u>3,500,000</u>
Reserve for Tax Reduction	-					
Unassigned (Deficit)	<u>773,343</u>				<u>(281,533)</u>	<u>491,810</u>
Total Fund Balances (Deficit)	<u>\$ 12,423,439</u>	<u>\$ 402,230</u>	<u>\$ 61,211</u>	<u>\$ 747,722</u>	<u>\$ 1,063,505</u>	<u>\$ 14,698,107</u>

18. DEFICIT NET POSITION

At June 30, 2024, the District Wide Statement of Net Position had a deficit net position of \$70,590,920 and an unrestricted net deficit of \$110,890,247. 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 \$108,235,643 at June 30, 2024. Since New York State Laws provide no mechanism for funding the liability, any subsequent accruals are expected to increase the deficit in subsequent years.

CITY SCHOOL DISTRICT OF THE CITY OF ONEIDA, NEW YORK
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2024

19. 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, 2024, 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, 2024 as follows:

<u>Purpose</u>	<u>Gross Tax Amounts</u>	<u>Payments in Lieu of Taxes</u>	<u>Net Revenue Reduction</u>
Economic Development and Job Creation	\$538,735	\$234,279	\$321,582

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, 2024

	Original Budget	Final Budget	Actual		Final Budget Variance With Actual
Revenues					
Local Sources					
Real Property Taxes	\$ 17,236,051	\$ 17,236,051	\$ 17,391,185	\$	155,134
Other Real Property Tax Items	2,664,214	2,664,214	2,490,878		(173,336)
Oneida Indian Nation Settlement			58,143		58,143
Charges for Services	40,000	40,000	298,633		258,633
Use of Money and Property	387,000	387,000	379,513		(7,487)
Lease Revenue			76,900		76,900
Sale of Property and Compensation for Loss	3,500	3,500	71,686		68,186
Miscellaneous	525,000	525,000	589,601		64,601
State Aid	27,754,075	27,754,075	28,236,259		482,184
Federal Aid	125,000	125,000	373,630		248,630
Total Revenues	48,734,840	48,734,840	49,966,428		1,231,588
Other Financing Sources					
Transfers from Other Funds	50,000	50,000	50,000		
Appropriated Reserve	1,250,000	1,250,000			(1,250,000)
Appropriated Fund Balance	3,238,080	3,238,080			(3,238,080)
Total Revenues and Other Financing Sources	\$ 53,272,920	\$ 53,272,920	50,016,428	\$	(3,256,492)
Expenditures					
	Original Budget	Final Budget	Actual	Year-End Encumbrances	Final Budget Variance With Actual And Encumbrances
Board of Education	\$ 16,000	\$ 31,975	29,162	\$	\$ 2,813
Central Administration	225,946	240,787	239,605		1,182
Finance	660,301	737,316	722,908		14,408
Staff	194,728	200,728	174,787		25,941
Central Services	2,482,939	2,572,637	2,191,415	42,842	338,380
Special Items	529,108	529,145	528,589		556
Total General Support	4,109,022	4,312,588	3,886,466	42,842	383,280
Instruction					
Instruction, Administration, and Improvement	2,197,718	2,314,588	2,278,287	80	36,221
Teaching - Regular School	12,873,455	13,107,695	12,924,930	3,909	178,856
Programs for Children With Special Needs	6,345,655	6,135,088	5,936,744	90	198,254
Occupational Education	1,583,040	1,588,040	1,584,455		3,585
Teaching - Special School	256,715	256,715	174,832		81,883
Instructional Media	1,137,273	1,049,562	994,711	6,370	48,481
Pupil Services	1,793,355	1,828,113	1,595,741		232,372
Total Instruction	26,187,211	26,279,801	25,489,700	10,449	779,652
Pupil Transportation	2,917,815	2,459,685	2,252,891		206,794
Employee Benefits	15,436,972	14,988,856	14,420,736		568,120
Debt Service - Principal	2,568,000	3,521,159	3,521,159		
Debt Service - Interest	1,898,900	1,524,217	1,529,667		(5,450)
Total Expenditures	53,117,920	53,086,306	51,100,619	53,291	1,932,396
Other Financing Uses					
Transfers to Other Funds	155,000	186,614	184,697		1,917
Total Expenditures and Other Financing Uses	\$ 53,272,920	\$ 53,272,920	51,285,316	\$ 53,291	\$ 1,934,313
Net Change in Fund Balance			(1,268,888)		
Fund Balance - Beginning of Year			13,692,327		
Fund Balance - End of Year			\$ 12,423,439		

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.

See Independent Auditor's Report.

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, 2024

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018 *</u>
Measurement Date	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	\$ 3,247,410	\$ 3,446,713	\$ 3,871,434	\$ 3,739,273	\$ 2,556,170	\$ 2,837,191	\$ 2,754,554
Interest on Total OPEB Liability	4,213,144	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	(4,385,618)	(5,321,850)	(9,237,977)	969,618	20,660,204	(6,873,621)	
Benefit payments	<u>(3,937,799)</u>	<u>(3,907,386)</u>	<u>(3,821,132)</u>	<u>(3,542,997)</u>	<u>(3,488,476)</u>	<u>(2,975,100)</u>	<u>(3,444,997)</u>
Net change in total OPEB Liability	(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	<u>114,132,453</u>	<u>115,763,494</u>	<u>119,823,348</u>	<u>116,049,068</u>	<u>87,346,483</u>	<u>91,570,092</u>	<u>88,980,171</u>
Total OPEB Liability - Ending	<u>\$ 108,235,643</u>	<u>\$ 114,132,453</u>	<u>\$ 115,763,494</u>	<u>\$ 119,823,348</u>	<u>\$ 116,049,068</u>	<u>\$ 87,346,483</u>	<u>\$ 91,570,092</u>
Covered payroll	\$ 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	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 11 to the financial statements.

Changes to Assumptions

The discount rate changed from 3.65% to 3.93% at 6/30/2024.

See Independent Auditor's Report.

CITY SCHOOL DISTRICT OF THE CITY OF ONEIDA, NEW YORK
SCHEDULES OF LOCAL GOVERNMENT PENSION CONTRIBUTIONS
For the Year Ended June 30, 2024

ERS Pension Plan										
Last 10 Fiscal Years										
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually Required Contribution	\$ 660,586	\$ 538,112	\$ 447,294	\$ 528,688	\$ 523,338	\$ 530,442	\$ 526,767	\$ 532,903	\$ 527,116	\$ 613,919
Contributions in Relation to the Contractually Required Contribution	<u>660,586</u>	<u>538,112</u>	<u>447,294</u>	<u>528,688</u>	<u>523,338</u>	<u>530,442</u>	<u>526,767</u>	<u>532,903</u>	<u>527,116</u>	<u>613,919</u>
Contribution Deficiency (Excess)	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
School District's Covered-ERS Employee Payroll	\$ 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	\$ 3,213,730
Contributions as a Percentage of Covered-Employee Payroll	13.72%	12.03%	10.87%	14.03%	13.76%	14.42%	14.86%	15.21%	13.35%	19.10%

TRS Pension Plan										
Last 10 Fiscal Years										
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually Required Contribution	\$ 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	\$ 2,352,237
Contributions in Relation to the Contractually Required Contribution	<u>1,763,626</u>	<u>1,755,558</u>	<u>1,553,677</u>	<u>1,443,563</u>	<u>1,329,780</u>	<u>1,597,289</u>	<u>1,469,044</u>	<u>1,683,164</u>	<u>1,901,628</u>	<u>2,352,237</u>
Contribution Deficiency (Excess)	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
School District's Covered-TRS 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
Contributions as a Percentage of Covered-Employee Payroll	9.76%	10.29%	9.80%	9.53%	8.86%	10.62%	9.80%	11.72%	13.26%	17.53%

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, 2024

ERS Pension Plan										
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
District's proportion of the net pension liability (asset)	0.0136791%	0.0127361%	0.0120336%	0.0118060%	0.0118206%	0.0118603%	0.0113734%	0.0115545%	0.0112272%	0.0113419%
District's proportionate share of the net pension liability (asset)	\$ 2,014,115	\$ 2,731,140	\$ (983,695)	\$ 11,756	\$ 3,130,163	\$ 840,340	\$ 367,069	\$ 1,085,687	\$ 1,801,995	\$ 383,158
District's covered-employee payroll	\$ 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	\$ 3,213,730
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	(41.84%)	(61.04%)	(23.91%)	0.31%	82.31%	22.84%	10.36%	30.99%	45.65%	11.92%
Plan fiduciary net position as a percentage of total pension liability (asset)	93.88%	90.78%	103.65%	99.95%	86.39%	96.30%	98.20%	94.70%	90.70%	97.90%
TRS Pension Plan										
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
District's Proportion of the net pension liability (asset)	0.092365%	0.089519%	0.089244%	0.088492%	0.090107%	0.092027%	0.090627%	0.092937%	0.089328%	0.091056%
District's proportionate share of the net pension asset liability (asset)	\$ 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)	\$ (10,143,110)
District's covered-employee payroll	\$ 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	\$ 13,397,905
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	(6.19%)	(10.84%)	(102.10%)	16.29%	(15.56%)	(11.10%)	(4.25%)	7.42%	(68.98%)	(75.71%)
Plan fiduciary net position as a percentage of total pension liability (asset)	99.20%	98.60%	113.20%	97.80%	102.20%	101.53%	100.66%	99.01%	110.46%	111.48%

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, 2024

Change from Adopted Budget to Revised Budget

Adopted Budget	\$ 53,246,946
Add: Prior Year's Encumbrances	<u>25,974</u>
Original Budget	<u>53,272,920</u>
Final Budget	<u>\$ 53,272,920</u>

Section 1318 of Real Property Tax Law Limit Calculation

2024-25 Voter-Approved Expenditure Budget	<u>\$ 54,303,630</u>
Maximum Allowed (4% of 2024-25 budget)	<u>\$ 2,172,145</u>

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

Unrestricted Fund Balance:		
Assigned Fund Balance	\$ 3,553,291	
Unassigned Fund Balance	<u>773,343</u>	
Total Unrestricted Fund Balance		<u>4,326,634</u>
Less:		
Appropriated Fund Balance	3,500,000	
Encumbrances Included in Committed and Assigned Fund Balance	<u>53,291</u>	
Total adjustments		<u>3,553,291</u>
General Fund's Fund Balance Subject to Section 1318 of Real Property Tax Law		<u>\$ 773,343</u>
Actual Percentage		1.42%

See Independent Auditor's Report.

CITY SCHOOL DISTRICT OF THE CITY OF ONEIDA, NEW YORK
SCHEDULE OF PROJECT EXPENDITURES - CAPITAL PROJECTS FUND
For the Year Ended June 30, 2024

PROJECT TITLE	Original Authorization	Revised Authorization	Expenditures			Unexpended Balance	Methods of Financing				Fund Balance (Deficit) June 30, 2024
			Prior Years	Current Year	Total		Proceeds of Obligations	Federal and State Aid	Local Sources	Total	
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
2022-23 High School Capital Outlay	100,000	100,000	98,113		98,113	1,887			98,113	98,113	
2023-24 High School Capital Outlay	100,000	100,000		98,083	98,083	1,917			98,083	98,083	
2020 Reconstruction and Improvement Project	20,841,000	20,758,476	16,323,812	3,952,723	20,276,535	481,941	19,460,000		2,160,848	21,620,848	1,344,313
2020 Reconstruction Phase II	759,000	841,524		281,533	281,533	559,991					(281,533)
Leased Equipment and Vehicles	<u>1,487,157</u>	<u>1,487,157</u>		<u>1,253,857</u>	<u>1,253,857</u>	<u>233,300</u>	<u>1,253,857</u>			<u>1,253,857</u>	
Totals	<u>\$ 25,575,545</u>	<u>\$ 25,575,545</u>	<u>\$ 17,859,844</u>	<u>\$ 5,586,196</u>	<u>\$ 23,446,040</u>	<u>\$ 2,129,505</u>	<u>\$ 20,713,857</u>	<u>\$ 1,212,044</u>	<u>\$ 2,583,644</u>	<u>\$ 24,509,545</u>	<u>\$ 1,063,505</u>

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, 2024

Capital Assets, Net	\$ 60,083,813
Right To Use Leased Assets, Net	<u>3,086,891</u>
Total Assets	<u>63,170,704</u>
Add:	
Unamortized Bond Issuance Costs	166,276
Capital Fund Unspent Bond Proceeds	<u>583,432</u>
	<u>749,708</u>
Deduct:	
Premium on Bonds Payable	3,069,414
Serial Bonds Payable	28,535,000
Lease Liability	<u>2,267,447</u>
	<u>33,871,861</u>
Net Investment in Capital Assets	<u>\$ 30,048,551</u>

See Independent Auditor's Report.

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, 2024, 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 October 18, 2024.

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

October 18, 2024

Rome, New York

**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, 2024. 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, 2024.

Basis for Opinion on Each Major Federal Program

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

We are required to be independent of 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

October 18, 2024

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, 2024

Federal Grantor/Pass-Through Grantor/Program Title	Federal ALN Number	Agency or Pass-through Number	Current Year Expenditures	Expenditures to Subrecipients
<u>U.S. Department of Agriculture</u>				
(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	\$ 59,910	\$
Nutrition Cluster				
School Breakfast Program	10.553	N/A	160,331	
National School Lunch Program	10.555	N/A	506,004	
COVID 19 - Supply Chain Assistance	10.555	N/A	168,063	
Summer Food Service Program	10.559	N/A	8,059	
Total Cash Assistance Subtotal			842,457	
Total Child Nutrition Cluster			902,367	
Total U.S. Department of Agriculture			902,367	
<u>U.S. Department of Education</u>				
(Passed Through the State Education Department of the State of New York)				
Education Stabilization Fund				
COVID 19- American Rescue Plan -Elementary and Secondary School Emergency Relief (ARP ESSER)	84.425U	5880-21-1315	2,301,075	
COVID 19- American Rescue Plan – Elementary and Secondary School Emergency Relief –Homeless Children and Youth	84.425W	5219-21-1315	560	
Total Education Stabilization Fund			2,301,635	
Title I Grants to Local Educational Agencies	84.010	0011-23-2154	88,452	
Title I Grants to Local Educational Agencies	84.010	0011-23-8470	39,056	
Title I Grants to Local Educational Agencies	84.010	0011-24-2154	97,281	
Title I Grants to Local Educational Agencies	84.010	0021-24-1315	651,976	
Total			876,765	
Special Education Cluster				
Special Education - Grants to States	84.027A	0032-23-0350	193	
Special Education - Preschool Grants (IDEA Preschool)	84.173A	0033-23-0350	35	
Special Education - Grants to States	84.027A	0032-24-0350	572,876	
Special Education - Preschool Grants (IDEA Preschool)	84.173A	0033-24-0350	24,038	
Total Special Education Cluster			597,142	
Improving Teacher Quality State Grants	84.367	0147-23-1315	46,073	
Improving Teacher Quality State Grants	84.367	0147-24-1315	3,375	
Total			49,448	
Title IV, Part A, Student Support and Academic Enrichment (SSAE) Program	84.424A	0204-24-1315	50,593	
Total U.S. Department of Education			3,875,583	
<u>Total Federal Financial Assistance</u>			\$ 4,777,950	\$

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, 2024

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 #84.027	Special Education - Grants to States (IDEA, Part B)
AL #84.173	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, 2024, the School District had food commodities totaling \$24,449 in inventory.

For the Year Ended June 30, 2024

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>U.S. Department of Education</u> Education Stabilization Fund ALN 84.425U COVID-19 – ARP ESSER ALN 84.425W COVID-19 –ARP-ESSER- Homeless Children and Youth 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, 2024

No items noted.

FORM OF OPINION OF BOND COUNSEL

September 17, 2025

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, 2025 CUSIP No.

Ladies and Gentlemen:

We have examined a record of proceedings relating to the issuance of \$5,000,000 Revenue Anticipation Notes, 2025 (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 17, 2025 and are being issued pursuant to the Constitution and laws of the State of New York, including the Education Law and Local Finance Law, resolutions of the District and a Certificate of Determination dated on or before September 17, 2025 of the President of the Board of Education relative to the form and terms of the Notes.

In our opinion, the Notes are valid and legally binding general obligations of the District for which the District has validly pledged its faith and credit and, unless paid from other sources, all taxable real property within the District is subject to levy of ad valorem real estate taxes to pay the Notes and interest thereon, 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