

PRELIMINARY OFFICIAL STATEMENT

NEW AND RENEWAL ISSUES

BOND ANTICIPATION NOTES

In the opinion of Bond, Schoeneck & King, PLLC, New York, Bond Counsel, assuming continuing compliance by the School District with its covenants relating to certain requirements contained in the Internal Revenue Code of 1986, as amended (the "Code"), interest on the Notes is excluded from the gross income of the owners therefore for Federal income tax purposes under existing statutes and court decisions. Moreover, interest on the Notes is not an "item of tax preference" for purposes of the alternative minimum tax imposed on individuals by the Code. Interest on the Notes included in adjusted financial statement income of certain corporations is not excluded from the federal corporate alternative minimum tax imposed under the Code. So long as interest on the Notes is excluded from gross income for Federal income tax purposes, interest on the Notes is exempt from personal income taxes imposed by the State of New York or any political subdivision therein (including the City of New York). See "TAX MATTERS" herein for discussion of certain Federal taxes applicable to corporate owners of the Notes.

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

\$18,195,000

**OXFORD ACADEMY AND CENTRAL SCHOOL DISTRICT
CHENANGO COUNTY, NEW YORK**



GENERAL OBLIGATIONS

CUSIP BASE: 69138S

\$895,000 Bond Anticipation Notes, 2026 Series A (Renewals)
(the "Series A Notes")

Dated: June 25, 2026

Due: June 25, 2027

\$17,300,000 Bond Anticipation Notes, 2026 Series B
(the "Series B Notes")

Dated: July 2, 2026

Due: July 2, 2027

(referred collectively herein as the "Notes")

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

The Notes are not subject to redemption prior to maturity.

At the option of the purchaser(s), the Notes will be issued in (i) registered certificated form registered in the name of the purchaser(s) or (ii) registered book-entry-only form registered to Cede & Co., as the partnership nominee for The Depository Trust Company, New York, New York ("DTC").

If the Notes are issued as registered in the name of the purchaser, principal of and interest on the Notes will be payable in Federal Funds at the office of the School District. The Notes will be issued in denominations of \$5,000 or multiples thereof. A single note certificate will be issued for Notes bearing the same rate of interest in the aggregate principal amount awarded to such purchaser at such interest rate.

If the Notes are issued in book-entry-only form, such Notes will be delivered to DTC, which will act as securities depository for the Notes. Beneficial owners will not receive certificates representing their interest in the Notes. Individual purchases may be made in denominations of \$5,000 or integral multiples thereof. A single note certificate will be issued for those Notes bearing the same rate of interest and CUSIP number in the aggregate principal amount awarded to such purchaser(s) at such interest rate. Principal of and interest on said Notes will be paid in Federal Funds by the District to Cede & Co., as nominee for DTC, which will in turn remit such principal and interest to its participants for subsequent distribution to the beneficial owners of the Notes as described herein. Transfer of principal and interest payments to beneficial owners by participants of DTC will be the responsibility of such participants and other nominees of beneficial owners. The District will not be responsible or liable for payments by DTC to its participants or by DTC participants to beneficial owners or for maintaining, supervising or reviewing the records maintained by DTC, its participants or persons acting through such participants. (See "BOOK-ENTRY-ONLY SYSTEM" herein).

The Notes are offered when, as and if issued and received by the purchaser(s) and subject to the receipt of the approving legal opinion as to the validity of the Notes of Bond, Schoeneck & King, PLLC, Bond Counsel, Syracuse, New York. It is anticipated that the Notes will be available for delivery through the facilities of DTC located in Jersey City, New Jersey, or as may be agreed upon, on or about June 25, 2026 for the Series A Notes, and July 2, 2026 for the Series B Notes.

ELECTRONIC BIDS for the Notes must be submitted via Fiscal Advisors Auction website ("Fiscal Advisors Auction") accessible via www.fiscaladvisorsauction.com on June 11, 2026 by no later than 10:00 A.M., Eastern Time, pursuant to the respective Notice of Sale. Bids may also be submitted by facsimile at (315) 930-2354. No other form of electronic bidding services will be accepted. Once the bids are communicated electronically via Fiscal Advisors Auction or via facsimile to the School District, each bid will constitute an irrevocable offer to purchase the Notes pursuant to the terms provided in the Notice of Sale.

June 4, 2026

THE SCHOOL 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 SALES WITH RESPECT TO THE OBLIGATIONS HEREIN DESCRIBED. THE SCHOOL DISTRICT WILL COVENANT IN AN UNDERTAKING TO PROVIDE NOTICE OF CERTAIN ENUMERATED EVENTS AS DEFINED IN THE RULE. SEE "APPENDIX-C, MATERIAL EVENT NOTICES" HEREIN.

OXFORD ACADEMY AND CENTRAL SCHOOL DISTRICT
CHENANGO COUNTY, NEW YORK
SCHOOL DISTRICT OFFICIALS

2025-2026 BOARD OF EDUCATION

JULIE GATES
President



JOHN GODFREY
Vice President

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MATTHEW LEACH
BRIAN SHERIDAN

* * * * *

NICHOLAS A. COLOSI
Superintendent of Schools

ERIN GRAMSTAD
School Business Manager

MICHELE RICE
School District Clerk



FISCAL ADVISORS & MARKETING, INC.
Municipal Advisor



BOND, SCHOENECK & KING, PLLC
Bond Counsel

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

TABLE OF CONTENTS

	Page		Page
THE NOTES	1	STATUS OF INDEBTEDNESS (cont.)	
Description of the Notes.....	1	Capital Project Plans	25
Purpose of Issue	1	Estimated Overlapping Indebtedness	25
Nature of the Obligation.....	2	Debt Ratios.....	26
BOOK-ENTRY-ONLY SYSTEM	3	SPECIAL PROVISIONS AFFECTING	
Certificated Notes.....	4	REMEDIES UPON DEFAULT	26
THE SCHOOL DISTRICT	5	MARKET AND RISK FACTORS	27
General Information	5	CONTINUING DISCLOSURE	28
District Population	5	Historical Continuing Disclosure Compliance	28
Larger Employers.....	5	TAX MATTERS	29
Unemployment Rate Statistics	5	LEGAL MATTERS	29
Selected Wealth and Income Indicators	6	LITIGATION	30
Form of School Government.....	6	RATINGS	30
Budgetary Procedures and Recent Budget Votes	6	MUNICIPAL ADVISOR	30
Investment Policy.....	7	CUSIP IDENTIFICATION NUMBERS	30
State Aid.....	7	MISCELLANEOUS	30
State Aid Revenues	11	APPENDIX – A	
School Facilities.....	11	GENERAL FUND - Balance Sheets	
Enrollment Trends.....	11	APPENDIX – A1	
Employees.....	12	GENERAL FUND – Revenues, Expenditures and	
Status and Financing of Employee Pension Benefits	12	Changes in Fund Balance	
Other Post-Employment Benefits.....	14	APPENDIX – A2	
Other Information.....	15	GENERAL FUND – Revenues, Expenditures and	
Financial Statements	16	Changes in Fund Balance - Budget and Actual	
State Comptroller Report of Examination	16	APPENDIX – B	
The State Comptroller’s Fiscal Stress Monitoring System... 16		BONDED DEBT SERVICE	
TAX INFORMATION	18	APPENDIX – B1-B2	
Taxable Assessed Valuations	18	CURRENT BONDS OUTSTANDING	
Tax Rate Per \$1,000 (Assessed).....	19	APPENDIX – C	
Tax Levy and Tax Collection Record.....	19	MATERIAL EVENT NOTICES	
Tax Collection Procedure.....	19	APPENDIX – D	
Real Property Tax Revenues	19	AUDITED FINANCIAL STATEMENTS AND	
Ten Largest Taxpayers 2025 for 2025-2026 Tax Roll.....	20	SUPPLEMENTARY INFORMATION- JUNE 30, 2025	
STAR - School Tax Exemption.....	20		
Additional Tax Information.....	21		
TAX LEVY LIMITATION LAW	21		
STATUS OF INDEBTEDNESS	22		
Constitutional Requirements	22		
Statutory Procedure.....	22		
Debt Outstanding End of Fiscal Year.....	23		
Details of Outstanding Indebtedness	23		
Debt Statement Summary.....	24		
Bonded Debt Service.....	24		
Lease Purchase Obligations.....	24		
Cash Flow Borrowings.....	25		

PREPARED WITH THE ASSISTANCE OF



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**OFFICIAL STATEMENT
OF THE
OXFORD ACADEMY AND CENTRAL SCHOOL DISTRICT
CHENANGO COUNTY, NEW YORK**

**Relating To
\$895,000 Bond Anticipation Notes, 2026 Series A (Renewals)
&
\$17,300,000 Bond Anticipation Notes, 2026 Series B**

This Official Statement, which includes the cover page, has been prepared by the Oxford Academy and Central School District, Chenango County, New York (the "School District" or "District", "County", and "State", respectively) in connection with the sale by the District of \$895,000 principal amount of Bond Anticipation Notes, 2026 Series A (Renewals) (the "Series A Notes") and of \$17,300,000 Bond Anticipation Notes, 2026 Series B (the "Series B Notes"), collectively referred to herein as the "Notes".

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

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

THE NOTES

Description of the Notes

The Notes are general obligations of the District, and will contain a pledge of its faith and credit for the payment of the principal of and interest on the Notes as required by the Constitution and laws of the State of New York (State Constitution, Art. VIII, Section 2; Local Finance Law, Section 100.00). All the taxable real property within the District is subject to the levy of ad valorem taxes to pay the Notes and interest thereon, without limitation as to rate or amount. See "TAX LEVY LIMITATION LAW" and "Nature of the Obligation" herein.

The Series A Notes will be dated June 25, 2026. The Series A Notes will mature June 25, 2027. The Series B Notes will be dated July 2, 2026. The Series B Notes will mature July 2, 2027. The Notes are not subject to redemption prior to maturity. Interest will be calculated on a 30-day month and 360-day year basis, payable at maturity.

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

Purpose of Issue

The Series A Notes are issued pursuant to the Constitution and statutes of the State of New York, including among others, the Education Law and the Local Finance Law, and a bond resolution of the District dated July 11, 2022, authorizing the issuance of up to \$2,900,000 serial bonds for the renovation, reconstruction, improvement, rehabilitation, repair, furnishing or equipping of certain District facilities and buildings to improve the energy efficiency of District facilities and buildings. As of the date of this Official Statement, the District has permanently financed a \$2,600,000 portion of this project. The proceeds of the Series A Notes, along with \$105,000 available funds of the District will partially redeem and renew \$1,000,000 bond anticipation notes currently outstanding and maturing on June 26, 2026 for this purpose.

The Series B Notes are issued pursuant to the Constitution and statutes of the State of New York, including among others, the Education Law and the Local Finance Law, and a bond resolution adopted by the Board of Education on June 3, 2024 authorizing the renovation and improvement of certain District buildings and facilities at a maximum estimated cost of \$19,500,000, to be funded with the use of up to \$1,200,000 capital reserve funds, and the issuance of up to \$18,300,000 serial bonds. The proceeds of the Series B Notes will renew, in full, the \$5,000,000 bond anticipation notes currently outstanding and maturing July 3, 2026 and provide \$12,300,000 new money for this purpose.

Nature of the Obligation

The Notes 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”). 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.

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

Principal and interest payments on the Notes will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the 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, principal and interest payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the District, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

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

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

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

Source: The Depository Trust Company.

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

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

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

Certificated Notes

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

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

THE SCHOOL DISTRICT

General Information

The District is located in upstate New York in the County of Chenango and includes, wholly or partially, the Towns of Coventry, McDonough, Norwich, Oxford, Pharsalia, Preston and Smithville. It is approximately 8 miles southwest of the City of Norwich and 32 miles northeast of the City of Binghamton. The District encompasses an area of approximately 126 square miles.

Major highways bisecting the District include State highways #12 and #220. Air transportation is available to residents through airports located in Oneonta and Binghamton. Bus transportation is available through terminals in Oneonta and Sidney.

The District is primarily residential and agricultural in nature. Commercial and professional services, as well as employment opportunities, are available in the Village of Oxford, located within the District. Such services and opportunities are also available in the City of Norwich.

District Population

The current estimated population of the District is 4,964. (Source: 2020-2024 American Community Survey 5-Year Estimates.)

Larger Employers

The larger employers located within the area in and around the District include:

<u>Employer</u>	<u>Type</u>	<u>Number of Employees</u>
New York State Veterans' Home at Oxford	Service	325
Professional Teleconcepts	Service	223
Oxford Academy and Central School District	Education	176
Blue Ox	Energy Product Sales and Services	110
Kutik's Honey Farm	Services	35 ⁽¹⁾

⁽¹⁾ Estimates based on previous data.

Source: District officials.

Unemployment Rate Statistics

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

	<u>Annual Averages</u>						
	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Chenango County	4.4%	6.9%	4.6%	3.4%	3.4%	3.4%	3.9%
New York State	3.9	9.8	7.1	4.3	4.1	4.3	4.3

	<u>2026 Monthly Figures</u>					
	<u>Jan</u>	<u>Feb</u>	<u>Mar</u>	<u>Apr</u>	<u>May</u>	<u>Jun</u>
Chenango County	4.5%	4.9%	4.3%	N/A	N/A	N/A
New York State	4.7	5.2	4.4	N/A	N/A	N/A

Note: Unemployment rates for April, May and June 2026 are unavailable as of the date of this Official Statement.

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

Selected Wealth and Income Indicators

Per capita income statistics are not available for the District as such. The smallest areas for which such statistics are available, which include the District, are the Towns and the County listed below. The figures set below with respect to such Towns and County are included for information only. It should not be inferred from the inclusion of such data in the Official Statement that the Towns or the County 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>2020-2024</u>	<u>2006-2010</u>	<u>2016-2020</u>	<u>2020-2024</u>
Towns of:						
Coventry	\$ 18,525	\$ 28,596	\$ 32,978	\$ 51,667	\$ 65,298	\$ 75,761
McDonough	17,896	34,351	39,823	45,625	73,750	95,729
Norwich	25,237	29,071	30,560	47,028	71,915	89,932
Oxford	19,421	27,494	29,632	52,237	66,026	68,413
Pharsalia	17,308	24,565	30,239	55,375	51,042	80,938
Preston	23,884	32,633	44,941	64,167	78,333	90,179
Smithville	21,804	26,669	36,495	55,208	58,111	81,250
County of:						
Chenango	22,036	28,780	33,901	52,229	65,537	79,136
State of:						
New York	30,948	40,898	50,712	67,405	87,270	106,873

Note: 2021-2025 American Community Survey 5-Year estimates are not available as of the date of this Official Statement.

Source: 2006-2010, 2016-2020, and 2020-2024 5-Year American Community Survey data.

Form of School Government

The legislative power of the District is vested in the Board of Education (the "Board"). The Board consists of five elected members serving overlapping three-year terms. The Board meets for the purpose of reorganization during the first ten days of July each year. At that time, an election is held within the Board to elect a President and Vice President and to appoint other District officials.

Pursuant to the Local Finance Law, the President of the Board is the chief fiscal officer of the District. However, certain of the financial functions of the District are the responsibility of the Superintendent of Schools, the School Business Administrator and the District Treasurer. The duties of the administrative officers of the District include the implementation of the policies of the Board and the supervision of the operation of the school system.

Budgetary Procedures and Recent Budget Votes

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

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

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

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

If the resubmitted and/or revised budget is not approved by the required margin, the Board of Education must adopt a budget that requires a tax levy no greater than that of the prior fiscal year (i.e. a 0% increase in the tax levy). Clarification may be needed to determine whether a Board of Education must adopt a budget that requires the same tax levy amount as used in the prior fiscal year, or whether changes to the levy are permitted for such purposes as the permitted school district exclusions or the tax base growth factor. For a complete discussion of Chapter 97, see “TAX LEVY LIMITATION LAW” herein.

Recent Budget Vote Results

The budget for the 2025-26 fiscal year was approved by the qualified voters on May 20, 2025 by a vote of 127 yes to 46 no. The adopted budget included a 4.80% tax levy increase, which was within the District’s tax levy limit of 6.80% for the 2025-26 fiscal year.

The budget for the 2026-27 fiscal year was approved by the qualified voters on May 19, 2026 by a vote of 178 yes to 97no. The adopted budget included a 2.70% tax levy increase, which was equal to the District’s tax levy limit of 2.70% for the 2026-27 fiscal year.

Investment Policy

Pursuant to the statutes of the State, the District is permitted to temporarily invest moneys which are not required for immediate expenditures, with the exception of moneys the investment of which is otherwise provided for by law, in the following investments: (1) special time deposit accounts or certificates of deposits issued by a bank or trust company located and authorized to do business in the State, provided however, that such time deposit account or certificate of deposit is payable within such time as the proceeds shall be needed to meet the expenditures for which such moneys were obtained and provided further that such time deposit account or certificate of deposit, 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 law; (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 State Comptroller, tax anticipation notes or revenue anticipation notes issued by any New York municipality, school district or district corporation, other than the District; (6) obligations of New York public benefit corporations which are made lawful investments by the District pursuant to another provision of law; (7) certain certificates of participation issued on behalf of political subdivisions of the State as those terms are defined in law; or (8) in the case of District moneys held in certain reserve funds established pursuant to law, obligations issued by the District. These statutes further require that all bank deposits, in excess of the amount insured under the Federal Deposit Insurance Act, be secured by either a pledge of eligible securities, an eligible surety bond or an eligible letter of credit, as those terms are defined in the law.

Consistent with the above statutory limitations, it is the District's current policy to invest in: (1) special time deposits; (2) certificates of deposits; (3) obligations of the United States of America; (4) obligations guaranteed by agencies of the United States of America where the payment of principal and interest are further guaranteed by the United States of America; (5) obligations of the State; (6) obligations (with approval of the State Comptroller) by any municipality, school district, or district corporation other than the District; (7) obligations of certain public authorities, public housing authorities, urban renewal agencies and industrial development agencies where the general State statutes governing such entitles or whose specific enabling legislation authorizes such investments; (8) certificates of participation issued pursuant to General Municipal Law Section 109-(b); (9) obligations of this District, but only with regard to monies in a reserve fund established pursuant to General Municipal Law Sections 6-d, 6-j, 6-m, 6-n; and (10) repurchase agreements authorized subject to the following restrictions: a) repurchase agreements must be entered into subject to a master repurchase agreement; b) trading partners are limited to banks or trust companies authorized to do business in the State or primary reporting dealers as designated by the Federal Reserve Bank of New York; c) obligations shall be limited to obligations of the United States of America and obligations guaranteed by agencies of the United States of America; d) no substitution of securities will be allowed; and e) the custodian shall be a party other than the trading partner.

State Aid

The District receives financial assistance from the State in the form of State aid for operating, building and other purposes at various times throughout its fiscal year, pursuant to formulas and payment schedules set forth by statute. In its adopted budget for the 2026-27 fiscal year, approximately 73.07% of the revenues of the District are estimated to be received in the form of State aid. While the State has a constitutional duty to maintain and support a system of free common schools that provides a “sound basic education” to children of the State, there can be no assurance that the State appropriation for State aid to school districts will be continued in future years, either pursuant to existing formulas or in any form whatsoever.

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

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

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

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

The amount of State aid to school districts can vary from year to year and is dependent in part upon the financial condition of the State. During the 2011 to 2019 fiscal years of the State, State aid to school districts was paid in a timely manner; however, during the State’s 2010 and 2020 fiscal years, State budgetary restrictions resulted in delayed payments of State aid to school districts in the State. In addition, the availability of State aid and the timeliness of payment of State aid to school districts could be affected by a delay in the adoption of the State budget, which is due at the start of the State’s fiscal year of April 1. 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 2026-27 preliminary building aid ratios, the District expects to receive State building aid of approximately 94.1% of debt service on State Education Department approved expenditures from July 1, 2004 to the present.

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

State Aid History

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

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

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

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

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

School district fiscal year (2025-2026): The State’s 2025-26 Enacted Budget includes approximately \$37.6 billion in State funding to school districts for the 2025-2026 school year, an estimated year-to-year funding increase of \$1.7 billion. The State’s 2025-26 Budget provides an estimated \$26.3 billion in Foundation Aid, a year over year increase of \$1.42 billion and includes a 2% minimum increase in Foundation Aid to all school districts. As part of the 2025–26 Enacted State Budget, the Governor and Legislature made targeted adjustments to the Foundation Aid formula. While the formula itself remains largely intact, the budget includes a hold harmless provision ensuring that no district receives less Foundation Aid than in the prior year. Additionally, all districts are guaranteed at least a 2% year-over-year increase in Foundation Aid. The enacted budget also includes formula modifications intended to provide enhanced support for high-need and disadvantaged school districts.

Provisions in the State’s 2025-26 Enacted Budget 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.

School district fiscal year (2026-2027): The State’s 2026-27 Executive Budget includes \$39.3 billion in State funding to school districts for the 2026-27 school year, an estimated year-to-year funding increase of \$1.6 billion. The State’s 2026-27 Executive Budget includes \$27 billion in Foundation Aid, an increase of \$779 million from 2025-26, and includes a 1% minimum increase in Foundation Aid to all school districts. The State’s 2026-27 Executive Budget also includes an increase of \$561 million in Universal Pre-Kindergarten Aid to ensure universal full-day Pre-K for all four-year-olds in the State by the start of the State’s 2029 fiscal year.

State Aid Litigation

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

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

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

A breakdown of currently anticipated Foundation Aid funding is 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.
- FY 2027 Executive Budget: \$27 billion in Foundation Aid, an increase of \$779 million from 2025-26, and a 1% minimum increase in Foundation Aid to all school districts.

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

State Aid Revenues

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

<u>Fiscal Year</u>	<u>Total Revenues</u> ⁽¹⁾	<u>Total State Aid</u>	<u>Percentage of Total Revenues Consisting of State Aid</u>
2020-2021	18,530,138	12,794,678	69.05
2021-2022	18,848,015	13,091,477	69.46
2022-2023	20,422,378	14,881,812	72.87
2023-2024	22,219,404	16,393,328	73.78
2024-2025	22,846,844	16,475,358	72.11
2025-2026 (Budgeted)	23,888,779	17,485,963	73.20
2026-2027 (Budgeted)	24,934,888	18,220,484	73.07

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

Source: Audited Financial Statements for the 2020-2021 through 2024-2025 fiscal years and budgeted figures for the 2025-2026 and 2026-2027 fiscal years. This table is not audited.

School Facilities

<u>Name</u>	<u>Grades</u>	<u>Capacity</u>	<u>Construction/Additions</u>
Oxford Primary School	K-4	594	1972, 2003
Oxford Middle School	5-8	625	1929, 2012
Oxford High School	9-12	525	2003
Bus Maintenance Facility	N/A	N/A	2021

Source: District officials.

Enrollment Trends

<u>School Year</u>	<u>Actual Enrollment</u>	<u>School Year</u>	<u>Projected Enrollment</u>
2021-22	708	2026-27	730
2022-23	732	2027-28	730
2023-24	725	2028-29	725
2024-25	730	2029-30	720
2025-26	695	2030-31	715

Source: District officials.

Employees

The District employs approximately 159 full-time employees. The number of employees represented by the various collective bargaining units and the expiration dates of the collective bargaining agreements are as follows:

<u>Number of Employees</u>	<u>Bargaining Unit</u>	<u>Contract Expiration Date</u>
73	Oxford Teachers' Association	June 30, 2026 ⁽¹⁾
46	Oxford Employees' Support Personnel Association	June 30, 2029
5	Oxford Administrators	June 30, 2027

⁽¹⁾ Currently under negotiation.

Source: District officials.

Status and Financing of Employee Pension Benefits

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

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

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

On March 16, 2012, the Governor signed into law the new Tier VI pension program, effective for new ERS and TRS employees hired after April 1, 2012. The Tier VI legislation provides for increased employee contribution rates of between 3% and 6% and contributions at such rates continue so long as such employee continues to accumulate pension credits, an increase in the retirement age from 62 years to 63 years, a readjustment of the pension multiplier, and a change in the time period for the final average salary calculation from 3 years to 5 years. Tier VI employees would vest in the system after ten years of employment; and employees will continue to make employee contribution throughout employment. As of April 9, 2022, vesting requirements were modified, resulting in employees becoming vested after five years. The State's 2024-25 Enacted Budget included a provision that improved the pension benefits of Tier VI members by modifying the final average salary calculation from 5 years back to 3 years. This measure was effective as of April 1, 2024 for PFRS Tier VI members and April 20, 2024 for ERS Tier VI members. The Governor and Legislative leaders have publicly discussed changes to Tier VI. There is no way to predict as of the date whether the Legislature will adopt, and the Governor will sign into law, changes to Tier VI.

The District is required to contribute at an actuarially determined rate. The actual contributions for the last five fiscal years, and the budgeted figures for the 2025-2026 and 2026-2027 fiscal years, are as follows:

<u>Fiscal Year</u>	<u>ERS</u>	<u>TRS</u>
2020-2021	\$ 228,571	\$ 620,368
2021-2022	251,337	607,401
2022-2023	214,259	658,116
2023-2024	315,760	659,655
2024-2025	346,690	695,948
2025-2026 (Budgeted)	393,210	661,117
2025-2026 (Unaudited)	369,861	725,003
2026-2027 (Budgeted)	417,757	690,884

Source: District officials.

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

Pursuant to various laws enacted between 1991 and 2002, the State Legislature authorized local governments to make available certain early retirement incentive programs to its employees. There are three bargaining units for which the District offers early retirement incentives. Employees must meet certain requirements in order to become eligible. Nine employees resigned or retired at the end of 2024-2025 to which the District only replaced five, however, the breakage is estimated to result in annual savings of approximately \$493,478. The District is aware of two potential retirements at the end of the 2025-2026 fiscal year, of which the District will not be filling the positions, resulting in an estimated \$168,013 savings.

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 (2022-23 to 2026-27) is shown below:

<u>State Fiscal Year</u>	<u>ERS</u>	<u>TRS</u>
2022-23	11.6%	10.29%
2023-24	13.1	9.76
2024-25	15.2	10.11
2025-26	16.5	9.59
2026-27	17.6	8.27*

*Estimated. Final contribution rate expected to be adopted at the July 29, 2026 TRS Retirement Board meeting.

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

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

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

Stable Rate Pension Contribution Option: The 2013-14 State Budget included a provision that authorized local governments, including the District, with the option to “lock-in” long-term, stable rate pension contributions for a period of years determined by the State Comptroller and ERS and TRS (the “Stable Rate Pension Contribution Option”). For 2016-17 the stable contribution option rate is 15.1% for ERS and 14.13% for TRS. The pension contribution rates under this program would reduce near-term payments for employers, but require higher than normal contributions in later years.

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

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

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

Other Post-Employment Benefits

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

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

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

GASB 75. In 2015, the Governmental Accounting Standards Board ("GASB") released new accounting standards for public Other Post-Employment Benefits ("OPEB") plans and participating employers. These standards, GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* ("GASB 75"), have substantially revised the valuation and accounting requirements previously mandated under GASB Statements No. 43 and 45. 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 below fiscal years, by source.

	Balance beginning at July 1:	2023	2024
<u>Changes for the year:</u>		\$ 16,973,983	\$ 17,145,092
Service cost		703,834	690,023
Interest		635,762	690,058
Effect of demographic gains or losses		-	-
Changes in assumptions or other inputs		(644,473)	-
Differences between expected and actual experience		-	(501,849)
Changes of benefit terms		-	(2,481,556)
Benefit payments		(524,014)	(558,175)
Net Changes		\$ 171,109	\$ (2,161,499)
	Balance ending at June 30:	2024	2025
		\$ 17,145,092	\$ 14,983,593

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

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

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

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

Other Information

The statutory authority for the power to spend money for the object or purpose, or to accomplish the object or purpose, for which 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. On July 8, 2022, the District had principal and interest payments due on its \$9,580,000 Bond Anticipation Notes, 2021 (Renewals) issuance. Due to a clerical error, the payments were only partially made on the due date. The remainder of the payments was made on July 11, 2022, upon the District receiving notice that not all funds had been received. A Material Event Notice has been filed to disclose the delayed payments.

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 audited report covers the period ending June 30, 2025 and may be found attached hereto as “APPENDIX – D” to this Official Statement. In addition, 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.

The District complies with the Uniform System of Accounts as prescribed by the State Comptroller for school districts in New York State. Except for the accounting for fixed assets, this System conforms to 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 is required to issue 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.

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

Anticipated Unaudited Results of Operations for Fiscal Year Ending June 30, 2026

Based on preliminary estimates, the District expects to end the fiscal year ending June 30, 2026 with an estimated unappropriated unreserved fund balance of \$1,979,660, after the anticipated funding of reserves.

Summary unaudited information for the General Fund for the period ending June 30, 2026 is as follows:

	Revenues:	\$ 23,895,388
	Expenditures:	<u>22,959,424</u>
Excess (Deficit) Revenues Over Expenditures:	\$	935,964
Beginning Fund Balance at June 30, 2025:	\$	<u>2,815,752</u>
Total Projected Fund Balance at June 30, 2026:	\$	<u>3,751,716</u>

(1) Does not include all reserves. See “APPENDIX – D” herein.

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

State Comptroller Reports of Examination

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

The State Comptroller’s office released a multi-school district audit report, which included the District, on December 31, 2025. Using the NYS DOH Lead Testing in School Drinking Water Guidance Manual (DOH guidance), OSC assessed whether the officials at 21 school districts developed and maintained a sampling plan to identify all water outlets for sampling or exemption, sampled and tested all required potable water outlets for lead contamination for Cycle Two, had a remedial action plan detailing which water outlets they exempted from sampling and how they were secured against use and also which outlets exceeded the lead action level and the remedial actions taken, and, reported the testing results to all required parties within the required time periods. This audit report was a follow-up to the individual District audit of the District for Lead Testing and Reporting outlined below published on August 1, 2025. This audit report presented summarized and aggregate data of findings for all school districts included in this multi-district report and there were no findings or recommendations specific to the District included in this report.

A copy of the complete audit report can be found on the Audits of Local Governments section of the Office of the State Comptroller website.

The State Comptroller’s office released an audit of the District on August 1, 2025. The purpose of the audit was to determine whether District officials identified, reported, and implemented needed remediation to reduce lead exposure in potable water outlets.

Key Findings:

- District officials did not ensure all required potable water outlets were sampled and tested for lead contamination for Cycle Two.

Key Recommendations:

- Develop sampling and remediation plans for all District water outlets that could be used for drinking and cooking, including details on which water outlets will be considered exempt from sampling and their controls.
- Sample all water outlets that could be used for drinking and cooking and properly secure any water outlets designated as exempt from sampling.
- Review all work related to the lead testing program for accuracy and completeness.

A complete copy of the report, as well as the District response to the above findings and recommendations, can be found on the Audits of Local Governments section of the Office of the State Comptroller website.

The State Comptroller's office released an audit of the District on June 9, 2023. The purpose of the audit was to determine whether District officials procured and monitored transportation contracts in the best interest of taxpayers.

Key Findings:

District officials did not always ensure transportation contracts were procured and monitored in the best interest of taxpayers. District officials did not:

- Comply with competitive bidding requirements and/or the District's procurement policy for 33 transportation contracts totaling \$322,056 for the 35 transportation contracts totaling \$552,659.
- Monitor District fuel credit card purchases resulting in 155 charges totaling \$16,258 that did not comply with District procedures.
- Review vehicle repair invoices and parts ordered by the vehicle maintenance and repair vendor. Vehicle repair invoices had 22 charges, totaling \$1,891, that did not have enough detail to verify that the parts ordered were used for District vehicles.

Key Recommendations:

- Comply with competitive bidding requirements and the District's procurement policy.
- Monitor and enforce fuel credit card procedures.
- Periodically review work performed by outside vendors on the District's behalf.

District officials agreed with the recommendations and have initiated corrective action.

A complete copy of the report, as well as the District response to the above findings and recommendations, can be found on the Audits of Local Governments section of the Office of the State Comptroller website.

As of the date of this Official Statement, there are no other State Comptrollers audits of the District that are currently in progress or pending release.

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

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

The State Comptroller's Fiscal Stress Monitoring System

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

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

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

<u>Fiscal Year Ending</u>	<u>Stress Designation</u>	<u>Fiscal Score</u>
2025	No Designation	0.0
2024	No Designation	0.0
2023	No Designation	0.0
2022	No Designation	0.0
2021	No Designation	0.0

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

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

TAX INFORMATION

Taxable Assessed Valuation

<u>Fiscal Year Ending June 30:</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
Towns of:					
Coventry	\$ 1,683,007	\$ 1,683,944	\$ 1,684,105	\$ 1,687,141	\$ 1,674,183
McDonough	45,289,528	45,664,752	45,840,594	46,147,412	46,473,684
Norwich	3,597,649	3,591,928	3,577,372	3,690,480	3,677,829
Oxford	88,054,233	87,735,432	88,722,404	88,703,430	88,460,086
Pharsalia	279,775	290,937	289,568	290,583	287,651
Preston	14,260,222	14,276,001	14,408,750	14,467,440	14,496,651
Smithville	8,921,066	9,110,461	9,233,349	9,141,938	9,141,511
Total Assessed Values	<u>\$ 162,085,480</u>	<u>\$ 162,353,455</u>	<u>\$ 163,756,142</u>	<u>\$ 164,128,424</u>	<u>\$ 164,211,595</u>
State Equalization Rates					
Towns of:					
Coventry	100.00%	94.00%	85.00%	77.00%	79.00%
McDonough	73.20%	63.59%	60.46%	59.36%	56.54%
Norwich	45.00%	40.00%	36.00%	34.00%	32.00%
Oxford	60.00%	51.60%	44.68%	42.10%	37.00%
Pharsalia	51.10%	45.22%	42.26%	41.10%	33.65%
Preston	43.50%	36.00%	30.08%	29.40%	28.00%
Smithville	57.00%	54.00%	50.00%	49.00%	47.00%
Total Taxable Full Valuation	<u>\$ 267,286,395</u>	<u>\$ 309,782,536</u>	<u>\$ 353,364,456</u>	<u>\$ 370,057,036</u>	<u>\$ 406,968,473</u>

Source: District officials.

Tax Rates Per \$1,000 (Assessed)

<u>Fiscal Year Ending June 30:</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
Towns of:					
Coventry	\$ 19.05	\$ 17.82	\$ 18.03	\$ 19.48	\$ 18.10
McDonough	26.02	26.35	26.65	25.27	25.28
Norwich	42.33	41.89	42.37	44.12	44.67
Oxford	31.75	32.47	32.84	35.63	38.64
Pharsalia	37.28	37.05	37.48	36.50	42.48
Preston	43.79	46.54	47.08	51.03	51.06
Smithville	33.42	31.03	31.38	30.62	30.42

Source: District officials.

Tax Levy and Tax Collection Record

<u>Fiscal Year Ending June 30:</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
Total Tax Levy	\$ 5,091,160	\$ 5,349,572	\$ 5,296,512	\$ 5,551,377	\$ 5,817,883
Amount Uncollected ⁽¹⁾	555,943	549,746	548,012	583,978	623,757
% Uncollected	10.92%	10.28%	10.35%	10.52%	10.72%

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

Source: District officials.

Tax Collection Procedure

Tax payments are due September 1st. There is no penalty charge during the month of September, but a 2% penalty is charged from October 1st to October 31st. On or about November 1st, uncollected taxes plus penalties are returnable to the County of Chenango. 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 the County.

Real Property Tax Revenues

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

<u>Fiscal Year</u>	<u>Total Revenues ⁽¹⁾</u>	<u>Real Property Taxes & Tax Items</u>	<u>Percentage of Total Revenues Consisting of Real Property Taxes & Tax Items</u>
2020-21	\$ 18,530,138	\$ 5,148,778	27.79%
2021-22	18,848,015	5,124,544	27.19
2022-23	20,422,378	5,195,255	25.44
2023-24	22,219,404	5,307,667	23.89
2024-25	22,846,844	5,580,993	24.43
2025-26 (Budgeted)	23,888,779	5,841,383	24.45
2026-27 (Budgeted)	24,934,888	5,972,527	23.96

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

Source: Audited Financial Statements for the 2020-2021 through 2024-2025 fiscal years, anticipated unaudited figures for the 2025-2026 fiscal year, and budgeted figures for the 2025-2026 and 2026-2027 fiscal years. This table is not audited. The unaudited projections for the 2025-2026 fiscal year are based upon certain current assumptions and estimates, and the audited results may vary therefrom.

Larger Taxpayers 2025 Tax Roll for 2025-2026

<u>Name</u>	<u>Type</u>	<u>Estimated Full Valuation</u>
State of New York	Forests	\$ 11,708,129
New York State Electric & Gas	Utility	4,728,182
Frontier Communications	Utility	2,064,829
Marshman Farms	Agriculture	947,200
Lake Ludlow Club, Inc.	Commercial	783,700
Stewart's Shops	Commercial	474,720
Mirabito & Sons	Commercial	405,000
BlueOx	Commercial	370,100
Burk Family Trust	Agriculture	357,200
Buser, Kenneth	Agricultural	349,300

The ten larger taxpayers listed above have a total full valuation of \$22,188,360, which represents 5.45% of the tax base of the District for the 2025-2026 fiscal year.

As of the date of this Official Statement, the District does not have any pending or outstanding tax certioraris that are known or believed could have a material impact on the finances of 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.

Homeowners over 65 years of age with household adjusted gross incomes, less the taxable amount of total distributions from individual retirement accounts and individual retirement annuities ("STAR Adjusted Gross Income") of \$107,300 or less for the 2025-26 school year, increased annually according to a cost of living adjustment, are eligible for a "full value" exemption of the first \$86,100 for the 2025-26 school year (adjusted annually). Other homeowners with household STAR Adjusted Gross income not in excess of \$250,000 (\$500,000 in the case of a STAR credit, as discussed below) are eligible for a \$30,000 "full value" exemption on their primary residence.

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

The 2019-20 Enacted State Budget made several changes to the STAR program, which went into effect immediately. The changes were intended to encourage homeowners to switch from the STAR exemption to the STAR credit. The income limit for the exemption was lowered to \$250,000, compared with a \$500,000 limit for the credit. The amount of the STAR exemption remains the same each year, while the amount of the STAR credit can increase up to two percent annually.

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

<u>Towns of:</u>	<u>Enhanced Exemption</u>	<u>Basic Exemption</u>	<u>Date Certified</u>
Coventry	\$ 69,920	\$ 23,700	4/10/2026
McDonough	50,040	16,960	4/10/2026
Norwich	28,320	9,600	4/10/2026
Oxford	32,750	11,290	4/10/2026
Pharsalia	31,500	10,970	4/10/2026
Preston	24,780	8,400	4/10/2026
Smithville	41,600	14,100	4/10/2026

\$661,242 of the District's \$5,817,883 school tax levy for the 2025-2026 fiscal year was exempt by the STAR Program. The District received full reimbursement of such exempt taxes from the State in January 2026.

Approximately \$678,479 of the District's \$5,972,527 school tax levy for the 2026-2027 fiscal year is expected to be exempt by the STAR Program. The District expects to receive full reimbursement of such exempt taxes from the State by January 2027.

Additional Tax Information

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

Senior citizens' exemptions are offered to those who qualify.

The total real property tax payment for a typical \$50,000 market value house including School, Town and County tax is approximately \$2,165.

TAX LEVY LIMITATION LAW

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

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

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

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

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

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

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

Debt Limit. Pursuant to the Local Finance Law, the District has the power to contract indebtedness for any District purpose authorized by the Legislature of the State of New York provided the aggregate principal amount thereof shall not exceed ten per centum of the full valuation of the taxable real estate of the District and subject to certain enumerated deductions such as State aid for building purposes. The constitutional and statutory method for determining full valuation 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.

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

Statutory Procedure

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

The District is generally required by such laws to submit propositions for the expenditure of money for capital purposes to the qualified electors of the District. Upon approval thereby, the Board of Education may adopt a bond resolution authorizing the issuance of bonds, and notes in anticipation of the bonds. No down payment is required in connection with the issuance of District obligations.

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.

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 complied with this estoppel procedure in connection with the bond resolution under which the Notes are being issued. It is a procedure that is recommended by Bond Counsel, but it is not an absolute legal requirement.

In general, statutory law in New York permits bond anticipation notes to be renewed each year provided annual principal installments are made in reduction of the total amount of such notes outstanding, commencing no later than two years from the date of the first of such notes and provided that such renewals do not exceed five years beyond the original date of borrowing. (See “Payment and Maturity” under “Constitutional Requirements” herein, and “Details of Outstanding Indebtedness” herein).

In general, the Local Finance Law contains provisions providing the District with power to issue certain other short-term general obligation indebtedness including revenue and tax anticipation notes, in anticipation of the collection of a specific type of revenue, and budget or deficiency notes when necessary.

Debt Outstanding End of Fiscal Year

<u>Fiscal Year Ending June 30th:</u>	<u>2021</u>	<u>2022⁽¹⁾</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Bonds	\$ 8,415,000	\$ 15,615,000	\$ 14,790,000	\$ 16,925,000	\$ 15,615,000
Bond Anticipation Notes	10,081,000	10,165,000	4,120,600	711,200	1,732,800
Lease Obligations ⁽²⁾	<u>0</u>	<u>98,894</u>	<u>155,723</u>	<u>208,529</u>	<u>238,371</u>
Total Debt Outstanding	<u>\$ 18,496,000</u>	<u>\$ 25,878,894</u>	<u>\$ 19,066,323</u>	<u>\$ 17,844,729</u>	<u>\$ 17,586,171</u>

- (1) The District issued \$7,980,000 serial bonds through the Dormitory Authority of the State of New York on June 15, 2022, which, along with available funds of the District and a renewal of \$1,135,000 of the outstanding bond anticipation notes, partially redeemed, renewed, and permanently financed the District’s outstanding \$9,580,000 bond anticipation note issue that matured on July 8, 2022. As of the June 30, 2022 fiscal year end, both the serial bonds and bond anticipation notes were outstanding and are included above.
- (2) In 2022, the District implemented GASB Statement No. 87 for accounting and reporting leases. See “Lease Purchase Obligations” herein.

Details of Outstanding Indebtedness

The following table sets forth the indebtedness of the District as of June 4, 2026.

<u>Type of Indebtedness</u>	<u>Maturity</u>	<u>Amount</u>
<u>Bonds</u>	2026-2051	\$ 15,615,000
<u>Bond Anticipation Notes</u>		
Capital Project	June 26, 2026	1,000,000 ⁽¹⁾
Capital Project	July 3, 2026	5,000,000 ⁽²⁾
Purchase of Buses	August 7, 2026	<u>649,400</u>
Total Indebtedness		<u>\$ 22,264,400</u>

⁽¹⁾ To be partially redeemed and renewed, along with \$105,000 available funds of the District, at maturity with the proceeds of the Series A Notes.

⁽²⁾ To be renewed, in full, at maturity with the proceeds of the Series B Notes.

Debt Statement Summary

Summary of Indebtedness, Debt Limit and Net Debt-Contracting Margin as of June 4, 2026:

Full Valuation of Taxable Real Property	\$ 406,968,473
Debt Limit – 10% thereof	40,696,847

Inclusions:

Bonds.....	\$ 15,615,000
Bond Anticipation Notes (BANs):	6,649,400
Total Inclusions prior to issuance of the Notes	22,264,400
Less: BANs being redeemed from appropriations	105,000
Add: New money proceeds of the Notes	12,300,000
Total Net Inclusions after issuance of the Notes	<u>\$ 34,459,400</u>

Exclusions:

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

Total Net Indebtedness <u>after issuance of the Notes</u>	<u>\$ 34,459,400</u>
Net Debt-Contracting Margin	<u>\$ 6,237,447</u>
The percent of debt contracting power exhausted is	84.67%

- ⁽¹⁾ Based on 2026-2027 preliminary building aid estimates, the District anticipates State Building aid of 94.1% 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 its capital project indebtedness.

Notes: The State Constitution does not provide for the inclusion of tax anticipation or revenue anticipation notes in the computation of the statutory debt limit of the District. The table above does not include any energy performance contract, capital lease, or installment purchase indebtedness, to the extent any such indebtedness may be applicable to the District.

Bonded Debt Service

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

Lease Purchase Obligations

The following is a summary of the District’s debt service requirements for its lease purchase obligations as of June 30, 2025:

Year	Principal	Interest	Total
2026	\$ 119,982	\$ 7,520	\$ 127,502
2027	78,352	6,916	85,268
2028	40,037	2,951	42,988
TOTAL	<u>\$ 238,371</u>	<u>\$ 17,387</u>	<u>\$ 255,758</u>

Source: 2025 Audited Financial Statements.

Cash Flow Borrowings

The District has not issued revenue anticipation notes or tax anticipation notes within the past five fiscal years, and does not anticipate issuing such notes in the foreseeable future.

Capital Project Plans

On May 18, 2021, School District voters approved a proposition for the reconstruction/renovation/improvement of energy systems for the School District buildings and facilities at a maximum cost not to exceed \$2,900,000. The energy contract vendor plans to complete an audit for specific project scope, energy savings and costs this summer. In June 2024, the District permanently financed a \$1,600,000 portion of this project through the Dormitory Authority of the State of New York. On August 8, 2024, the District issued \$1,000,000 bond anticipation notes for this project. On June 26, 2025, the District issued \$1,000,000 bond anticipation notes which fully renewed the \$1,000,000 bond anticipation notes which matured on June 27, 2025. The proceeds of the Series A Notes, along with \$40,000 available funds of the District, will partially redeem and renew the \$1,000,000 bond anticipation notes outstanding and maturing June 26, 2026 for the aforementioned project.

On May 21, 2024, District voters approved a capital improvement project in the amount of \$19,500,000. On July 3, 2025, the District issued \$5,000,000 bond anticipation notes as the first borrowing for the aforementioned project. The proceeds of the Series B Notes will renew, in full, the \$5,000,000 bond anticipation notes outstanding and maturing July 3, 2026 and provide \$12,300,000 new money for the aforementioned project.

The District issues bond anticipation notes annually for buses. The voters of the District approved a bus proposition on May 19, 2026. The proposition authorizes the purchase of one (1) 42-passenger diesel school bus at a maximum estimated cost of \$205,917 and one (1) 65-passenger diesel school bus at a maximum estimated cost of \$179,904 to be financed with up to \$385,821 of obligations of the District.

There are presently no other capital projects authorized and unissued by the District.

Estimated Overlapping Indebtedness

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

<u>Municipality</u>	<u>Status of Debt as of</u>	<u>Gross Indebtedness</u> ⁽¹⁾	<u>District Share</u>	<u>Applicable Indebtedness</u>
County of:				
Chenango	12/31/2024 ⁽³⁾	\$ -	11.87%	\$ -
Town of:				
Coventry	12/31/2024 ⁽⁴⁾	-	1.75%	-
McDonough	12/31/2024 ⁽³⁾	-	84.95%	-
Norwich	12/31/2024 ⁽³⁾	-	3.44%	-
Oxford	12/31/2024 ⁽⁴⁾	-	85.71%	-
Pharsalia	12/31/2024 ⁽³⁾	-	1.01%	-
Preston	12/31/2024 ⁽³⁾	-	63.33%	-
Smithville	12/31/2024 ⁽³⁾	216,359	16.85%	36,456
Village of:				
Oxford	5/31/2025 ⁽³⁾	3,077,683	100.00%	3,077,683
			Total:	\$ 3,114,139

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

Note: Gross Indebtedness sourced from local government data provided by the State Comptroller's office. Information regarding applicable exclusions, such as water debt, sewer debt, and budgeted appropriations for the municipalities is not available from source.

Debt Ratios

The following table sets forth certain ratios relating to the District's indebtedness as of June 4, 2026:

	<u>Amount</u>	<u>Per Capita</u> ^(a)	<u>Percentage of Full Value</u> ^(b)
Net Indebtedness ^(c)	\$ 34,459,400	\$ 6,941.86	8.47%
Net Indebtedness Plus Net Overlapping Indebtedness ^(d)	37,573,539	7,569.21	9.23%

- (a) The 2024 estimated population of the District is 4,964. (See "THE SCHOOL DISTRICT – District Population" herein.)
- (b) The District's full value of taxable real estate for 2025-2026 is \$406,968,473. (See "TAX INFORMATION – Valuations" herein.)
- (c) See "Debt Statement Summary" herein for the calculation of Net Direct Indebtedness.
- (d) Estimated gross overlapping indebtedness is \$3,114,139. (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 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 Notes in default of such school district for the sole purpose of the payment of defaulted principal of and interest on such bonds. If any of such successive allotments, apportionments or payments of such State Aid so deducted or withheld shall be less than the amount of all principal and interest on the Notes in default with respect to which the same was so deducted or withheld, then the State Comptroller shall promptly forward to each paying agent an amount in the proportion that the amount of such bonds in default payable to such paying agent bears to the total amount of the principal and interest then in default on such bonds of such school district. The State Comptroller shall promptly notify the chief fiscal officer of such school district of any payment or payments made to any paying agent or agents of defaulted bonds pursuant to said Section 99-b.

General Municipal Law Contract Creditors' Provision. The Notes when duly issued and paid for will constitute a contract between the District and the holder thereof. Under current law, provision is made for contract creditors of the 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 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 District may not be enforced by levy and execution against property owned by the 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 District indebtedness is currently past due. The District failed to make its principal and interest payments due on July 8, 2022 on its \$9,580,000 Bond Anticipation Notes, 2021 (Renewals) in a timely manner. Due to a clerical error, the payment and interest due was only partially made on the due date. The remaining portion of the principal and interest payment was made by the District on July 11, 2022 upon the District receiving notification the payment had not been received in full. A Material Event Notice was filed to EMMA on July 13, 2022.

MARKET AND RISK FACTORS

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

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

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

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

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

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

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

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

Future legislative proposals, if enacted into law, or clarification of the Code or court decisions may cause interest on the Notes to be subject, directly or indirectly, to federal income taxation or to be subject to or exempted from state income taxation, or otherwise prevent the beneficial owners of the Notes from realizing the full current benefit of the tax status of such interest. No assurance can be given that pending or future legislation or amendments to the Code, if enacted into law, or any proposed legislation or amendments to the Code, will not adversely affect the value of the Notes, or the tax status of interest on the Notes. See "TAX MATTERS" herein. Prospective purchasers of the Notes should consult their own tax advisors regarding any pending or proposed federal or state tax legislation, regulations or litigation, and regarding the impact of future legislation, regulations, or litigation, as to which Bond Counsel expresses no opinion.

Cybersecurity

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

CONTINUING DISCLOSURE

In order to assist the purchasers in complying with Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended ("Rule 15c2-12"), the District will enter into an Undertaking to Provide Notice of Material Events Certificate, a description of which is attached hereto as "APPENDIX – C".

Historical Continuing Disclosure Compliance

The District is in compliance, in all material respects, within the last five years with all previous undertakings made pursuant to the Rule 15c2-12.

TAX MATTERS

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 excludable from gross income for federal income tax purposes. These requirements include provisions which prescribe yield and other limits relative to the investment and expenditures of the proceeds of the Notes and other amounts and require that certain earnings be rebated to the federal government. The District will agree to comply with certain provisions and procedures, pursuant to which such requirements can be satisfied. Non-compliance with such requirements may cause interest on the Notes to become included in gross income for federal income tax purposes retroactive to the date of issuance thereof, irrespective of the date on which non-compliance is ascertained.

The Code imposes a 30% branch profits tax on the earnings and profits of a United States branch of certain foreign corporations attributable to its income effectively connected (or treated as effectively connected) with a United States trade or business. Included in the earnings and profits of the United States branch of a foreign corporation is income that would be effectively connected with the United States trade or business if such income were taxable, such as the interest on the Notes. Existing United States income tax treaties may modify, reduce, or eliminate the branch profits tax, except in cases of treaty shopping.

The Code further provides that interest on the Notes is included in the calculation of modified adjusted gross income in determining whether a portion of Social Security or railroad retirement benefits is to be included in taxable income of individuals. In addition, certain S Corporations may have a tax imposed on passive income, including tax-exempt interest, such as interest on the Notes.

Prospective purchasers should consult their tax advisors with respect to the calculations of the alternative minimum tax or foreign branch profits tax liability, and the tax on passive income of S Corporations or the inclusion of Social Security or other retirement payments in taxable income.

In the opinion of Bond Counsel, assuming compliance with certain requirements of the Code, under existing laws, interest on the Notes is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed by the Code. Interest on the Notes included in adjusted financial statement income of certain corporations is not excluded from the federal corporate alternative minimum tax imposed under the Code. Bond Counsel expresses no opinion regarding other federal tax consequences arising with respect to the Notes.

The opinion of Bond Counsel described herein with respect to the federal income tax treatment of interest paid on the Notes is based upon the current provisions of the Code. There can be no assurance that the Code will not be amended in the future so as to reduce or eliminate such favorable federal income tax treatment on the Notes. Any such future legislation would have an adverse effect on the market value of the Notes.

In addition, in the opinion of Bond Counsel, under existing laws, so long as interest is excluded from gross income for Federal income tax purposes, interest on the Notes is exempt from personal income taxes imposed by the State or any political subdivision thereof, including the City of New York.

LEGAL MATTERS

The legality of the authorization and issuance of the Notes will be covered by the unqualified legal opinion of Bond, Schoeneck & King, PLLC, Bond Counsel, Syracuse, New York. Such legal opinion will state that in the opinion of Bond Counsel (i) the Notes have been authorized and issued in accordance with the Constitution and statutes of the State of New York and constitute valid and legally binding general obligations of the District, all the taxable property within which is subject to the levy of ad valorem taxes to pay the Notes and interest thereon, without limitation as to rate or amounts (ii) interest on the Notes is exempt from personal income taxes imposed by the State of New York or any political subdivision thereof, including the City of New York; and (iii) interest on the Notes is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals; however, interest on the Notes included in adjusted financial statement income of certain corporations is not excluded from the federal corporate alternative minimum tax imposed under the Code. The opinions of Bond Counsel set forth in (iii) above are subject to the condition that the District comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Notes in order that interest thereon be, or continue to be, excluded from gross income for federal income tax purposes. The District has covenanted to comply with each such requirement. Failure to comply with certain of such requirements may cause the inclusion of interest on the Notes in gross income for federal income tax purposes to be retroactive to the date of issuance of the Notes. Bond Counsel expresses no opinion regarding other federal tax consequences arising with respect to the Notes. It is to be understood that the rights of the holders of the Notes and the enforceability thereof may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted to the extent constitutionally applicable and that their enforcement may be also subject to exercise of judicial discretion in appropriate cases.

Bond Counsel has not been engaged or undertaken to review the accuracy, completeness or sufficiency of the Official Statement (except to the extent, if any, stated in the Official Statement) or any other offering material relating to the Notes, and Bond Counsel expresses no opinion relating thereto (excepting only matters set forth as Bond Counsel's opinion in the Official Statement).

LITIGATION

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

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

RATINGS

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

The District does not have an underlying rating on its outstanding general obligation serial bonds.

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.

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.

CUSIP IDENTIFICATION NUMBERS

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

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.

Bond, Schoeneck & King, PLLC, 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 SEC.

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

The District's Bond Counsel contact information is as follows: Matthew N. Wells, Esq., Bond, Schoeneck & King, PLLC, One Lincoln Center – 18th Floor, Syracuse, New York 13202, Phone (315) 218-8174, Fax (315) 218-8100, Email: mwells@bsk.com.

The District's contact information is as follows: Erin Gramstad, Business Manager, 10 Fort Hill Park, P.O. Box 192, Oxford, New York 13830, Phone: (607) 843-2025, Fax: (607) 843-3241, Email: egramstad@oxac.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 and www.fiscaladvisorsauction.com.

OXFORD ACADEMY AND CENTRAL SCHOOL DISTRICT

Dated: June 4, 2026

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

GENERAL FUND

Balance Sheets

Fiscal Years Ending June 30:	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
<u>ASSETS</u>					
Unrestricted Cash	\$ 2,689,667	\$ 1,429,617	\$ 400,992	\$ 4,222,211	\$ 4,001,432
Restricted Cash	2,424,868	2,992,060	4,708,096	1,082,149	2,413,585
Accounts Receivables	-	-	-	-	-
Due from Other Funds	451,815	944,638	1,217,787	1,379,076	657,478
Due from Other Governments	656,394	615,802	-	-	1,088,041
State and Federal Aid Receivable	257,150	205,590	846,843	1,209,323	-
Due From Fiduciary Funds	-	-	-	-	-
Other Receivables	9,281	65,342	12,892	13,957	8,109
Prepaid Expenditures	-	-	13,951	30,258	57,410
TOTAL ASSETS	\$ 6,489,175	\$ 6,253,049	\$ 7,200,561	\$ 7,936,974	\$ 8,226,055
<u>LIABILITIES AND FUND EQUITY</u>					
Accounts Payable	\$ 1,113,406	\$ 438,019	\$ 493,134	\$ 521,140	\$ 945,271
Accrued Liabilities	103,530	41,069	316,019	83,170	330,888
Deferred Revenues	1,133	5,740	-	-	-
Due to Other Funds	865,110	569,510	316,356	95,913	756,402
Due to Teachers' Retirement System	607,168	645,811	700,484	695,939	725,003
Due to Employees' Retirement System	70,957	44,317	68,108	87,296	93,130
TOTAL LIABILITIES	2,761,304	1,744,466	1,894,101	1,483,458	2,850,694
<u>FUND EQUITY</u>					
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ 57,410
Restricted	1,273,456	2,123,585	2,123,585	2,129,082	2,413,585
Assigned	62,790	478,631	453,200	451,842	146,025
Unassigned	2,391,625	1,906,367	2,729,675	3,872,592	2,758,341
TOTAL FUND EQUITY	3,727,871	4,508,583	5,306,460	6,453,516	5,375,361
TOTAL LIABILITIES and FUND EQUITY	\$ 6,489,175	\$ 6,253,049	\$ 7,200,561	\$ 7,936,974	\$ 8,226,055

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

GENERAL FUND

Revenues, Expenditures and Changes in Fund Balance

Fiscal Years Ending June 30:	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
<u>REVENUES</u>					
Real Property Taxes	\$ 4,125,977	\$ 4,305,214	\$ 4,298,029	\$ 4,432,447	\$ 4,591,541
Real Property Tax Items	877,469	843,564	826,515	762,808	716,126
Charges for Services	36,875	23,971	110,810	51,508	37,470
Use of Money & Property	25,891	26,292	25,978	152,177	302,721
Sale of Property and					
Compensation for Loss	33,560	16,920	131,225	24,140	12,744
Miscellaneous	330,776	255,196	269,587	27,819	87,219
Revenues from State Sources	14,635,485	12,794,678	13,091,477	14,881,812	16,393,328
Revenues from Federal Sources	114,910	264,303	94,394	89,667	78,255
Total Revenues	<u>\$ 20,180,943</u>	<u>\$ 18,530,138</u>	<u>\$ 18,848,015</u>	<u>\$ 20,422,378</u>	<u>\$ 22,219,404</u>
Other Sources:					
Interfund Transfers	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Revenues and Other Sources	<u>20,180,943</u>	<u>18,530,138</u>	<u>18,848,015</u>	<u>20,422,378</u>	<u>22,219,404</u>
<u>EXPENDITURES</u>					
General Support	\$ 2,536,833	\$ 2,405,609	\$ 2,697,330	\$ 2,639,281	\$ 3,363,242
Instruction	9,427,431	8,484,870	8,441,447	9,050,045	9,348,294
Pupil Transportation	662,752	676,632	796,540	941,315	956,148
Community Services	-	-	-	-	-
Employee Benefits	4,376,467	4,420,093	4,700,289	4,678,173	5,187,688
Debt Service	2,817,815	1,225,985	1,427,278	2,219,967	2,525,463
Total Expenditures	<u>\$ 19,821,298</u>	<u>\$ 17,213,189</u>	<u>\$ 18,062,884</u>	<u>\$ 19,528,781</u>	<u>\$ 21,380,835</u>
Other Uses:					
Interfund Transfers	<u>45,000</u>	<u>891,022</u>	<u>4,419</u>	<u>95,720</u>	<u>95,913</u>
Total Expenditures and Other Uses	<u>19,866,298</u>	<u>18,104,211</u>	<u>18,067,303</u>	<u>19,624,501</u>	<u>21,476,748</u>
Excess (Deficit) Revenues Over Expenditures	<u>314,645</u>	<u>425,927</u>	<u>780,712</u>	<u>797,877</u>	<u>742,656</u>
<u>FUND BALANCE</u>					
Fund Balance - Beginning of Year	2,987,299	3,301,944	3,727,871	4,508,583	5,306,460
Prior Period Adjustments (net)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>404,400</u>
Fund Balance - End of Year	<u><u>\$ 3,301,944</u></u>	<u><u>\$ 3,727,871</u></u>	<u><u>\$ 4,508,583</u></u>	<u><u>\$ 5,306,460</u></u>	<u><u>\$ 6,453,516</u></u>

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

GENERAL FUND

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

Fiscal Years Ending June 30:

	2025			2026	2027
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Adopted Budget</u>	<u>Adopted Budget</u>
<u>REVENUES</u>					
Real Property Taxes	\$ 4,829,698	\$ 4,829,698	\$ 4,865,874	\$ 5,061,558	\$ 5,972,527
Real Property Tax Items	745,179	745,179	715,119	779,825	-
Non-Property Tax Items	-	-	-	-	-
Charges for Services	-	5,000	50,819	25,000	-
Use of Money & Property	-	130,000	297,177	217,000	-
Sale of Property and Compensation for Loss	-	219,433	20,637	-	-
Miscellaneous	354,433	-	308,670	219,433	641,877
Revenues from State Sources	16,906,010	16,906,010	16,475,358	17,485,963	18,220,484
Revenues from Federal Sources	100,000	100,000	113,190	100,000	100,000
Total Revenues	<u>\$ 22,935,320</u>	<u>\$ 22,935,320</u>	<u>\$ 22,846,844</u>	<u>\$ 23,888,779</u>	<u>\$ 24,934,888</u>
Other Sources:					
Appropriated Reserves	250,000	250,000	-	-	606,548
Appropriated Fund Balance	500,000	2,320,843	-	-	-
Obligations Authorized Prior Year	-	-	-	-	-
Interfund Transfers	-	-	-	143,992	-
Total Revenues and Other Sources	<u>23,685,320</u>	<u>25,506,163</u>	<u>22,846,844</u>	<u>24,032,771</u>	<u>25,541,436</u>
<u>EXPENDITURES</u>					
General Support	\$ 3,772,033	\$ 3,221,987	\$ 3,034,661	\$ 3,197,787	\$ 3,161,992
Instruction	10,131,190	10,972,628	10,141,508	10,834,333	10,622,436
Pupil Transportation	1,152,032	1,181,483	997,735	1,002,437	976,819
Community Services	-	-	-	-	-
Employee Benefits	6,509,604	6,129,629	5,835,222	6,507,283	7,827,675
Debt Service	2,070,461	2,450,436	2,546,716	2,415,931	2,877,514
Total Expenditures	<u>\$ 23,635,320</u>	<u>\$ 23,956,163</u>	<u>\$ 22,555,842</u>	<u>\$ 23,957,771</u>	<u>\$ 25,466,436</u>
Other Uses:					
Interfund Transfers	<u>50,000</u>	<u>1,550,000</u>	<u>1,369,157</u>	<u>75,000</u>	<u>75,000</u>
Total Expenditures and Other Uses	<u>23,685,320</u>	<u>25,506,163</u>	<u>23,924,999</u>	<u>24,032,771</u>	<u>25,541,436</u>
Excess (Deficit) Revenues Over Expenditures	<u>-</u>	<u>-</u>	<u>(1,078,155)</u>	<u>-</u>	<u>-</u>
<u>FUND BALANCE</u>					
Fund Balance - Beginning of Year	-	-	6,453,516	-	-
Prior Period Adjustments (net)	-	-	-	-	-
Fund Balance - End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,375,361</u>	<u>\$ -</u>	<u>\$ -</u>

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

APPENDIX - B
Oxford Academy & CSD

BONDED DEBT SERVICE

Fiscal Year Ending June 30th			
	Principal	Interest	Total
2026	\$ 1,415,000	\$ 753,393.75	\$ 2,168,393.75
2027	1,465,000	691,437.50	2,156,437.50
2028	1,285,000	619,012.50	1,904,012.50
2029	1,355,000	554,762.50	1,909,762.50
2030	1,410,000	487,012.50	1,897,012.50
2031	825,000	416,512.50	1,241,512.50
2032	860,000	375,262.50	1,235,262.50
2033	825,000	332,262.50	1,157,262.50
2034	665,000	291,012.50	956,012.50
2035	700,000	257,762.50	957,762.50
2036	730,000	222,762.50	952,762.50
2037	455,000	186,262.50	641,262.50
2038	480,000	163,512.50	643,512.50
2039	180,000	139,512.50	319,512.50
2040	190,000	130,512.50	320,512.50
2041	200,000	121,012.50	321,012.50
2042	210,000	111,012.50	321,012.50
2043	220,000	100,512.50	320,512.50
2044	230,000	91,162.50	321,162.50
2045	245,000	81,387.50	326,387.50
2046	250,000	70,975.00	320,975.00
2047	260,000	60,350.00	320,350.00
2048	270,000	49,300.00	319,300.00
2049	285,000	37,825.00	322,825.00
2050	295,000	25,712.50	320,712.50
2051	310,000	13,175.00	323,175.00
TOTALS	\$ 15,615,000	\$ 6,383,418.75	\$ 21,998,418.75

Note: The table above does not include any energy performance contract, capital lease, or installment purchase indebtedness, to the extent any such indebtedness may be applicable to the District.

CURRENT BONDS OUTSTANDING

Fiscal Year Ending June 30th	2015 Capital Project			2016 - DASNY Capital Project		
	Principal	Interest	Total	Principal	Interest	Total
2026	\$ 55,000	\$ 3,781.25	\$ 58,781.25	\$ 760,000	\$ 174,850.00	\$ 934,850.00
2027	55,000	1,925.00	56,925.00	790,000	144,750.00	934,750.00
2028	-	-	-	615,000	105,250.00	720,250.00
2029	-	-	-	645,000	74,500.00	719,500.00
2030	-	-	-	675,000	42,250.00	717,250.00
2031	-	-	-	85,000	8,500.00	93,500.00
2032	-	-	-	85,000	4,250.00	89,250.00
2033	-	-	-	-	-	-
TOTALS	\$ 110,000	\$ 5,706.25	\$ 115,706.25	\$ 3,655,000	\$ 554,350.00	\$ 4,209,350.00

Fiscal Year Ending June 30th	2018 - DASNY Capital Project			2022 - DASNY Capital Project		
	Principal	Interest	Total	Principal	Interest	Total
2026	\$ 135,000	\$ 64,250.00	\$ 199,250.00	\$ 285,000	\$ 354,512.50	\$ 639,512.50
2027	140,000	57,500.00	197,500.00	295,000	340,262.50	635,262.50
2028	150,000	50,500.00	200,500.00	325,000	325,512.50	650,512.50
2029	155,000	43,000.00	198,000.00	345,000	309,262.50	654,262.50
2030	160,000	35,250.00	195,250.00	360,000	292,012.50	652,012.50
2031	170,000	27,250.00	197,250.00	340,000	274,012.50	614,012.50
2032	180,000	18,750.00	198,750.00	360,000	257,012.50	617,012.50
2033	195,000	9,750.00	204,750.00	380,000	239,012.50	619,012.50
2034	-	-	-	405,000	220,012.50	625,012.50
2035	-	-	-	425,000	199,762.50	624,762.50
2036	-	-	-	445,000	178,512.50	623,512.50
2037	-	-	-	160,000	156,262.50	316,262.50
2038	-	-	-	175,000	148,262.50	323,262.50
2039	-	-	-	180,000	139,512.50	319,512.50
2040	-	-	-	190,000	130,512.50	320,512.50
2041	-	-	-	200,000	121,012.50	321,012.50
2042	-	-	-	210,000	111,012.50	321,012.50
2043	-	-	-	220,000	100,512.50	320,512.50
2044	-	-	-	230,000	91,162.50	321,162.50
2045	-	-	-	245,000	81,387.50	326,387.50
2046	-	-	-	250,000	70,975.00	320,975.00
2047	-	-	-	260,000	60,350.00	320,350.00
2048	-	-	-	270,000	49,300.00	319,300.00
2049	-	-	-	285,000	37,825.00	322,825.00
2050	-	-	-	295,000	25,712.50	320,712.50
2051	-	-	-	310,000	13,175.00	323,175.00
TOTALS	\$ 1,285,000	\$ 306,250.00	\$ 1,591,250.00	\$ 7,445,000	\$ 4,326,862.50	\$ 11,771,862.50

APPENDIX - B2
Oxford Academy & CSD

CURRENT BONDS OUTSTANDING

Fiscal Year Ending June 30th	2024 - DASNY Capital Project			2024 - DASNY Capital Project		
	Principal	Interest	Total	Principal	Interest	Total
2026	\$ 80,000	\$ 70,250.00	\$ 150,250.00	\$ 100,000	\$ 85,750.00	\$ 185,750.00
2027	85,000	66,250.00	151,250.00	100,000	80,750.00	180,750.00
2028	85,000	62,000.00	147,000.00	110,000	75,750.00	185,750.00
2029	90,000	57,750.00	147,750.00	120,000	70,250.00	190,250.00
2030	95,000	53,250.00	148,250.00	120,000	64,250.00	184,250.00
2031	100,000	48,500.00	148,500.00	130,000	58,250.00	188,250.00
2032	105,000	43,500.00	148,500.00	130,000	51,750.00	181,750.00
2033	115,000	38,250.00	153,250.00	135,000	45,250.00	180,250.00
2034	120,000	32,500.00	152,500.00	140,000	38,500.00	178,500.00
2035	125,000	26,500.00	151,500.00	150,000	31,500.00	181,500.00
2036	130,000	20,250.00	150,250.00	155,000	24,000.00	179,000.00
2037	135,000	13,750.00	148,750.00	160,000	16,250.00	176,250.00
2038	140,000	7,000.00	147,000.00	165,000	8,250.00	173,250.00
TOTALS	\$ 1,405,000	\$ 539,750.00	\$ 1,944,750.00	\$ 1,715,000	\$ 650,500.00	\$ 2,365,500.00

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

The District reserves the right to terminate its obligation to provide the afordescribed 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.

OXFORD ACADEMY AND CENTRAL SCHOOL DISTRICT
CHENANGO COUNTY NEW YORK

AUDITED FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED

JUNE 30, 2025

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

OXFORD ACADEMY AND
CENTRAL SCHOOL
DISTRICT

MANAGEMENT'S
DISCUSSION AND
ANALYSIS

AND

BASIC FINANCIAL
STATEMENTS

For the Year Ended
June 30, 2025

**OXFORD ACADEMY AND CENTRAL SCHOOL DISTRICT
TABLE OF CONTENTS**

	<u>Page</u>
INDEPENDENT AUDITOR’S REPORT	1-3
MANAGEMENT’S DISCUSSION AND ANALYSIS	4-13
BASIC FINANCIAL STATEMENTS	
District-wide Financial Statements	
• Statement of Net Position	14
• Statement of Activities	15
Fund Financial Statements	
• Balance Sheet – Governmental Funds	16
• Reconciliation of the Governmental Fund Balances to the District-Wide Net Position	17
• Statement of Revenues, Expenditures, and Changes in Fund Balances – All Governmental Funds	18
• Reconciliation of the Statement of Revenues and Expenditures of the Governmental Funds to the Statement of Activities	19
Fiduciary Fund Financial Statements	
• Statement of Fiduciary Net Position	20
• Statement of Changes in Fiduciary Net Position	21
Notes to Basic Financial Statements	22-46
REQUIRED SUPPLEMENTARY INFORMATION OTHER THAN MANAGEMENT’S DISCUSSION AND ANALYSIS	
Schedule of Revenues, Expenditures, and Changes in Fund Balance Budget and Actual – General Fund	47
Schedule of Changes in the District’s Total OPEB Liability and Related Ratios	48
Schedule of District Contributions	49
Schedule of District’s Proportionate Share of the Net Pension Asset/Liability	50
OTHER SUPPLEMENTARY INFORMATION	
Schedules of Change from Adopted Budget to Final Budget and Real Property Tax Limit	51
Schedule of Project Expenditures – Capital Projects Fund	52
Net Investment in Capital Assets	53
GOVERNMENTAL AUDITING STANDARDS 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 <i>Governmental Auditing Standards</i>	54

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
Oxford Academy and Central School District

Opinions

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

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

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller 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 Oxford Academy and Central School District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Change in Accounting Principle and Correction of an Error

As discussed in Notes 1 and 17 to the financial statements, Oxford Academy and Central School District, changed its accounting policies relating to the recognition and reporting of compensated absences by adopting Governmental Auditing Standards Board (GASB) Statement No. 101, *Compensated Absences*. In addition, the District restated the beginning net position on the Statement of Net Position to correct an error in the amount of Capital Assets previously reported. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

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 Oxford Academy and Central School District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Oxford Academy and Central School District's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis 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 Oxford Academy and Central 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 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 13, 2025, on our consideration of the Oxford Academy and Central School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Oxford Academy and Central School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Oxford Academy and Central School District's internal control over financial reporting and compliance.

D'Arcangelo + Co., LLP

October 13, 2025

Rome, New York

**OXFORD ACADEMY AND CENTRAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2025**

(Continued)

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

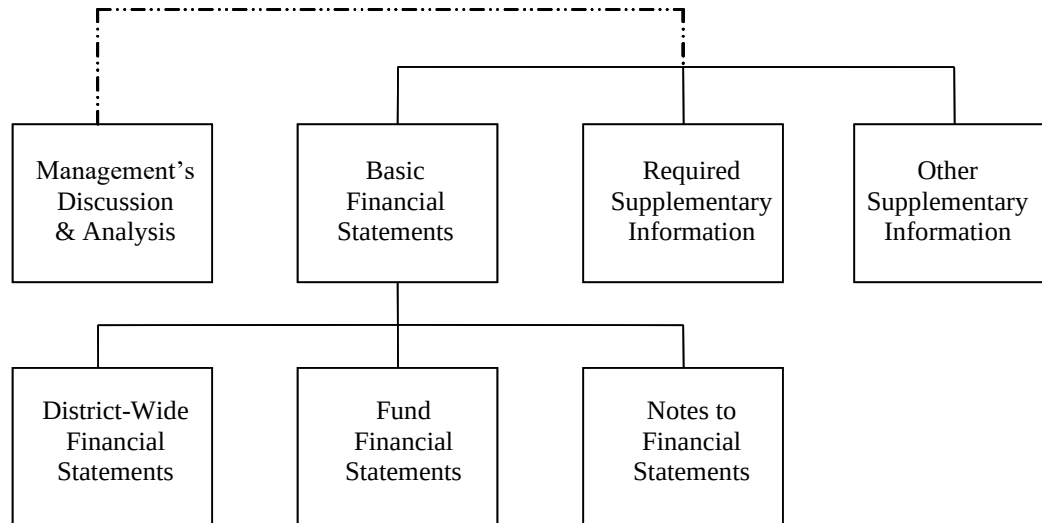
1. FINANCIAL HIGHLIGHTS

Key financial highlights for fiscal year 2025, are as follows:

- The District's total liabilities and deferred inflows exceeded its assets and deferred outflows at the close of the fiscal year by \$16,343,266 (total net position (deficit)). This represents an increase of \$1,983,073 from the prior year's net position.
- The District's expenses for the year, as reflected in the District-wide financial statements, totaled \$22,430,881. Of this amount, \$70,616 and \$1,468,476 was offset by program charges for services and operating grants. General revenues of \$22,874,862 amounts to 93.7% of total revenues.
- The General Fund's total fund balance, as reflected in the fund financial statements on pages 16 and 18, decreased by Amount to \$1,078,155. This was due to an excess of expenditures over revenues based on the modified accrual basis of accounting.
- State and Federal revenue increased by \$187,509 to \$16,588,548. This is mainly due to increases in Foundation State Aid during the current year.

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 follows:



See Independent Auditor's Report.

**OXFORD ACADEMY AND CENTRAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2025**

(Continued)

A. District-wide Financial Statements

The district-wide financial statements present the governmental activities of the School District and 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 School District's assets and deferred outflows, and liabilities and deferred inflows, with the difference between the two reported 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 School District's funds, not the School 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 School District also uses fund accounting to ensure compliance with finance-related legal requirements. The funds of the School 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 School 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 School District maintains six individual governmental funds, general fund, school lunch fund, special aid fund, miscellaneous special revenue, 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. The District's fiduciary activities are reported in a separate Statement of Fiduciary Net Position. The fiduciary activities have been excluded from the District-wide financial statements because the District cannot use these assets to finance its operations.

**OXFORD ACADEMY AND CENTRAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2025**

(Continued)

3. FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

A. Net Position

The School District's total net position increased by \$1,983,073 between fiscal year 2025 and 2024. A summary of the School District's Statement of Net Position at June 30, 2025 and 2024 is as follows:

	2025	Restated 2024	Increase (Decrease)	Percentage Change
Current and Other Assets	\$ 8,615,630	\$ 8,027,691	\$ 587,939	7.3%
Net Pension Asset - Proportionate Share	998,221		998,221	100.0%
Right to Use Leased Assets, Net	226,000	206,933	19,067	9.2%
Capital Assets, Net	<u>24,514,727</u>	<u>25,436,516</u>	<u>(921,789)</u>	(3.6%)
Total Assets	<u>34,354,578</u>	<u>33,671,140</u>	<u>683,438</u>	2.0%
Deferred Outflows of Resources	<u>4,947,777</u>	<u>6,671,988</u>	<u>(1,724,211)</u>	(25.8%)
Current Liabilities	3,995,968	2,193,422	1,802,546	82.2%
Net Pension Liability - Proportionate Share	1,027,487	1,297,015	(269,528)	(20.8%)
Long-term Liabilities	<u>34,627,172</u>	<u>38,131,902</u>	<u>(3,504,730)</u>	(9.2%)
Total Liabilities	<u>39,650,627</u>	<u>41,622,339</u>	<u>(1,971,712)</u>	(4.7%)
Deferred Inflows of Resources	<u>15,994,994</u>	<u>17,047,128</u>	<u>(1,052,134)</u>	(6.2%)
Net Position				
Net Investment in Capital Assets	5,384,410	5,837,635	(453,225)	(7.8%)
Restricted	3,415,929	3,063,170	352,759	11.5%
Unrestricted (Deficit)	<u>(25,143,605)</u>	<u>(27,227,144)</u>	<u>2,083,539</u>	7.7%
Total Net Position (Deficit)	<u>\$ (16,343,266)</u>	<u>\$ (18,326,339)</u>	<u>\$ 1,983,073</u>	10.8%

Current and other assets increased by \$587,939, as compared to the prior year primarily due to increases in the District's cash and cash equivalents of \$1,133,191, offset by the decrease in amounts due from other governments of \$562,425.

Teachers' Retirement System changed from a \$394,299 liability at June 30, 2024 to a \$998,221 asset at June 30, 2025 as reported to the District by the Retirement System. The Employee's Retirement System liability increased by \$124,771 from \$902,716 to \$1,027,487 in the current year. The fluctuations are due changes in the actuarial assumptions and inputs used.

Right to use leased assets increased by \$19,067 as compared to the prior year due to leased asset additions exceeding amortization expense in the current year. Note 6 to the Financial Statements provides additional information.

Capital assets decreased by \$921,789 as compared to the prior year. This decrease is primarily due to depreciation expense exceeding amounts expended for capital assets in the current year. Note 6 to the Financial Statements provides additional information.

Deferred Outflows of Resources decreased by \$1,802,546, as compared to the prior year, primarily due to changes in actuarial assumptions used in estimating the OPEB liability and net pension asset/liability.

Current liabilities increased by \$1,802,546, as compared to the prior year. The primary reasons for the increase were the increase in the bond anticipation note payable of \$1,021,600 and the increases of \$511,210 in accounts payable and \$248,954 in accrued liabilities.

Long-term liabilities decreased by \$3,504,730 primarily due to the decrease in the District's Other Post Employment Benefit Liability of \$2,161,499, as well as the decrease in the serial bonds payable due to the principal payments made during the current year of \$1,310,000.

Deferred Inflows of Resources decreased by \$1,052,134, as compared to the prior year, as a result of changes in the assumptions used and the effect of differences between actual and expected experience when estimating the OPEB liability, and the net pension asset/liability.

**OXFORD ACADEMY AND CENTRAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2025**

(Continued)

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

The restricted portion of net position at June 30, 2025, is comprised of amounts with constraints placed on the use either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or imposed by law through constitutional provisions or enabling legislation. Note 1 to the Basic Financial Statements provides further descriptions and detailed balances.

The unrestricted (deficit) portion of net position in the amount of \$25,143,605 at June 30, 2025, represents the amount by which the School District's liabilities and deferred inflows exceeded its assets and deferred outflows (excluding capital assets net of related debt and restricted assets).

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 real property tax items line. However, in this MD&A, STAR revenue has been combined with property taxes. A summary of this statement for the years ended June 30, 2025 and 2024 is as follows:

Revenues	<u>2025</u>	<u>2024</u>	<u>Increase (Decrease)</u>	<u>Percentage Change</u>
Program Revenues				
Charges for Services	\$ 70,616	\$ 61,955	\$ 8,661	(14.0%)
Operating Grants	1,468,476	2,455,319	(986,843)	(40.2%)
General Revenues				
Property Taxes and STAR	5,580,993	5,307,667	273,326	5.1%
State and Federal Sources	16,588,548	16,401,039	187,509	1.1%
Other	<u>705,321</u>	<u>430,132</u>	<u>275,189</u>	64.0%
Total Revenues	<u>24,413,954</u>	<u>24,656,112</u>	<u>(242,158)</u>	(1.0%)
Expenses				
General Support	4,800,196	5,069,296	(269,100)	(5.3%)
Instruction	14,901,028	15,418,961	(517,933)	(3.4%)
Pupil Transportation	1,308,907	1,439,698	(130,791)	(9.1%)
Debt Service-Unallocated Interest	796,402	633,275	163,127	25.8%
Food Service Program	<u>624,348</u>	<u>678,985</u>	<u>(54,637)</u>	(8.0%)
Total Expenses	<u>22,430,881</u>	<u>23,240,215</u>	<u>(809,334)</u>	(3.5%)
Total Change in Net Position (Deficit)	<u>\$ 1,983,073</u>	<u>\$ 1,415,897</u>	<u>\$ 567,176</u>	40.1%

The School District's revenues decreased by 1.0% in 2025 or a net amount of \$242,158. The major components that contributed to the net decrease were:

- Operating Grants decreased by \$986,843 primarily due to decreases in the COVID-19 Education Stabilization grant funding of \$825,962.
- Property taxes and STAR increased by \$273,326 due to the budgeted increase in the tax levy.
- State and Federal Sources increased by \$187,509 due to increases in foundation state aid.
- Other revenues increased by \$275,189 primarily due to the refund of prior year BOCES expense received in the amount of \$250,307.

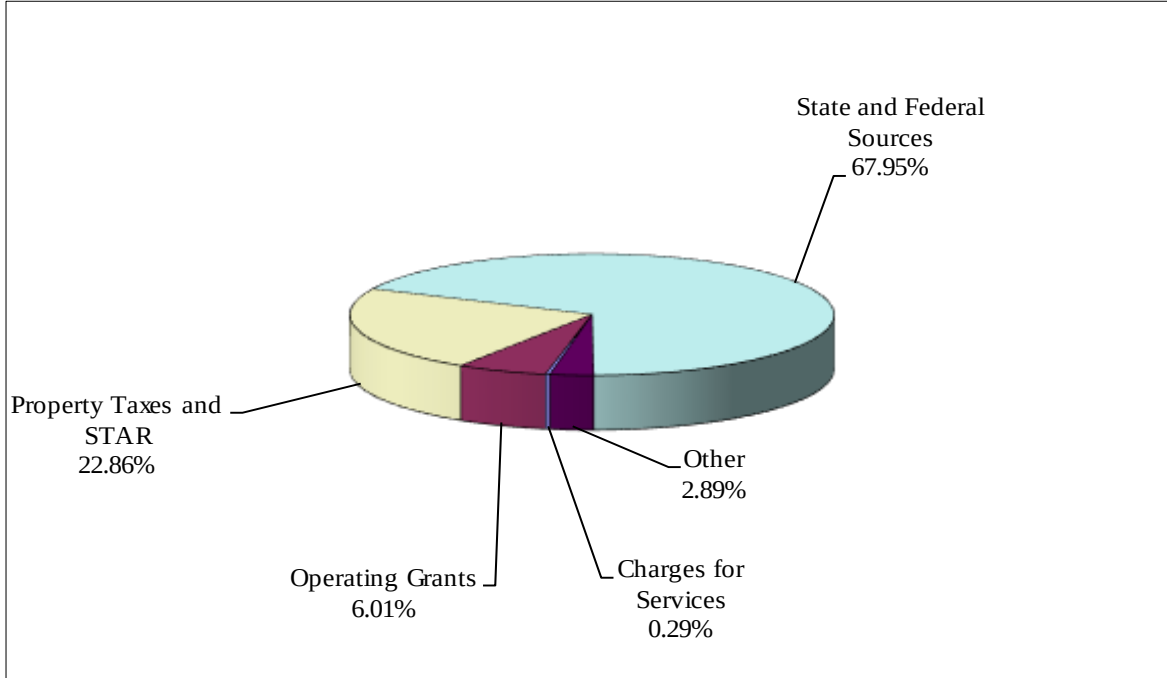
The School District's expenses for the year decreased by \$809,334 or 3.5%. The overall decrease was primarily due to the decrease in pension expense and other postemployment benefits expense, offset by contractual increase in salaries and employee benefits.

**OXFORD ACADEMY AND CENTRAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2025**

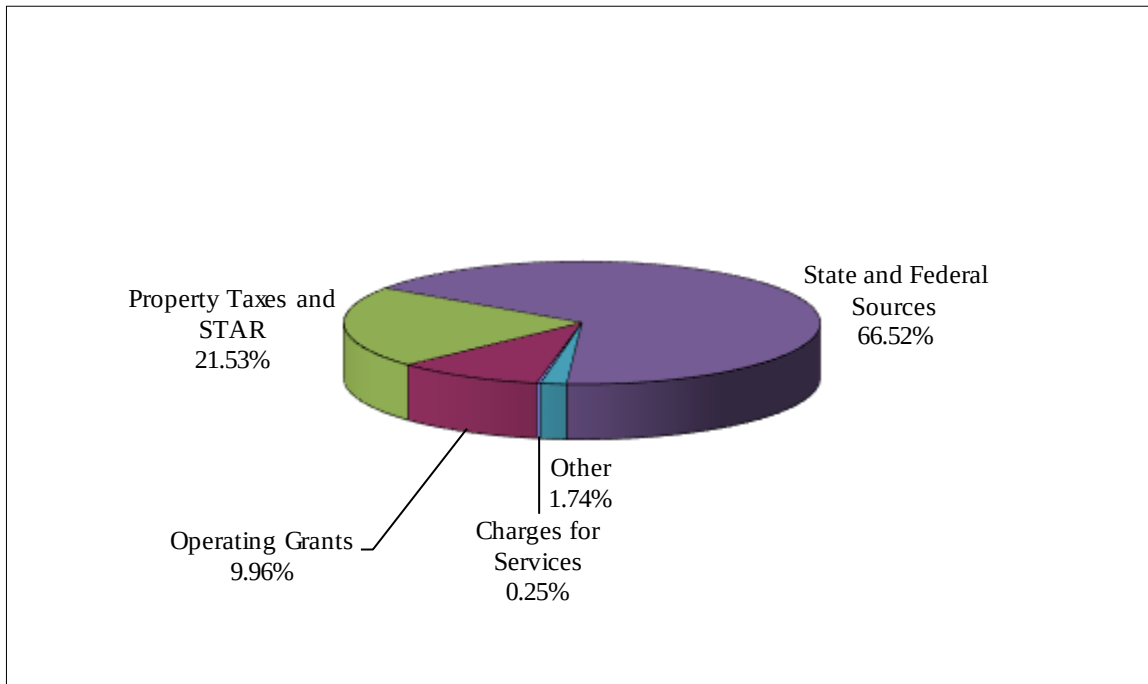
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A graphic display of the distribution of revenues for the two years follows:

For the Year Ended June 30, 2025



For the Year Ended June 30, 2024



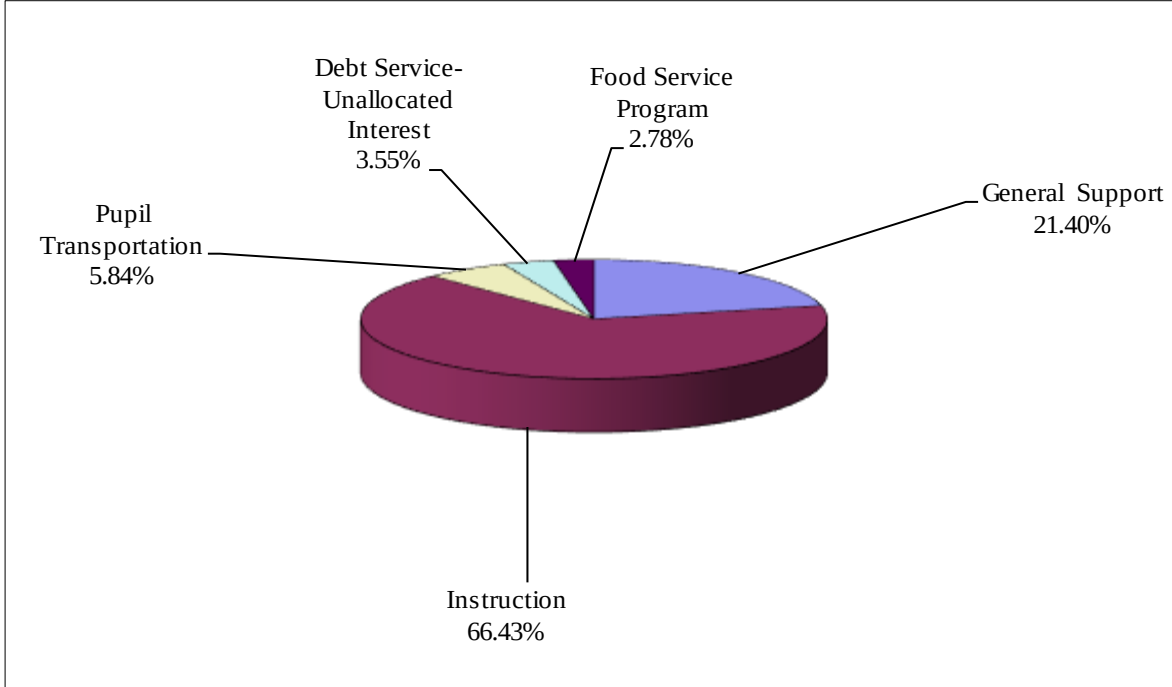
See Independent Auditor's Report.

**OXFORD ACADEMY AND CENTRAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2025**

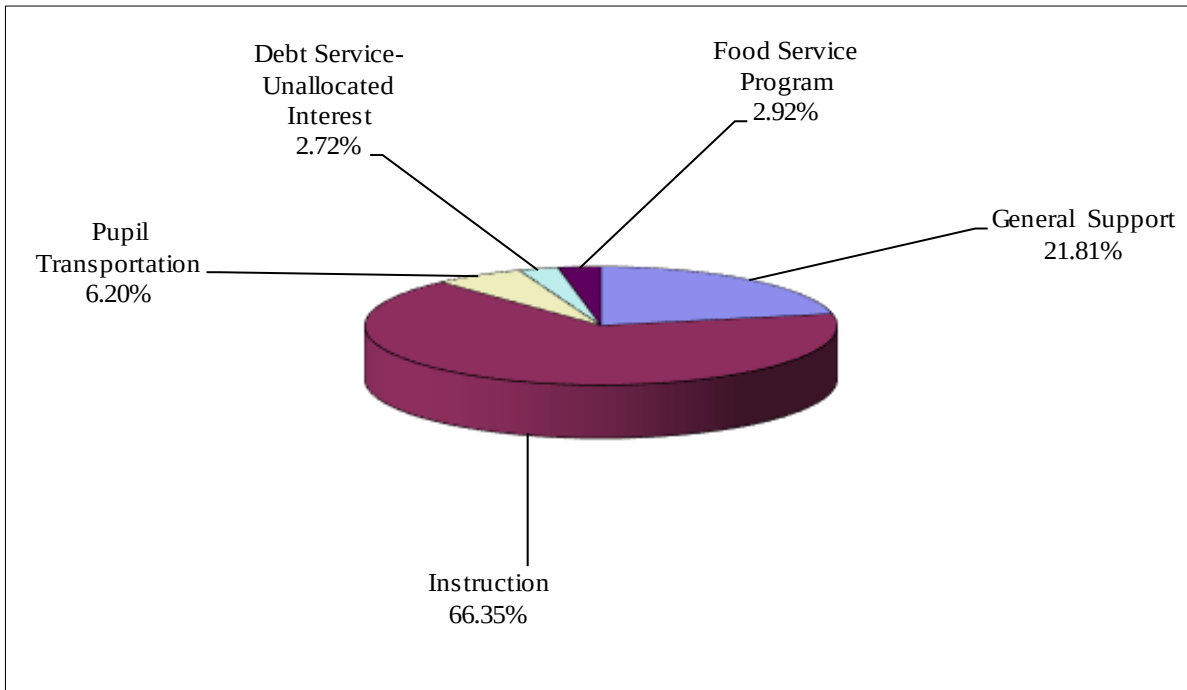
(Continued)

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

For the Year Ended June 30, 2025



For the Year Ended June 30, 2024



See Independent Auditor's Report.

**OXFORD ACADEMY AND CENTRAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2025**

(Continued)

4. FINANCIAL ANALYSIS OF THE DISTRICT'S FUND BALANCES

At June 30, 2025, the School District's governmental funds reported a combined fund balance of \$5,375,361, which is a decrease of \$4,688,893 from the prior year's combined fund balance of (284,503). A summary of the change in fund balance by fund is as follows:

	2025	2024	Increase (Decrease)
General Fund			
Nonspendable	\$ 57,410	\$	\$ 57,410
Restricted			
Employee Benefit Accrued Liability	0	300,622	(300,622)
Retirement Contribution - ERS	974,364	974,364	
Retirement Contribution - TRS	139,221		139,221
Capital Reserve	1,300,000	854,096	445,904
Total Restricted	<u>2,413,585</u>	<u>2,129,082</u>	<u>284,503</u>
Assigned			
Encumbrances	2,033	1,867	166
Designated for Subsequent Year's Expenditures	143,992	449,975	(305,983)
Total Assigned	<u>146,025</u>	<u>451,842</u>	<u>(305,817)</u>
Unassigned	2,758,341	3,872,592	(1,114,251)
Total General Fund	<u>5,375,361</u>	<u>6,453,516</u>	<u>(1,078,155)</u>
School Lunch Fund			
Nonspendable	8,421	7,743	678
Assigned	1,189	1,867	(678)
Total School Lunch Fund	<u>9,610</u>	<u>9,610</u>	
Miscellaneous Special Revenue Fund			
Restricted	<u>129,696</u>	<u>131,206</u>	<u>(1,510)</u>
Debt Service Fund			
Restricted	<u>872,648</u>	<u>802,882</u>	<u>69,766</u>
Capital Projects Fund			
Unassigned (Deficit)	<u>(1,698,422)</u>	<u>(1,507,735)</u>	<u>(190,687)</u>
 Total Fund Balance - All Funds	 <u>\$ 4,688,893</u>	 <u>\$ 5,889,479</u>	 <u>\$ (1,200,586)</u>

See Independent Auditor's Report.

**OXFORD ACADEMY AND CENTRAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2025**

(Continued)

5. GENERAL FUND BUDGETARY HIGHLIGHTS

A. 2024-2025 Budget

The School District's general fund adopted budget for the year ended June 30, 2025, was \$23,685,320. This is an increase of \$774,813 over the prior year's adopted budget of \$22,909,507. The budget was funded through a combination of revenues and assigned fund balance. The majority of this funding source was \$5,574,877 in estimated property taxes and STAR, and State and Federal Aid in the amount of \$17,006,010.

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	\$ 3,872,592
Revenues under Budget	(88,476)
Additional Appropriated Reserves	(1,800,621)
Additional Appropriations for Emergency Water Heater Replacement	(18,355)
Expenditures and Encumbrances under Budget	1,579,131
Additional Appropriated Fund Balance	(300,025)
Net Increase to Nonspendable Funds	(57,410)
Net Increase to Restricted Funds	(284,503)
Appropriated Fund Balance for the June 30, 2026 Budget	<u>(143,992)</u>
Closing, Unassigned Fund Balance	<u>\$ 2,758,341</u>

Opening, Unassigned Fund Balance

The \$3,872,592 opening unassigned fund balance is the portion of the District's June 30, 2024, fund balance that was retained as unassigned. This was 16.35% of the School District's 2024-2025 approved operating budget.

Revenues under Budget

The 2024-2025 final budget for revenues was \$22,935,320. The actual revenues and other financing sources received for the year were \$22,846,844. The actual revenue under the budgeted revenue was \$88,476. This variance contributes directly to the change to the unassigned portion of the general fund balance from June 30, 2024 to June 30, 2025.

Additional Appropriations

During the year, the District increased the budget to appropriate additional amounts from reserves of \$1,800,621. The District also increased the budget for additional appropriations of \$18,335 for an Emergency water heater replacement.

Expenditures and Encumbrances Under Budget

The 2024-2025 final budget for expenditures was \$25,506,163. The actual expenditures and encumbrances were \$23,927,032. The final budget was under expended by \$1,579,131. This variance contributes to the change of the unassigned portion of the general fund balance from June 30, 2024 to June 30, 2025.

Additional Appropriated Fund Balance

The District increased the amount of appropriated fund balance included in the 2025 budget to partially fund its operations by \$300,025.

Net Increase to Nonspendable Funds

The School District increased Nonspendable funds by \$57,410 due to an increase in prepaids in the current year.

Net Increase to Restricted Funds

The School District increased restricted funds by \$1,200,586\$284,503 as detailed in Note 12 of the financial statements.

**OXFORD ACADEMY AND CENTRAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2025**

(Continued)

Appropriated Fund Balance Included in the June 30, 2026 Budget

The 2025-2026 final budget included appropriated fund balance of \$143,992 to partially fund its operations.

Closing, Unassigned Fund Balance

Based upon the summary changes shown in the above table, the School District will begin the 2025-2026 fiscal year with an unassigned fund balance of \$284,503. This is a decrease of \$2,758,341 from the unassigned balance as of June 30, 2024. This is 11.48% of the School District's 2025-2026 approved operating budget.

6. CAPITAL AND RIGHT TO USE LEASED ASSETS

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

	2025	(Restated) 2024	Increase (Decrease)
Land	\$ 236,850	\$ 236,850	\$
Construction in Progress	1,070,554	0	1,070,554
Buildings and Improvements	22,175,276	24,428,766	(2,253,490)
Vehicles, Furniture, and Equipment	1,032,047	770,900	261,147
Capital Assets, Net	<u>\$ 24,514,727</u>	<u>\$ 25,436,516</u>	<u>\$ (921,789)</u>

At June 30, 2025, the District had recorded a right to use leased asset equal to the initial measurement of the related lease liability plus any lease payments made prior to the lease term, net of accumulated amortization. A summary of the District's right to use leased assets, net of amortization at June 30, 2025 and 2024, is as follows:

	2025	2024	Increase (Decrease)
Right to Use Leased Assets -Equipment, Net	<u>\$ 226,000</u>	<u>\$ 206,933</u>	<u>\$ 19,067</u>

7. DEBT ADMINISTRATION

At June 30, 2025, the District had total bonds payable of \$15,615,000. A summary of outstanding bonds payable at June 30, 2025 and 2024, is as follows:

Issue Date	Interest Rate %	2025	2024	Increase (Decrease)
06/2015	3.25-3.50	\$ 110,000	\$ 160,000	\$ (50,000)
06/2016	2.00-5.00	3,655,000	4,380,000	(725,000)
06/2018	5.00	1,285,000	1,415,000	(130,000)
06/2022	4.25-5.00	7,445,000	7,720,000	(275,000)
06/2024	5.00	1,405,000	1,790,000	(385,000)
06/2024	5.00	1,715,000	1,460,000	255,000
		<u>\$ 15,615,000</u>	<u>\$ 16,925,000</u>	<u>\$ (1,310,000)</u>

8. ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

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

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

See Independent Auditor's Report.

**OXFORD ACADEMY AND CENTRAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2025**

(Continued)

9. 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 Business Office, at:

Oxford Academy and Central School District
12 Fort Hill Park
Oxford, NY 13830

OXFORD ACADEMY AND CENTRAL SCHOOL DISTRICT
STATEMENT OF NET POSITION
June 30, 2025

Assets	
Cash and Cash Equivalents	\$ 4,004,235
Restricted Cash and Cash Equivalents	3,188,910
Receivables	
Due From Other Governments	1,348,545
Other Receivables	8,109
Inventory	8,421
Other Assets	57,410
Net Pension Asset-Proportionate Share	998,221
Right to Use Leased Assets, Net of Amortization	226,000
Capital Assets Not Being Depreciated	1,307,404
Capital Assets Being Depreciated, Net of Accumulated Depreciation	<u>23,207,323</u>
Total Assets	<u>34,354,578</u>
Deferred Outflows of Resources	
Other Postemployment Benefits	1,917,919
Pensions	<u>3,029,858</u>
Total Deferred Outflows of Resources	<u>4,947,777</u>
Total Assets and Deferred Outflow of Resources	\$ <u>39,302,355</u>
Liabilities	
Accounts Payable	\$ 1,038,727
Accrued Liabilities	332,940
Due To	
Other Governments	137
Teachers' Retirement System	725,003
Employees' Retirement System	93,130
Bond Interest Payable	69,231
Short-Term Notes Payables	
Bond Anticipation Notes	1,732,800
Unearned Revenue	4,000
Net Pension Liability -Proportionate Share	1,027,487
Long-term Liabilities	
Due Within One Year	
Bonds Payable	1,415,000
Premium on Bonds	176,443
Lease Liability	119,982
Compensated Absences	354,421
Due in More Than One Year	
Bonds Payable	14,200,000
Premium on Bonds	1,522,476
Lease Liability	118,389
Other Postemployment Benefits	14,983,593
Compensated Absences	<u>1,736,868</u>
Total Liabilities	<u>39,650,627</u>
Deferred Inflows of Resources	
Other Postemployment Benefits	14,729,896
Pension	<u>1,265,098</u>
Total Deferred Inflows of Resources	<u>15,994,994</u>
Total Liabilities and Deferred Inflow of Resources	<u>55,645,621</u>
Net Position	
Net Investment in Capital Assets	5,384,410
Restricted	3,415,929
Unrestricted (Deficit)	<u>(25,143,605)</u>
Total Net Position (Deficit)	<u>(16,343,266)</u>
Total Liabilities, Deferred Inflows of Resources, and Net Assets	\$ <u>39,302,355</u>

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

OXFORD ACADEMY AND CENTRAL SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2025

Functions/Programs	Expenses	Program Revenues		Net (Expense)
		Charges for Services	Operating Grants and Contributions	Revenue and Changes in Net Position
General Support	\$ 4,800,196	\$	\$	\$ (4,800,196)
Instruction	14,901,028	50,819	928,609	(13,921,600)
Pupil Transportation	1,308,907			(1,308,907)
Debt Service - Unallocated Interest	796,402			(796,402)
Food Service Program	624,348	19,797	539,867	(64,684)
Total Functions/Programs	<u>\$ 22,430,881</u>	<u>\$ 70,616</u>	<u>\$ 1,468,476</u>	<u>(20,891,789)</u>
General Revenues				
Real Property Taxes				4,865,874
Other Real Property Tax Items				715,119
Use of Money and Property				328,417
Sale of Property and Compensation for Loss				20,637
State and Federal Sources				16,588,548
Miscellaneous				<u>356,267</u>
Total General Revenues				<u>22,874,862</u>
Change in Net Position				<u>1,983,073</u>
Net Position (Deficit), Beginning of Year, as previously stated				(16,863,374)
Cumulative Effect of New Accounting Standard				(1,574,356)
Correction of an Error				<u>111,391</u>
Net Position (Deficit), Beginning of Year, as Restated				<u>(18,326,339)</u>
Net Position (Deficit), End of Year				<u>\$ (16,343,266)</u>

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

OXFORD ACADEMY AND CENTRAL SCHOOL DISTRICT
BALANCE SHEET - GOVERNMENTAL FUNDS
June 30, 2025

	General	School Lunch	Special Aid	Miscellaneous Special Revenue	Debt Service	Capital	Total
Assets							
Cash and Cash Equivalents	\$ 4,001,432	\$ 1,646	\$ 1,157	\$	\$	\$	\$ 4,004,235
Restricted Cash and Cash Equivalents	2,413,585			135,690	638,462	1,173	3,188,910
Receivables							
Due From Other Governments	1,088,041	44,705	215,799				1,348,545
Due From Other Funds	657,478				348,217	753,822	1,759,517
Other Receivables	8,109						8,109
Prepays	57,410						57,410
Inventory		8,421					8,421
Total Assets	<u>\$ 8,226,055</u>	<u>\$ 54,772</u>	<u>\$ 216,956</u>	<u>\$ 135,690</u>	<u>\$ 986,679</u>	<u>\$ 754,995</u>	<u>\$ 10,375,147</u>
Liabilities							
Payables							
Accounts Payable	\$ 945,271	\$ 21,056	\$	\$	\$	\$ 72,400	\$ 1,038,727
Accrued Liabilities	330,888	872	1,180				332,940
Due To							
Other Governments		137					137
Other Funds	753,822	21,677	215,776	5,994	114,031	648,217	1,759,517
Teachers' Retirement System	725,003						725,003
Employees' Retirement System	93,130						93,130
Short-Term Notes Payable							
Bond Anticipation Note						1,732,800	1,732,800
Unearned Revenue	2,580	1,420					4,000
Total Liabilities	<u>2,850,694</u>	<u>45,162</u>	<u>216,956</u>	<u>5,994</u>	<u>114,031</u>	<u>2,453,417</u>	<u>5,686,254</u>
Fund Balance							
Nonspendable	57,410	8,421					65,831
Restricted	2,413,585			129,696	872,648		3,415,929
Assigned	146,025	1,189					147,214
Unassigned (Deficit)	<u>2,758,341</u>					<u>(1,698,422)</u>	<u>1,059,919</u>
Total Fund Balance (Deficit)	<u>5,375,361</u>	<u>9,610</u>		<u>129,696</u>	<u>872,648</u>	<u>(1,698,422)</u>	<u>4,688,893</u>
Total Liabilities and Fund Balance	<u>\$ 8,226,055</u>	<u>\$ 54,772</u>	<u>\$ 216,956</u>	<u>\$ 135,690</u>	<u>\$ 986,679</u>	<u>\$ 754,995</u>	<u>\$ 10,375,147</u>

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

**OXFORD ACADEMY AND CENTRAL SCHOOL DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUND BALANCES
TO THE DISTRICT-WIDE NET POSITION
June 30, 2025**

Total Governmental Fund Balances	\$ 4,688,893
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Amounts reported for governmental activities in the Statement of Net Position are different because:

The cost of building, leasing, and acquiring capital assets (land, buildings, equipment) 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 of Right to Use Leased Asset	550,000	
Accumulated Amortization	(324,000)	
Original Cost of Capital Assets	56,886,782	
Accumulated Depreciation	<u>(32,372,055)</u>	24,740,727

Proportionate share of long-term asset and/or liability associated with participation in state retirement systems are not current financial resources or obligations and are not reported in the funds.

Net Pension Asset - Proportionate Share	998,221	
Deferred Outflows - Pensions	3,029,858	
Net Pension Liability - Proportionate Share	(1,027,487)	
Deferred Inflows - Pensions	<u>(1,265,098)</u>	1,735,494

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	(15,615,000)	
Premium on Bond	(1,698,919)	
Accrued Interest on Bonds Payable	(69,231)	
Lease Liability	(238,371)	
Other Postemployment Benefits	(14,983,593)	
Deferred Outflows - Other Postemployment Benefits	1,917,919	
Deferred Inflows - Other Postemployment Benefits	(14,729,896)	
Compensated Absences Payable	<u>(2,091,289)</u>	<u>(47,508,380)</u>

Total Net Position	\$ <u>(16,343,266)</u>
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The Accompanying Notes are an Integral Part of These Financial Statements.

OXFORD ACADEMY AND CENTRAL SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
ALL GOVERNMENTAL FUNDS
For the Year Ended June 30, 2025

	General	School Lunch	Special Aid	Miscellaneous Special Revenue	Debt Service	Capital	Total
Revenues							
Real Property Taxes	\$ 4,865,874	\$	\$	\$	\$	\$	\$ 4,865,874
Other Real Property Tax Items	27,229						27,229
School Tax Relief Reimbursement	687,890						687,890
Charges for Services	50,819						50,819
Use of Money and Property	297,177			3,092	28,148		328,417
Sale of Property and Compensation for Loss	20,637						20,637
Premiums on Obligations					29,456		29,456
Miscellaneous	308,670	746		17,395			326,811
State Aid	16,475,358	68,586	260,672				16,804,616
Federal Aid	113,190	471,281	667,937				1,252,408
School Lunch Sales		19,797					19,797
Total Revenues	<u>22,846,844</u>	<u>560,410</u>	<u>928,609</u>	<u>20,487</u>	<u>57,604</u>		<u>24,413,954</u>
Expenditures							
General Support	3,034,661					1,125,337	4,159,998
Instruction	10,141,508		928,609	21,997		125,573	11,217,687
Pupil Transportation	997,735					461,015	1,458,750
Food Service Program		554,184					554,184
Employee Benefits	5,835,222	175,383					6,010,605
Debt Service - Principal	1,613,557						1,613,557
Debt Service - Interest	933,159						933,159
Total Expenditures	<u>22,555,842</u>	<u>729,567</u>	<u>928,609</u>	<u>21,997</u>		<u>1,711,925</u>	<u>25,947,940</u>
Excess (Deficit) Revenues Over Expenditures	<u>291,002</u>	<u>(169,157)</u>		<u>(1,510)</u>	<u>57,604</u>	<u>(1,711,925)</u>	<u>(1,533,986)</u>
Other Financing Sources (Uses)							
Proceeds of Leases						120,000	120,000
BANs Redeemed from Appropriations						213,400	213,400
Transfers from Other Funds		169,157			12,162	1,200,000	1,381,319
Transfers to Other Funds	(1,369,157)					(12,162)	(1,381,319)
Total Other Financing Sources (Uses)	<u>(1,369,157)</u>	<u>169,157</u>			<u>12,162</u>	<u>1,521,238</u>	<u>333,400</u>
Excess Revenues Over Expenditures and Other Financing Sources (Deficit)	<u>(1,078,155)</u>			<u>(1,510)</u>	<u>69,766</u>	<u>(190,687)</u>	<u>(1,200,586)</u>
Fund Balance, Beginning of Year (Deficit)	<u>6,453,516</u>	<u>9,610</u>		<u>131,206</u>	<u>802,882</u>	<u>(1,507,735)</u>	<u>5,889,479</u>
Fund Balance, End of Year (Deficit)	<u>\$ 5,375,361</u>	<u>\$ 9,610</u>	<u>\$</u>	<u>\$ 129,696</u>	<u>\$ 872,648</u>	<u>\$ (1,698,422)</u>	<u>\$ 4,688,893</u>

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

OXFORD ACADEMY AND CENTRAL SCHOOL DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES AND
EXPENDITURES OF THE GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2025

Net Changes in Fund Balance - Total Governmental Funds	\$	(1,200,586)
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Capital Outlays to lease, purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities, those costs are capitalized and shown in the Statement of Net Position and allocated over their useful lives as annual depreciation or amortization expenses in the Statement of Activities. This is the amount by which depreciation and amortization expense exceeded capital and leased asset additions in the period.

Right to Use Leased Asset Additions	120,000		
Amortization Expense	(100,933)		
Depreciation Expense	(2,514,833)		
Capital Outlays	<u>1,593,044</u>		(902,722)

Notes payable and bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayments of debt principal is an expenditure in governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position. This is the amount by which principal payments on long term debt exceeded debt proceeds during the period.

Principal Payments on Bonds	1,310,000		
Amortization of Premium on Bond	150,776		
Principal Payments on Leases	90,158		
Proceeds of Leases	<u>(120,000)</u>		1,430,934

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	(14,019)		
Change in Other Postemployment Benefits (including Deferred Outflows and Inflows)	2,572,081		
Change in Pension Expense	185,088		
Change in Compensated Absences	<u>(87,703)</u>		<u>2,655,447</u>

Change in Net Position Governmental Activities	\$	<u><u>1,983,073</u></u>
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OXFORD ACADEMY AND CENTRAL SCHOOL DISTRICT
STATEMENT OF FIDUCIARY NET POSITION
June 30, 2025

	<u>Custodial</u>
Assets	
Cash and Cash Equivalents - Restricted	<u>\$ 54,860</u>
Net Position	
Restricted for Extraclassroom Activities	<u>\$ 54,860</u>

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

OXFORD ACADEMY AND CENTRAL SCHOOL DISTRICT
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
For the Year Ended June 30, 2025

	<u>Custodial</u>
Additions	
Charges for Services, Sale of Property, and Miscellaneous	<u>\$ 73,731</u>
Deductions	
Club Activities	<u>73,590</u>
Change in Net Position	141
Net Position, Beginning of Year	<u>54,719</u>
Net Position, End of Year	<u><u>\$ 54,860</u></u>

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

OXFORD ACADEMY AND CENTRAL SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2025

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of the Oxford Academy and Central School District (the School District) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as they apply to governmental units. Those principles are prescribed by the Governmental Accounting Standards Board (GASB), which is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Significant accounting principles and policies utilized by the 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 five 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 basic 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. The School District accounts for assets held as an agent for various student organizations in a Fiduciary Custodial Fund. Separate audited financial statements (cash basis) of the Extraclassroom Activity Funds can be found at the School District's administrative offices.

Joint Venture

The School District is a component district in the Delaware-Chenango-Madison-Otsego Board of Cooperative Educational Services (BOCES). 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 Section 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 Section 1950 of the New York State Education Law. All BOCES property is held by the BOCES Board as a corporation (Section 1950(6)). In addition, BOCES Boards also are considered municipal corporations to permit them to contract with other municipalities on a cooperative basis under Section 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, Section 1950(4)(b)(7). In addition, component districts pay tuition or a service fee for programs in which its students participate.

Basis of Presentation

(a) District-Wide Statements

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

OXFORD ACADEMY AND CENTRAL SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2025

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, such as employee benefits are allocated to functional areas in proportion to the payroll expended for those areas. Program revenues include charges paid by the recipients of goods or services offered by the programs, and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

(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 School District's scholarship funds, and other miscellaneous student funds. The District has both custody and administrative control over the various scholarships and funds. Established criteria govern the use of the funds and members of the School 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 expenditure for principal and interest. Debt service funds should be used to report resources if legally mandated.

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

(c) Fiduciary Funds

This fund is 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 and do not involve the measurement of results of operations. Assets are held by the School District as agent for various student groups within the District.

Measurement Focus and Basis of Accounting

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

The governmental fund 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

OXFORD ACADEMY AND CENTRAL SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2025

considers all revenues reported in the governmental funds to be available if the revenues are collected within one year 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 benefit obligations, 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 encumbrances, other postemployment benefit obligations, 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.

Property Taxes

Real property taxes are levied annually by the Board of Education and become a lien on September 1. Taxes are collected during the period September 1 to October 31. The County of Oneida subsequently enforces uncollected real property taxes. The County pays an amount representing uncollected real property taxes transmitted to the County for enforcement to the School District no later than the following April 1.

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

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 expenditures and revenues to provide financing or other services.

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 7 to the financial statements.

Inventories

Inventories of food in the school lunch fund are recorded at cost on a first-in, first-out basis or in the case of surplus food donated by the U.S. Department of Agriculture, at the Government's assigned value, which approximates market. A reserve for inventory has been recognized to indicate that this does not constitute available spendable resources.

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

OXFORD ACADEMY AND CENTRAL SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2025

Capital Assets

Capital assets are reported at actual cost. Donated assets are reported at estimated fair market value at the time received. The District utilizes the straight-line method of depreciation. The District's capitalization threshold is \$3,500. Estimated useful lives of capital assets reported in the district-wide statements are as follows:

	<u>Estimated Useful Lives</u>
Furniture, Equipment, and Vehicles	5-20 Years
Buildings and Improvements	15-50 Years
Land Improvements	15-50 Years

Right to Use Leased Assets

The School District has recorded right to use lease assets as a result of implementing GASB No. 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.

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.

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 two items that qualify for reporting in this category. First is related to pensions reported in the District-wide Statement of Net Position. This represents the effect of the net change in the District's proportion of the collective net pension asset or liability and difference during the measurement period between the District's contributions and its proportion share of total contributions not included in pension expense. The second item relates to OPEB reporting in the district wide Statement of Net Position. This represents the effect of the net change in the actual and expected experience and changes in assumptions during the year.

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 two items that qualify for reporting in this category. The first item is related to pensions reported in the District-wide Statement of Net Position. This represents the effect of the net change in the District's proportion of the collective net pension asset and liability 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 other postemployment benefits (OPEB) reported on the District-wide Statement of Net Position and represents the effect of differences between expected and actual experience and changes in assumptions during the year. These amounts are deferred and will be recognized in OPEB expense over the next several years.

Compensated Absences

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

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

OXFORD ACADEMY AND CENTRAL SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2025

In accordance with GASB, a liability is recognized in the district-wide financial statements for vacation, sick leave, and other compensated absences when the benefit is earned by the employee and it is more likely than not that the leave will be used or paid. The compensated absences liability is measured using the pay rates in effect at year-end, and includes salary-related payments such as applicable employer payroll taxes.

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

Other Benefits

Eligible School District employees participate in the New York State Teachers' Retirement System or the New York State Employees' Retirement System.

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.

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 fund that will actually receive the proceeds from the issuance of bonds. State law requires that BANs issued for capital purposes be converted to long-term financing within five years after the original issue date.

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 in one year or due within more than one year in the Statement of Net Position.

Restricted Resources

When an expense 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 associated legal requirements.

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 assets and right of use leased assets (cost less accumulated depreciation and amortization) reduced by outstanding balances of related debt obligations from the acquisition, construction, or improvements of those assets.

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

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

OXFORD ACADEMY AND CENTRAL SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2025

(b) Fund Statements

The School District follows GASB's authoritative guidance under GASB Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions." This Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balances more transparent.

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 prepaids in general fund and 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 assets 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:

- ***Retirement Contribution Reserve*** - The Retirement Contribution Reserve (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. The reserve is accounted for in the General Fund. Effective April 1, 2019, a Board may adopt a resolution establishing a sub-fund for contributions to New York State Teachers' Retirement System. During a fiscal year, a 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.
- ***Capital Reserve*** - The Capital Reserve is used to pay the cost of any object or purpose for which bonds may be issued. The creation of the capital reserve fund requires authorization by a majority of people at any special or annual meeting. Such authorization is further required for payments from the capital reserve. The form of the required legal notice for the vote on establishing and funding the reserve and the form of the proposition to be placed on the ballot are set forth in Section 3651 of Education law. This reserve is accounted for in the General Fund.
 - In May 2022, the Board and voters established a capital reserve fund to reserve up to \$3,000,000 for the purpose of capital improvements. The reserve was established with a probable term of fifteen years. The fund can be used to pay the cost of the repair and reconstruction of District facilities, and the acquisition of original furnishings, equipment, machinery, and apparatus required for the purposes for which said improvements are to be used. The proposition only established the capital reserve fund and does not obligate the District to fund it any specific level at any time. The District will determine the level at which it is funded based on current and future financial conditions. As of June 30, 2025, the District has funded \$2,500,000 into this reserve.
- ***Reserve for Endowments and Scholarships*** – This reserve is used to account for various endowment and scholarship awards. This reserve is accounted for in the Miscellaneous Special Revenue Fund.
- ***Debt Service*** - Used to account for the accumulation of resources and that are restricted to pay debt service. The fund includes all unused debt proceeds and interest and earnings on temporary investment of debt proceeds. This reserve is accounted for in the debt service fund.

OXFORD ACADEMY AND CENTRAL SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2025

Unrestricted Resources

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

- **Committed** - Includes amounts that can only be used for the specific purposes pursuant to constraints imposed by formal action of the school districts highest level of decision making authority, i.e., the Board of Education. The School District has no committed fund balances as of June 30, 2025.
- **Assigned** - Includes amounts that are constrained by the 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 of Education has delegated the authority to assign amounts to be used for specific purposes. All encumbrances, other than the capital projects fund, are classified as assigned fund balance. 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 net assets 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) *Restricted for Extraclassroom Activities*

This reserve is used to account for various student groups or extraclassroom activities. This reserve is accounted for in the Custodial Fund.

(d) *Order of Use of Fund Balance*

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

Implementation of New Accounting Standards

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

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

The District applied the provisions of GASB 101 prospectively as of July 1, 2024. As a result of the implementation, compensated absences liabilities were remeasured, and a restatement of beginning net position (deficit) was made to reflect the cumulative effect of applying the standard. The impact of this restatement is disclosed in Note 17.

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

Future Changes in Accounting Standards

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

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

OXFORD ACADEMY AND CENTRAL SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2025

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

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

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

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

Total fund balances of the School District's governmental funds differ 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 Balance based on the requirements of New York State. These costs have been allocated based on total salary for each function in the Statement of Activities.

(e) Pension Differences

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

(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

Budgetary Procedures and Budgetary Accounting

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

OXFORD ACADEMY AND CENTRAL SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2025

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. Appropriations authorized for the current year are increased by the planned use of specific reserves and budget amendments approved by the Board of Education as a result of selected new revenue sources not included in the original budget (when permitted by law). These supplemental appropriations may occur subject to legal restrictions, if the Board approves them because of a need that exists which was not determined at the time the budget was adopted.

Adopted Budget	\$ 23,685,320
Add: Prior Year's Encumbrances	<u>1,867</u>
Original Budget	<u>23,687,187</u>
 Final Budget	 <u>\$ 25,506,163</u>

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

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 reservations of fund balance and do not represent expenditures or liabilities. These commitments will be honored in the subsequent period. Related expenditures are recognized at that time, as the liability is incurred or the commitment is paid.

NYS Real Property Tax Cap

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

General Fund – Statutory Unassigned Fund Balance Limit

NYS Real Property Tax Law 1318 limits the amount of unexpended surplus funds a school district can retain to no more than 4% of the School District's budget for the General Fund for the ensuing fiscal year. Non-spendable and restricted fund balance of the General Fund are excluded from the 4% limitation. Amounts appropriated for the subsequent year and encumbrances are also excluded from the 4% limitation. At June 30, 2025, the School District's unassigned fund balance was 11.48% of the 2025-2026 budget.

4. CUSTODIAL AND CONCENTRATION OF CREDIT RISK

Custodial credit risk is the risk that in the event of a bank failure, the School District's deposits may not be returned to it. While the School District does not have a specific policy for custodial credit risk, New York State statutes govern the School District's investment policies, as discussed previously in these notes. GASB directs that deposits be disclosed as exposed to custodial credit risk if they are not covered by depository insurance and the deposits are either:

- A. Uncollateralized;
- B. Collateralized by securities held by the pledging financial institution, or
- C. Collateralized by securities held by the pledging financial institution's trust department or agent but not in the District's name.

As of June 30, 2025, with the School District's bank balances totaling \$5,451,293 were fully collateralized by securities held by an agent of the pledging financial institution in the School District's name, FDIC insurance, and NCUA insurance; and were not exposed to custodial credit risk.

OXFORD ACADEMY AND CENTRAL SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2025

5. RESTRICTED CASH, CASH EQUIVALENTS, AND INVESTMENTS

Restricted cash of \$578,434 in the General Fund represents the following:

Description	Amount
Capital	\$ 1,300,000
Retirement Contribution - ERS	974,364
Retirement Contribution - TRS	<u>139,221</u>
Total	<u>\$ 2,413,585</u>

Restricted cash of \$135,690 in the Miscellaneous Special Revenue Fund represents reserves for scholarships and endowments.

Restricted cash of \$638,462 in the Debt Service Fund represents reserves for future debt service.

Restricted cash of \$584,860 in the Fiduciary Custodial Fund represents the student activity cash balances at June 30, 2025.

Investment Pool

The School District participates in a multi-municipal corporation investment pool agreement pursuant to New York State general Municipal Law Article 5-G, Section 119-o, whereby it holds a portion of the investments in cooperation with other participants. The investments are highly liquid and are considered to be cash equivalents. The following amounts are included as restricted and unrestricted cash equivalents:

Fund	Cost	Fair Value
General	\$ 1,132,059	\$ 1,132,059
Debt Service	638,462	638,462
Miscellaneous Special Revenue	<u>70,140</u>	<u>70,140</u>
Total	<u>\$ 1,840,661</u>	<u>\$ 1,840,661</u>

The above amounts represent the cost of the investment pool shares, and are considered to approximate market value. The investment pool is categorically exempt from the New York State collateral requirements. The investment pool issues a publicly available financial report that contains financial statements and required supplementary information pool. The report may be obtained by writing to NYCLASS Administration, Client Services, 717 17th Street, Suite 1850, Denver, CO 80202.

6. CAPITAL AND RIGHT TO USE LEASED ASSETS

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

	Beginning Balance	Additions	Deletions	Ending Balance
Right to Use Leased Assets				
Leased Equipment	\$ 460,103	\$ 120,000	\$ 30,103	\$ 550,000
Accumulated Amortization				
Leased Equipment	<u>253,170</u>	<u>100,933</u>	<u>30,103</u>	<u>324,000</u>
Net Right to Use Leased Assets	<u>\$ 206,933</u>	<u>\$ 19,067</u>	<u>\$</u>	<u>\$ 226,000</u>

Amortization expense of \$100,933 is charged to instruction.

OXFORD ACADEMY AND CENTRAL SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2025

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

	Beginnning Balance	Prior Period Adjustment	Beginnning Balance	Increases	Decreases	Ending Balance
Capital Assets Not Being Depreciated						
Land	\$ 236,850	\$	\$ 236,850	\$	\$	\$ 236,850
Construction in Progress				1,070,554		1,070,554
Total	<u>236,850</u>		<u>236,850</u>	<u>1,070,554</u>		<u>1,307,404</u>
Capital Assets Being Depreciated						
Buildings	49,184,201	2,836,630	52,020,831	18,354		52,039,185
Land Improvements	158,886	(9,517)	149,369			149,369
Furniture, Equipment and Vehicles	<u>3,114,819</u>	<u>92,772</u>	<u>3,207,591</u>	<u>504,136</u>	<u>320,903</u>	<u>3,390,824</u>
Total	<u>52,457,906</u>	<u>2,919,885</u>	<u>55,377,791</u>	<u>522,490</u>	<u>320,903</u>	<u>55,579,378</u>
Accumulated Depreciation						
Buildings	24,770,132	2,821,933	27,592,065	2,271,844		29,863,909
Land Improvements	154,224	(4,855)	149,369			149,369
Furniture, Equipment and Vehicles	<u>2,445,275</u>	<u>(8,584)</u>	<u>2,436,691</u>	<u>242,989</u>	<u>320,903</u>	<u>2,358,777</u>
Total	<u>27,369,631</u>	<u>2,808,494</u>	<u>30,178,125</u>	<u>2,514,833</u>	<u>320,903</u>	<u>32,372,055</u>
Net Capital Assets Being Depreciated	<u>25,088,275</u>	<u>111,391</u>	<u>25,199,666</u>	<u>(1,992,343)</u>		<u>23,207,323</u>
Net Capital Assets	<u>\$ 25,325,125</u>	<u>\$ 111,391</u>	<u>\$ 25,436,516</u>	<u>\$ (921,789)</u>		<u>\$ 24,514,727</u>

Depreciation expense is allocated to the following functions/programs:

<u>Function/Program</u>	
General Support	\$ 538,431
Instruction	1,799,377
Transportation	<u>177,025</u>
Total Depreciation	<u>\$ 2,514,833</u>

OXFORD ACADEMY AND CENTRAL SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2025

7. INTERFUND TRANSACTIONS – GOVERNMENTAL FUNDS

Fund	Interfund		Interfund	
	Receivables	Payables	Revenues	Expenditures
General	\$ 657,478	\$ 753,822	\$	\$ 1,369,157
School Lunch		21,677	169,157	
Special Aid		215,776		
Miscellaneous Special Revenue		5,994		
Debt Service	348,217	114,031	12,162	
Capital Projects	753,822	648,217	1,200,000	12,162
Total Government Activities	<u>\$ 1,759,517</u>	<u>\$ 1,759,517</u>	<u>\$ 1,381,319</u>	<u>\$ 1,381,319</u>

- The District made a transfer of \$169,157 from the General Fund to the School Lunch Fund to cover the deficit expenditures over revenues from operating the school lunch program.
- The District made a transfer of \$1,200,000 from the General Fund Capital Reserve to the Capital Projects Fund for the local share of the \$19.5 million project.
- The District made a transfer of \$12,162 from the Capital Fund to the Debt Service Fund for a BAN premium to be used towards future debt service payments.
- Interfund receivables and payables are typically liquidated within 1 year.

8. SHORT-TERM DEBT

Short-term debt balances and activity during the year are as follows:

Description	Issue Date	Maturity Date	Original Amount	Interest Rate	Beginning Balance	Issued	Deletions	Ending Balance
BAN	9/20/2023	8/9/2024	\$ 475,000	4.49%	\$ 475,000	\$	\$ 475,000	\$
BAN	8/10/2023	8/9/2024	236,200	4.20%	236,200		236,200	
BAN	8/8/2024	8/8/2025	732,800	3.80%		732,800		732,800
BAN	8/8/2024	6/27/2025	1,000,000	3.80%		1,000,000	1,000,000	
BAN	6/26/2025	6/26/2026	1,000,000	3.928%		1,000,000		1,000,000
					<u>\$ 711,200</u>	<u>\$ 2,732,800</u>	<u>\$ 1,711,200</u>	<u>\$ 1,732,800</u>

Interest paid during the year for short term debt was \$62,464.

OXFORD ACADEMY AND CENTRAL SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2025

9. LONG-TERM LIABILITIES

Long-term liability balances and activity during the year are as follows:

Description	Beginning Balance	Restatement	Restated Beginning Balance	Additions	Deductions	Ending Balance	Amounts Due Within One Year
Bonds Payable							
Serial Bonds	\$ 16,925,000	\$	\$ 16,925,000	\$	\$ 1,310,000	\$ 15,615,000	\$ 1,415,000
Unamortized Bond Premium	1,849,695		1,849,695		150,776	1,698,919	176,443
Lease Liability	208,529		208,529	120,000	90,158	238,371	119,982
Other Liabilities							
Other Postemployment Benefits	17,145,092		17,145,092	1,380,081	3,541,580	14,983,593	
Compensated Absences (Net Change)	429,230	1,574,356	2,003,586	87,703		2,091,289	354,421
Total Long Term Liabilities	<u>\$ 36,557,546</u>	<u>\$ 1,574,356</u>	<u>\$ 38,131,902</u>	<u>\$ 1,587,784</u>	<u>\$ 5,092,514</u>	<u>\$ 34,627,172</u>	<u>\$ 2,065,846</u>

The School District borrows funds on a long-term basis for the purpose of financing acquisitions of land and equipment and 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 an expenditure when such amounts are due.

In the event of a default in the payment of the principal of and/or interest on the Bonds, the State Comptroller is required to withhold, under certain circumstances 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.

Details relating to general obligation (serial) bonds of the School District outstanding at June 30, 2025, are summarized as follows:

Payable From/Description	Issue	Amount	Maturity	Rate (%)	Amount
2015 Serial Bonds	06/2015	\$ 545,000	06/2027	3.25-3.50	\$ 110,000
2016 Serial Bonds	06/2016	8,965,000	06/2032	2.00-5.00	3,655,000
2018 Serial Bonds	06/2018	2,035,000	06/2033	5.00	1,285,000
2022 Serial Bonds	06/2022	7,980,000	06/2051	4.25-5.00	7,445,000
2024 Serial Bonds	06/2024	1,460,000	06/2038	5.00	1,405,000
2024 Serial Bonds	06/2024	1,790,000	06/2038	5.00	1,715,000
Total					<u>\$ 15,615,000</u>

OXFORD ACADEMY AND CENTRAL SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2025

Principal and interest payments due on serial bonds is as follows:

2026	\$ 1,415,000	\$ 753,394	\$ 2,168,394
2027	1,465,000	691,438	2,156,438
2028	1,285,000	619,013	1,904,013
2029	1,355,000	554,763	1,909,763
2030	1,410,000	487,013	1,897,013
2031-2035	3,875,000	1,672,813	5,547,813
2036-2040	2,035,000	842,566	2,877,566
2041-2045	1,105,000	505,088	1,610,088
2046-2050	1,360,000	244,163	1,604,163
2051	310,000	13,175	323,175
Total	<u>\$ 15,615,000</u>	<u>\$ 6,383,424</u>	<u>\$ 21,998,424</u>

Serial Bond 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 premium is being amortized using the straight-line method over the life of the bond. The current year amortization is \$150,776 and is included as a reduction to interest expense on the Statement of Activities.

Unamortized Premium, 6/30/2024	\$ 1,849,695
Less: Amount Recognized in Current Year	<u>(150,776)</u>
Unamortized Premium, 6/30/2025	<u>\$ 1,698,919</u>

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

Interest Paid	\$ 870,695
Less: Interest Accrued in the Prior Year	(55,212)
Less: Amortization of Bond Premium	(150,776)
Plus: Interest Accrued in the Current Year	<u>69,231</u>
Total Interest Expense on Long-Term Debt	<u>\$ 733,938</u>

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 School District and subject to certain enumerated deductions such as State aid for building purposes. The Constitutional and statutory method for determining full valuation consist of taking the assessed valuation of taxable real estate for the last completed assessment roll and applying thereto the ratio (equalization rate) which such assessed valuation bears to the full valuation; such ratio is determined by the State Board of Real Property Services. The Legislature also is required to prescribe the manner by which such ratio shall be determined by such authority. At June 30, 2025, the School District was in compliance with its statutory debt limit.

Lease Liability

The District has entered into agreements with the BOCES to lease certain equipment such as copiers and other technology equipment. The lease agreements qualify as other than short-term leases under GASB 87. These agreements were executed on various dates ranging from July 1, 2020 to June 30, 2025 and are for a term ranging 4-5 years.

OXFORD ACADEMY AND CENTRAL SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2025

Lease payments are made annually as stated in the agreement, and therefore, a lease liability has been recorded at the present value of the future minimum lease payments as of the date of the inception of the agreements. The details of these lease agreements are as follows:

<u>Description</u>	<u>Lease Inception Date</u>	<u>Term (Years)</u>	<u>Interest Rate</u>	<u>Lease Liability</u>
Instructional Technology Equipment	4/5/2023	3	1.86%	\$ 40,130
Instructional Technology Equipment	4/10/2025	3	1.90%	78,241
Instructional Technology Equipment	3/3/2025	3	2.49%	120,000
				<u>\$ 238,371</u>

As a result of these leases, the District has recorded a right to use asset with a net book value of \$226,000 at June 30, 2025.

Future lease payments are as follows:

<u>For the Year Ending June 30,</u>	<u>Principal</u>	<u>Lease Liability Interest</u>	<u>Total</u>
2026	\$ 119,982	\$ 7,520	\$ 127,502
2027	78,352	6,916	85,268
2028	<u>40,037</u>	<u>2,951</u>	<u>42,988</u>
Total	<u>\$ 238,371</u>	<u>\$ 17,387</u>	<u>\$ 255,758</u>

Compensated Absences

Compensated absences represent the value of earned and unused portion of the liability for compensated absences. The change in compensated absences is the net change of time awarded, used, paid, or forfeited.

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. Thomas P. DiNapoli has served as Comptroller since February 7, 2007. In November, 2022, he was elected for a new term commencing January 1, 2023. 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.

OXFORD ACADEMY AND CENTRAL SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2025

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

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

	<u>Amount</u>
2023	\$ 214,259
2024	\$ 270,402
2025	\$ 346,690

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

At June 30, 2025, the School District reported a liability of \$1,027,487 for its proportionate share of the net pension liability. The net pension liability was measured as of March 31, 2025, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The School District's proportion of the net pension liability was based on a projection of the School District's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined.

At June 30, 2025 and 2024, the School District's proportion was .0059927 percent and .0061310 percent, respectively.

For the year ended June 30, 2025, the School District recognized a pension expense of \$264,271. At June 30, 2025, the School District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 255,029	\$ 12,030
Change of assumptions	43,091	
Net difference between projected and actual earnings on Pensions plan investments	80,614	
Changes in proportion and differences between contributions and proportionate share of contributions	152,704	32,766
Contributions subsequent to the measurement date	<u>93,130</u>	
Total	<u>\$ 624,568</u>	<u>\$ 44,796</u>

Amounts reported as deferred outflows/inflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension asset/liability in the year ended June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ended June 30,</u>	
2026	\$ 214,227
2027	\$ 310,362
2028	\$ (57,274)
2029	\$ 19,327

OXFORD ACADEMY AND CENTRAL SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2025

(d) Actuarial Assumptions

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

Significant actuarial assumptions used in the April 1, 2024 valuation was 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-2020.

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

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic equity	25.00%	3.54%
International equity	14.00%	6.57%
Private equity	15.00%	7.25%
Real estate	12.00%	4.95%
Opportunistic/ARS portfolio	3.00%	5.25%
Credit	4.00%	5.40%
Real assets	4.00%	5.55%
Fixed Income	22.00%	2.00%
Cash	1.00%	0.25%
	<u>100.00%</u>	

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.

OXFORD ACADEMY AND CENTRAL SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2025

(f) Sensitivity of the Proportionate Share of the Net Pension (Asset) Liability 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 5.9 percent, as well as what the School District's proportionate share of the net pension (asset) liability would be if it were calculated using a discount rate that is 1-percentage point lower (4.9 percent) or 1-percentage-point higher (6.9 percent) than the current rate:

	1%	Current	1%
	Decrease	Assumption	Increase
	<u>(4.9%)</u>	<u>(5.9%)</u>	<u>(6.9%)</u>
Proportionate share of			
the net pension (asset) liability	\$ 2,973,677	\$ 1,027,487	\$ (597,583)

(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 \$93,130 at June 30, 2025. This amount represents the three months of the School District's fiscal year that will be covered in the ERS 2025-2025 billing cycle and has been accrued as an expenditure in the current year.

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

(a) Plan Description

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

The TRS was created and exists pursuant to Article 11 of the New York State Education Law. TRS is administered by the system and governed by a ten-member board to provide these benefits to teachers employed by participating employers in the State of New York, excluding New York City. The System provides benefits to plan members and beneficiaries as authorized by the New York State Law and may be amended only by the Legislature with the Governor's approval. Benefit provisions vary depending on date of membership and membership class (6 tiers). The System's financial statements are prepared using the accrual basis of accounting. Contributions are recognized when due. Benefit payments are recognized when due and payable. Investments are recognized at fair value. 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.

OXFORD ACADEMY AND CENTRAL SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2025

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

	<u>Amount</u>
2023	\$ 610,329
2024	\$ 655,267
2025	\$ 646,689

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

At June 30, 2025, the School District reported an asset of \$998,221 for its proportionate share of the net pension asset. The net pension asset was measured as of June 30, 2024, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of June 30, 2023. The School District's proportion of the net pension asset was based on a projection of the School District's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined.

At June 30, 2024, the School District's proportion was .0334570 percent, which was a decrease of .0010220 percent from its proportion measured as of June 30, 2023 of .0344790 percent.

For the year ended June 30, 2025, the School District recognized a pension expense of \$577,226. At June 30, 2024, the School District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 1,074,900	\$
Changes of assumptions	597,138	100,444
Net difference between projected and actual earnings on pensions plan investments		1,109,108
Changes in proportion and differences between contributions and proportionate share of contributions	86,563	10,750
Contributions subsequent to the measurement date	<u>646,689</u>	
Total	<u>\$ 2,405,290</u>	<u>\$ 1,220,302</u>

Amounts reported as deferred outflows/inflows of resources related to pensions resulting from School District contributions subsequent to the measurement date, if any, will be recognized as a reduction of the net pension asset/liability. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year ended June 30:</u>	
2025	\$ (491,864)
2026	\$ 1,241,293
2027	\$ (189,328)
2028	\$ (215,452)
2029	\$ 139,052
Thereafter	\$ 54,598

(d) Actuarial Assumptions

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

Significant actuarial assumptions used in the June 30, 2023 valuation were as follows:

OXFORD ACADEMY AND CENTRAL SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2025

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 1.3% compounded annually.
Inflation rate 2.40%

Annuitant mortality rates are based on plan member experience, with adjustments for mortality improvements based on 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, 2021.

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 valuation date of June 30, 2024 are summarized in the following table:

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

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

(e) Discount Rate

The discount rate used to measure the pension liability (asset) was 6.95 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from school districts will be made at statutorily required rates, 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.

OXFORD ACADEMY AND CENTRAL SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2025

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

The following presents School District's proportionate share of the net pension (asset) liability 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 (5.95 percent) or 1-percentage-point higher (7.95 percent) than the current rate:

	Decrease (5.95%)	Assumption (6.95%)	Increase (7.95%)
Proportionate share of the net pension liability (asset)	\$ 4,610,838	\$ (998,221)	\$ (5,715,589)

(g) Pension Plan Fiduciary Net Position

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

(h) Payables to the Pension Plan

The School District has recorded an amount due to TRS in amount of \$646,689 (excluding employees' share) in the General Fund at June 30, 2025. This amount represents contribution for the 2024-2025 fiscal year that will be made in 2025-2026 and has been accrued as an expenditure in the current year.

11. OTHER POSTEMPLOYMENT BENEFITS

(a) Plan Descriptions

The District provides medical and Medicare Part B benefits to retired employees and their eligible dependents. The benefits provided to employees upon retirement are based on provisions in various contracts that the District has in place with different classifications of employees. The District acquires health insurance through a consortium known as the Broome-Tioga Health Insurance Consortium. Benefits provided by the Consortium are administered by Blue Cross/Blue Shield. The Consortium plan covers medical and pharmaceutical costs. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75. The Plan does not issue separate financial statements since there are no assets legally segregated for the sole purpose of paying benefits under the plan.

The Plan does not issue a stand-alone publicly available report since there are no assets legally segregated for the sole purpose of paying benefits under the Plan.

(b) Employees Covered by Benefit Terms

	Total
Inactive plan members or beneficiaries currently receiving benefits	132
Active plan members	148
Total	280

(c) Total OPEB Liability

The District's total OPEB liability of \$14,983,593 was measured as of June 30, 2025 and was determined by an actuarial valuation as of July 1, 2024.

OXFORD ACADEMY AND CENTRAL SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2025

(d) Changes in the Net OPEB Liability

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

	Total OPEB Liability
Balances, June 30, 2024	\$ 17,145,092
Changes recognized for the year:	
Service cost	690,023
Interest	690,058
Effect of demographic gains or losses	(501,849)
Effect of assumption changes or inputs	(2,481,556)
Benefit payments	(558,175)
Net changes	(2,161,499)
Balances, June 30, 2025	\$ 14,983,593

(e) 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 (4.20 percent) or 1 percentage point higher (6.20 percent) than the current discount rate:

	1% Decrease 4.20%	Current Assumption 5.20%	1% Increase 6.20%
Total OPEB liability as of June 30, 2025	\$ 16,945,672	\$ 14,983,593	\$ 13,349,166

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

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

	1% Decrease	Current Assumption	1% Increase
Total OPEB liability as of June 30, 2025	\$ 12,998,943	\$ 14,983,593	\$ 17,450,866

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

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

For the year ended June 30, 2025, the District recognized OPEB expense of \$2,013,907. At June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 15,858	\$ (9,791,839)
Changes of assumptions	1,902,061	(4,938,057)
Total	\$ 1,917,919	\$ (14,729,896)

OXFORD ACADEMY AND CENTRAL SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2025

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 will be recognized in OPEB expense as follows:

Year ended June 30:	Amount
2026	\$ (3,393,988)
2027	(3,788,679)
2028	(3,686,213)
2029	(866,978)
2030	(511,686)
Thereafter	(564,433)

(h) Actuarial Methods and Assumptions

The total OPEB liability was determined by an actuarial valuation as of July 1, 2024, with a June 30, 2025 measurement date. The following actuarial assumptions applied to all periods in the measurement, unless otherwise specified:

Valuation Date	July 1, 2024
Measurement Date	June 30, 2025
Reporting Date	June 30, 2025
Actuarial Cost Method	Entry Age Normal - Level Percent of Salary
Inflation rate	2.50%
Healthcare Cost Trend Rates	6.5%, decreasing to 4.0% over 70 years
Discount Rate	5.20%
Mortality	PubT-2010 Headcount-Weighted Mortality Table for Teaching Positions and PubG-2010 Headcount-Weighted Mortality Table for Non-Teaching positions, both generationally projected using the MP-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.

The discount rate changed from 3.93% to 5.20%, which is a prescribed discount rate under GASB 75, and is based on the Bond Buyer General Obligation 20-Bond Municipal Index.

OXFORD ACADEMY AND CENTRAL SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2025

12. FUND BALANCE

- (a) The following is the disaggregation of the fund balance that is reported in summary on the governmental fund's Balance Sheet:

	General	School Lunch	Miscellaneous Special Revenue	Debt Service	Capital Projects	Total
Nonspendable	\$ 57,410	\$ 8,421	\$	\$	\$	\$ 65,831
Restricted						
Retirement Contribution						
ERS	974,364					974,364
TRS	139,221					139,221
Capital	1,300,000					1,300,000
Debt Service				872,648		872,648
Reserve for Scholarships and Endowments			129,696			129,696
Total Restricted	<u>2,413,585</u>		<u>129,696</u>	<u>872,648</u>		<u>3,415,929</u>
Assigned						
Encumbrances	2,033					2,033
School Lunch Program		1,189				1,189
Appropriated for Subsequent Year's Budget	143,992					143,992
Total Assigned	<u>146,025</u>	<u>1,189</u>				<u>147,214</u>
Unassigned	<u>2,758,341</u>				<u>(1,698,422)</u>	<u>1,059,919</u>
Total Fund Balance	<u>\$ 5,375,361</u>	<u>\$ 9,610</u>	<u>\$ 129,696</u>	<u>\$ 872,648</u>	<u>\$ (1,698,422)</u>	<u>\$ 4,688,893</u>

- (b) The following is a summary of the change in general fund restricted funds during the year ended June 30, 2025:

Restricted Fund	Balance at 7/1/2024	Additions	Deductions	Balance at 6/30/2025
Employee Benefit Accrued Liability Retirement Contribution	\$ 300,622	\$	\$ 300,622	\$
ERS	974,364			974,364
TRS		139,221		139,221
Capital	854,096	1,645,904	1,200,000	1,300,000
Total	<u>\$ 2,129,082</u>	<u>\$ 1,785,125</u>	<u>\$ 1,500,622</u>	<u>\$ 2,413,585</u>

13. CONTINGENCIES

Risk Financing and Related Insurance

(a) General Information

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

OXFORD ACADEMY AND CENTRAL SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2025

(b) Potential Grantor Liability

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the Federal and State governments. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amounts, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the School District expects such amounts, if any, to be immaterial.

14. DUE FROM OTHER GOVERNMENTS

Due from other governments at June 30, 2025, consisted of the following:

General Fund	
Excess Cost Aid	\$ 330,218
BOCES Aid	<u>757,823</u>
Total	<u>1,088,041</u>
Special Aid Fund	
Grants	<u>215,799</u>
School Lunch Fund	
June Reimbursements	42,932
BOCES Aid	<u>1,773</u>
Total	<u>44,705</u>
Total Due From Other Governments	<u><u>\$ 1,348,545</u></u>

15. CAPITAL FUND DEFICIT

The Capital Projects Fund had a deficit fund balance of \$1,698,422. This deficit will be eliminated when the District obtains permanent capital project financing.

16. NET POSITION DEFICIT – DISTRICT WIDE

The District-wide net position had an unrestricted net position deficit at June 30, 2025 of \$25,143,605 and a total net position deficit of \$16,343,266. The deficit is primarily the result of GASB Statement 75, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, which requires the recognition of an unfunded liability of \$14,983,593 at June 30, 2025. Since New York State Laws provide no mechanism for funding the liability, the subsequent accruals are expected to increase the deficit in subsequent years

17. RESTATEMENT OF BEGINNING NET POSITION

The District-wide beginning net position as of July 1, 2024 in the Statement of Net position was restated as follows:

	<u>Government-Wide</u>
Net Position (Deficit) Beginning of Year, As Previously Stated	\$ <u>(16,863,374)</u>
Cumulative Effect of Implementing new Accounting Standard,	
GASB 101, <i>Compensated Absences</i>	(1,574,356)
Correction of an Error - Capital Assets	<u>111,391</u>
Net Position (Deficit) Beginning of Year, As Restated	<u><u>\$ (18,326,339)</u></u>

OXFORD ACADEMY AND CENTRAL SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
For the Year Ended June 30, 2025

	Original Budget	Final Budget	Actual		Final Budget Variance With Actual
Revenues					
Local Sources					
Real Property Taxes	\$ 4,829,698	\$ 4,829,698	\$ 4,865,874		\$ 36,176
STAR and Other Real Property Tax Items	745,179	745,179	715,119		(30,060)
Charges for Services	5,000	5,000	50,819		45,819
Use of Money and Property	130,000	130,000	297,177		167,177
Sale of Property and Compensation for Loss			20,637		20,637
Miscellaneous	219,433	219,433	308,670		89,237
State Aid	16,906,010	16,906,010	16,475,358		(430,652)
Federal Aid	100,000	100,000	113,190		13,190
Total Revenues	22,935,320	22,935,320	22,846,844		(88,476)
Other Financing Sources					
Appropriated Reserves	250,000	250,000			
Appropriated Fund Balance	501,867	2,320,843			(2,320,843)
Total Revenues and Other Financing Sources	<u>\$ 23,687,187</u>	<u>\$ 25,506,163</u>	<u>22,846,844</u>		<u>\$ (2,409,319)</u>
	Original Budget	Final Budget	Actual	Year-End Encumbrances	Final Budget Variance With Actual And Encumbrances
Expenditures					
General Support					
Board of Education	\$ 20,627	\$ 21,302	\$ 10,188	\$	\$ 11,114
Central Administration	248,612	256,696	254,366		2,330
Finance	471,148	480,823	465,787		15,036
Staff	211,341	214,716	198,362		16,354
Central Services	1,596,907	1,640,511	1,526,997	193	113,321
Special Items	610,939	607,939	578,961		28,978
Total General Support	3,159,574	3,221,987	3,034,661	193	187,133
Instruction					
Instruction, Administration, and Improvement	673,913	802,400	778,511		23,889
Teaching - Regular School	4,876,087	5,008,347	4,678,879	1,136	328,332
Programs for Children With Special Needs	2,251,643	2,114,326	1,963,057		151,269
Occupational Education	1,041,655	1,115,797	1,111,106		4,691
Teaching - Special School	58,214	38,150	13,514		24,636
Instructional Media	796,973	820,978	709,915	704	110,359
Pupil Services	1,045,730	1,072,630	886,526		186,104
Total Instruction	10,744,215	10,972,628	10,141,508	1,840	829,280
Pupil Transportation	1,153,333	1,181,483	997,735		183,748
Employee Benefits	6,509,604	6,129,629	5,835,222		294,407
Debt Service - Principal	1,373,400	1,523,400	1,613,557		(90,157)
Debt Service - Interest	697,061	927,036	933,159		(6,123)
Total Expenditures	23,637,187	23,956,163	22,555,842	2,033	1,398,288
Other Financing Uses					
Transfers to Other Funds	50,000	1,550,000	1,369,157		180,843
Total Expenditures and Other Financing Uses	<u>\$ 23,687,187</u>	<u>\$ 25,506,163</u>	<u>23,924,999</u>	<u>\$ 2,033</u>	<u>\$ 1,579,131</u>
Net Change in Fund Balance			(1,078,155)		
Fund Balance - Beginning of Year			6,453,516		
Fund Balance - End of Year			<u>\$ 5,375,361</u>		

Note 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.

OXFORD ACADEMY AND CENTRAL SCHOOL DISTRICT
SCHEDULE OF CHANGES IN THE DISTRICT'S TOTAL OPEB LIABILITY AND RELATED RATIOS
For the Year Ended June 30, 2025

Measurement Date	6/30/2025	6/30/2024	6/30/2023	6/30/2022	6/30/2021	6/30/2020	6/30/2019*
Total OPEB Liability							
Service cost	\$ 690,023	\$ 703,834	\$ 720,762	\$ 967,474	\$ 917,228	\$ 1,447,262	\$ 1,412,210
Interest on Total OPEB Liability	690,058	635,762	649,567	471,445	957,578	1,205,393	1,010,493
Change in Benefit Terms							
Differences between expected and actual experience in the measurement of the total OPEB liability	(501,849)		(976,952)		(23,884,788)		(1,575,013)
Change in assumptions and other inputs	(2,481,556)	(644,473)	(820,720)	(4,193,810)	940,573	7,394,983	629,043
Benefit payments	(558,175)	(524,014)	(450,588)	(501,037)	(467,101)	(784,884)	(726,712)
Net change in total OPEB Liability	(2,161,499)	171,109	(877,931)	(3,255,928)	(21,536,510)	9,262,754	750,021
Total OPEB Liability - Beginning	17,145,092	16,973,983	17,851,914	21,107,842	42,644,352	33,381,598	32,631,577
Total OPEB Liability - Ending	<u>\$ 14,983,593</u>	<u>\$ 17,145,092</u>	<u>\$ 16,973,983</u>	<u>\$ 17,851,914</u>	<u>\$ 21,107,842</u>	<u>\$ 42,644,352</u>	<u>\$ 33,381,598</u>
Covered payroll	\$ 7,707,045	\$ 7,757,917	\$ 7,757,917	\$ 7,137,098	\$ 7,137,098	\$ 6,725,219	\$ 6,725,219
Total OPEB Liability as a percentage of covered payroll	194.41%	221.00%	218.80%	250.13%	295.75%	634.10%	496.36%

* 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 does not currently maintain assets in an OPEB trust.

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 3.93% to 5.20%, which is a prescribed discount rate under GASB 75, and is based on the Bond Buyer General Obligation 20-Bond Municipal Index.

See Independent Auditor's Report.

OXFORD ACADEMY AND CENTRAL SCHOOL DISTRICT
SCHEDULE OF DISTRICT CONTRIBUTIONS
For the Year Ended June 30, 2025

ERS Pension Plan
Last 10 Fiscal Years Available

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Contractually Required Contribution	346,690	270,402	214,259	251,337	255,757	244,001	241,441	240,841	237,649	\$ 263,909
Contributions in Relation to the Contractually Required Contribution	<u>346,690</u>	<u>270,402</u>	<u>214,259</u>	<u>251,337</u>	<u>255,757</u>	<u>244,001</u>	<u>241,441</u>	<u>240,841</u>	<u>237,649</u>	<u>263,909</u>
Contribution Deficiency (Excess)	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
School District's Covered-ERS Employee Payroll	\$ 2,324,478	\$ 2,129,058	\$ 1,860,805	\$ 1,499,625	\$ 1,774,086	\$ 1,717,528	\$ 1,675,443	\$ 1,619,048	\$ 1,570,480	\$ 1,990,899
Contributions as a Percentage of Covered-Employee Payroll	14.91%	12.70%	11.51%	16.76%	14.42%	14.21%	14.41%	14.88%	15.13%	13.26%

TRS Pension Plan
Last 10 Fiscal Years Available

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually Required Contribution	\$ 646,689	\$ 655,267	\$ 610,329	\$ 598,022	\$ 607,168	\$ 551,102	\$ 649,658	\$ 612,877	\$ 726,522	\$ 787,149
Contributions in Relation to the Contractually Required Contribution	<u>646,689</u>	<u>655,267</u>	<u>610,329</u>	<u>598,022</u>	<u>607,168</u>	<u>551,102</u>	<u>649,658</u>	<u>612,877</u>	<u>726,522</u>	<u>787,149</u>
Contribution Deficiency (Excess)	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
School District's Covered-TRS Employee Payroll	\$ 6,895,121	\$ 6,388,091	\$ 6,368,001	\$ 6,102,061	\$ 6,371,123	\$ 6,220,113	\$ 6,128,849	\$ 6,253,847	\$ 6,198,993	\$ 5,833,931
Contributions as a Percentage of Covered-Employee Payroll	10.11%	9.76%	10.29%	9.80%	9.53%	8.86%	10.60%	9.80%	11.72%	13.26%

OXFORD ACADEMY AND CENTRAL SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION ASSET/LIABILITY
For the Year Ended June 30, 2025

ERS Pension Plan

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
District's proportion of the net pension asset/liability	0.0059927%	0.0061310%	0.0054830%	0.0044230%	0.0054460%	0.0056510%	0.0054650%	0.0054590%	0.0056480%	0.0056180%
District's proportionate share of the net pension (asset) liability	\$ 1,027,487	\$ 902,716	\$ 1,175,809	\$ (361,530)	\$ 5,422	\$ 1,496,413	\$ 387,176	\$ 176,200	\$ 530,711	\$ 901,691
District's covered-employee payroll	\$ 2,324,478	\$ 2,129,058	\$ 1,860,805	\$ 1,503,999	\$ 1,770,678	\$ 1,706,847	\$ 1,675,443	\$ 1,619,048	\$ 1,570,480	\$ 1,990,899
District's proportionate share of the net pension asset/liability as a percentage of its covered-employee payroll		42.40%	63.19%	-24.04%	0.31%	87.67%	23.11%	10.88%	33.79%	45.29%
Plan fiduciary net position as a percentage of total pension liability	93.08%	93.88%	90.78%	103.65%	99.95%	86.39%	96.27%	98.24%	94.70%	90.68%

TRS Pension Plan

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
District's Proportion of the net pension asset/liability	0.0334570%	0.0344790%	0.0351550%	0.0348360%	0.0351810%	0.0360920%	0.0363730%	0.0371810%	0.0368940%	0.0365570%
District's proportionate share of the net pension (asset) liability	\$ (998,221)	\$ 394,299	\$ 674,590	\$ (6,036,813)	\$ 972,152	\$ (937,669)	\$ (657,720)	\$ (282,612)	\$ 395,148	\$ (3,797,145)
District's covered-employee payroll	\$ 6,895,121	\$ 6,388,091	\$ 6,368,001	\$ 6,102,061	\$ 6,371,123	\$ 6,220,113	\$ 6,128,849	\$ 6,253,847	\$ 6,198,993	\$ 5,833,931
District's proportionate share of the net pension asset/liability as a percentage of its covered-employee payroll	-14.48%	6.17%	10.59%	-98.93%	15.26%	-15.07%	-10.73%	-4.52%	6.37%	-65.09%
Plan fiduciary net position as a percentage of total pension liability	102.10%	99.20%	98.60%	113.20%	97.80%	102.20%	101.53%	100.66%	99.01%	110.46%

OXFORD ACADEMY AND CENTRAL SCHOOL DISTRICT
SCHEDULES OF CHANGE FROM ADOPTED BUDGET TO FINAL BUDGET
AND REAL PROPERTY TAX LIMIT
For the Year Ended June 30, 2025

Change from Adopted Budget to Final Budget

Adopted Budget	\$ 23,685,320
Add: Prior Year's Encumbrances	<u>1,867</u>
Original Budget	23,687,187
Add: Board Appropriations from Capital Reserve	1,500,000
Board Appropriations from Employee Benefits Accrued Liability Reserve	300,621
Additional Appropriations for Emergency Water Heater Replacement	<u>18,355</u>
Final Budget	<u>\$ 25,506,163</u>

Section 1318 of Real Property Tax Law Limit Calculation

2025-26 voter-approved expenditure budget	<u>\$ 24,032,771</u>
Maximum allowed (4% of 2025-26 budget)	<u>\$ 961,311</u>

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

Unrestricted fund balance:	
Assigned fund balance	146,025
Unassigned fund balance	<u>2,758,341</u>
Total unrestricted fund balance	<u>2,904,366</u>

Less:

Appropriated fund balance	143,992
Encumbrances included in assigned fund balance	<u>2,033</u>
Total adjustments	<u>146,025</u>

General Fund Fund Balance Subject to Section 1318 of Real Property Tax Law \$ 2,758,341

Actual percentage 11.48%

See Independent Auditor's Report.

OXFORD ACADEMY AND CENTRAL SCHOOL DISTRICT
SCHEDULE OF PROJECT EXPENDITURES - CAPITAL PROJECTS FUND
For the Year Ended June 30, 2025

PROJECT TITLE	Original Authorization	Revised Authorization	Expenditures			Unexpended Balance	Methods of Financing				Fund Balance June 30, 2025
			Prior Years	Current Year	Total		Proceeds of Obligations	Federal and State Aid	Local Sources	Total	
Buses - 2025	\$ 416,015	\$ 416,015	\$	\$ 461,015	\$ 461,015	\$ (45,000)	\$	\$	\$ 213,400	\$ 213,400	\$ (247,615)
Buses - Prior Years	230,603	230,603	239,561		239,561	(8,958)			254,304	254,304	14,743
Phase III Projects	7,751	7,751	1,876,312		1,876,312	(1,868,561)	1,848,190			1,848,190	(28,122)
Smart Bond Project	1,089,409	1,089,409	1,029,931	60,125	1,090,056	(647)		1,029,300		1,029,300	(60,756)
EPC Project	1,525,996	1,525,996	1,458,823	231	1,459,054	66,942					(1,459,054)
\$10.6M Renovations	10,600,000	10,777,643	8,744,885	12,162	8,757,047	2,020,596	8,757,047			8,757,047	
\$19.5M Project	19,500,000	19,500,000	47,064	1,070,554	1,117,618	18,382,382			1,200,000	1,200,000	82,382
GASB 87 - Leases	120,000	120,000		120,000	120,000		120,000			120,000	
Total	<u>\$ 33,489,774</u>	<u>\$ 33,667,417</u>	<u>\$ 13,396,576</u>	<u>\$ 1,724,087</u>	<u>\$ 15,120,663</u>	<u>\$ 18,546,754</u>	<u>\$ 10,725,237</u>	<u>\$ 1,029,300</u>	<u>\$ 1,667,704</u>	<u>\$ 13,422,241</u>	<u>\$ (1,698,422)</u>

See Independent Auditor's Report.

OXFORD ACADEMY AND CENTRAL SCHOOL DISTRICT
NET INVESTMENT IN CAPITAL ASSETS
For the Year Ended June 30, 2025

Capital Assets, Net	\$ 24,514,727
Right to use Lease Assets, Net	<u>226,000</u>
	<u>24,740,727</u>
Add:	
Capital Fund Unspent Proceeds	<u>1,173</u>
Deduct:	
Bond Anticipation Notes Payable	1,732,800
Capital Fund Accounts Payable	72,400
Serial Bonds Payable	15,615,000
Lease Liability	238,371
Premium on Bonds Payable	<u>1,698,919</u>
Net Deductions	<u>19,357,490</u>
Net Investment in Capital Assets	<u><u>\$ 5,384,410</u></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

Oxford Academy and Central 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 Oxford Academy and Central School District, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise Oxford Academy and Central School District's basic financial statements, and have issued our report thereon dated October 13, 2025.

Report on Internal Control Over Financial Reporting

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Oxford Academy and Central School District's financial statements are free of 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 13, 2025

Rome, New York