

PRELIMINARY OFFICIAL STATEMENT

**NEW/RENEWAL ISSUE**

**BOND ANTICIPATION NOTES**

*In the opinion of WJ Marquardt PLLC, Bond Counsel to the District, under existing statutes and court decisions and assuming continuing compliance with certain tax certifications described herein, (i) interest on the Notes is excluded from gross income for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), and (ii) interest on the Notes is not treated as a preference item in calculating the alternative minimum tax under the Code, however, interest on the Notes is included in the "adjusted financial statement income" of certain corporations that are subject to the alternative minimum tax under Section 55 of the Code. In addition, under existing statutes, interest on the Notes is exempt from personal income taxes of New York State and its political subdivisions, including the City of New York. Bond counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of, or the accrual of interest on the Notes. (See "TAX MATTERS" herein.)*

*The Notes will NOT be designated "qualified tax-exempt obligations" under Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.*

**\$17,938,166**  
**LANSING CENTRAL SCHOOL DISTRICT**  
**TOMPKINS COUNTY, NEW YORK**  
**GENERAL OBLIGATIONS**  
**\$17,938,166 Bond Anticipation Notes, 2025**  
**(the "Notes")**

**Dated: July 17, 2025**

**Due: July 16, 2026**

The Notes are general obligations of the Lansing Central School District, Tompkins County, New York (the "School District" or "District"). All the taxable real property within the School District is subject to the levy of ad valorem taxes to pay the Notes and interest thereon, without limitation as to rate or amount. See "NATURE OF OBLIGATION" and "TAX LEVY LIMITATION LAW" 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, Jersey City, New Jersey ("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, except for one necessary odd denomination. 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, except for one necessary odd denomination. 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 respective approving legal opinion as to the validity of the Notes of WJ Marquardt PLLC, Bond Counsel, Skaneateles, New York. It is anticipated that the Notes will be available for delivery through the facilities of DTC in Jersey City, New Jersey, or at such place as may be agreed upon with the purchaser(s), on or about July 17, 2025.

**ELECTRONIC BIDS for the Notes must be submitted on Fiscal Advisors Auction website ("Fiscal Advisors Auction") accessible via [www.fiscaladvisorsauction.com](http://www.fiscaladvisorsauction.com), on June 26, 2025 by no later than 10:45 A.M. ET. Bids may also be submitted by facsimile at (315) 930-2354. No other form of electronic bidding services will be accepted. No phone bids will be accepted. Once the bids are communicated electronically via Fiscal Advisors Auction or via facsimile to the District, each bid will constitute an irrevocable offer to purchase the Notes pursuant to the terms provided in the Notice of Sale for the Notes.**

June 11, 2025

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

**LANSING CENTRAL SCHOOL DISTRICT**  
**TOMPKINS COUNTY, NEW YORK**

**SCHOOL DISTRICT OFFICIALS**  
**2024-2025 BOARD OF EDUCATION**

AZIZA BENSON  
President

MATT BOGUMIL  
Vice President

KATHERINE COLE  
MATT HEKTOR  
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SUSAN TABRIZI

\* \* \* \* \*

CHRIS PETTOGRASSO  
Superintendent

KATHRYN HEATH  
Assistant Superintendent of Business

KAREN HRADISKY  
District Treasurer

DEBBIE TODD  
District Clerk



FISCAL ADVISORS & MARKETING, INC.  
Municipal Advisor

**MARQUARDT**  
BOND COUNSEL

WJ MARQUARDT PLLC  
Bond Counsel

No person has been authorized by Lansing 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 Lansing Central School District.

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**PREPARED WITH THE ASSISTANCE OF**



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**OFFICIAL STATEMENT**  
of the  
**LANSING CENTRAL SCHOOL DISTRICT**  
**TOMPKINS COUNTY, NEW YORK**

**Relating To**  
**\$17,938,166 Bond Anticipation Notes, 2025**

This Official Statement, which includes the cover page and appendices, has been prepared by the Lansing Central School District, Tompkins County, New York (the "School District" or "District", "Counties", and "State", respectively) in connection with the sale by the District of \$17,938,166 principal amount of Bond Anticipation Notes, 2025 (the "Notes").

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

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

**NATURE OF OBLIGATION**

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

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

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

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

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

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

"A pledge of the City's faith and credit is both a commitment to pay and a commitment of the City's revenue generating powers to produce the funds to pay. Hence, an obligation containing a pledge of the City's "faith and credit" is secured by a promise both to pay and to use in good faith the City's general revenue powers to produce sufficient funds to pay the principal and interest of the obligation as it becomes due. That is why both words, "faith" and "credit" are used and they are not tautological. That is what the words say and this is

what the courts have held they mean...So, too, although the Legislature is given the duty to restrict municipalities in order to prevent abuses in taxation, assessment, and in contracting of indebtedness, it may not constrict the City's power to levy taxes on real estate for the payment of interest on or principal of indebtedness previously contracted...While phrased in permissive language, these provisions, when read together with the requirement of the pledge and faith and credit, express a constitutional imperative: debt obligations must be paid, even if tax limits be exceeded”.

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

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

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

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

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

## THE NOTES

### Description of the Notes

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

The Notes will be dated July 17, 2025 and will mature July 16, 2026. The Notes are not subject to redemption prior to maturity. Interest will be calculated on a 30-day month and 360-day year basis, payable at maturity.

The Notes will be issued in either (i) registered certificated form registered in the name of the purchaser, in denominations of \$5,000 each or multiples thereof, except for one necessary odd denomination, as may be determined by the successful bidder or (ii) at the option of the purchaser, in book-entry-only form, and, if so issued, registered in the name of Cede & Co. as nominee of DTC, which will act as the securities depository for the Notes. See “BOOK-ENTRY-ONLY SYSTEM” herein.

### No Optional Redemption

The Notes are not subject to redemption prior to maturity.

## Purpose of Issue

A \$14,838,166 portion of the Notes is being issued pursuant to the Constitution and statutes of the State of New York, including the Education Law and the Local Finance Law, and pursuant to a bond resolution duly adopted by the Board of Education on March 13, 2023 authorizing a capital project for the purpose of renovations and improvements to various District buildings and facilities at a maximum cost of \$16,858,166, and the issuance of up to \$15,058,166 serial bonds and the expenditure of \$1,800,000 capital reserve monies therefor. The District issued \$8,789,000 bond anticipation notes on August 7, 2024 to mature July 18, 2025 and \$6,000,000 bond anticipation notes on March 20, 2025 to mature July 18, 2025. A \$14,838,166 portion of the Notes, along with \$220,000 available funds of the District will redeem and partially renew the \$14,569,000 currently outstanding bond anticipation notes, and will provide additional new money in the amount of \$269,166 for the aforementioned project.

A \$3,100,000 portion of the Notes is being issued pursuant to the Constitution and statutes of the State of New York, including the Education Law and the Local Finance Law, and pursuant to a bond resolution duly adopted by the Board of Education on November 14, 2022 authorizing a capital project for the purpose of the replacement of existing natural gas and related equipment at various District buildings and facilities at a maximum cost of \$3,100,000, with the issuance of up to \$3,100,000 serial bonds therefor. A \$3,100,000 portion of the Notes will provide new money for this purpose.

## BOOK-ENTRY-ONLY SYSTEM

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

DTC, a limited-purpose trust company organized under the New York Banking Law, is a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments from over 100 countries that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com) and [www.dtc.org](http://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 School District, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC nor its nominee, or the School District, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the School District, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Notes at any time by giving reasonable notice to the 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, except for one necessary odd denomination. 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, established in 1948, covers 64 square miles in the Towns of Lansing, Dryden, and Groton in Tompkins County (the “County”) and is bordered by Cayuga Lake on the west.

Transportation is provided by New York State Routes #34 and #34B. The area is served by Delta, United, and American Airlines at Ithaca Tompkins Regional Airport, with jet flights to New York City, Pittsburgh and Chicago providing direct passenger, mail and cargo service.

The area is served by Greyhound, Adirondack Trailways, and Shortline Bus Lines with a terminal located in the City of Ithaca. The District is both agricultural and industrial in nature.

Natural gas and electricity are provided by New York State Electric & Gas Corporation. Police protection is provided by the County Sheriff's Department and the New York State Police. Fire protection is provided by a volunteer department.

The District provides public education for grades PK-12 in three buildings located in Lansing. Higher educational opportunities are available at nearby Ithaca College, Tompkins Community College and Cornell University. The District is located within 12 miles of each of these colleges and university.

Anticipated economic developments include the construction of a Dandymart, two solar projects (one for 850 acres anticipated to be completed in 2026, and the other for 400 acres anticipated to be completed in 2028), the construction of a 48-townhome development, and the expansion of an apartment complex in the amount of 568 additional units (anticipated to be completed by 2026).

Source: District officials.

## Population

The 2023 estimated population of the District is 7,807. (Source: U.S. Census Bureau, 2019-2023 American Community Survey 5-Year Estimates.)

## Larger Employers

<u>Name of Employer</u>	<u>Nature of Business</u>	<u>Employees</u>
Cornell University	Education	9,500
Cayuga Medical Center	Medical	1,500
Ithaca College	Education	1,300
Ithaca City School District	Public school	1,200
Borg Warner <sup>(1)</sup>	Manufacturing	1,000

<sup>(1)</sup> Announced its intent to close one of its two plants in the District area by the end of 2026, which was initially anticipated to close in late 2024. It is anticipated that up to 280 jobs could be lost.

Source: District officials.

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## 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 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>2019-2023</u>	<u>2006-2010</u>	<u>2016-2020</u>	<u>2019-2023</u>
Towns of:						
Dryden	\$ 30,866	\$ 38,363	\$ 46,586	\$ 72,596	\$ 84,360	\$103,667
Groton	23,208	29,571	34,403	61,184	77,738	83,200
Lansing	37,460	48,710	54,781	82,104	105,778	143,832
County of:						
Tompkins	25,737	34,194	42,505	72,231	87,977	111,825
State of:						
New York	30,948	40,898	49,520	67,405	87,270	105,060

Note: 2020-2024 American Community Survey 5-Year estimates are not available as of the date of this Official Statement.

Source: U.S. Census Bureau 2006-2010, 2018-2022, and 2019-2023 American Community Survey 5-Year estimates data.

## Unemployment Rate Statistics

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

	<u>Annual Averages</u>						
	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Tompkins County	3.6%	3.5%	5.7%	3.9%	2.9%	3.1%	3.3%
New York State	4.1	3.9	9.8	7.1	4.3	4.1	4.3

	<u>2025 Monthly Figures</u>					
	<u>Jan</u>	<u>Feb</u>	<u>Mar</u>	<u>Apr</u>	<u>May</u>	<u>Jun</u>
Tompkins County	3.4%	3.6%	3.3%	2.6%	N/A	N/A
New York State	4.6	4.3	4.1	3.6	N/A	N/A

Note: Monthly unemployment rates for May and June of 2025 are unavailable as of the date of this Official Statement.

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

## Form of School Government

Subject to the provisions of the State Constitution, the School District operates pursuant to the Education Law, the Local Finance Law, other laws generally applicable to the School District, and any special laws applicable to the School District. Under such laws, there is no authority for the School District to have a charter or adopt local laws.

The legislative power of the School District is vested in the Board of Education of the School District (the “Board” or “Board of Education”). The Board of Education consists of seven members with overlapping three-year terms. Each Board member must be a qualified voter of the School District and no Board member may hold certain other School District offices or positions while serving on the Board of Education. The President and Vice President are appointed by the Board of Education.

## **Investment Policy**

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

Consistent with the above statutory limitations, it is the School District's current policy to invest in: (1) certificates of deposit or time deposit accounts that are fully secured as required by statute, (2) obligations of the United States of America or (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. In the case of obligations of the United States government, the School District may purchase such obligations pursuant to a written repurchase agreement that requires the purchased securities to be delivered to a third-party custodian.

## **Budgetary Procedures**

Pursuant to the Education Law, the Board of Education annually prepares a detailed statement of estimated sums necessary for the various expenditures of the School District for the ensuing fiscal year (tentative budget) and distributes that statement not less than fourteen days prior to the date on which the School District's annual meeting is conducted, at which time such tentative budget is voted upon. Notice of the annual meeting is published as required by statute with a first publication not less than forty-five days prior to the day of such meeting. If the qualified voters at the annual meeting approve the tentative budget, the Board of Education, by resolution, adopts it as the budget of the School District for the ensuing fiscal year.

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

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

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

### *Recent Budget Votes*

The District's budget for the 2024-25 fiscal year was approved by qualified voters on May 21, 2024 by a vote of 695 yes to 419 no. The adopted budget included a total tax levy increase of 3.92%, which was within the District's Tax Cap of 4.14% for the 2024-25 fiscal year.

The District's budget for the 2025-26 fiscal year was approved by qualified voters on May 20, 2025 by a vote of 766 yes to 443 no. The adopted budget called for a total tax levy increase of 5.13%, which was equal to the District's tax levy limit of 5.13%.

## State Aid

The District receives financial assistance from the State in the form of State aid for operating, building and other purposes at various times throughout its fiscal year, pursuant to formulas and payment schedules set forth by statute. In its adopted budget for the 2025-26 fiscal year, approximately 32.22% of the revenues of the District are estimated to be received in the form of State aid. While the State has a constitutional duty to maintain and support a system of free common schools that provides a “sound basic education” to children of the State, there can be no assurance that the State appropriation for State aid to school districts will be continued in future years, either pursuant to existing formulas or in any form whatsoever.

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

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

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

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

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

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

### *Federal Aid Received by the State*

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

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

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

## *Building Aid*

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

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

Pursuant to the provisions of Chapter 760 of the Laws of 1963, the District is eligible to receive a Building Aid Estimate from the New York State Department of Education. Since the gross indebtedness of the District is within the debt limit, the District is not required to apply for a Building Aid Estimate. Based on 2024-25 preliminary building aid ratios, the District expects to receive State building aid of approximately 68.1% 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*

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

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

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

*School district fiscal year (2024-2025):* The State's 2024-25 Enacted Budget provides \$35.9 billion in State funding to school districts for the 2024-25 school year, the highest level of State aid ever. This represents an increase of \$1.3 billion compared to the 2023-24 school year and includes a \$934 million or 3.89 percent Foundation Aid increase. The State's 2024-25 Enacted Budget

maintains the “save harmless” provision, which currently ensures a school district receives at least the same amount of Foundation Aid as it received in the prior year. The State’s 2024-25 Enacted Budget also authorizes a comprehensive study by the Rockefeller Institute and the State Department of Education to develop a modernized school funding formula.

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

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

### *State Aid Litigation*

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

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

In school district fiscal year 2009-2010, foundation aid funding was frozen by the State Legislature to the prior fiscal year level, and in the fiscal year thereafter foundation aid funding was reduced through a “gap elimination adjustment” as described above, and other aid adjustments.

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

A breakdown of currently anticipated Foundation Aid funding is available below

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

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

**State Aid Revenues**

The following table illustrates the percentage of total revenues of the District for each of the below completed fiscal years and budgeted new figures comprised of State aid.

<u>Fiscal Year</u>	<u>Total Revenues</u> <sup>(1)</sup>	<u>Total State Aid</u>	<u>Percentage of Total Revenues Consisting of State Aid</u>
2019-2020	\$ 30,125,233	\$ 8,957,402	29.73%
2020-2021	31,456,068	9,446,320	30.03
2021-2022	32,437,704	9,499,786	29.29
2022-2023	34,689,562	10,634,258	30.66
2023-2024	36,626,912	11,868,166	32.40
2024-2025 (Budgeted)	37,131,672	12,181,487	32.81
2024-2025 (Unaudited)	38,748,914	11,615,969	29.98
2025-2026 (Budgeted)	38,995,625	12,562,868	32.22

<sup>(1)</sup> Does not include appropriated fund balance, interfund transfers, or use of reserves.

Source: Audited Financial Statements for the 2019-2020 through 2023-2024 fiscal years, the adopted budget and unaudited figures for the 2024-2025 fiscal year, and adopted budget of the District for the 2025-2026 fiscal year. This table is not audited. The unaudited projections for the 2024-2025 fiscal year are based upon certain current assumptions and estimates, and the audited results may vary therefrom.

**District Facilities**

<u>Name</u>	<u>Grades</u>	<u>Capacity</u>	<u>Year(s) Built/Altered</u>
R.C. Buckley Elementary School	K-4	675	1958, '01, '06, '10, '12, '14, '15, '16, '18, '20
Lansing Middle School	5-8	610	1929, '01, '06, '10, '12, '14, '15, '16, '24
Lansing High School	9-12	454	1973, '03, '06, '10, '11, '12, '14, '15, '16, '17, '18, '20, '24

Source: District officials.

**Enrollment Trends**

<u>School Year</u>	<u>Enrollment</u>	<u>School Year</u>	<u>Projected Enrollment</u>
2020-21	1,256	2025-26	1,130
2021-22	1,236	2026-27	1,110
2022-23	1,213	2027-28	1,100
2023-24	1,190	2028-29	1,100
2024-25	1,152	2029-30	1,100

Source: District officials.

## Employees

The District employs a total of approximately 275 full-time and 34 part-time employees. Employees which are represented by various unions are as follows:

<u>Employees</u>	<u>Union</u>	<u>Contract Expiration Date</u>
161	Lansing Faculty Association	June 30, 2028
98	Lansing School Service Association	June 30, 2026
12	Lansing Administrators' & Supervisors' Organization	June 30, 2025 <sup>(1)</sup>

<sup>(1)</sup> Currently under negotiation.

## Status and Financing of Employee Pension Benefits

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

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

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

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

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

<u>Fiscal Year</u>	<u>ERS</u>	<u>TRS</u>
2020-2021	\$ 346,954	\$ 980,055
2021-2022	348,868	1,081,243
2022-2023	313,896	1,190,626
2023-2024	414,427	1,202,892
2024-2025	405,600	1,295,800
2025-2026 (Budgeted)	504,101	1,249,148

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.

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

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

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

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

\*Estimated.

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

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

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

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

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

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

The State's 2019-2020 Enacted Budget, which was signed into law as Chapter 59 of the Laws of 2019, includes a provision that will allow school districts in the State to establish a reserve fund for the purpose of funding the cost of TRS contributions, as a sub-fund of retirement contribution reserve funds presently authorized for amounts payable to the ERS by a school district. School districts will be permitted to pay into such reserve fund during any particular fiscal year, an amount not to exceed two percent of the total compensation or salaries of all district-employed teachers who are members of the TRS paid during the immediately preceding fiscal year; provided that the balance of such fund may not exceed ten percent of the total compensation or salaries of all district-employed teachers who are members of the TRS paid during the immediately preceding fiscal year. The District established a TRS reserve fund in the 2021-2022 fiscal year.

### **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.

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The District contracted with Armory Associates, an actuarial firm, to calculate its actuarial valuation under GASB 75 for the fiscal years ended June 30, 2023 and June 30, 2024. The following outlines the changes to the Total OPEB Liability during the below fiscal years, by source.

	July 1, 2022	July 1, 2023
Balance beginning at:	<u>\$ 90,121,225</u>	<u>\$ 84,734,258</u>
<u>Changes for the year:</u>		
Service cost	3,215,857	3,285,627
Interest on total OPEB liability	1,972,182	3,071,855
Changes in Benefit Terms	-	-
Differences between expected and actual experience	(155,686)	-
Changes in Assumptions or other inputs	(8,061,254)	(1,467,123)
Benefit payments	<u>(2,358,066)</u>	<u>(2,488,635)</u>
Net Changes	<u>\$ (5,386,967)</u>	<u>\$ 2,401,724</u>
	<u>June 30, 2023</u>	<u>June 30, 2024</u>
Balance ending at:	<u>\$ 84,734,258</u>	<u>\$ 87,135,982</u>

Note: The above table is not audited. For additional information see “APPENDIX – D” attached hereto.

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

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

Under GASB 75, an actuarial valuation will be required every 2 years for all plans, however, the Alternative Measurement Method continues to be available for plans with less than 100 members.

### Other Information

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

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

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

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

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

### Financial Statements

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

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

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

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

Based on preliminary estimates, the District expects to end the fiscal year ending June 30, 2025 with an unappropriated unreserved fund balance of \$1,495,353.

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

Revenues:	\$ 38,748,914
Expenditures:	<u>37,989,397</u>
Excess (Deficit) Revenues Over Expenditures:	\$ 759,517
Beginning Fund Balance at June 30, 2024:	\$ <u>4,277,210</u>
Total Projected Fund Balance at June 30, 2025:	\$ <u>4,692,490</u> <sup>(1)</sup>

<sup>(1)</sup> Inclusive of anticipated changes in the appropriated fund balance prior to year end based on anticipated encumbrances and allocations to the next year’s budget.

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

**New York State Comptroller Report of Examination**

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

The State Comptroller’s office released its most recent audit report of the District on May 27, 2022. The purpose of the audit was to determine whether District officials used competitive process to procure goods and services for the period July 1, 2020 through August 31, 2021. Key findings and recommendations of the audit report are summarized below.

Key Findings:

District officials did not always seek competition to procure goods and services. As a result, they may not have procured goods and services economically and in a manner that is in the best interests of taxpayers.

- Policies and procedures were inadequate and did not help ensure officials sought competition for goods and services.
- Officials did not seek competition for insurance coverage totaling \$232,624 or for four of six professional service providers paid \$301,023 during our 14-month audit period. Officials used the same insurance provider for about 20 years and each of the four remaining vendors for at least 10 years without periodically seeking competition.
- District officials may have saved at least \$3,700 on fuel costs by using a State contract.

Key Recommendations:

- Update the procurement policy and related procedures to include detailed guidance for procuring goods and services not subject to competitive bidding requirements.
- Periodically compare prices for goods and services to State contracts and contracts bid by other governments.

District officials generally agreed with the findings and recommendations and indicated they will take corrective action. A copy of the complete report and response can be found via the website of the Office of the New York State Comptroller.

As of the date of this Official Statement, there are no other recent State Comptrollers audits of the District, nor are there any that are currently in progress or pending release; however, the Office of the State Comptroller recently conducted a tax cap review of the District. The review took place in May and June of 2024, and the District was notified on June 17, 2024 that there were no findings.

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

## The State Comptroller's Fiscal Stress Monitoring System

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

The fiscal stress scores are based on financial information submitted as part of each school district's ST-3 report filed with the State Education Department annually, and each municipality's annual report filed with the State Comptroller. Using financial indicators that include year-end fund balance, cash position and patterns of operating deficits, the system creates an overall fiscal stress score which classifies whether a school district or municipality is in "Significant Fiscal Stress", in "Moderate Fiscal Stress," as "Susceptible 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 most recent available three fiscal years of the District are as follows:

<u>Fiscal Year Ending In</u>	<u>Stress Designation</u>	<u>Fiscal Score</u>
2024	No Designation	15.0
2023	No Designation	13.3
2022	No Designation	10.0

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

## TAX INFORMATION

### Taxable Assessed Valuations

<u>Fiscal Year Ending June 30:</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Towns of:					
Dryden	\$ 7,207,859	\$ 7,311,766	\$ 7,765,841	\$ 8,136,555	\$ 9,379,057
Groton	2,008,919	2,040,172	2,115,556	2,296,386	2,628,647
Lansing	955,444,240	1,003,031,234	1,076,338,139	1,177,069,971	1,359,585,963
Total Assessed Values	<u>\$ 964,661,018</u>	<u>\$ 1,012,383,172</u>	<u>\$ 1,086,219,536</u>	<u>\$ 1,187,502,912</u>	<u>\$ 1,371,593,667</u>
State Equalization Rates					
Towns of:					
Dryden	100.00%	100.00%	100.00%	100.00%	100.00%
Groton	100.00%	100.00%	100.00%	100.00%	100.00%
Lansing	100.00%	100.00%	100.00%	100.00%	100.00%
Total Taxable Full Valuation	<u>\$ 964,661,018</u>	<u>\$ 1,012,383,172</u>	<u>\$ 1,086,219,536</u>	<u>\$ 1,187,502,912</u>	<u>\$ 1,371,593,667</u>

Source: District officials.

### Tax Rates per \$1,000 (Assessed)

<u>Fiscal Year Ending June 30:</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Towns of:					
Dryden	\$ 21.12	\$ 21.06	\$ 20.48	\$ 19.17	\$ 17.25
Groton	21.12	21.06	20.48	19.17	17.25
Lansing	21.12	21.06	20.48	19.17	17.25

Source: District officials.

## Tax Levy and Tax Collection Record

<u>Fiscal Year Ending June 30:</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Total Tax Levy	\$ 20,369,531	\$ 21,323,524	\$ 22,245,753	\$ 22,768,332	\$ 23,661,347
Amount Uncollected <sup>(1)</sup>	1,134,721	1,103,000	1,076,989	1,140,013	1,212,278
% Uncollected	5.57%	5.17%	4.84%	5.01%	5.12%

<sup>(1)</sup> The District receives 100% of its tax levy each year. See "Tax Collection Procedures" herein.

Source: District officials.

## Tax Collection Procedure

Tax payments are due September 1<sup>st</sup>. There is no penalty charge during the month of September, but a 2% penalty is charged for the next 30 days. After October, uncollected taxes are returned to the Counties for collection. The School District receives these amounts from the Counties prior to the end of the District's fiscal year, thereby assuring 100% tax collection annually. Tax sales are held annually by the Counties.

## Real Property Tax Revenues

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

<u>Fiscal Year</u>	<u>Total Revenues <sup>(1)</sup></u>	<u>Total Real Property Taxes &amp; Tax Items</u>	<u>Percentage of Total Revenues Consisting of Real Property Tax</u>
2019-2020	\$ 30,125,233	\$ 20,272,204	67.29%
2020-2021	31,456,068	20,669,952	65.71
2021-2022	32,437,704	21,592,447	66.57
2022-2023	34,689,562	22,431,900	64.66
2023-2024	36,626,912	22,935,894	62.62
2024-2025 (Budgeted)	37,131,672	23,810,685	64.13
2024-2025 (Unaudited)	38,748,914	23,829,945	61.50
2025-2026 (Budgeted)	38,995,625	24,973,257	64.04

<sup>(1)</sup> Does not include appropriated fund balance, interfund transfers, or use of reserves.

Source: Audited Financial Statements for the 2019-2020 through 2023-2024 fiscal years, the adopted budget and unaudited figures for the 2024-2025 fiscal year, and adopted budget figures for the 2025-2026 fiscal year. This table is not audited. The unaudited projections for the 2024-2025 fiscal year are based upon certain current assumptions and estimates, and the audited results may vary therefrom.

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

<u>Name</u>	<u>Type</u>	<u>Taxable Assessed Valuation</u>
Cornell University	Education	\$49,395,300
New York State Electric & Gas Corporation	Utility	39,529,936
Ithaca B&T Associates	Business Services	34,495,000
Village Solars Apartments, LLC	Real Estate	27,400,000
Cargill, Inc.	Salt Mine	24,219,100
Village Solars, LLC	Solar Power	21,450,000
Tompkins County IDA	Government	10,190,000
Borg-Warner Automotive	Manufacturing	9,404,500
Skyline Ithaca	Industrial	6,300,000
Kaida Computer Tech	Computers	4,975,000

The ten larger taxpayers listed above have a total taxable assessed valuation of \$227,358,836, which represents 16.58% of the tax base of the District.

The District experiences the impact of tax certiorari filings on a regular basis for which the District has a tax certiorari reserve to cover. At this time, the level of tax certiorari filings is within acceptable norms and is not anticipated or reasonably expected to have a material impact on the District's finances.

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 in the 2025-2026 school year, increased annually according to a cost of living adjustment, are eligible for a “full value” exemption of the first \$86,100 of the full value of a home for the 2025-2026 school year (adjusted annually). Other homeowners with household STAR Adjusted Gross income not in excess of \$250,000 (\$500,000 in the case of a STAR credit, as discussed below) are eligible for a \$30,000 “full value” exemption on their primary residence.

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

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

The below table lists the basic and enhanced exemption amounts for the 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>
Dryden	\$ 86,100	\$ 30,260	4/10/2025
Groton	86,100	30,260	4/10/2025
Lansing	86,100	30,260	4/10/2025

\$947,872 of the District's \$23,661,347 school tax levy for the 2024-2025 fiscal year was exempt by the STAR Program. The District received all of such exempt taxes from the State in January 2025.

Approximately \$932,845 of the District's \$24,875,868 school tax levy for the 2025-2026 fiscal year is expected to be exempt by the STAR Program. The District anticipates receiving full reimbursement of such exempt taxes from the State by January 2026.

## **Additional Tax Information**

Real property located in the School District is assessed by the County.

Senior citizens' exemptions from School District taxes are offered to those who qualify.

The assessment roll of the School District is constituted approximately as follows: 61% residential, 6% public services, 10% commercial, 9% community services, 5% vacant land, 4% agricultural, 4% industrial and 1% recreation and entertainment.

The estimated total annual property tax bill of a \$100,000 market value residential property located in the District is approximately \$2,762 including County, Town, School District and Fire District Taxes.

## **TAX LEVY LIMITATION LAW**

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

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

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

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

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

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

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

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

## STATUS OF INDEBTEDNESS

### Constitutional Requirements

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

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

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

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

### Statutory Procedure

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

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.

*Debt Limit.* 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 statutory method for determining full valuation is by taking 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 Office of Real Property Services. The Legislature prescribes the manner by which such ratio shall be determined.

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

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

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

**Debt Outstanding End of Fiscal Year**

<u>Fiscal Years Ending June 30:</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Bonds	\$ 14,170,000	\$ 13,130,000	\$ 16,635,000	\$ 15,475,000	\$ 13,895,000
Bond Anticipation Notes	0	4,817,400	0	0	0
Energy Performance Contract Leases <sup>(1)</sup>	2,025,000	1,705,000	1,370,000	1,020,000	650,000
			<u>445,801</u>	<u>268,945</u>	<u>145,842</u>
<b>Total Debt Outstanding</b>	<b>\$ <u>16,195,000</u></b>	<b>\$ <u>19,652,400</u></b>	<b>\$ <u>18,450,801</u></b>	<b>\$ <u>16,763,945</u></b>	<b>\$ <u>14,690,842</u></b>

<sup>(1)</sup> In 2022, the District implemented GASB Statement No. 87 for accounting and reporting leases. GASB Statement No. 87 requires the recognition of certain lease assets and liabilities for leases previously classified as operating leases along with the recognition of inflows and outflows of resources, as applicable.

Note: Apart from as noted above, the figures above do not otherwise include any capital lease or installment purchase indebtedness, to the extent that any such indebtedness may be applicable to the District.

**Details of Outstanding Indebtedness**

The following table sets forth the indebtedness of the District as of June 11, 2025:

<u>Type of Indebtedness</u>	<u>Maturity</u>	<u>Amount</u>
<u>Bonds</u>	2025-2040	\$ 14,620,000
<u>Bond Anticipation Notes</u>		
Capital Improvements	July 18, 2025	8,789,000 <sup>(1)</sup>
Capital Improvements	July 18, 2025	<u>6,000,000</u> <sup>(1)</sup>
	<b>Total Indebtedness:</b>	<b>\$ <u>29,409,000</u></b>

<sup>(1)</sup> A portion of the proceeds of the Notes, along with available District funds, will redeem and partially renew these notes.

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

**Debt Statement Summary**

Summary of Indebtedness, Debt Limit and Net Debt-Contracting Margin as of June 11, 2025:

Full Valuation of Taxable Real Property .....	\$ 1,371,593,667
Debt Limit 10% thereof .....	137,159,367

Inclusions:

Bonds .....	\$ 14,620,000
Bond Anticipation Notes (BANs): .....	<u>14,789,000</u>
Total Inclusions prior to issuance of the Notes .....	<u>29,409,000</u>
Less: BANs being redeemed from appropriations .....	220,000
Add: New money proceeds of the Notes .....	<u>3,369,166</u>
Total Net Inclusions after issuance of the Notes .....	<b>\$ <u>32,558,166</u></b>

Exclusions:

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

Total Net Indebtedness .....

	<b>\$ <u>32,558,166</u></b>
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Net Debt-Contracting Margin .....

	<b>\$ <u>104,601,201</u></b>
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The percent of debt contracting power exhausted is .....

	<b>23.74%</b>
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<sup>(1)</sup> Based on preliminary 2024-2025 building aid estimates, the District anticipates State Building aid of 68.1% 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 the outstanding bonds.

Notes: The State Constitution does not provide for the inclusion of tax anticipation or revenue anticipation notes in the computation of the net indebtedness of the District. The figures above do not include any energy performance contract, capital lease, or installment purchase indebtedness, to the extent that any such indebtedness may be applicable to the District, and to the extent same is includable in the debt limit. See “Other Obligations” herein.

**Bonded Debt Service**

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

**Cash Flow Borrowings**

The District has not issued Tax or Revenue Anticipation Notes for the last five fiscal years. The District does not currently anticipate issuing either tax anticipation notes or revenue anticipation notes, nor deficiency or budget notes, in the foreseeable future.

**Capital Project Plans**

On November 1, 2022, District voters authorized a capital improvement project consisting of the replacement of existing natural gas and related equipment at the Middle School building with more efficient equipment to reduce natural gas consumption. The maximum estimated cost of the project is \$3,100,000, which is anticipated to be funded with the issuance of up to \$3,100,000 serial bonds. A \$3,100,000 portion of the Notes will provide new money for this purpose.

On January 24, 2023, District voters authorized a proposition for a capital improvement project consisting of renovations and improvements to the District’s High School Building, Middle School Building, R.C. Buckley Elementary School Building, replacement and improvements to the District’s track, football/soccer field, and improvements to the Middle School drop off area at a total maximum estimated cost of \$16,858,166, and to finance a portion of the project by spending up to \$1,800,000 from capital reserves. On August 7, 2024, the District issued \$8,789,000 bond anticipation notes as the first borrowing against this authorization, and the District issued an additional \$6,000,000 on March 20, 2025. A portion of the proceeds of the Notes, along with available District funds, will redeem and partially renew both issuances of bond anticipation notes currently outstanding and maturing on July 18, 2025, and will provide \$269,166 additional new money for this purpose.

The District issues serial bonds annually for the purchase of school buses. The District most recently issued serial bonds on January 23, 2025 for this purpose. District voters approved a proposition in the amount of \$385,000 on May 20, 2025 for the purchase of buses, and anticipates that it will issue approximately \$385,000 for this purpose during the 2025-2026 fiscal year.

Other than for the authorizations listed above, the District has no other capital projects authorized and unissued for at this time.

**Other Obligations**

In October 2009, the District entered into a \$4,291,074 Energy Performance Contract (“EPC”) for various energy efficiency improvements to District facilities. The lease is amortized over a 15-year term. As of June 30, 2024, \$650,000 principal amount of the EPC remained outstanding.

The following is a summary of the District’s remaining EPC payments as of the June 30, 2024 fiscal year end:

<u>Fiscal Year Ending</u>	<u>Principal</u>	<u>Interest</u>
2025	\$ 385,000	\$ 33,605
2026	<u>265,000</u>	<u>13,700</u>
Minimum Lease Payments	<u>\$ 650,000</u>	<u>\$ 47,305</u>

The District has entered into various lease agreements to finance the cost of office equipment. The following is a schedule of remaining payments due under such agreements as of the June 30, 2024 fiscal year end:

<u>Fiscal Year Ending</u>	<u>Principal</u>	<u>Interest</u>
2025	<u>\$ 145,842</u>	<u>\$ 14,710</u>
Minimum Lease Payments	<u>\$ 145,842</u>	<u>\$ 14,710</u>

Source: Audited Financial Statements of the District. Tables themselves are not audited.

## 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> <sup>(1)</sup>	<u>Exclusions</u> <sup>(2)</sup>	<u>Net Indebtedness</u>	<u>District Share</u>	<u>Net Overlapping Indebtedness</u>
County of:						
Tompkins	1/24/2025 <sup>(3)</sup>	\$ 60,453,000	\$ 5,700,000	\$ 54,753,000	11.70%	\$ 6,406,101
Town of:						
Dryden	12/31/2024 <sup>(3)</sup>	6,710,973	883,730	5,827,243	0.64%	37,294
Groton	12/31/2023 <sup>(4)</sup>	-	- <sup>(5)</sup>	-	0.62%	-
Lansing	11/20/2024 <sup>(3)</sup>	2,737,664	2,539,664	198,000	65.32%	129,334
Village of:						
Dryden	6/18/2024 <sup>(3)</sup>	11,544,500	5,913,500	5,631,000	100.00%	5,631,000
					Total:	<u>\$ 12,203,729</u>

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

## Debt Ratios

The following table sets forth certain ratios relating to the District's indebtedness as of June 11, 2025:

	<u>Amount</u>	<u>Per Capita</u> <sup>(a)</sup>	<u>Percentage of Full Value</u> <sup>(b)</sup>
Net Indebtedness <sup>(c)</sup> .....	\$ 32,558,166	\$ 4,170.38	2.37%
Net Indebtedness Plus Net Overlapping Indebtedness <sup>(d)</sup> .....	44,761,895	5,733.56	3.26

- (a) The 2023 estimated population of the District was 7,807. (See "THE SCHOOL DISTRICT – Population" herein.)
- (b) The District's full value of taxable real estate for its 2024-25 tax roll is \$1,371,593,667. (See "TAX INFORMATION – Taxable Assessed Valuations" herein.)
- (c) See "Debt Statement Summary" herein for the calculation of Net Indebtedness.
- (d) The District's share of net overlapping indebtedness is estimated to be \$12,203,729. (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.

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## SPECIAL PROVISIONS AFFECTING REMEDIES UPON DEFAULT

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

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

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

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

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

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

**Constitutional Non-Appropriation Provision.** There is in the Constitution of the State, Article VIII, Section 2, the following provision relating to the annual appropriation of monies for the payment of due principal of and interest on indebtedness of every county, city, town, village and school district in the State: "If at any time the respective appropriating authorities shall fail to make such appropriations, a sufficient sum shall be set apart from the first revenues thereafter received and shall be applied to such purposes. The fiscal officer of any county, city, town, village or school district may be required to set aside and apply such revenues as aforesaid at the suit of any holder of obligations issued for any such indebtedness." This constitutes a specific non-exclusive constitutional remedy against a defaulting municipality or school district; however, it does not apply in a context in which monies

have been appropriated for debt service but the appropriating authorities decline to use such monies to pay debt service. However, Article VIII, Section 2 of the Constitution of the State also provides that the fiscal officer of any county, city, town, village or school district may be required to set apart and apply such revenues at the suit of any holder of any obligations of indebtedness issued with the pledge of the faith of the credit of such political subdivision. See “General Municipal Law Contract Creditors’ Provision” herein.

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

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

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

## **MARKET AND RISK FACTORS**

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

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

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

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

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

### **Cybersecurity**

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

## **TAX MATTERS**

In the opinion of WJ Marquardt PLLC, Bond Counsel to the District, under existing statutes and court decisions and assuming continuing compliance with certain tax certifications described herein, (i) interest on the Notes is excluded from gross income for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the “Code”), and (ii) interest on the Notes is not treated as a preference item in calculating the alternative minimum tax under the Code, however, interest on the Notes is included in the “adjusted financial statement income” of certain corporations that are subject to the alternative minimum tax under Section 55 of the Code. In addition, under existing statutes, interest on the Notes is exempt from personal income taxes of New York State and its political subdivisions, including the City of New York. Bond counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of, or the accrual of interest on the Notes. The proposed form of opinion of Bond Counsel is set forth in “APPENDIX – E.”

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

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

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

Future legislative proposals, if enacted into law, or clarification of the Code or court decisions may cause interest on the Notes to be subject, directly or indirectly, to federal income taxation or to be subject to or exempted from state income taxation, or otherwise prevent beneficial owners from realizing the full current benefit of the tax status of such interest. For example, legislative proposals have been advanced that would limit the exclusion from gross income of interest on obligations like the Notes to some extent for taxpayers who are individuals whose income is subject to higher marginal income tax rates. Other proposals have been made that could significantly reduce the benefit of, or otherwise affect, the exclusion from gross income of interest on obligations like the Notes. The introduction or enactment of any such legislative proposals, clarification of the Code or court decisions may also affect, perhaps significantly, the market price for, or marketability of, the Notes. Prospective purchasers of the Notes should consult their own tax advisors regarding any pending or proposed federal or state tax legislation, regulations or litigation, and regarding the impact of future legislation, regulations or litigation, as to which Bond Counsel expresses no opinion.

## **LEGAL MATTERS**

Legal matters incident to the authorization, issuance and sale of the Notes are subject to the approving legal opinions of WJ Marquardt PLLC, Bond Counsel. Bond Counsel’s opinions will be in substantially the forms attached hereto as “APPENDIX – E”.

WJ Marquardt PLLC 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 information in this Official Statement.

## **LITIGATION**

The School District is subject to a number of lawsuits in the ordinary conduct of its affairs. The School 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 School 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 School District, threatened against or affecting the School District to restrain or enjoin the issuance, sale or delivery of bonds or notes or the levy and collection of taxes or assessments to pay same, or in any way contesting or affecting the validity of bonds or notes or any proceedings or authority of the School District taken with respect to the authorization, issuance or sale of bonds or notes or contesting the corporate existence or boundaries of the School District.

## **CONTINUING DISCLOSURE**

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

### **Historical Compliance**

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

## **MUNICIPAL ADVISOR**

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

## **CUSIP IDENTIFICATION NUMBERS**

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

## **RATING**

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. (See "APPENDIX – C" herein).

The District does not currently have an assigned underlying rating.

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

## MISCELLANEOUS

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

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

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

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

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

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

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

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

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

The District's contact information is as follows: Kathryn Heath, Business Administrator, Lansing Central School District, District Offices, 284 Ridge Road, Lansing, New York 14882, Phone: (607) 533-3020, Fax: (607) 533-3602, Email: [kheath@lcsd.k12.ny.us](mailto:kheath@lcsd.k12.ny.us).

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](http://www.fiscaladvisors.com).

**LANSING CENTRAL SCHOOL DISTRICT**

**Dated: June 11, 2025**

**AZIZA BENSON**  
**PRESIDENT OF THE BOARD OF EDUCATION**

**GENERAL FUND**

**Balance Sheets**

Fiscal Years Ending June 30:	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
<b><u>ASSETS</u></b>					
Unrestricted Cash	\$ 2,824,089 <sup>(1)</sup>	\$ 1,821,990	\$ 1,400,867	\$ 1,018,258	\$ 1,617,992
Restricted Cash	3,934,172	1,936,245	2,590,923	3,200,730	2,169,703
Due from Other Funds	3,398,348 <sup>(1)</sup>	849,531	1,262,374	1,831,444	1,273,958
State and Federal Aid Receivable	162,970	759,167	387,109	598,316	197,220
Due from Other Governments	635,835	697,889	594,664	678,252	748,947
Other Receivables	483,197	436,798	456,901	431,916	459,657
	<u>                    </u>				
TOTAL ASSETS	<u>\$ 11,438,611</u>	<u>\$ 6,501,620</u>	<u>\$ 6,692,838</u>	<u>\$ 7,758,916</u>	<u>\$ 6,467,477</u>
<b><u>LIABILITIES AND FUND EQUITY</u></b>					
Accounts Payable	\$ 4,315,038	\$ 97,805	\$ 138,464	\$ 81,561	\$ 39,492
Accrued Liabilities	292,607	358,133	241,598	204,106	225,932
Due to Other Governments	-	-	-	3,950	-
Due to Other Funds	227,964	227,659	46,883	76,353	117,649
Due to Teachers' Retirement System	1,006,273	1,064,508	1,212,377	1,388,673	1,375,436
Due to Employees' Retirement System	100,385	112,887	79,623	106,841	126,393
Compensated absences payable	132,068	95,531	103,807	121,151	109,568
Deferred revenues	-	154,479	152,864	144,427	195,797
	<u>                    </u>				
TOTAL LIABILITIES	<u>\$ 6,074,335</u>	<u>\$ 2,111,002</u>	<u>\$ 1,975,616</u>	<u>\$ 2,127,062</u>	<u>\$ 2,190,267</u>
<b><u>FUND EQUITY</u></b>					
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	3,934,172	1,936,245	2,590,923	2,961,249	1,876,211
Assigned	541,847	521,673	426,556	594,299	1,320,928
Unassigned	888,257	1,932,700	1,699,743	2,076,306	1,080,071
	<u>                    </u>				
TOTAL FUND EQUITY	<u>\$ 5,364,276</u>	<u>\$ 4,390,618</u>	<u>\$ 4,717,222</u>	<u>\$ 5,631,854</u>	<u>\$ 4,277,210</u>
<b>TOTAL LIABILITIES and FUND EQUITY</b>	<u><u>\$ 11,438,611</u></u>	<u><u>\$ 6,501,620</u></u>	<u><u>\$ 6,692,838</u></u>	<u><u>\$ 7,758,916</u></u>	<u><u>\$ 6,467,477</u></u>

<sup>(1)</sup> Significant change from the prior year due to the General Fund lending cash to the Capital Fund to temporarily provide cash at year end until bond anticipation note proceeds were received in July 2020, which accounts for the increase in the interfund asset in the General Fund and corresponding increase in the interfund liability in the Capital Fund. In addition, the timing of a large payable to BOCES after the prior year-end accounted for the large increase in cash and accounts payable in the General Fund.

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>
<b>REVENUES</b>					
Real Property Taxes	\$ 18,326,312	\$ 19,184,766	\$ 20,205,506	\$ 21,195,225	\$ 21,775,041
Real Property Tax Items	1,945,892	1,485,186	1,386,941	1,236,675	1,160,853
Charges for Services	39,313	95,573	59,022	58,655	37,074
Use of Money & Property	56,932	21,446	22,213	326,726	501,673
Sale of Property and Compensation for Loss	56,979	8,210	12,498	7,594	18,240
Miscellaneous	695,697	1,011,556	1,176,143	1,128,597	1,225,288
Interfund Revenues	-	-	-	-	-
Revenues from State Sources	8,957,402	9,446,320	9,499,786	10,634,258	11,868,166
Revenues from Federal Sources	46,706	203,011	75,595	101,832	40,577
Total Revenues	<u>\$ 30,125,233</u>	<u>\$ 31,456,068</u>	<u>\$ 32,437,704</u>	<u>\$ 34,689,562</u>	<u>\$ 36,626,912</u>
Other Sources:					
Interfund Transfers	<u>93,477</u>	<u>94,183</u>	<u>101,912</u>	<u>119,063</u>	<u>101,717</u>
Total Revenues and Other Sources	<u>\$ 30,218,710</u>	<u>\$ 31,550,251</u>	<u>\$ 32,539,616</u>	<u>\$ 34,808,625</u>	<u>\$ 36,728,629</u>
<b>EXPENDITURES</b>					
General Support	\$ 3,225,083	\$ 3,024,665	\$ 3,294,195	\$ 3,387,214	\$ 3,643,519
Instruction	15,396,432	15,514,864	15,852,376	16,689,639	17,863,890
Pupil Transportation	1,112,942	950,168	1,073,091	1,283,529	1,378,630
Community Services	-	-	-	-	-
Employee Benefits	8,185,612	8,441,239	9,040,308	9,266,069	10,211,045
Debt Service	2,390,511	2,450,204	2,836,348	3,149,557	3,087,546
Total Expenditures	<u>\$ 30,310,580</u>	<u>\$ 30,381,140</u>	<u>\$ 32,096,318</u>	<u>\$ 33,776,008</u>	<u>\$ 36,184,630</u>
Other Uses:					
Interfund Transfers	<u>216,292</u>	<u>2,142,766</u>	<u>116,694</u>	<u>117,985</u>	<u>1,898,643</u>
Total Expenditures and Other Uses	<u>\$ 30,526,872</u>	<u>\$ 32,523,906</u>	<u>\$ 32,213,012</u>	<u>\$ 33,893,993</u>	<u>\$ 38,083,273</u>
Excess (Deficit) Revenues Over Expenditures	<u>(308,162)</u>	<u>(973,655)</u>	<u>326,604</u>	<u>914,632</u>	<u>(1,354,644)</u>
<b>FUND BALANCE</b>					
Fund Balance - Beginning of Year	5,672,438	5,364,276	4,390,618	4,717,222	5,631,854
Prior Period Adjustments (net)	-	-	-	-	-
Fund Balance - End of Year	<u>\$ 5,364,276</u>	<u>\$ 4,390,621</u>	<u>\$ 4,717,222</u>	<u>\$ 5,631,854</u>	<u>\$ 4,277,210</u>

GENERAL FUND

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

Fiscal Years Ending June 30:	2024			2025	2026
	Original Budget	Final Budget	Audited Actual	Adopted Budget	Adopted Budget
<b>REVENUES</b>					
Real Property Taxes	\$ 22,760,337	\$ 21,780,485	\$ 21,775,041	\$ 23,660,935	\$ 24,875,868
Real Property Tax Items	165,958	1,145,810	1,160,853	149,750	97,389
Charges for Services	42,500	42,500	37,074	36,000	6,000
Use of Money & Property	82,500	82,500	501,673	311,000	361,000
Sale of Property and Compensation for Loss	12,500	12,500	18,240	12,500	12,500
Miscellaneous	680,000	680,000	1,225,288	700,000	1,000,000
Interfund Revenues	-	-	-	-	-
Revenues from State Sources	12,390,251	12,390,251	11,868,166	12,181,487	12,562,868
Revenues from Federal Sources	50,000	50,000	40,577	80,000	80,000
Total Revenues	<u>\$ 36,184,046</u>	<u>\$ 36,184,046</u>	<u>\$ 36,626,912</u>	<u>\$ 37,131,672</u>	<u>\$ 38,995,625</u>
Other Sources:					
Interfund Transfers	<u>100,000</u>	<u>100,000</u>	<u>101,717</u>	<u>175,000</u>	<u>200,000</u>
Total Revenues and Other Sources	<u>\$ 36,284,046</u>	<u>\$ 36,284,046</u>	<u>\$ 36,728,629</u>	<u>\$ 37,306,672</u>	<u>\$ 39,195,625</u>
<b>EXPENDITURES</b>					
General Support	\$ 3,884,582	\$ 3,890,117	\$ 3,643,519	\$ 3,972,627	\$ 4,056,148
Instruction	18,174,392	18,033,758	17,863,890	19,273,115	19,643,033
Pupil Transportation	1,469,876	1,427,614	1,378,630	1,477,639	1,422,719
Community Services	-	-	-	-	-
Employee Benefits	10,197,149	10,266,219	10,211,045	10,964,702	11,149,863
Debt Service	2,786,047	3,138,637	3,087,546	2,782,889	3,301,862
Total Expenditures	<u>\$ 36,512,046</u>	<u>\$ 36,756,345</u>	<u>\$ 36,184,630</u>	<u>\$ 38,470,972</u>	<u>\$ 39,573,625</u>
Other Uses:					
Interfund Transfers	<u>122,000</u>	<u>1,922,000</u>	<u>1,898,643</u>	<u>122,000</u>	<u>122,000</u>
Total Expenditures and Other Uses	<u>\$ 36,634,046</u>	<u>\$ 38,678,345</u>	<u>\$ 38,083,273</u>	<u>\$ 38,592,972</u>	<u>\$ 39,695,625</u>
Excess (Deficit) Revenues Over Expenditures	<u>(350,000)</u>	<u>(2,394,299)</u>	<u>(1,354,644)</u>	<u>(1,286,300)</u>	<u>(500,000)</u>
<b>FUND BALANCE</b>					
Fund Balance - Beginning of Year	350,000	2,150,000	5,631,854	1,286,300	500,000
Prior Period Adjustments (net)	-	244,299	-	-	-
Fund Balance - End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,277,210</u>	<u>\$ -</u>	<u>\$ -</u>

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

**APPENDIX - B**  
**Lansing CSD**

**BONDED DEBT SERVICE**

Fiscal Year Ending June 30th	Principal	Interest	Total
2025	\$ 1,700,000	\$ 659,912	\$ 2,359,912
2026	1,675,000	602,310	2,277,310
2027	1,665,000	532,603	2,197,603
2028	1,440,000	459,624	1,899,624
2029	1,520,000	392,617	1,912,617
2030	1,325,000	320,975	1,645,975
2031	1,280,000	256,150	1,536,150
2032	1,035,000	192,150	1,227,150
2033	525,000	140,400	665,400
2034	560,000	114,150	674,150
2035	560,000	86,150	646,150
2036	540,000	58,150	598,150
2037	430,000	32,500	462,500
2038	140,000	12,350	152,350
2039	150,000	6,750	156,750
2040	75,000	2,250	77,250
<b>TOTALS</b>	<b>\$ 14,620,000</b>	<b>\$ 3,869,041</b>	<b>\$ 18,489,041</b>

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. See "Other Obligations" herein.

**CURRENT BONDS OUTSTANDING**

Fiscal Year Ending June 30th	2010 Capital Project			2013 Capital Project - DASNY			2015 Capital Project - DASNY		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
	2025	\$ 35,000	\$ 1,619	\$ 36,619	\$ 195,000	\$ 20,206	\$ 215,206	\$ 170,000	\$ 35,594
2026	-	-	-	200,000	12,406	212,406	180,000	27,094	207,094
2027	-	-	-	205,000	6,406	211,406	185,000	21,694	206,694
2028	-	-	-	-	-	-	190,000	15,913	205,913
2029	-	-	-	-	-	-	190,000	9,738	199,738
2030	-	-	-	-	-	-	95,000	3,325	98,325
<b>TOTALS</b>	<b>\$ 35,000</b>	<b>\$ 1,619</b>	<b>\$ 36,619</b>	<b>\$ 600,000</b>	<b>\$ 39,019</b>	<b>\$ 639,019</b>	<b>\$ 1,010,000</b>	<b>\$ 113,356</b>	<b>\$ 1,123,356</b>

Fiscal Year Ending June 30th	2017 Capital Project - DASNY			2020 Buses			2021 Buses		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
	2025	\$ 225,000	\$ 92,250	\$ 317,250	\$ 65,000	\$ 780	\$ 65,780	\$ 70,000	\$ 1,595
2026	240,000	81,000	321,000	-	-	-	75,000	825	75,825
2027	250,000	69,000	319,000	-	-	-	-	-	-
2028	260,000	56,500	316,500	-	-	-	-	-	-
2029	275,000	43,500	318,500	-	-	-	-	-	-
2030	290,000	29,750	319,750	-	-	-	-	-	-
2031	305,000	15,250	320,250	-	-	-	-	-	-
<b>TOTALS</b>	<b>\$ 1,845,000</b>	<b>\$ 387,250</b>	<b>\$ 2,232,250</b>	<b>\$ 65,000</b>	<b>\$ 780</b>	<b>\$ 65,780</b>	<b>\$ 145,000</b>	<b>\$ 2,420</b>	<b>\$ 147,420</b>

**CURRENT BONDS OUTSTANDING**

Fiscal Year Ending June 30th	2018A			2020			2022A		
	Capital Project - DASNY			Capital Project - DASNY			Capital Project - DASNY		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2025	\$ 375,000	\$ 180,000	\$ 555,000	\$ 120,000	\$ 107,150	\$ 227,150	\$ 235,000	\$ 203,250	\$ 438,250
2026	395,000	161,250	556,250	125,000	101,150	226,150	250,000	191,500.00	441,500
2027	415,000	141,500	556,500	130,000	94,900	224,900	260,000	179,000.00	439,000
2028	435,000	120,750	555,750	135,000	88,400	223,400	275,000	166,000.00	441,000
2029	460,000	99,000	559,000	150,000	81,650	231,650	290,000	152,250.00	442,250
2030	485,000	76,000	561,000	155,000	74,150	229,150	300,000	137,750.00	437,750
2031	505,000	51,750	556,750	155,000	66,400	221,400	315,000	122,750.00	437,750
2032	530,000	26,500	556,500	170,000	58,650	228,650	335,000	107,000.00	442,000
2033	-	-	-	175,000	50,150	225,150	350,000	90,250.00	440,250
2034	-	-	-	190,000	41,400	231,400	370,000	72,750.00	442,750
2035	-	-	-	175,000	31,900	206,900	385,000	54,250.00	439,250
2036	-	-	-	135,000	23,150	158,150	405,000	35,000.00	440,000
2037	-	-	-	135,000	17,750	152,750	295,000	14,750.00	309,750
2038	-	-	-	140,000	12,350	152,350	-	-	-
2039	-	-	-	150,000	6,750	156,750	-	-	-
2040	-	-	-	75,000	2,250	77,250	-	-	-
<b>TOTALS</b>	<b>\$ 3,600,000</b>	<b>\$ 856,750</b>	<b>\$ 4,456,750</b>	<b>\$ 2,315,000</b>	<b>\$ 858,150</b>	<b>\$ 3,173,150</b>	<b>\$ 4,065,000</b>	<b>\$ 1,526,500</b>	<b>\$ 5,591,500</b>

Fiscal Year Ending June 30th	2022			2025		
	Buses			Buses		
	Principal	Interest	Total	Principal	Interest	Total
2025	\$ 70,000	\$ 7,169	\$ 77,169	\$ 140,000	\$ 10,300	\$ 150,300
2026	70,000	4,894	74,894	140,000	22,192	162,192
2027	75,000	2,531	77,531	145,000	17,572	162,572
2028	-	-	-	145,000	12,062	157,062
2029	-	-	-	155,000	6,479	161,479
<b>TOTALS</b>	<b>\$ 215,000</b>	<b>\$ 14,594</b>	<b>\$ 229,594</b>	<b>\$ 725,000</b>	<b>\$ 68,603</b>	<b>\$ 793,603</b>

### MATERIAL EVENT NOTICES

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

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

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

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

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

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

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

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

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

**LANSING CENTRAL SCHOOL DISTRICT  
TOMPKINS COUNTY, NEW YORK**

**FINANCIAL STATEMENTS  
AND OTHER FINANCIAL INFORMATION**

**JUNE 30, 2024**

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

# LANSING CENTRAL SCHOOL DISTRICT

Lansing, New York

## FINANCIAL REPORT

For the Year Ended  
June 30, 2024



**insero&co**

Certified Public Accountants | Business Advisors

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# ***LANSING CENTRAL SCHOOL DISTRICT***

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# LANSING CENTRAL SCHOOL DISTRICT

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## INDEPENDENT AUDITORS' REPORT

Board of Education  
Lansing Central School District  
Lansing, New York

### Report on the Audit of the Financial Statements

#### Opinions

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

In our opinion, the accompanying 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 School District, as of June 30, 2024, and the respective changes in financial position thereof 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 (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the School District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### **Responsibilities of Management for the Financial Statements**

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the 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.

### **Auditors' 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 auditors' 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 GAAS 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 GAAS 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 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 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; budgetary comparison schedules; the Schedules of School District's Contributions - NYSLRS and NYSTRS Pension Plans; the Schedules of the School District's Proportionate Share of the Net Pension (Asset)/Liability; Schedule of Changes in the District's Total OPEB Liability and Related Ratios; and related notes 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 GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

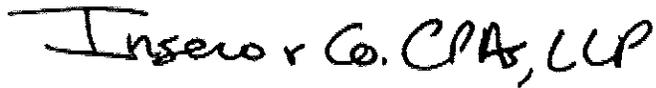
### **Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School District's basic financial statements. The Schedules of Change from Adopted Budget to Final Budget and the Real Property Tax Limit; Schedule of Project Expenditures - Capital Projects Fund; Schedule of Net Investment in Capital Assets; Balance Sheet - Non-Major Governmental Funds; Statement of Revenues, Expenditures, and Changes in Fund Balance - Non-Major Governmental Funds (supplementary information); and Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the supplementary information and the Schedule of Expenditures of Federal Awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated October 11, 2024, on our consideration of the School District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 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 the School District's internal control over financial reporting and compliance.

Respectfully submitted,

A handwritten signature in black ink that reads "Insero & Co. CPAs, LLP". The signature is written in a cursive, slightly slanted style.

Insero & Co. CPAs, LLP  
Certified Public Accountants

Ithaca, New York  
October 11, 2024

# *LANSING CENTRAL SCHOOL DISTRICT*

## MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2024

The following is a discussion and analysis of the Lansing Central School District's (the School District) financial performance for the fiscal year ended June 30, 2024. This section is a summary of the School District's financial activities based on currently known facts, decisions, or conditions. It is also based on both the District-wide and fund-based financial statements. The results of the current year are discussed in comparison with the prior year, with an emphasis placed on the current year. The Management's Discussion and Analysis (MD&A) section is only an introduction and should be read in conjunction with the School District's financial statements, which immediately follow this section.

### **OVERVIEW OF THE FINANCIAL STATEMENTS**

This annual report consists of three parts: MD&A (this section), the basic financial statements and supplementary information, both required and not required. The basic financial statements include two kinds of statements that present different views of the School District.

- The first two statements are District-wide financial statements that provide both short-term and long-term information about the School District's overall financial status.
- The remaining statements are Governmental Fund financial statements that focus on individual parts of the School District, reporting the School District's operations in greater detail than the District-wide financial statements. The Governmental Fund financial statements concentrate on the School District's most significant funds with all other Non-Major Funds listed in total in one column.

The financial statements also include notes that explain some of the information in the statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the financial statements with a comparison of the School District's budget for the year, a Schedule of Changes in the School District's total other postemployment benefits (OPEB) Liability and Related Ratios related to the School District's unfunded actuarial liability for postemployment benefits, and Schedules of School District Contributions and Proportionate Share of Net Pension (Asset)/Liability.

# *LANSING CENTRAL SCHOOL DISTRICT*

## MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2024

### **District-Wide Financial Statements**

The District-wide financial statements report information about the School District as a whole using accounting methods similar to those used by private-sector companies. The Statement of Net Position includes all of the School District's assets, deferred outflows of resources, liabilities and deferred inflows of resources. All of the current year's revenues and expenses are accounted for in the Statement of Activities regardless of when cash is received or paid.

The two District-Wide financial statements report the School District's net position and how it has changed. Net position (the difference between the School District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources) is one way to measure the School District's financial health or position. Over time, increases or decreases in the School District's net position are an indicator of whether its financial position is improving or deteriorating, respectively.

To assess the School District's overall health, one needs to consider additional nonfinancial factors such as changes in the School District's property tax base and the condition of school buildings and other facilities.

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

### **Fund Financial Statements**

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

- **Governmental Funds:** Most of the School District's basic services are included in Governmental Funds, which generally focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out; and (2) the balances left at year end that are available for spending. Consequently, the Governmental Funds statements provide a detailed short-term view that helps one determine whether there are more or fewer financial resources that can be spent in the near future to finance the School District's programs. Because this information does not encompass the additional long-term focus of the District-wide financial statements, additional information following the Governmental Fund financial statements explains the relationship (or differences) between them.
- **Fiduciary Funds:** The School District is the trustee, or fiduciary, for assets that belong to others, such as the Student Activities Funds. The School District is responsible for ensuring that the assets reported in these funds are used only for their intended purposes and by those to whom the assets belong. The School District excludes these activities from the District-wide financial statements because it cannot use these assets to finance its operations.

# *LANSING CENTRAL SCHOOL DISTRICT*

## MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2024

### FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT AS A WHOLE

Our analysis below focuses on the net position (*Figure 1*) and changes in net position (*Figure 2*) of the School District's Governmental Activities.

*Figure 1*

<i>Condensed Statement of Net Position</i>	<i>Governmental Activities and Total School District</i>		<i>Total Dollar Change</i>
	<i>2024</i>	<i>2023</i>	
<i>Current Assets</i>	\$ 4,460,091	\$ 5,189,481	\$ (729,390)
<i>Noncurrent Assets</i>	4,026,964	4,715,590	(688,626)
<i>Capital Assets, Net</i>	41,459,647	41,292,068	167,579
<b><i>Total Assets</i></b>	<b>49,946,702</b>	<b>51,197,139</b>	<b>(1,250,437)</b>
<b><i>Total Deferred Outflows of Resources</i></b>	<b>16,127,154</b>	<b>20,206,368</b>	<b>(4,079,214)</b>
<i>Current Liabilities</i>	4,543,944	4,638,261	(94,317)
<i>Noncurrent Liabilities</i>	103,623,434	104,434,745	(811,311)
<b><i>Total Liabilities</i></b>	<b>108,167,378</b>	<b>109,073,006</b>	<b>(905,628)</b>
<b><i>Total Deferred Inflows of Resources</i></b>	<b>10,580,868</b>	<b>11,539,632</b>	<b>(958,764)</b>
<i>Net Investment in Capital Assets</i>	25,173,490	22,683,513	2,489,977
<i>Restricted</i>	4,156,719	4,868,203	(711,484)
<i>Unrestricted (Deficit)</i>	(82,004,599)	(76,760,847)	(5,243,752)
<b><i>Total Net (Deficit)</i></b>	<b>\$ (52,674,390)</b>	<b>\$ (49,209,131)</b>	<b>\$ (3,465,259)</b>

Significant changes from prior year as follow:

- The decrease in current assets is primarily the result of a decrease in state and federal receivables, slightly offset by in an increase in cash. The decrease in noncurrent assets is primarily the result of a reduction in the General Fund reserves.
- The changes in deferred outflows of resources, and deferred inflows of resources are primarily related to changes in the actuarially determined proportionate share of the pension systems plan's net (asset)/liability and related deferred outflows and inflows of resources, along with recognition of GASB Statement No. 75, based on actuarial valuation of the School District's OPEB plan.
- The current year decrease in liabilities is primarily a result of a decrease in bonds and the net pension liabilities offset by an increase in the other post employment benefits liabilities.
- Net investment in capital assets increased based on bond repayments and capital outlay exceeding depreciation expense. The increase in the unrestricted deficit is primarily due to current year expenses in excess of revenues and a significant increase in the current year OPEB obligations.

# *LANSING CENTRAL SCHOOL DISTRICT*

## MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2024

Our analysis in *Figure 2* considers the operations of the School District's activities.

*Figure 2*

<i>Condensed Statement of Activities</i>	<i>Governmental Activities and Total School District</i>		<i>Total Dollar Change</i>
	<i>2024</i>	<i>2023</i>	
<i>REVENUES</i>			
<i>Program Revenues:</i>			
<i>Charges for Services:</i>	\$ 449,521	\$ 616,581	\$ (167,060)
<i>Operating Grants</i>	2,982,761	2,980,941	1,820
<i>General Revenues:</i>			
<i>Real Property Taxes</i>	21,775,041	21,195,225	579,816
<i>Real Property Tax Items</i>	1,160,853	1,236,675	(75,822)
<i>Unrestricted State Sources</i>	10,880,462	10,109,542	770,920
<i>Use of Money and Property</i>	596,419	369,932	226,487
<i>Other General Revenues</i>	1,246,978	1,137,327	109,651
<b><i>Total Revenues</i></b>	<b>\$ 39,092,035</b>	<b>\$ 37,646,223</b>	<b>\$ 1,445,812</b>
<i>PROGRAM EXPENSES</i>			
<i>General Support</i>	\$ 5,557,545	\$ 5,153,765	\$ 403,780
<i>Instruction</i>	32,900,237	29,626,125	3,274,112
<i>Pupil Transportation</i>	2,478,446	2,177,761	300,685
<i>Community Services</i>	142,141	130,734	11,407
<i>School Lunch Program</i>	839,525	682,162	157,363
<i>Interest on Debt</i>	639,400	804,050	(164,650)
<b><i>Total Expenses</i></b>	<b>\$ 42,557,294</b>	<b>\$ 38,574,597</b>	<b>\$ 3,982,697</b>
<b><i>CHANGE IN NET POSITION</i></b>	<b>\$ (3,465,259)</b>	<b>\$ (928,374)</b>	<b>\$ (2,536,885)</b>

- Total revenues for the School District's Governmental Activities increased by \$1,445,812 and total expenses increased by \$3,982,697.
- The increase in total revenue is due to increased real property tax revenue and New York State Aid.
- The increase in expenses is primary due to additional programming costs and increased employee benefits expense.

# *LANSING CENTRAL SCHOOL DISTRICT*

## MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2024

### FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT'S FUNDS

Figure 3 shows the changes in fund balance for the year for the School District's Major Funds. As the School District completed the year, its Governmental Funds, as presented in the Balance Sheet, reported a decrease in combined fund balance of \$1,343,177; due to an excess of expense over revenues in the General Fund and Capital Projects Fund, which was slightly offset by an excess of revenue over expenditures in the Debt Service Fund during the current year.

*Figure 3*

<i>Governmental Fund Balances</i>	<i>2024</i>	<i>2023</i>	<i>Total Dollar Change</i>
<i>Major Funds:</i>			
<i>General Fund</i>	\$ 4,277,210	\$ 5,631,854	\$ (1,354,644)
<i>Debt Service Fund</i>	1,998,550	1,567,757	430,793
<i>Capital Projects Fund</i>	(246,913)	192,455	(439,368)
<i>Special Aid Fund</i>	4,402	(78,254)	82,656
<i>Non-Major Funds:</i>			
<i>School Lunch Fund</i>	106,304	169,080	(62,776)
<i>Miscellaneous Special Revenue Fund</i>	186,746	186,584	162
<b><i>Total Governmental Funds</i></b>	<b>\$ 6,326,299</b>	<b>\$ 7,669,476</b>	<b>\$ (1,343,177)</b>

### GENERAL FUND BUDGETARY HIGHLIGHTS

Over the course of the year, the Board approves budgetary transfers of \$1,000 or more to revise School District budget line items. Generally, these budget amendments consist of budget transfers between functions, which do not increase the overall budget. The budget for the year ended June 30, 2024 was increased to include the adjusted prior year encumbrance amounts and a reserve transfer. Actual charges to appropriations were less than the final budget amounts by \$260,444. Actual revenue received was \$444,583 more than budgeted.

# LANSING CENTRAL SCHOOL DISTRICT

## MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2024

Figure 4 summarizes the original and final budgets, actual expenditures (including encumbrances), and variances for the year ending June 30, 2024.

*Figure 4*

<i>Condensed Budgetary Comparison General Fund - 2024</i>	<i>Original Budget</i>	<i>Revised Budget</i>	<i>Actual w/ Encumbrances</i>	<i>Favorable (Unfavorable) Variance</i>
<b>REVENUES</b>				
<i>Real Property Taxes</i>	\$ 21,780,485	\$ 21,780,485	\$ 21,775,041	\$ (5,444)
<i>Other Tax Items</i>	1,145,810	1,145,810	1,160,853	15,043
<i>State Sources</i>	12,390,251	12,390,251	11,868,166	(522,085)
<i>Other, Including Financing Sources</i>	967,500	967,500	1,924,569	957,069
<b>Total Revenues and Other Financing Sources</b>	<b>\$ 36,284,046</b>	<b>\$ 36,284,046</b>	<b>\$ 36,728,629</b>	<b>\$ 444,583</b>
<b>Appropriated Fund Balances and Encumbrances</b>	<b>\$ 594,299</b>	<b>\$ 2,394,299</b>		
<b>EXPENDITURES</b>				
<i>General Support</i>	\$ 3,929,609	\$ 3,890,117	\$ 3,808,739	\$ 81,378
<i>Instruction</i>	18,235,427	18,033,758	17,975,070	58,688
<i>Pupil Transportation</i>	1,504,221	1,427,614	1,389,606	38,008
<i>Employee Benefits</i>	10,301,041	10,266,219	10,212,181	54,038
<i>Debt Service</i>	2,786,047	3,138,637	3,133,662	4,975
<i>Other Financing Uses</i>	122,000	1,922,000	1,898,643	23,357
<b>Total Expenditures and Other Financing Uses</b>	<b>\$ 36,878,345</b>	<b>\$ 38,678,345</b>	<b>\$ 38,417,901</b>	<b>\$ 260,444</b>

### CAPITAL ASSETS AND DEBT ADMINISTRATION

#### Capital Assets

At the end of June 30, 2024, the School District had invested in a broad range of capital assets. This amount represents a net increase (including additions, deductions, and depreciation and amortization expense) of \$167,579 from last year.

*Figure 5*

<i>Changes in Capital Assets</i>	<i>2024</i>	<i>2023</i>	<i>Total Dollar Change</i>
<i>Land</i>	\$ 111,727	\$ 111,727	\$ -
<i>Construction in Progress</i>	8,662,045	6,972,391	1,689,654
<i>Buildings, Net</i>	28,952,233	30,245,074	(1,292,841)
<i>Equipment, Net</i>	3,273,989	3,520,281	(246,292)
<i>Intangible Lease Assets, Net</i>	459,653	442,595	17,058
<b>Total</b>	<b>\$ 41,459,647</b>	<b>\$ 41,292,068</b>	<b>\$ 167,579</b>

# *LANSING CENTRAL SCHOOL DISTRICT*

## MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2024

Capital asset activity for the year ended June 30, 2024 included the following:

Construction in Progress	\$ 1,784,481
Buildings	94,827
Equipment	226,963
Intangible Lease Asset Additions	206,038
<b>Total Additions</b>	<b>2,312,309</b>
(Less) Net Book Value of Disposed Equipment	(109,136)
(Less) Depreciation Expense	(1,846,614)
(Less) Amortization Expense	(188,980)
	<u>(2,144,730)</u>
<b>Net Increase in Capital Assets</b>	<b>\$ 167,579</b>

### Debt Administration

Debt decreased in the current year due to scheduled principal payments and no additional debt, as shown in *Figure 6*. Total indebtedness represented 12.2% of the statutory debt limit, exclusive of building aid estimates.

*Figure 6*

<i>Outstanding Debt</i>	<i>Governmental Activities and Total School District</i>		<i>Total Dollar Change</i>
	<i>2024</i>	<i>2023</i>	
<i>General Obligation Bonds</i>	\$ 15,352,514	\$ 17,082,776	\$ (1,730,262)
<i>Installment Purchase Debt Payable</i>	650,000	1,020,000	(370,000)
<i>Lease Liabilities</i>	145,842	268,945	(123,103)
<b><i>Total</i></b>	<b>\$ 16,148,356</b>	<b>\$ 18,371,721</b>	<b>\$ (2,223,365)</b>

The School District's bond rating is Moody AAA, which did not change from the prior year.

More detailed information about the School District's long-term liabilities is presented in the notes to the financial statements.

# ***LANSING CENTRAL SCHOOL DISTRICT***

## **MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2024**

### **FACTORS BEARING ON THE SCHOOL DISTRICT'S FUTURE**

- The School District's largest taxpayer, the Cayuga Operating Plant, was denied public funding for a repower from coal to natural gas two years ago. The plant is no longer in a Payment in Lieu of Taxes (PILOT) agreement and is back on the tax rolls. School District management completed a grant application for state funding for full plant closure and has received the first three payments.
- Development continues to be strong within the community - business developments, housing developments, and improvements on existing properties. This has allowed the tax base to remain strong and to keep tax rates stable as our school budget increases.
- The School District continues to plan regular capital projects based on infrastructure needs as defined in the 2024 Building Condition Survey. Because of its proactive and long-term planning on these projects, the School District is pleased to be able to address programmatic needs as well in the most recent (2024) and future projects. The School District voters approved a Non-Pipeline Alternative (NPA) project in November of 2022 that will increase HVAC efficiencies in the Middle School and ultimately reduce the School District's use of natural gas. This work started in the spring of 2024. Voters also approved a 2024 capital project in January of 2023 that is addressing the School District's future needs over the course of 2 phases. This is scheduled to be completed in the spring of 2027.
- In the past, our School District's enrollment had been slowly increasing despite decreasing enrollment in area schools. COVID-19 has had an impact on recent enrollment numbers. Kindergarten enrollment has been lower than the recent trends. That continues to be true in 2024 and overall enrollment is expected to decline over the next few years. School District management continues to believe its focus on great programs for children helps to make it an attractive option for families who are shopping for homes in the region. Local business and economic development remain strong.

### **CONTACTING THE SCHOOL DISTRICT'S FINANCIAL MANAGEMENT**

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, Lansing Central School District, at 284 Ridge Road, Lansing, New York.

# LANSING CENTRAL SCHOOL DISTRICT

## STATEMENT OF NET POSITION JUNE 30, 2024

### ASSETS

#### Current Assets

Cash - Unrestricted	\$ 1,684,380
Cash - Restricted	<u>125,950</u>
Receivables:	
State and Federal Aid	<u>1,397,812</u>
Due From Other Governments	<u>748,947</u>
Other	<u>487,508</u>
Inventories	<u>15,494</u>
<b>Total Current Assets</b>	<u><b>4,460,091</b></u>

#### Noncurrent Assets

Cash - Restricted	<u>898,301</u>
Investments - Restricted	<u>3,128,663</u>
Capital Assets, Net:	
Nondepreciable Capital Assets	<u>8,773,772</u>
Depreciable Capital Assets, Net of Accumulated Depreciation	<u>32,226,222</u>
Intangible Lease Assets, Net	<u>459,653</u>
<b>Total Noncurrent Assets</b>	<u><b>45,486,611</b></u>
<b>Total Assets</b>	<u><b>49,946,702</b></u>

### DEFERRED OUTFLOWS OF RESOURCES

Other Postemployment Benefits	<u>9,528,691</u>
Pensions	<u>6,598,463</u>
<b>Total Deferred Outflows of Resources</b>	<u><b>16,127,154</b></u>

### LIABILITIES

#### Current Liabilities

Payables:	
Accounts Payable	<u>102,223</u>
Accrued Liabilities	<u>226,681</u>
Due to Fiduciary Fund	<u>3,950</u>
Due to Other Governments	<u>386</u>
Bond Interest and Matured Bonds	<u>55,708</u>
Retainage	<u>86,376</u>
Due to Teachers' Retirement System	<u>1,375,436</u>
Due to Employees' Retirement System	<u>126,393</u>
Compensated Absences Payable	<u>109,568</u>
Unearned Revenues - Other	<u>216,119</u>
Current Portion of Long-Term Obligations:	
Bonds Payable	<u>1,710,262</u>
Lease Liabilities	<u>145,842</u>
Installment Purchase Debt	<u>385,000</u>
<b>Total Current Liabilities</b>	<u><b>4,543,944</b></u>

*See Notes to Basic Financial Statements*

# LANSING CENTRAL SCHOOL DISTRICT

## STATEMENT OF NET POSITION (CONTINUED)

JUNE 30, 2024

### LIABILITIES (Continued)

#### Noncurrent Liabilities

Bonds Payable	<u>\$ 13,642,252</u>
Installment Purchase Debt	<u>265,000</u>
Other Postemployment Benefits Liability	<u>87,135,982</u>
Net Pension Asset/Liability - Proportionate Share	<u>2,580,200</u>
<b>Total Noncurrent Liabilities</b>	<u><b>103,623,434</b></u>

**Total Liabilities** 108,167,378

#### DEFERRED INFLOWS OF RESOURCES

Other Postemployment Benefits	<u>8,920,714</u>
Pensions	<u>1,660,154</u>

**Total Deferred Inflows of Resources** 10,580,868

#### NET POSITION

Net Investment in Capital Assets	<u>25,173,490</u>
Restricted	<u>4,156,719</u>
Unrestricted (Deficit)	<u>(82,004,599)</u>

**Total Net Position (Deficit)** **\$ (52,674,390)**

*See Notes to Basic Financial Statements*

# **LANSING CENTRAL SCHOOL DISTRICT**

## **STATEMENT OF REVENUES AND EXPENSES FOR THE YEAR ENDED JUNE 30, 2024**

<b>FUNCTIONS/PROGRAMS</b>	<b>Program Revenues</b>			<b>Net (Expense) Revenue and Changes in Net Position</b>	
	<b>Expenses</b>	<b>Charges for Services</b>	<b>Operating Grants</b>		<b>Capital Grants</b>
General Support	\$ 5,557,545	\$ -	\$ -	\$ -	\$ (5,557,545)
Instruction	32,900,237	303,282	2,404,214	-	(30,192,741)
Pupil Transportation	2,478,446	-	-	-	(2,478,446)
Community Services	142,141	-	15,000	-	(127,141)
School Lunch Program	839,525	146,239	563,547	-	(129,739)
Interest on Debt	639,400	-	-	-	(639,400)
<b>Total Functions and Programs</b>	<b>\$ 42,557,294</b>	<b>\$ 449,521</b>	<b>\$ 2,982,761</b>	<b>\$ -</b>	<b>(39,125,012)</b>
<b>GENERAL REVENUES</b>					
Real Property Taxes					21,775,041
Real Property Tax Items					1,160,853
Use of Money and Property					596,419
Unrestricted State Sources					10,880,462
Sale of Property and Compensation for Loss					3,931
Miscellaneous					1,243,047
<b>Total General Revenues</b>					<b>35,659,753</b>
Change in Net Position					(3,465,259)
Total Net (Deficit) - Beginning of Year					(49,209,131)
<b>Total Net (Deficit) - End of Year</b>					<b>\$ (52,674,390)</b>

*See Notes to Basic Financial Statements*

# LANSING CENTRAL SCHOOL DISTRICT

## BALANCE SHEET - GOVERNMENTAL FUNDS JUNE 30, 2024

	Major Funds				Non-Major Governmental Funds	Total Governmental Funds
	General Fund	Debt Service Fund	Capital Projects Fund	Special Aid Fund		
<b>ASSETS</b>						
Cash - Unrestricted	\$ 1,617,992	\$ -	\$ 2,812	\$ 60,266	\$ 3,310	\$ 1,684,380
Cash - Restricted	541,040	205,058	-	-	278,153	1,024,251
Investments - Restricted	1,628,663	1,500,000	-	-	-	3,128,663
Receivables:						
Due From Other Funds	1,273,958	393,492	14,365	104,452	-	1,786,267
State and Federal Aid	197,220	-	687,077	469,215	44,300	1,397,812
Due From Other Governments	748,947	-	-	-	-	748,947
Other	459,657	-	-	25,081	2,770	487,508
Inventories	-	-	-	-	15,494	15,494
<b>Total Assets</b>	<b>\$ 6,467,477</b>	<b>\$ 2,098,550</b>	<b>\$ 704,254</b>	<b>\$ 659,014</b>	<b>\$ 344,027</b>	<b>\$ 10,273,322</b>
<b>LIABILITIES</b>						
Payables:						
Accounts Payable	\$ 39,492	\$ -	\$ 51,425	\$ 7,398	\$ 3,908	\$ 102,223
Accrued Liabilities	225,932	-	-	3,166	1,533	230,631
Due to Other Funds	117,649	100,000	899,742	639,020	29,856	1,786,267
Due to Other Governments	-	-	-	-	386	386
Due to Teachers' Retirement System	1,375,436	-	-	-	-	1,375,436
Due to Employees' Retirement System	126,393	-	-	-	-	126,393
Compensated Absences Payable	109,568	-	-	-	-	109,568
Unearned Revenues	195,797	-	-	5,028	15,294	216,119
<b>Total Liabilities</b>	<b>2,190,267</b>	<b>100,000</b>	<b>951,167</b>	<b>654,612</b>	<b>50,977</b>	<b>3,947,023</b>
<b>FUND BALANCES</b>						
Nonspendable	-	-	-	-	15,494	15,494
Restricted	1,876,211	1,998,550	-	4,402	277,556	4,156,719
Assigned	1,320,928	-	-	-	-	1,320,928
Unassigned (Deficit)	1,080,071	-	(246,913)	-	-	833,158
<b>Total Fund Balance (Deficit)</b>	<b>4,277,210</b>	<b>1,998,550</b>	<b>(246,913)</b>	<b>4,402</b>	<b>293,050</b>	<b>6,326,299</b>
<b>Total Liabilities and Fund Balance (Deficit)</b>	<b>\$ 6,467,477</b>	<b>\$ 2,098,550</b>	<b>\$ 704,254</b>	<b>\$ 659,014</b>	<b>\$ 344,027</b>	<b>\$ 10,273,322</b>

*See Notes to Basic Financial Statements*

# *LANSING CENTRAL SCHOOL DISTRICT*

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

JUNE 30, 2024

**Fund Balances - Total Governmental Funds** **\$ 6,326,299**

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

Capital assets, net of accumulated depreciation and amortization, used in Governmental Activities are not financial resources and, therefore, are not reported in the funds.

Total Historical Cost	\$ 74,705,064	
(Less) Accumulated Depreciation	(32,798,243)	
(Less) Accumulated Amortization	<u>(447,174)</u>	41,459,647

The School District's proportionate share of the Employee Retirement Systems' collective net pension liability is not reported in the funds.

TRS Net Pension Liability - Proportionate Share	\$ (747,209)	
ERS Net Pension Liability - Proportionate Share	<u>(1,832,991)</u>	(2,580,200)

Deferred outflows of resources, including deferred charges on defeased debt, pensions, and OPEB represents a consumption of net position that applies to future periods and, therefore, is not reported in the funds. Deferred inflows of resources, including pensions and OPEB, represents an acquisition of net position that applies to future periods and, therefore, is not reported in the funds.

Other Postemployment Benefits Deferred Outflows of Resources	\$ 9,528,691	
Other Postemployment Benefits Deferred Inflows of Resources	(8,920,714)	
ERS Deferred Outflows of Resources - Pension	1,556,115	
TRS Deferred Outflows of Resources - Pension	5,042,348	
ERS Deferred Inflows of Resources - Pension	(1,037,692)	
TRS Deferred Inflows of Resources - Pension	<u>(622,462)</u>	5,546,286

Long-term liabilities and obligations, including long-term debt payable, unamortized premiums, amounts due for other postemployment benefits liability, lease liabilities, and accrued interest on long-term debt are not due and payable in the current period and, therefore, are not reported in the funds.

Bonds Payable	\$ (13,895,000)	
Unamortized Bond Premium	(1,457,514)	
Lease Liabilities	(145,842)	
Installment Purchase Debt Payable	(650,000)	
Other Postemployment Benefits Liability	(87,135,982)	
Accrued Interest on Debt	(55,708)	
Retainage Payable	<u>(86,376)</u>	<u>(103,426,422)</u>

**Net (Deficit) of Governmental Activities** **\$ (52,674,390)**

*See Notes to Basic Financial Statements*

# LANSING CENTRAL SCHOOL DISTRICT

## STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - GOVERNMENTAL FUNDS FOR THE YEAR ENDED JUNE 30, 2024

	Major Funds					Total Governmental Funds
	General Fund	Debt Service Fund	Capital Projects Fund	Special Aid Fund	Non-Major Governmental Funds	
<b>REVENUES</b>						
Real Property Taxes	\$ 21,775,041	\$ -	\$ -	\$ -	\$ -	21,775,041
Real Property Tax Items	1,160,853	-	-	-	-	1,160,853
Charges for Services	37,074	-	-	-	-	37,074
Use of Money and Property	501,673	85,774	-	-	8,972	596,419
Sale of Property and Compensation for Loss	18,240	-	-	-	-	18,240
Miscellaneous	1,225,288	-	98	243,270	17,661	1,486,317
State Sources	11,868,166	-	-	217,226	231,722	12,317,114
Medicaid Reimbursement	40,577	-	-	-	-	40,577
Federal Sources	-	-	-	1,196,645	331,825	1,528,470
Sales - School Lunch	-	-	-	-	146,239	146,239
<b>Total Revenues</b>	<b>36,626,912</b>	<b>85,774</b>	<b>98</b>	<b>1,657,141</b>	<b>736,419</b>	<b>39,106,344</b>
<b>EXPENDITURES</b>						
General Support	3,643,519	-	-	-	-	3,643,519
Instruction	17,863,890	-	-	1,424,338	385,555	19,673,783
Pupil Transportation	1,378,630	-	-	26,786	-	1,405,416
Community Services	-	-	-	142,141	-	142,141
Employee Benefits	10,211,045	-	-	69,618	128,305	10,408,968
Debt Service:						
Principal	2,279,141	-	-	-	-	2,279,141
Interest	808,405	-	-	-	-	808,405
Cost of Sales	-	-	-	-	285,173	285,173
Capital Outlay	-	-	2,009,013	-	-	2,009,013
<b>Total Expenditures</b>	<b>36,184,630</b>	<b>-</b>	<b>2,009,013</b>	<b>1,662,883</b>	<b>799,033</b>	<b>40,655,559</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>442,282</b>	<b>85,774</b>	<b>(2,008,915)</b>	<b>(5,742)</b>	<b>(62,614)</b>	<b>(1,549,215)</b>
<b>OTHER FINANCING SOURCES AND (USES)</b>						
Proceeds of Obligations	-	-	206,038	-	-	206,038
Operating Transfers In	101,717	445,019	1,808,528	90,115	-	2,445,379
Operating Transfers (Out)	(1,898,643)	(100,000)	(445,019)	(1,717)	-	(2,445,379)
<b>Total Other Sources (Uses)</b>	<b>(1,796,926)</b>	<b>345,019</b>	<b>1,569,547</b>	<b>88,398</b>	<b>-</b>	<b>206,038</b>
Net Change in Fund Balances	(1,354,644)	430,793	(439,368)	82,656	(62,614)	(1,343,177)
Fund Balances (Deficit) - Beginning of Year	5,631,854	1,567,757	192,455	(78,254)	355,664	7,669,476
<b>Fund Balances (Deficit) - End of Year</b>	<b>\$ 4,277,210</b>	<b>\$ 1,998,550</b>	<b>\$ (246,913)</b>	<b>\$ 4,402</b>	<b>\$ 293,050</b>	<b>\$ 6,326,299</b>

*See Notes to Basic Financial Statements*

# *LANSING CENTRAL SCHOOL DISTRICT*

## RECONCILIATION OF GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE TO THE STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2024

Net Change in Fund Balances - Total Governmental Funds \$ (1,343,177)

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

Governmental Funds report capital outlay as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay, net of disposals, exceeds depreciation and amortization expense.

Capital Asset Additions	\$ 2,217,482	
Disposal of Capital Assets, Net	(14,309)	
Depreciation Expense	(1,846,614)	
Amortization Expense	<u>(188,980)</u>	167,579

Changes in the School District's proportionate share of net pension (assets) and liabilities have no effect on current financial resources and, therefore, are not reported in the Governmental Funds. In addition, changes in the School District's deferred outflows and deferred inflows of resources related to pensions do not affect current financial resources and are also not reported in the Governmental Funds.

ERS	\$ (360,858)	
TRS	<u>(868,263)</u>	(1,229,121)

Bond proceeds provide current financial resources to Governmental Funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayment of bond principal is an expenditure in the Governmental Funds, but the repayment reduces long-term liabilities in the Statement of Net Position. This is the amount of change in bonds issued, repayments, and amortization.

Installment Purchase Principal Payment	\$ 370,000	
Amortization of Bond Premium	150,262	
Bond Principal Payments	1,580,000	
Equipment Leases	(206,038)	
Repayment of Leases	<u>329,141</u>	2,223,365

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

Other Postemployment Benefits	\$ (3,321,142)	
Change in Retainage Payable	<u>18,494</u>	(3,302,648)

Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in Governmental Funds. This is the amount interest payable changed from the prior year.

18,743

Net Change in Net Position of Governmental Activities \$ (3,465,259)

*See Notes to Basic Financial Statements*

# ***LANSING CENTRAL SCHOOL DISTRICT***

## **STATEMENT OF FIDUCIARY NET POSITION JUNE 30, 2024**

	<u>Custodial Funds</u>
<b>ASSETS</b>	
Cash - Unrestricted	<u>\$ 132,582</u>
<b>Total Assets</b>	<u><u>\$ 132,582</u></u>
<b>LIABILITIES</b>	
Due to Other Governments	<u>\$ 1,693</u>
<b>Total Liabilities</b>	<u><u>1,693</u></u>
<b>NET POSITION</b>	
Unrestricted	<u>130,889</u>
<b>Total Net Position</b>	<u><u>\$ 130,889</u></u>

*See Notes to Basic Financial Statements*

***LANSING CENTRAL SCHOOL DISTRICT***

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FOR THE YEAR ENDED JUNE 30, 2024**

	<u>Custodial Fund</u>
<b>ADDITIONS</b>	
Cash Receipts	\$ 116,901
<b>Total Additions</b>	<u>116,901</u>
<b>DEDUCTIONS</b>	
Cash Disbursements	<u>108,866</u>
Change in Net Position	8,035
Net Position - Beginning of Year	<u>122,854</u>
<b>Net Position - End of Year</b>	<u><u>\$ 130,889</u></u>

*See Notes to Basic Financial Statements*

# ***LANSING CENTRAL SCHOOL DISTRICT***

## **NOTES TO FINANCIAL STATEMENTS JUNE 30, 2024**

### ***Note 1* Summary of Significant Accounting Policies**

The accompanying financial statements of Lansing Central School District (the School District) have been prepared in conformity with U.S. generally accepted accounting principles (U.S. GAAP) for governments, as prescribed by the Governmental Accounting Standards Board (GASB), which is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

#### **Reporting Entity**

Essentially, the primary function of the School District is to provide education for pupils. Services such as transportation of pupils, administration, finance, and plant maintenance support the primary function.

The financial reporting entity consists of the following, as defined by GASB Statement No. 14, "The Financial Reporting Entity," as amended.

- The primary government, which is Lansing Central School District;
- 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 basic financial statements to be misleading or incomplete.

The accompanying financial statements present the activities of the School District. The School District is not a component unit of another reporting entity.

The decision to include a potential component unit in the School District's reporting entity is based on several criteria including legal standing, fiscal dependency, and financial accountability. Based on the application of these criteria, the Extraclassroom Activity Funds are included in the School District's reporting entity.

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. While the Extraclassroom Activity Funds are not considered a component unit of the School District, due to the School District's fiduciary responsibility in relation to the Funds, they are reported in the School District's Custodial Fund. Separate audited financial statements (cash basis) of the Extraclassroom Activity Funds can be obtained from the School District's business office, located at 284 Ridge Road, Lansing, New York.

#### **Joint Venture**

The School District is one of nine component school districts in the Tompkins-Seneca-Tioga Board of Cooperative Educational Services (BOCES). A BOCES is a voluntary, cooperative association of school districts in a geographic area that shares planning, services, and programs which provide educational and support activities.

# ***LANSING CENTRAL SCHOOL DISTRICT***

## **NOTES TO FINANCIAL STATEMENTS JUNE 30, 2024**

### ***Note 1* Summary of Significant Accounting Policies - Continued**

#### **Joint Venture - Continued**

BOCES are organized under §1950 of the Education Law. A BOCES Board is considered a corporate body. All BOCES property is held by the BOCES Board as a corporation (§1950(6)). In addition, BOCES Boards also are considered municipal corporations to permit them to contract with other municipalities on a cooperative basis under §119-n(a) of the General Municipal Law (GML).

A BOCES budget is comprised of separate budgets for administrative, program, and capital costs. Each component school district's share of administrative and capital cost is determined by resident public school district enrollment as defined in Education Law §1950(4)(b)(7).

There is no authority or process by which a school district can terminate its status as a BOCES component. In addition, component school districts pay tuition or a service fee for programs in which its students participate. Members of a BOCES Board are nominated and elected by their component member boards in accordance with provisions of §1950 of the Education Law.

#### **Basis of Presentation - District-Wide Financial Statements**

The Statement of Net Position and the Statement of Activities present financial information about the School District's Governmental Activities. These statements include the financial activities of the overall government in its entirety, except those that are fiduciary. Eliminations have been made to minimize the double counting of internal transactions. Governmental Activities generally are financed through taxes, state aid, intergovernmental revenues, and other exchange and nonexchange transactions. Operating grants include operating-specific and discretionary (either operating or capital) grants, while the capital grants column reflects capital-specific 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 relate to the administration and support of the School District's programs, including personnel overall administration and finance. Employee benefits are allocated to functional expenses as a percentage of related payroll expense. 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 not classified as program revenues, including all taxes, are presented as general revenues.

# ***LANSING CENTRAL SCHOOL DISTRICT***

## **NOTES TO FINANCIAL STATEMENTS JUNE 30, 2024**

### ***Note 1* Summary of Significant Accounting Policies - Continued**

#### **Basis of Presentation - Governmental Fund Financial Statements**

The Governmental Fund financial 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 Governmental Fund financial statements is on major Governmental Funds, each displayed in a separate column.

The School District reports the following Major Governmental Funds:

- **General Fund:** The School District's primary operating fund. It accounts for all financial transactions not required to be accounted for in another fund.
- **Debt Service Fund:** Accounts for the accumulation of resources and the payment of principal and interest on long-term general obligation debt of Governmental Activities.
- **Capital Projects Fund:** Accounts for the financial resources used for renovations of the educational complex and bus purchases.
- **Special Aid Fund:** Used to account for proceeds received from state and federal grants that are restricted for special educational programs

#### **Non-Major Funds**

- **Special Revenue Funds:** These funds account for the proceeds of specific revenue sources (other than capital projects) that are legally restricted to expenditures for specified purposes. Special revenue funds include the following:
  - **School Lunch Fund:** Used to account for child nutrition activities whose funds are restricted as to use.
  - **Miscellaneous Special Revenue:** Used to account for student scholarships and other funds held for restricted purposes.

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.

The School District reports the following Fiduciary Fund:

- **Custodial Fund:** Assets are held by the School District as an agent for Extracurricular Activity Funds.

# **LANSING CENTRAL SCHOOL DISTRICT**

## **NOTES TO FINANCIAL STATEMENTS JUNE 30, 2024**

### **Note 1 Summary of Significant Accounting Policies - Continued**

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

Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, 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.

#### **Cash and Investments**

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.

#### **Accounts Receivable**

Accounts receivable are shown gross, with uncollectible amounts recognized under the direct write-off method. No allowance for uncollectible accounts has been provided, as it is believed that such allowance would not be material. All receivables are expected to be collected within the subsequent fiscal year.

#### **Due To/From Other Funds**

Eliminations have been made for amounts due to and due from within the same fund type. A detailed description of the individual fund balances at year end is provided subsequently in these notes.

# LANSING CENTRAL SCHOOL DISTRICT

## NOTES TO FINANCIAL STATEMENTS JUNE 30, 2024

### *Note 1* Summary of Significant Accounting Policies - Continued

#### **Inventories and Prepaid Items**

Inventories of food in the School Lunch Fund are recorded at cost on a first-in, first-out basis, or in the case of surplus food, at stated value, which approximates fair value. Purchases of inventory items in other funds are recorded as expenditures at the time of purchase, and are considered immaterial in amount. Prepaid items represent payments made by the School District for which benefits extend beyond year end. These payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the District-wide and Governmental Fund financial statements. These items are reported as assets on the Statement of Net Position or Balance Sheet using the consumption method. A current asset for the prepaid amounts is recorded at the time of purchase and an expense/expenditure is reported in the year the goods or services are consumed.

Nonspendable fund balance for these non-liquid assets (inventories and prepaid items) has been recognized to signify that a portion of fund balance is not available for other subsequent expenditures.

#### **Capital Assets**

Capital assets are reported at actual cost for acquisitions subsequent to December 2, 2004. For assets acquired prior to December 2, 2004, capital assets are reported at estimated historical cost based on appraisals conducted by independent third-party professionals. Donated assets are reported at estimated fair value at the time received.

Depreciation is calculated using the straight-line method. Capitalization thresholds (the dollar value above which asset acquisitions are added to the capital asset accounts) and estimated useful lives of capital assets reported in the District-wide financial statements are as follows:

	<b>Capitalization Threshold</b>	<b>Estimated Useful Life</b>
Buildings	\$ 1,000	40 Years
Building Improvements	1,000	20 Years
Furniture and Equipment	1,000	5-20 Years

#### **Leases**

The School District determines if an arrangement is or contains a lease at inception. The School District records assets and lease obligations for leases, which are initially based on the discounted future minimum lease payments over the term of the lease. The School District uses the rate implicit in the lease agreements. In some cases the implicit rate is not easily determinable, and the School District elects to use its incremental borrowing rate in calculating present value of lease payments.

# ***LANSING CENTRAL SCHOOL DISTRICT***

## **NOTES TO FINANCIAL STATEMENTS JUNE 30, 2024**

### ***Note 1* Summary of Significant Accounting Policies - Continued**

#### **Leases - Continued**

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

The School District's lease agreements do not contain any material residual value guarantees or material restrictive covenants.

Amortization expense for leases is recognized on the same basis as payments on the lease liabilities and is included in the education expense function. Interest expense is recognized using the effective interest method. Variable payments, short-term rentals, and payments associated with non-lease components are expensed as incurred.

#### **Deferred Outflows and Inflows of Resources**

In addition to assets, the Statement of Net Position reports a separate section for deferred outflows of resources. This separate financial statement element, 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 School District reports deferred outflows of resources related to pensions and OPEB in the District-wide Statement of Net Position. The types of deferred outflows related to pensions and OPEB are described in Notes 10 and 11, respectively.

In addition to liabilities, the Statement of Net Position reports 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 will not be recognized as an inflow of resources (revenue) until that time. The School District reports deferred inflows of resources related to pensions and OPEB Plans which are further described in Note 10 and 11, respectively.

#### **Vested Employee Benefits - Compensated Absences**

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

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

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

# ***LANSING CENTRAL SCHOOL DISTRICT***

## **NOTES TO FINANCIAL STATEMENTS JUNE 30, 2024**

### ***Note 1* Summary of Significant Accounting Policies - Continued**

#### **Vested Employee Benefits - Compensated Absences - Continued**

Consistent with GASB Statement No. 16, "Accounting for Compensated Absences," the liability is included in the District-wide financial statements. The compensated absences liability is calculated based on the pay rates in effect at year end.

In the Governmental Fund financial statements only the amount of matured liabilities is accrued within the General Fund based upon expendable and available financial resources. These amounts are expensed on a pay-as-you-go basis.

#### **Vested Employee Benefits - Other Postemployment Benefits**

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

In addition to providing pension benefits, the School District provides health insurance coverage and survivor benefits for retired employees and their survivors. Substantially all of the School District's employees may become eligible for these benefits if they reach normal retirement age while working for the School District. Health care benefits are provided through plans whose premiums are based on the benefits paid during the year. The cost of providing post-retirement benefits is shared between the School District and the retired employee. The School District recognizes the cost of providing health insurance by recording its share of insurance premiums as an expenditure or operating transfer to other funds in the General Fund, in the year paid.

The School District follows GASB Statement No. 75, "Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions." The School District's liability for other postemployment benefits has been recorded in the Statement of Net Position, in accordance with the statement. See Note 11 for additional information.

#### **Unearned and Unavailable Revenue**

Unearned revenues 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 the School District has legal claim to the resources, the liability for unearned revenues is removed and revenues are recorded.

The Governmental Fund financial statements sometimes reports a deferred outflow of resources for unavailable revenues when potential revenues do not meet both the measurable and available criteria for recognition in the current period. In subsequent periods, when both recognition criteria are met, a deferred outflow of resources for unavailable revenues is removed and revenues are recorded.

#### **Restricted Resources**

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

# ***LANSING CENTRAL SCHOOL DISTRICT***

## **NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2024**

### ***Note 1* Summary of Significant Accounting Policies - Continued**

#### **Equity Classifications - District-Wide Financial Statements**

Equity is classified as net position and displayed in three components:

- Net Investment in Capital Assets - Consists of capital assets including restricted capital assets, net of accumulated depreciation, and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- Restricted - Consists of resources with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or 2) law through constitutional provisions or enabling legislation.
- Unrestricted - Consists of all other resources that do not meet the definition of "restricted" or "net investment in capital assets."

#### **Equity Classifications - Governmental Fund Financial Statements**

The School District follows GASB Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions." Statement No. 54 changed the terminology and classification of fund balance to reflect spending constraints on resources, rather than availability for appropriation. This approach is intended to provide users more consistent and understandable information about a fund's net resources.

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

- Nonspendable - Consists of assets inherently nonspendable in the current period either because of their form or because they must be maintained intact; including prepaid items, inventories, long-term portions of loans receivable, financial assets held for resale, and endowments principal.
- Restricted - Consists of amounts subject to legal purpose restrictions imposed by creditors, grantors, contributors, or laws and regulations of other governments and enforced externally; or through constitutional provisions or enabling legislation. Most of the School District's legally adopted reserves are reported here.
- Committed - Consists of amounts subject to a purpose constraint imposed by formal action of the government's highest level of decision-making authority prior to the end of the fiscal year, and requires the same level of formal action to remove said constraint.

# ***LANSING CENTRAL SCHOOL DISTRICT***

## **NOTES TO FINANCIAL STATEMENTS JUNE 30, 2024**

### ***Note 1* Summary of Significant Accounting Policies - Continued**

#### **Equity Classifications - Governmental Fund Financial Statements - Continued**

- Assigned - Consists of amounts subject to a purpose constraint representing an intended use established by the government's highest level of decision-making authority, or their designated body or official. The purpose of the assignment must be narrower than the purpose of the General Fund. In funds other than the General Fund, assigned fund balance represents the residual amount of fund balance.
- Unassigned - Represents the residual classification of the government's General Fund, and could report a surplus or deficit. In funds other than the General Fund, the unassigned classification should only be used to report a deficit balance resulting from overspending amounts restricted, committed, or assigned for specific purposes.

Real Property Tax Law (RPT) §1318 limits the amount of unexpended surplus funds a school district can retain in the General Fund to no more than 4% of the next year's budgetary appropriations. Funds properly retained under other sections of law (i.e., reserve funds established pursuant to Education Law or GML are excluded from the 4% limitation. The 4% limitation is applied to unrestricted fund balance (i.e., the total of the committed, assigned, and unassigned classifications), minus appropriated fund balance, amounts reserved for insurance recovery, amounts reserved for tax reduction, and encumbrances included in committed and assigned fund balance.

The Board of Education of the School District has not adopted any resolutions to commit fund balance. By resolution, the Board of Education authorized the Superintendent to assign fund balance. The School District's policy is to apply expenditures against nonspendable fund balance, restricted fund balance, committed fund balance, assigned fund balance, and unassigned fund balance.

The Board of Education of the School District has a policy to maintain an unassigned fund balance of at least 4% of the current year's budgeted expenses.

# *LANSING CENTRAL SCHOOL DISTRICT*

## NOTES TO FINANCIAL STATEMENTS JUNE 30, 2024

### Note 1 Summary of Significant Accounting Policies - Continued

#### **Legally Adopted Reserves**

Fund balance reserves are created to satisfy legal restrictions, plan for future expenditures or relate to resources not available for general use or appropriation. The following reserve funds are available to school districts within the State of New York. These reserve funds are established through Board action or voter approval and a separate identity must be maintained for each reserve. Earnings on the invested resources become part of the respective reserve funds; however, separate bank accounts are not necessary for each reserve fund. These reserves are reported in the fund financial statements as Restricted Fund Balance. Reserves currently in use by the School District include the following:

- Unemployment Insurance Reserve (GML §6-m) - Used to pay the cost of reimbursing the State Unemployment Insurance Fund for payments made to claimants where the employer has elected to use the benefit reimbursement method. This reserve may be established by Board action and is funded by budgetary appropriations and such other funds as may be legally appropriated. Within 60 days after the end of any fiscal year, excess amounts may either be transferred to another reserve or the excess applied to the appropriations of the next succeeding fiscal year's budget. If the School District elects to convert to tax (contribution) basis, excess resources in the fund over the sum sufficient to pay pending claims may be transferred to any other reserve fund. This reserve is accounted for in the General Fund.
- Mandatory Reserve for Debt Service (GML §6-l) - Used to establish a reserve for the purpose of retiring any outstanding obligations upon the sale of School District property or capital improvement financed by obligations which remain outstanding at the time of sale. The funding of the reserve is from the proceeds of the sale of School District property or capital improvement. This reserve is accounted for in the Debt Service Fund.
- Retirement Contribution Reserves (GML §6-r) - Used to finance retirement contributions payable to the New York State and Local Employees' Retirement System and New York State Teachers' Retirement System. The reserve may be established by Board action and is funded with budgetary appropriations and such other funds as may be legally appropriated. Funds may be spent without voter approval, invested in accordance with §11 of GML and must be accounted for separate and apart from all other school district funds. A portion of funds may be transferred to another reserve fund following a public hearing. These reserves are accounted for in the General Fund.
- Employee Benefit Accrued Liability Reserve (GML §6-p) - Used to reserve funds for the payment of accrued employee benefits due an employee upon termination of the employee's service. This reserve may be established by a majority vote of the Board, and is funded by budgetary appropriations and such other reserves and funds that may be legally appropriated. This reserve is accounted for in the General Fund.

# ***LANSING CENTRAL SCHOOL DISTRICT***

## **NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2024**

### ***Note 1*** Summary of Significant Accounting Policies - Continued

#### **Legally Adopted Reserves - Continued**

- Tax Certiorari Reserve (Education Law §3651.1-a) - Used to establish a reserve fund for tax certiorari and to expend from the fund without voter approval. The monies held in the reserve shall not exceed the amount which might reasonably be deemed necessary to meet anticipated judgments and claims arising out of tax certiorari proceedings. Any resources deposited to the reserve which are not expended for tax certiorari proceedings in the year such monies are deposited must be returned to the General Fund on or before the first day of the fourth fiscal year after deposit of these monies. This reserve is accounted for in the General Fund.
- Capital Reserve (Education Law §3651) - Used to pay the cost of any object or purpose for which bonds may be issued. The creation of a Capital Reserve Fund requires authorization by a majority of the voters establishing the purpose of the reserve; the ultimate amount, its probable term and the source of the funds. Expenditure may be made from the reserve only for a specific purpose further authorized by the voters. The form for the required legal notice for the vote on establishing and funding the reserve and the form of the proposition to be placed on the ballot are set forth in §3651 of the Education Law. This reserve is accounted for in the General Fund.

#### **Property Taxes**

Real property taxes are levied annually by the Board of Education no later than September 1 and became a lien on August 8, 2023. Taxes were collected during the period September 1 to November 22, 2023.

Uncollected real property taxes are subsequently enforced by Tompkins County (County). An amount representing uncollected real property taxes transmitted to the County for enforcement is paid by the County to the School District no later than the following April 1.

#### **Interfund Transfers**

The operations of the School District give rise to certain transactions between funds, including transfers, to provide services and construct assets. The amounts reported on the Statement of Revenues, Expenditures, and Changes in Fund Balance-Governmental Funds for interfund transfers have been eliminated from the Statement of Activities. A detailed description of the individual fund transfers that occurred during the year is provided subsequently in these notes.

#### **Use of Estimates**

The preparation of financial statements in conformity with U.S. GAAP 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, compensated absences, potential contingent liabilities and useful lives of long-lived assets.

# ***LANSING CENTRAL SCHOOL DISTRICT***

## **NOTES TO FINANCIAL STATEMENTS JUNE 30, 2024**

### ***Note 1* Summary of Significant Accounting Policies - Continued**

#### **New Accounting Standard**

The School District adopted and implemented the following current Statement of the GASB effective for the year ended June 30, 2024:

- GASB has issued Statement No. 100, "Accounting Changes and Error Corrections – an Amendment to GASB Statement No. 62," School District management has determined there was no material effect on the financial statements.

#### **Future Changes in Accounting Standards**

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

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

### ***Note 2* Participation in BOCES**

During the year ended June 30, 2024, the School District's share of BOCES income amounted to \$1,614,523. The School District was billed \$5,434,177 for BOCES administration and program costs. Financial statements for Tompkins-Seneca-Tioga BOCES are available from the BOCES administrative office at 555 Warren Road, Ithaca, NY 14850.

### ***Note 3* Cash, Cash Equivalents, and Investments - 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 Statement No. 40 directs that deposits be disclosed as exposed to custodial credit risk if they are not covered by depository insurance, and the deposits are either uncollateralized or collateralized with securities held by the pledging financial institution's trust department or agent, but not in the School District's name.

The School District also participates in a local government external investment pool through the New York Liquid Asset Fund (NYLAF). The cooperative is actively managed and invests exclusively in investments legally permissible for New York State school districts and municipal corporations.

# ***LANSING CENTRAL SCHOOL DISTRICT***

## **NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2024**

***Note 3*** **Cash, Cash Equivalents, and Investments - Custodial and Concentration of Credit Risk - Continued**

These permissible investments include: U.S. Treasury obligations, U.S. agency securities backed by the full faith and credit of the U.S. government, repurchase agreements collateralized by U.S. Treasury obligations, and bank deposits guaranteed or collateralized by the U.S. government or its agencies. NYLAF requires deposits at financial institutions to be FDIC insured or to maintain collateral in the amount of 102% of the value of the deposits, or 140% if an irrevocable letter of credit is used as collateral, or at least 100% if an irrevocable letter of credit from the Federal Home Loan Bank is used as collateral.

Credit rate risk is the risk of loss attributed to the magnitude of the School District's investment in a single issuer. The School District's external investment pool is rated AAAM by S&P Global Ratings.

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In order to limit its exposure, the School District's external investment pool limits the purchase of investments to a maturity date of no more than 397 days and is invested in such a manner as to result in an average dollar-weighted maturity to reset of no greater than 60 days. In addition, the external investment pool seeks to maintain a constant net asset value of \$1.00 for each \$1.00 invested. The dollar weighted average days to maturity of NYLAF at March 28, 2024, was 44 days and the net asset value per share was \$0.99999.

The School District's NYLAF investments are level 2 investments in the fair value measurement table. At June 30, 2024, the School District had \$1,427,856 invested in NYLAF.

NYLAF financial statements may be obtained from NYLAF, at 300 Westage Business Center Drive, Suite 405, Fishkill, New York 12524.

The School District's aggregate bank balances of \$5,077,677 including certificates of deposit, are either insured or collateralized with securities held by the pledging financial institution in the School District's name.

The School District's investment policy for these investments is also governed by New York State statutes. Investments are stated at fair value and are categorized as either:

1. Insured or registered, with investments held by the School District or by the School District's agent in the School District's name; or
2. Uninsured and unregistered, with investments held by the financial institution's trust department in the School District's name; or
3. Uninsured and unregistered, with investments held by the financial institution or its trust department, but not in the School District's name.

# *LANSING CENTRAL SCHOOL DISTRICT*

## NOTES TO FINANCIAL STATEMENTS JUNE 30, 2024

**Note 3 Cash, Cash Equivalents, and Investments - Custodial and Concentration of Credit Risk - Continued**

The School District has investments in Certificates of Deposit. The School District reported \$1,531,233 in the Debt Service Fund and \$200,807 in the General Fund.

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

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

The School District did not have other investments at June 30, 2024.

Restricted cash and investments consist of:

General Fund Reserves	\$ 1,876,211
Restricted for School Lunch	94,717
Restricted for Debt Service	<u>1,998,550</u>
Subtotal	<u>3,969,478</u>
Restricted for Scholarships and Other Purposes	<u>183,436</u>
<b>Total</b>	<b><u><u>\$ 4,152,914</u></u></b>

**Note 4 Due From State and Federal and Other Governments**

State and federal aid and due from other governments consisted of the following, which are stated at net realizable value.

Description	Amount
BOCES Aid	\$ 748,947
<b>Due from Other Governments</b>	<b><u><u>\$ 748,947</u></u></b>
Excess Cost Aid	\$ 197,220
Federal Grants	345,569
State Grants	123,646
Federal School Lunch Grants	21,072
State School Lunch Grants	23,228
State Capital Grants	<u>687,077</u>
<b>Due from State and Federal</b>	<b><u><u>\$ 1,397,812</u></u></b>

# *LANSING CENTRAL SCHOOL DISTRICT*

## NOTES TO FINANCIAL STATEMENTS JUNE 30, 2024

**Note 5 Interfund Balances and Activity**

Interfund balances at June 30, 2024, are as follows:

	<b>Interfund Receivable</b>	<b>Interfund Payable</b>	<b>Interfund Revenues</b>	<b>Interfund Expenditures</b>
Major Funds:				
General Fund	\$ 1,273,958	\$ 117,649	\$ 101,717	\$ 1,898,643
Debt Service Fund	393,492	100,000	445,019	100,000
Capital Projects Fund	14,365	899,742	1,808,528	445,019
Special Aid Fund	104,452	639,020	90,115	1,717
Non-Major Funds:				
School Lunch Fund	-	29,856	-	-
<b>Total</b>	<b>\$ 1,786,267</b>	<b>\$ 1,786,267</b>	<b>\$ 2,445,379</b>	<b>\$ 2,445,379</b>

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

The School District typically transfers from the General Fund to the Special Aid Fund the School District's share of the cost to accommodate the mandated accounting for the School District's share of expenditures of a Special Aid Fund project and to and from the Debt Service Fund for the payment of long-term debt.

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

# LANSING CENTRAL SCHOOL DISTRICT

## NOTES TO FINANCIAL STATEMENTS JUNE 30, 2024

**Note 6 Capital Assets**

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

<u>Governmental Activities</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reclassifications and Disposals</u>	<u>Ending Balance</u>
<b>Capital Assets That are Not Depreciated</b>				
Land	\$ 111,727	\$ -	\$ -	\$ 111,727
Construction in Progress	6,972,391	1,784,481	(94,827)	8,662,045
<b>Total Nondepreciable Historical Cost</b>	<u>7,084,118</u>	<u>1,784,481</u>	<u>(94,827)</u>	<u>8,773,772</u>
<b>Capital Assets That are Depreciated</b>				
Buildings	55,252,239	94,827	-	55,347,066
Furniture and Equipment	9,502,767	226,963	(52,331)	9,677,399
<b>Total Depreciable Historical Cost</b>	<u>64,755,006</u>	<u>321,790</u>	<u>(52,331)</u>	<u>65,024,465</u>
<b>Intangible Lease Assets</b>				
Equipment	717,270	206,038	(16,481)	906,827
<b>Total Historical Cost</b>	<u>72,556,394</u>	<u>2,312,309</u>	<u>(163,639)</u>	<u>74,705,064</u>
<b>(Less) Accumulated Depreciation</b>				
Buildings	(25,007,165)	(1,387,668)	-	(26,394,833)
Furniture and Equipment	(5,982,486)	(458,946)	38,022	(6,403,410)
<b>Total Accumulated Depreciation</b>	<u>(30,989,651)</u>	<u>(1,846,614)</u>	<u>38,022</u>	<u>(32,798,243)</u>
<b>(Less) Accumulated Amortization</b>				
Equipment	(274,675)	(188,980)	16,481	(447,174)
<b>Total Historical Cost, Net</b>	<u>\$ 41,292,068</u>	<u>\$ 276,715</u>	<u>\$ (109,136)</u>	<u>\$ 41,459,647</u>

# LANSING CENTRAL SCHOOL DISTRICT

## NOTES TO FINANCIAL STATEMENTS JUNE 30, 2024

**Note 6 Capital Assets - Continued**

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

General Support	\$ 843,270
Instruction	941,370
Transportation	244,535
School Lunch	<u>6,419</u>
<b>Total</b>	<b><u>\$ 2,035,594</u></b>

**Note 7 Long-Term Debt**

At June 30, 2024, the total outstanding indebtedness of the School District represented 12.2% of its statutory debt limit, exclusive of building aid. Long-term debt is classified as follows:

- Serial Bonds - The School District borrows money in order to acquire land or equipment or construct buildings and improvements. This enables the cost of these capital assets to be borne by the present and future taxpayers receiving the benefit of the capital assets.
- Installment Purchase Debt - The School District leases energy conservation equipment with the intent to purchase. Accumulated depreciation and net book value of equipment under capital lease at June 30, 2024 is \$1,287,322 and \$3,003,752, respectively.

# LANSING CENTRAL SCHOOL DISTRICT

## NOTES TO FINANCIAL STATEMENTS JUNE 30, 2024

**Note 7 Long-Term Debt - Continued**

The following is a summary of the School District's notes payable and long-term debt for the year ended June 30, 2024:

	<u>Issue Date</u>	<u>Final Maturity</u>	<u>Interest Rate</u>	<u>Outstanding June 30, 2024</u>
<b>Serial Bonds</b>				
2015 DASNY Bonds-Capital	06/15/2015	06/15/2030	3.00% - 5.00%	\$ 1,010,000
Unamortized Bond Premium				<u>74,141</u>
Total				<u>1,084,141</u>
2017 DASNY Bonds-Capital	06/08/2017	06/30/2031	3.00% - 5.00%	1,845,000
Unamortized Bond Premium				<u>249,262</u>
Total				<u>2,094,262</u>
2018 DASNY Bond- Capital	06/15/2018	06/15/2032	5.00%	3,600,000
Unamortized Bond Premium				<u>423,968</u>
Total				<u>4,023,968</u>
2020 DASNY Bond- Capital	06/17/2020	06/15/2040	3.00%-5.00%	2,315,000
Unamortized Bond Premium				<u>369,292</u>
Total				<u>2,684,292</u>
2022 DASNY Bond- Capital	06/15/2022	06/15/2037	5.00%	4,065,000
Unamortized Bond Premium				<u>340,851</u>
Total				<u>4,405,851</u>
2010 Serial Bonds - Capital	06/15/2010	06/15/2025	2.625% - 4.625%	35,000
2013 DASNY Bonds - Capital	06/13/2013	06/15/2027	3.00% - 4.00%	600,000
2021 Serial Bonds - Buses	06/15/2021	06/15/2025	1.20%	65,000
2022 Serial Bonds - Buses	06/15/2022	06/15/2026	1.00%-1.10%	145,000
2023 Serial Bonds - Buses	06/15/2023	06/15/2027	3.25-3.375%	215,000
Total				<u>1,060,000</u>
<b>Total Bonds</b>				<b>15,352,514</b>
<b>Installment Purchase Debt</b>				
Energy Performance Contract	10/16/2009	09/01/2025	5.17%	<u>650,000</u>
<b>Total</b>				<b><u>\$ 16,002,514</u></b>

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

Interest Paid	\$ 770,956
(Less) Interest Accrued in the Prior Year	(74,451)
Interest Accrued in the Current Year	55,708
(Less) Amortization of Bond Premium	<u>(150,262)</u>
<b>Total</b>	<b><u>\$ 601,951</u></b>

# LANSING CENTRAL SCHOOL DISTRICT

## NOTES TO FINANCIAL STATEMENTS JUNE 30, 2024

**Note 7 Long-Term Debt - Continued**

Interest rates paid on the serial bonds varies from year to year, in accordance with the interest rates specified in the bond agreements.

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

<u>Governmental Activities</u>	<u>Beginning Balance</u>	<u>Issued</u>	<u>Redeemed</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
Serial Bonds	\$ 15,475,000	\$ -	\$ (1,580,000)	\$ 13,895,000	\$ 1,560,000
Unamortized Premium	1,607,776	-	(150,262)	1,457,514	150,262
Installment Purchase Debt	1,020,000	-	(370,000)	650,000	385,000
<b>Total</b>	<b>\$ 18,102,776</b>	<b>\$ -</b>	<b>\$ (2,100,262)</b>	<b>\$ 16,002,514</b>	<b>\$ 2,095,262</b>

The following is a summary of the maturity of long-term indebtedness.

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 1,945,000	\$ 683,218	\$ 2,628,218
2026	1,800,000	593,819	2,393,819
2027	1,520,000	528,732	2,048,732
2028	1,295,000	447,563	1,742,563
2029	1,365,000	386,138	1,751,138
2030-2034	4,725,000	1,023,852	5,748,852
2035-2039	1,820,000	195,900	2,015,900
2040	75,000	2,250	77,250
<b>Total</b>	<b>\$ 14,545,000</b>	<b>\$ 3,861,472</b>	<b>\$ 18,406,472</b>

**Note 8 Compensated Absences**

Represents the value of the earned and unused portion of the liability for compensated absences. This liability is liquidated from the General Fund.

A summary of 2023 - 2024 activity follows.

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Compensated Absences	\$ 121,151	\$ -	\$ (11,583)	\$ 109,568

Changes in compensated absences are reported net, as it is impractical to individually determine the amount of additions and deletions during the fiscal year.

# *LANSING CENTRAL SCHOOL DISTRICT*

## NOTES TO FINANCIAL STATEMENTS JUNE 30, 2024

**Note 9 Lease Liabilities**

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

At June 30, 2024, the School District reported \$906,827, offset by accumulated amortization of \$447,174, in intangible lease assets.

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

<u>Description of Lease</u>	<u>Issue Date</u>	<u>Final Maturity</u>	<u>Discount Rate</u>	<u>Outstanding June 30, 2024</u>
IPA 16550	07/29/2020	06/29/2025	1.90%	\$ 57,071
Copiers 16502P	07/01/2021	06/01/2025	2.32%	88,771
<b>Total</b>				<b><u>\$ 145,842</u></b>

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

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 145,842	\$ 14,710	\$ 160,552
<b>Total</b>	<b><u>\$ 145,842</u></b>	<b><u>\$ 14,710</u></b>	<b><u>\$ 160,552</u></b>

Interest paid for the current year amounted to \$37,449.

# ***LANSING CENTRAL SCHOOL DISTRICT***

## **NOTES TO FINANCIAL STATEMENTS JUNE 30, 2024**

### **Note 10 Pension Obligations - New York State and Local Employees' Retirement System (ERS) and the New York State Teachers' Retirement (TRS) (the Systems)**

#### **Teachers' Retirement System Plan Description and Benefits Provided (TRS) (System)**

The School District participates in the New York State 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 to plan members and beneficiaries as authorized by the Education Law and the Retirement and Social Security Law of the State of New York (RSSL). The System is governed by a 10 member Board of Trustees. System benefits are established under New York State Law. Membership is mandatory and automatic for all full-time teachers, teaching assistants, guidance counselors, and administrators employed in New York Public Schools and BOCES who elected to participate in TRS. Once a public employer elects to participate in the System, the election is irrevocable. The New York State Constitution provides that pension membership is a contractual relationship and plan benefits cannot be diminished or impaired. Benefits can be changed for future members only by enactment of a state statute. Additional information regarding the System, may be obtained by writing to the New York State Teachers' Retirement System, 10 Corporate Woods Drive, Albany, New York 12211-2395 or by referring to the NYSTRS Comprehensive Annual Financial report which can be found on the System's website at [www.nystrs.org](http://www.nystrs.org).

Tier 3 and Tier 4 members are required by law to contribute 3% of salary to the System. Effective October 2000, contributions were eliminated for Tier 3 and 4 members with 10 or more years of service or membership. Effective January 1, 2010, Tier 5 members are required by law to contribute 3.5% of salary throughout their active membership. Effective April 1, 2012, Tier 6 members are required by law to contribute between 3% and 6% of salary throughout their active membership in accordance with a salary based upon salary earned. Pursuant to Article 14 and Article 15 of the RSSL, 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 RSSL. 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.

# **LANSING CENTRAL SCHOOL DISTRICT**

## **NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2024**

**Note 10 Pension Obligations - New York State and Local Employees' Retirement System (ERS) and the New York State Teachers' Retirement (TRS) (the Systems) - Continued**

**Employees' Retirement System Plan Description and Benefits Provided (ERS) (System)**

The School District participates in the New York State and Local Employees' Retirement System (ERS). This is a cost-sharing multiple-employer retirement system. The System provides retirement benefits as well as death and disability benefits. The net position of the System is held in the New York State Common Retirement Fund (the Fund), which was established to hold all net assets and record changes in plan net position allocated to the System. The Comptroller of the State of New York serves as the trustee of the Fund and is the administrative head of the System. System benefits are established under the provisions of the 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 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](http://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, New York 12244.

Generally, Tier 3, 4, and 5 members must contribute 3% of their salary to the System. As a result of Article 19 of the RSSL, eligible Tier 3 and 4 employees, with a membership date on or after July 27, 1973, who have ten or more years of membership or credited service with the System, are not required to contribute. Members cannot be required to begin making contributions or to make increased contributions beyond what was required when membership began. For Tier 6 members, the contribution rate varies from 3% to 6% depending on salary. Generally, Tier 5 and 6 members are required to contribute for all years of service.

**Summary of Significant Accounting Policies**

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

# **LANSING CENTRAL SCHOOL DISTRICT**

## **NOTES TO FINANCIAL STATEMENTS JUNE 30, 2024**

**Note 10 Pension Obligations - New York State and Local Employees' Retirement System (ERS) and the New York State Teachers' Retirement (TRS) (the Systems) - Continued**

**Contributions**

Contributions for the current year and two preceding Plan years were equal to 100% of the contributions required, and were as follows:

	<u>ERS</u>	<u>TRS</u>
2024	\$ 427,520	\$ 1,241,753
2023	330,240	1,084,023
2022	424,965	979,478

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

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

	<u>ERS</u>	<u>TRS</u>
Actuarial Valuation Date	April 1, 2023	June 30, 2022
Net Pension (Asset)/Liability	\$ 14,724,050,185	\$ 1,143,585,019
School District's Proportionate Share of the Plan's Total Net Pension (Asset)/Liability	1,832,991	747,209
School District's Share of the Net Pension (Asset)/Liability	0.0124490%	0.065339%

# LANSING CENTRAL SCHOOL DISTRICT

## NOTES TO FINANCIAL STATEMENTS JUNE 30, 2024

**Note 10 Pension Obligations - New York State and Local Employees' Retirement System (ERS) and the New York State Teachers' Retirement (TRS) (the Systems) - Continued**

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

For the year ended June 30, 2024, the School District recognized pension expense of \$805,629 for ERS and expense of \$1,241,753 for TRS in the District-wide financial statements. At June 30, 2024, the School District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources		Deferred Inflows of Resources	
	ERS	TRS	ERS	TRS
Differences Between Expected and Actual Experience	\$ 590,405	\$ 1,811,782	\$ 49,981	\$ 4,478
Changes of Assumptions	693,013	1,608,718	-	350,611
Net Differences Between Projected and Actual Earnings on Pension Plan Investments	-	381,958	895,406	-
Changes in Proportion and Differences Between the School District's Contributions and Proportionate Share of Contributions	146,303	32,813	92,305	267,373
School District's Contributions Subsequent to the Measurement Date	126,394	1,207,077	-	-
<b>Total</b>	<b><u>\$ 1,556,115</u></b>	<b><u>\$ 5,042,348</u></b>	<b><u>\$ 1,037,692</u></b>	<b><u>\$ 622,462</u></b>

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

Year Ending	ERS	TRS
2025	\$ (331,716)	\$ 258,212
2026	356,381	(434,047)
2027	548,658	2,958,120
2028	(181,294)	191,137
2029	-	144,318
Thereafter	-	95,069

# LANSING CENTRAL SCHOOL DISTRICT

## NOTES TO FINANCIAL STATEMENTS JUNE 30, 2024

### *Note 10* Pension Obligations - New York State and Local Employees' Retirement System (ERS) and the New York State Teachers' Retirement (TRS) (the Systems) - Continued

#### Actuarial Assumptions

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

	<u>ERS</u>	<u>TRS</u>
Measurement Date	March 31, 2024	June 30, 2023
Actuarial Valuation Date	April 1, 2023	June 30, 2022
Investment Rate of Return	5.9%	6.95%
Salary Increases	4.4%	1.95% - 5.18%
Cost of Living Adjustment	1.5%	1.3%
Inflation Rate	2.9%	2.4%

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

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

# **LANSING CENTRAL SCHOOL DISTRICT**

## **NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2024**

**Note 10 Pension Obligations - New York State and Local Employees' Retirement System (ERS) and the New York State Teachers' Retirement (TRS) (the Systems) - Continued**

**Actuarial Assumptions - Continued**

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

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

# **LANSING CENTRAL SCHOOL DISTRICT**

## **NOTES TO FINANCIAL STATEMENTS JUNE 30, 2024**

**Note 10 Pension Obligations - New York State and Local Employees' Retirement System (ERS) and the New York State Teachers' Retirement (TRS) (the Systems) - Continued**

**Discount Rate**

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

**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)/liability calculated using the discount rate, 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 or higher than the current rate:

	<b>1% Decrease (4.90%)</b>	<b>Current Assumption (5.90%)</b>	<b>1% Increase (6.90%)</b>
<b>ERS</b>			
School District's Proportionate Share of the Net Pension (Asset)/Liability	\$ 5,763,110	\$ 1,832,991	\$ (1,449,474)
	<b>1% Decrease (5.95%)</b>	<b>Current Assumption (6.95%)</b>	<b>1% Increase (7.95%)</b>
<b>TRS</b>			
School District's Proportionate Share of the Net Pension (Asset)/Liability	\$11,380,364	\$ 747,209	\$ (8,195,735)

# **LANSING CENTRAL SCHOOL DISTRICT**

## **NOTES TO FINANCIAL STATEMENTS JUNE 30, 2024**

**Note 10 Pension Obligations - New York State and Local Employees' Retirement System (ERS) and the New York State Teachers' Retirement (TRS) (the Systems) - Continued**

**Pension Plan Fiduciary Net Position**

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

	<b>Dollars in Thousands</b>	
	<b>ERS</b>	<b>TRS</b>
Measurement Date	March 31, 2024	June 30, 2023
Employers' Total Pension Liability	\$ 240,696,851	\$ 138,365,122
Plan Net Position	(225,972,801)	(137,221,537)
Employers' Net Pension (Asset)/Liability	<b>\$ 14,724,050</b>	<b>\$ 1,143,585</b>
Ratio of Plan Net Position to the Employers' Total Pension Liability	93.9%	99.2%

**Payables to the Pension Plan**

For ERS, employer contributions are paid annually based on the System's fiscal year which ends on March 31. Accrued retirement contributions as of June 30, 2024 represent the projected employer contribution for the period of April 1, 2024 through June 30, 2024 based on estimated ERS wages multiplied by the employer's contribution rate, by tier. Accrued retirement contributions as of June 30, 2024 amounted to \$126,393.

For TRS, employer and employee contributions for the fiscal year ended June 30, 2024 are paid to the System in September, October, and November 2024 through a State aid intercept. Accrued retirement contributions as of June 30, 2024 represent employee and employer contributions for the fiscal year ended June 30, 2024 based on paid TRS wages multiplied by the employer's contribution rate, by tier and employee contributions for the fiscal year as reported to the TRS System. Accrued retirement contributions as of June 30, 2024 amounted to \$1,375,436.

# **LANSING CENTRAL SCHOOL DISTRICT**

## **NOTES TO FINANCIAL STATEMENTS JUNE 30, 2024**

**Note 10 Pension Obligations - New York State and Local Employees' Retirement System (ERS) and the New York State Teachers' Retirement (TRS) (the Systems) - Continued**

**Current Year Activity**

The following is a summary of current year activity:

	<b>Beginning Balance</b>	<b>Change</b>	<b>Ending Balance</b>
<b>ERS</b>			
Net Pension (Asset)/Liability	\$ 2,353,951	\$ (520,960)	\$ 1,832,991
Deferred Outflows of Resources	(1,557,735)	1,620	(1,556,115)
Deferred Inflows of Resources	157,494	880,198	1,037,692
Subtotal	953,710	360,858	1,314,568
<b>TRS</b>			
Net Pension (Asset)/Liability	1,198,160	(450,951)	747,209
Deferred Outflows of Resources	(6,413,767)	1,371,419	(5,042,348)
Deferred Inflows of Resources	674,667	(52,205)	622,462
Subtotal	(4,540,940)	868,263	(3,672,677)
<b>Total</b>	<b>\$ (3,587,230)</b>	<b>\$ 1,229,121</b>	<b>\$ (2,358,109)</b>

**Note 11 Postemployment Benefits Other Than Pensions**

**General Information about the OPEB Plan**

**Plan Description**

The Plan is a single-employer defined benefit healthcare plan administered by Excellus Blue Cross Blue Shield. The Plan provides medical and prescription drug insurance benefits to eligible retirees and their spouses. Benefit provisions are established through negotiations between the School District and bargaining units and are renegotiated each three-year period. The School District assigns the authority to establish and amend benefit provisions to the Board of Education for non-bargaining unit employees. The Plan does not issue separate financial statements.

**Benefits Provided**

The School District provides healthcare benefits for eligible retirees and their spouses. Benefit terms are dependent of which contract each employee falls under. The specifics of each contract are on file at the School District offices and are available upon request.

# LANSING CENTRAL SCHOOL DISTRICT

## NOTES TO FINANCIAL STATEMENTS JUNE 30, 2024

### Note 11 Postemployment Benefits Other Than Pensions - Continued

#### General Information about the OPEB Plan - Continued

Employees Covered by Benefit Terms - At June 30, 2024, the following employees were covered by the benefit terms.

Inactive Employees or Beneficiaries	
Currently Receiving Benefit Payments	163
Active Employees	<u>258</u>
<b>Total</b>	<b><u><u>421</u></u></b>

#### Total OPEB Liability

The School District's total OPEB liability of \$87,135,982 was measured as of July 1, 2023, and was determined by an actuarial valuation as of July 1, 2022.

#### Actuarial Assumptions and Other Inputs

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

Long-Term Bond Rate:	3.65%
Single Discount Rate	3.65%
Salary Scale	3.50%
Dental Trend Rate	5.00% per year
Medicare Part B Rate	5.00%
Marital Assumption	70.00%
Rate of Inflation	2.50%
Participation Rate	100.00%
Healthcare Cost Trend Rates	7.00% for 2024, decreasing to an ultimate rate of 3.94% for 2093 and later years.

The long-term bond rate is based on the Bond Buyer Weekly 20-Year Bond GO Index as of the measurement date (or the nearest business day thereto).

The Pub-2010 Mortality Table for employees: sex distinct, job category-specific, headcount weighted, and adjusted for mortality improvements with scale MP-2021 mortality improvement scale on a generational basis.

Rates of decrement due to turnover based on the experience under the New York State Employees' Retirement System (ERS) and the New York State Teachers' Retirement System (TRS). The ERS rates are based on the experience study released by the Retirement Systems Actuary and published in their August 2020 Report. The TRS rates are based on the experience study released by the Office of the Actuary and published in their October 19, 2021 report.

# *LANSING CENTRAL SCHOOL DISTRICT*

## NOTES TO FINANCIAL STATEMENTS JUNE 30, 2024

*Note 11*    **Postemployment Benefits Other than Pensions - Continued**

**Total OPEB Liability - Continued**

Election percentage: It was assumed that 100% of future retirees eligible for coverage will elect retiree group benefits.

Spousal Coverage: It is assumed that 70% of retirees will be married at the time of their retirement, with the male spouse assumed to be approximately 3 years older than the female.

The annual rate of increase in healthcare costs were developed using the baseline projection of the SOA Long-Run Medical Cost Trend Model (v2022\_f4). The short term (first 4 years) trend rates were based on the recent premium rate history for the School District. The long-term (after 4 years) trend rates were based on various assumptions.

The actuarial assumptions used in the July 1, 2022 valuation were consistent with the requirements of GASB Statement No. 75 and Actuarial Standards of Practice (ASOPs).

**Changes in the Total OPEB Liability**

	<b>Total OPEB Liability</b>
<b>Balance at June 30, 2023</b>	<b>\$ 84,734,258</b>
<b>Changes for the Year</b>	
Service Cost	3,285,627
Interest Cost	3,071,855
Changes of Benefit Terms	-
Differences Between Expected and Actual Experience	-
Changes in Assumptions or Other Inputs	(1,467,123)
Benefit Payments	(2,488,635)
	2,401,724
<b>Balance at June 30, 2024</b>	<b>\$ 87,135,982</b>

# **LANSING CENTRAL SCHOOL DISTRICT**

## **NOTES TO FINANCIAL STATEMENTS JUNE 30, 2024**

**Note 11 Postemployment Benefits Other than Pensions - Continued**

Changes of assumptions and other inputs reflect a change in the discount rate from 3.54% on July 1, 2023 to 3.65% on July 1, 2024.

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

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

	<b>1% Decrease (2.65)%</b>	<b>Discount Rate (3.65)%</b>	<b>1% Increase (4.65)%</b>
Total OPEB Liability	\$ 101,878,559	\$ 87,135,982	\$ 75,275,002

**Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rate**

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

	<b>1% Decrease</b>	<b>Healthcare Cost Trend Rate</b>	<b>1% Increase</b>
Total OPEB Liability	\$ 73,002,101	\$ 87,135,982	\$ 105,437,559

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

For the year ended June 30, 2024, the School District recognized OPEB expense of \$5,883,838.

At June 30, 2024, the School District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences Between Expected and Actual Experience	\$ 53,117	\$ 1,519,293
Changes in Assumptions or Other Inputs	6,912,878	7,401,421
Contributions Subsequent to Measurement Date	2,562,696	-
<b>Total</b>	<b>\$ 9,528,691</b>	<b>\$ 8,920,714</b>

# **LANSING CENTRAL SCHOOL DISTRICT**

## **NOTES TO FINANCIAL STATEMENTS JUNE 30, 2024**

**Note 11 Postemployment Benefits Other than Pensions - Continued**

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

<b>Fiscal Year</b>	<b>Amount</b>
<u>Ending June 30,</u>	<u>Amount</u>
2025	\$ 430,780
2026	638,786
2027	(225,415)
2028	(1,323,108)
2029	(1,284,401)
2030 and Thereafter	(191,361)

**Current Year Activity**

The following is a summary of current year activity:

	<u>Beginning Balance</u>	<u>Change</u>	<u>Ending Balance</u>
OPEB Liability	\$ (84,734,258)	\$ 2,401,724	\$ (87,135,982)
Deferred Outflows of Resources	12,234,866	2,706,175	9,528,691
Deferred Inflows of Resources	<u>(10,707,471)</u>	<u>(1,786,757)</u>	<u>(8,920,714)</u>
<b>Total</b>	<u><b>\$ (83,206,863)</b></u>	<u><b>\$ 3,321,142</b></u>	<u><b>\$ (86,528,005)</b></u>

**Note 12 Commitments and Contingencies**

**Risk Financing and Related Insurance**

**General Information**

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

# ***LANSING CENTRAL SCHOOL DISTRICT***

## **NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2024**

### ***Note 12* Commitments and Contingencies - Continued**

#### **Health Insurance**

The School District incurs costs related to an employee health insurance plan (Plan) sponsored by the Tompkins-Seneca-Tioga BOCES health insurance consortium. The Plan's objectives are to formulate, develop, and administer a program of insurance to obtain lower costs for that coverage, and to develop a comprehensive loss control program. Plan members include nine districts, with the School District bearing a proportionate share of the Plan's assets and claims liabilities. Plan members are subject to a supplemental assessment in the event of deficiencies.

If the Plan's assets were to be exhausted, members would be responsible for the Plan's liabilities. Plan financial statements may be obtained at TST BOCES, 555 Warren Road, Ithaca, New York.

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

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

During the year ended June 30, 2024, the School District incurred premiums or contribution expenditures totaling \$7,140,765.

#### **Workers' Compensation**

The School District participates and incurs costs related to a workers' compensation insurance plan (Plan) sponsored by BOCES and its component districts. The Plan's objectives are to formulate, develop, and administer a program of insurance to obtain lower costs for that coverage, and to develop a comprehensive loss control program.

School Districts joining the Plan must remain members for a minimum of one year; a member may withdraw from the Plan after that time by forwarding a resolution passed by the School District Board of Education prior to the end of the fiscal year. Plan members include eight districts and one BOCES, with the School District bearing a share of the Plan's assets and claims liabilities. Plan members are subject to a supplemental assessment in the event of deficiencies. If the Plan's assets were to be exhausted, members would be responsible for the Plan's liabilities. Plan financial statements may be obtained at TST BOCES, 555 Warren Road, Ithaca, NY.

# ***LANSING CENTRAL SCHOOL DISTRICT***

## **NOTES TO FINANCIAL STATEMENTS JUNE 30, 2024**

### ***Note 12* Commitments and Contingencies - Continued**

#### **Workers' Compensation - Continued**

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

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

During the year ended June 30, 2024, the School District incurred premiums or contribution expenditures totaling \$102,612.

#### **Other Items**

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

# LANSING CENTRAL SCHOOL DISTRICT

## NOTES TO FINANCIAL STATEMENTS JUNE 30, 2024

**Note 13 Fund Balance Detail**

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

	General Fund	Debt Service Fund	Special Aid Fund	Non-Major Governmental Funds
<b>Nonspendable</b>				
Inventory	\$ -	\$ -	\$ -	\$ 15,494
<b>Total Nonspendable Fund Balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 15,494</b>
<b>Restricted</b>				
Retirement Contribution Reserve - ERS	\$ 821,883	\$ -	\$ -	\$ -
Retirement Contribution Reserve - TRS	451,168	-	-	-
Tax Certiorari Reserve	107,748	-	-	-
Unemployment Insurance Reserve	47,058	-	-	-
Employee Benefit Accrued				
Liability Reserve	203,837	-	-	-
Capital Reserve	244,517	-	-	-
School Lunch	-	-	-	90,810
Scholarships and Other Restricted Resources	-	-	4,402	186,746
Debt Service	-	1,998,550	-	-
<b>Total Restricted Fund Balance</b>	<b>\$ 1,876,211</b>	<b>\$ 1,998,550</b>	<b>\$ 4,402</b>	<b>\$ 277,556</b>
<b>Assigned</b>				
Appropriated for Next Year's Budget	\$ 986,300	\$ -	\$ -	\$ -
Encumbered for:				
General Support	165,220	-	-	-
Instruction	111,180	-	-	-
Transportation	10,976	-	-	-
Employee Benefits	1,136	-	-	-
Principal and Interest	46,116	-	-	-
<b>Total Assigned Fund Balance</b>	<b>\$ 1,320,928</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

# *LANSING CENTRAL SCHOOL DISTRICT*

## NOTES TO FINANCIAL STATEMENTS JUNE 30, 2024

**Note 14 Restricted Fund Balances**

Portions of fund balance are restricted and are not available for current expenditures as reported in the Governmental Funds Balance Sheet. The balances and activity for the year ended June 30, 2024 of the General Fund reserves were as follows:

<u>General Fund</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Interest Earned</u>	<u>Appropriated</u>	<u>Ending Balance</u>
Retirement Contribution Reserve - ERS	\$ 704,446	\$ 69,944	\$ 47,493	\$ -	\$ 821,883
Retirement Contribution Reserve - TRS	196,894	241,000	13,274	-	451,168
Tax Certiorari Reserve	104,474	-	3,274	-	107,748
Unemployment Insurance Reserve	45,628	-	1,430	-	47,058
Employee Benefit Accrued Liability Reserve	195,062	-	8,775	-	203,837
Capital Projects Reserve	372,964	-	-	(372,964)	-
Capital Reserve	1,341,781	672,964	29,772	(1,800,000)	244,517
<b>Total</b>	<b><u>\$ 2,961,249</u></b>	<b><u>\$983,908</u></b>	<b><u>\$ 104,018</u></b>	<b><u>\$ (2,172,964)</u></b>	<b><u>\$ 1,876,211</u></b>

**Note 15 Stewardship, Compliance and Accountability**

**Deficit Net Position**

At June 30, 2023 the District-wide Statement of Net Position had an unrestricted (deficit) net position of \$(82,004,599). This is the result of the requirement to record other postemployment benefit liability with no requirement or mechanism to fund this liability (see Note 11). This deficit is not expected to be eliminated during the normal course of operations.

**Deficit Assigned Fund Balance**

At June 30, 2024, the Capital Project Funds had a (deficit) of \$(246,913). This deficit is expected to be eliminated with permanent financing at the completion of the respective projects.

**Note 16 Tax Abatements**

For the year ended June 30, 2024, property in the School District was subject to property tax abatements negotiated by the Tompkins County Industrial Development Agency (TCIDA).

TCIDA enters into PILOT agreements with businesses within Tompkins County under New York State GML §858. Economic development agreements entered into by TCIDA can include the abatement of county, local, and school district taxes. In this case, negotiated abatements have resulted in reductions of property taxes, which TCIDA administers as a temporary reduction in the assessed value of the property involved. The abatement agreements generally stipulate a percentage reduction of property taxes, but sometimes stipulate a dollar value reduction in lieu of a percentage reduction. The School District's property tax revenue was reduced by \$82,337. The School District received PILOTs totaling \$154,493.

**Note 17 Subsequent Event**

On August 7, 2024, the School District issued bond anticipation notes totaling \$8,789,000 at an interest rate of 4.5%.

# LANSING CENTRAL SCHOOL DISTRICT

## SCHEDULE OF REVENUES COMPARED TO BUDGET (NON-U.S. GAAP) GENERAL FUND FOR THE YEAR ENDED JUNE 30, 2024

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES</b>				
<b>Local Sources</b>				
Real Property Taxes	\$ 21,780,485	\$ 21,780,485	\$ 21,775,041	\$ (5,444)
Real Property Tax Items	1,145,810	1,145,810	1,160,853	15,043
Charges for Services	42,500	42,500	37,074	(5,426)
Use of Money and Property	82,500	82,500	501,673	419,173
Sale of Property and Compensation for Loss	12,500	12,500	18,240	5,740
Miscellaneous	680,000	680,000	1,225,288	545,288
<b>Total Local Sources</b>	<b>23,743,795</b>	<b>23,743,795</b>	<b>24,718,169</b>	<b>974,374</b>
State Sources	12,390,251	12,390,251	11,868,166	(522,085)
Medicaid Reimbursement	50,000	50,000	40,577	(9,423)
<b>Total Revenues</b>	<b>36,184,046</b>	<b>36,184,046</b>	<b>36,626,912</b>	<b>442,866</b>
<b>OTHER FINANCING SOURCES</b>				
Operating Transfers In	100,000	100,000	101,717	1,717
<b>Total Revenues and Other Financing Sources</b>	<b>36,284,046</b>	<b>36,284,046</b>	<b>\$ 36,728,629</b>	<b>\$ 444,583</b>
Appropriated Fund Balance	350,000	350,000		
Appropriated Reserve	-	1,800,000		
Encumbrances Carried Forward From Prior Year	244,299	244,299		
<b>Total Revenues, Appropriated Reserves, and Designated Fund Balance</b>	<b>\$ 36,878,345</b>	<b>\$ 38,678,345</b>		

*See Notes to Required Supplementary Information*

# LANSING CENTRAL SCHOOL DISTRICT

## SCHEDULE OF EXPENDITURES COMPARED TO BUDGET (NON-U.S. GAAP) GENERAL FUND FOR THE YEAR ENDED JUNE 30, 2024

	Original Budget	Final Budget	Actual	Encumbrances	Variance Favorable (Unfavorable)
<b>EXPENDITURES</b>					
<b>General Support</b>					
Board of Education	\$ 35,053	\$ 52,676	\$ 47,894	\$ 4,782	\$ -
Central Administration	286,626	303,407	301,108	2,133	166
Finance	596,694	588,012	583,150	4,380	482
Staff	193,009	232,797	214,750	17,890	157
Central Services	2,047,281	1,956,879	1,741,587	136,035	79,257
Special Items	770,946	756,346	755,030	-	1,316
<b>Total General Support</b>	<b>3,929,609</b>	<b>3,890,117</b>	<b>3,643,519</b>	<b>165,220</b>	<b>81,378</b>
<b>Instruction</b>					
Instruction, Administration, and Improvement	1,144,053	1,214,085	1,205,340	1,208	7,537
Teaching - Regular School	8,902,286	8,881,537	8,853,512	2,773	25,252
Programs for Children With Handicapping Conditions	5,031,992	5,100,114	5,004,680	92,277	3,157
Teaching - Special School	131,173	131,173	131,173	-	-
Instructional Media	1,367,854	1,053,452	1,051,291	426	1,735
Pupil Services	1,658,069	1,653,397	1,617,894	14,496	21,007
<b>Total Instruction</b>	<b>18,235,427</b>	<b>18,033,758</b>	<b>17,863,890</b>	<b>111,180</b>	<b>58,688</b>
Pupil Transportation	1,504,221	1,427,614	1,378,630	10,976	38,008
Employee Benefits	10,301,041	10,266,219	10,211,045	1,136	54,038
<b>Debt Service</b>					
Principal	2,786,047	2,329,141	2,279,141	46,116	3,884
Interest	-	809,496	808,405	-	1,091
<b>Total Debt Service</b>	<b>2,786,047</b>	<b>3,138,637</b>	<b>3,087,546</b>	<b>46,116</b>	<b>4,975</b>
<b>Total Expenditures</b>	<b>36,756,345</b>	<b>36,756,345</b>	<b>36,184,630</b>	<b>334,628</b>	<b>237,087</b>
<b>OTHER FINANCING USES</b>					
Operating Transfers Out	122,000	1,922,000	1,898,643	-	23,357
<b>Total Expenditures and Other Financing Uses</b>	<b>\$ 36,878,345</b>	<b>\$ 38,678,345</b>	<b>38,083,273</b>	<b>\$ 334,628</b>	<b>\$ 260,444</b>
<b>Net Change in Fund Balance</b>			(1,354,644)		
Fund Balance - Beginning of Year			5,631,854		
<b>Fund Balance - End of Year</b>			<b>\$ 4,277,210</b>		

*See Notes to Required Supplementary Information*

# LANSING CENTRAL SCHOOL DISTRICT

## SCHEDULE OF SCHOOL DISTRICT CONTRIBUTIONS NYSLRS PENSION PLAN FOR THE LAST 10 FISCAL YEARS

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually Required Contribution	\$ 427,520	\$ 330,240	\$ 424,965	\$ 399,169	\$ 387,590	\$ 356,044	\$ 364,038	\$ 355,255	\$ 388,265	\$ 439,583
Contributions in Relation to the Contractually Required Contribution	(427,520)	(330,240)	(424,965)	(399,169)	(387,590)	(356,044)	(364,038)	(355,255)	(388,265)	(439,583)
Contribution Deficiency (Excess)	-	-	-	-	-	-	-	-	-	-
School District's Covered Employee Payroll	3,574,741	3,215,040	2,875,709	2,966,132	2,885,628	2,669,784	2,659,106	2,484,937	2,301,111	2,296,267
Contributions as a Percentage of Covered Employee Payroll	12.0%	10.3%	14.9%	13.5%	13.4%	13.3%	13.8%	14.3%	16.9%	19.1%

## SCHEDULE OF SCHOOL DISTRICT CONTRIBUTIONS NYSTRS PENSION PLAN FOR THE LAST 10 FISCAL YEARS

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually Required Contribution	\$ 1,207,077	\$ 1,241,755	\$ 1,084,023	\$ 979,478	\$ 933,469	\$ 1,066,325	\$ 958,394	\$ 1,115,961	\$ 1,232,992	\$ 1,570,774
Contributions in Relation to the Contractually Required Contribution	(1,207,077)	(1,241,755)	(1,084,023)	(979,478)	(933,469)	(1,066,325)	(958,394)	(1,115,961)	(1,232,992)	(1,570,774)
Contribution Deficiency (Excess)	-	-	-	-	-	-	-	-	-	-
School District's Covered Employee Payroll	11,719,194	12,055,854	11,061,459	10,310,295	10,488,416	10,059,670	11,413,673	9,521,852	9,298,582	8,960,491
Contributions as a Percentage of Covered Employee Payroll	9.8%	10.3%	9.8%	9.5%	8.9%	10.6%	8.4%	11.7%	13.3%	17.5%

See Notes to Required Supplementary Information

# LANSING CENTRAL SCHOOL DISTRICT

## SCHEDULE OF THE SCHOOL DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION (ASSET)/LIABILITY NYSLRS PENSION PLAN FOR THE YEARS ENDED JUNE 30,

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
School District's Proportion of the Net Pension (Asset)/Liability	0.0124490%	0.0109772%	0.0100317%	0.0102999%	0.0101688%	0.0093273%	0.0093751%	0.0089431%	0.0089287%	0.0088022%
\$	\$ 1,832,991	\$ 2,353,951	\$ (820,054)	\$ 10,256	\$ 2,692,627	\$ 660,867	\$ 302,578	\$ 840,318	\$ 1,433,078	\$ 297,359
School District's Proportionate Share of the Net Pension (Asset)/Liability During the Measurement Period	3,558,084	3,100,692	2,845,836	2,966,132	2,885,628	2,669,784	2,600,314	2,446,125	2,256,082	2,272,262
School District's Proportionate Share of the Net Pension (Asset)/Liability as a Percentage of its Covered Employee Payroll	51.5%	75.9%	(28.8)%	0.3%	93.3%	24.8%	11.6%	34.4%	63.5%	13.1%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	93.9%	90.8%	103.7%	99.9%	86.4%	96.3%	98.2%	94.7%	90.7%	97.9%
<b>The Following is a Summary of Changes of Assumptions</b>										
Inflation	2.90%	2.90%	2.70%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.70%
Salary	4.40%	4.40%	4.40%	4.50%	4.20%	3.80%	3.80%	3.80%	3.80%	3.80%
Cost of Living Adjustments	1.50%	1.50%	1.40%	1.30%	1.30%	1.30%	1.30%	1.30%	1.30%	1.30%
Investment Rate of Return	5.90%	5.90%	5.90%	6.80%	6.80%	7.00%	7.00%	7.00%	7.00%	7.00%
Discount Rate	5.90%	5.90%	5.90%	6.80%	6.80%	7.25%	7.00%	7.50%	7.00%	7.50%
Society of Actuaries' Mortality Scale	MP-2021	MP-2021	MP-2020	MP-2019	MP-2018	MP-2014	MP-2014	MP-2014	MP-2014	MP-2014

See Notes to Required Supplementary Information

# LANSING CENTRAL SCHOOL DISTRICT

## SCHEDULE OF THE SCHOOL DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION (ASSET)/LIABILITY NYSTRS PENSION PLAN FOR THE YEARS ENDED JUNE 30,

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
School District's Proportion of the Net Pension (Asset)/Liability	0.065339%	0.062440%	0.060553%	0.063073%	0.060154%	0.060045%	0.060226%	0.060259%	0.059652%	0.059978%
School District's Proportionate Share of the Net Pension (Asset)/Liability During the Measurement Period	\$ 747,209	\$ 1,198,160	\$ (10,493,310)	\$ 1,715,246	\$ (1,562,813)	\$ (1,085,767)	\$ (457,778)	\$ 645,400	\$ (6,193,909)	\$ (6,681,121)
School District's Covered Employee Payroll	12,317,112	12,055,854	11,061,459	10,310,295	10,488,416	11,413,673	9,521,852	9,521,852	9,298,582	8,960,491
School District's Proportionate Share of the Net Pension (Asset)/Liability as a Percentage of its Covered Employee Payroll	6.1%	9.9%	94.9%	16.6%	14.9%	9.5%	4.8%	6.8%	66.6%	74.6%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	99.2%	98.6%	113.2%	97.8%	102.2%	101.5%	100.7%	99.0%	110.5%	111.5%
<b>The Following is a Summary of Changes of Assumptions</b>										
Inflation	2.40%	2.40%	2.20%	2.20%	2.25%	2.25%	2.50%	2.50%	3.00%	3.00%
Salary	1.95%-5.18%	1.95%-5.18%	1.90%-4.72%	1.90%-4.72%	1.90%-4.72%	1.90%-4.72%	1.90%-4.72%	1.90%-4.72%	4.0%-10.9%	4.0%-10.9%
Cost of Living Adjustments	1.30%	1.30%	1.30%	1.30%	1.50%	1.50%	1.50%	1.50%	1.63%	1.63%
Investment Rate of Return	6.95%	6.95%	7.10%	7.10%	7.25%	7.25%	7.50%	7.50%	8.00%	8.00%
Discount Rate	6.95%	6.95%	7.10%	7.10%	7.25%	7.00%	7.00%	7.00%	8.00%	8.00%
Society of Actuaries' Mortality Scale	MP-2021	MP-2019	MP-2018	MP-2018	MP-2014	MP-2014	MP-2014	MP-2014	AA	AA

See Notes to Required Supplementary Information

# LANSING CENTRAL SCHOOL DISTRICT

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

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
<b>Total OPEB Liability</b>										
Service Cost	\$ 3,285,627	\$ 3,215,857	\$ 3,249,473	\$ 2,127,780	\$ 2,227,301	\$ 2,280,284	\$ 2,968,078	\$	\$	\$
Interest Cost	3,071,855	1,972,182	1,950,916	2,512,625	2,704,002	2,536,440	2,199,749			
Changes of Benefit Terms	-	-	-	-	-	(1,925,432)	-			
Differences Between Expected and Actual Experience	-	(155,686)	-	(3,644,817)	-	643,331	-			
Changes in Assumptions or Other Inputs	(1,467,123)	(8,061,254)	1,007,818	16,477,955	(975,820)	(2,331,259)	(9,680,443)			
Benefit Payments	(2,488,635)	(2,358,066)	(2,228,562)	(1,986,942)	(1,888,106)	(1,584,288)	(1,469,902)			
Total OPEB Liability - Beginning of Year	2,401,724	(5,386,967)	3,979,645	15,486,601	2,067,377	(380,924)	(5,982,518)			
	84,734,258	90,121,225	86,141,580	70,654,979	68,587,602	68,968,526	74,951,044			
<b>Total OPEB Liability - End of Year</b>	<b>\$ 87,135,982</b>	<b>\$ 84,734,258</b>	<b>\$ 90,121,225</b>	<b>\$ 86,141,580</b>	<b>\$ 70,654,979</b>	<b>\$ 68,587,602</b>	<b>\$ 68,968,526</b>	<b>\$ 74,951,044</b>	<b>\$</b>	<b>\$</b>
Covered Employee Payroll	\$ 17,612,316	\$ 14,019,983	\$ 13,011,254	\$ 13,451,746	\$ 14,052,090	\$ 12,270,572	\$ 12,921,712	\$	\$	\$
<b>Total OPEB Liability as a Percentage of Covered Payroll</b>	<b>495%</b>	<b>604%</b>	<b>693%</b>	<b>640%</b>	<b>503%</b>	<b>559%</b>	<b>534%</b>	<b>*</b>	<b>*</b>	<b>*</b>
<b>The Following is a Summary of Changes of Assumptions</b>										
Health Cost Trend Rates	7.00%-3.94%	7.00%-3.94%	7.00%-4.04%	7.00%-4.04%	6.00%-3.84%	6.30%-3.84%	6.30%-3.84%	*	*	*
Salary Increase	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	*	*	*
Discount Rate	3.65%	3.54%	2.14%	2.21%	3.50%	3.87%	3.60%	*	*	*
Society of Actuaries' Morality Scale	MP-2021	MP-2021	MP-2021	MP-2020	MP-2018	MP-2018	MP-2018	*	*	*

\*Information for periods prior to implementation of GASB Statement No. 75 is unavailable and will be completed as it becomes available.

See Notes to Required Supplementary Information

# ***LANSING CENTRAL SCHOOL DISTRICT***

## **NOTES TO REQUIRED SUPPLEMENTARY INFORMATION JUNE 30, 2024**

***Note 1***     **Budget Basis of Accounting**

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

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

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

No adjustment is necessary to convert excess of revenues and other sources over expenditures and other uses on the U.S. GAAP basis to the budget basis, as there were no encumbrances added to the actual expenditures recorded in the budgetary comparison schedules.

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

Changes of assumptions and other inputs reflect the effects of changes in the discount rate each period. The following are the discount rates in each period:

**NYSLRS**

**Changes in Benefit Terms**

None.

**NYSTRS**

**Changes in Benefit Terms**

Effective with the 2023 actuarial valuation, the following plan change was effective Chapter 720 on the Laws of 2022 changed the age at which reduction in the ordinary death benefit commence to age 62 for members with a date of membership prior to April 1, 2012 (before it was 61), and to age 63 for members with a date of membership on or after April 1, 2012 (before it was 61). The post-retirement death benefit has been increased as well.

# *LANSING CENTRAL SCHOOL DISTRICT*

## SCHEDULES OF CHANGE FROM ADOPTED BUDGET TO FINAL BUDGET AND THE REAL PROPERTY TAX LIMIT FOR THE YEAR ENDED JUNE 30, 2024

### CHANGE FROM ADOPTED BUDGET TO FINAL BUDGET

Adopted Budget		\$ 36,634,046
Prior Year's Encumbrances		244,299
Original Budget		36,878,345
Additions:		
Appropriated Reserves		1,800,000
<b>Final Budget</b>		<b>\$ 38,678,345</b>

### §1318 OF REAL PROPERTY TAX LAW LIMIT CALCULATION

2024 - 2025 Voter Approved Expenditure Budget		\$ 38,592,972
Maximum Allowed (4% of 2024 - 2025 Budget)		\$ 1,543,719

### General Fund Fund Balance Subject to §1318 of Real Property Tax Law

<b>Unrestricted Fund Balance</b>		
Assigned Fund Balance		\$ 1,320,928
Unassigned Fund Balance		1,080,071
<b>Total Unrestricted Fund Balance</b>		<b>2,400,999</b>

<b>(Less)</b>		
Appropriated Fund Balance		\$ 986,300
Encumbrances Included in Assigned Fund Balance		334,628
<b>Total Adjustments</b>		<b>1,320,928</b>

<b>General Fund Fund Balance Subject to §1318 of Real Property Tax Law</b>		<b>\$ 1,080,071</b>
--	--	---------------------

Actual Percentage		2.80%
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# LANSING CENTRAL SCHOOL DISTRICT

## SCHEDULE OF PROJECT EXPENDITURES CAPITAL PROJECTS FUND FOR THE YEAR ENDED JUNE 30, 2024

PROJECT TITLE	Original Budget	Revised Budget	Prior Years	Expenditures		*Unexpended Budget Balance	Methods of Financing		Fond Balance (Deficit) June 30, 2024	
				Current Year	Transfer Out		Total	State Aid		Local Sources
2016 Referendum - Smart Bonds	\$ 4,950,000	\$ 4,950,000	\$ 4,504,981	\$ -	\$ 445,019	\$ 4,950,000	\$ -	\$ 1,855,000	\$ 4,950,000	\$ -
2020 Referendum - Smart Project	7,317,800	7,317,800	6,662,750	58,615	-	6,721,365	4,450,000	2,109,400	6,559,400	(161,965)*
2022 Referendum- NPA	3,147,858	3,147,858	149,216	250,749	-	399,965	-	-	-	(399,965)
2023 Referendum- Summer 2024-2026 Project	16,858,166	16,858,166	-	1,485,083	-	1,485,083	-	1,800,100	1,800,100	315,017
2020-2021 Capital Project	100,000	81,994	81,994	-	-	81,994	-	81,994	81,994	-
2022-2023 Capital Project	100,000	94,827	94,827	-	-	94,827	-	94,827	94,827	-
2023-2024 Capital Project	100,000	100,000	-	8,528	-	8,528	-	8,528	8,528	-
SMART Schools Bond Act - 2019	680,866	680,899	687,078	-	-	687,078	-	687,078	687,078	-
Equipment Leases	142,168	142,168	-	206,038	-	206,038	206,038	-	206,038	-
<b>Total</b>	<b>\$ 33,396,858</b>	<b>\$ 33,373,712</b>	<b>\$ 12,180,846</b>	<b>\$ 2,009,013</b>	<b>\$ 445,019</b>	<b>\$ 14,634,878</b>	<b>\$ 18,802,704</b>	<b>\$ 7,751,038</b>	<b>\$ 5,949,849</b>	<b>\$ (246,913)</b>

\* Architectural and State Approved Budget Modifications for Sub-Project Reallocations Not Yet Finalized and Were Unavailable at this Report Date.

# ***LANSING CENTRAL SCHOOL DISTRICT***

## **SCHEDULE OF NET INVESTMENT IN CAPITAL ASSETS JUNE 30, 2024**

<b>Capital Assets, Net</b>	<b>\$ 41,459,647</b>
(Deduct):	
Capital Fund Payables	(51,425)
Retainage Payable	(86,376)
Premium on Bonds Payable	(1,457,514)
Short-Term Portion of Bonds Payable	(1,560,000)
Long-Term Portion of Bonds Payable	(12,335,000)
Short-Term Portion of Installment Purchase Debt Payable	(385,000)
Long-Term Portion of Installment Purchase Debt Payable	(265,000)
Short-Term Portion of Lease Liabilities	<u>(145,842)</u>
<b>Net Investment in Capital Assets</b>	<b><u>\$ 25,173,490</u></b>

# *LANSING CENTRAL SCHOOL DISTRICT*

## BALANCE SHEET NON-MAJOR GOVERNMENTAL FUNDS JUNE 30, 2024

	Special Revenue Funds		Total Non-Major Governmental Funds
	School Lunch Fund	Miscellaneous Special Revenue Fund	
<b>ASSETS</b>			
Cash - Unrestricted	\$ -	\$ 3,310	\$ 3,310
Cash - Restricted	94,717	183,436	278,153
Receivables:			
State and Federal Aid	44,300	-	44,300
Other	2,770	-	2,770
Inventories	15,494	-	15,494
<b>Total Assets</b>	<b>\$ 157,281</b>	<b>\$ 186,746</b>	<b>\$ 344,027</b>
<b>LIABILITIES</b>			
Payables:			
Accounts Payable	\$ 3,908	\$ -	\$ 3,908
Accrued Liabilities	1,533	-	1,533
Due to Other Funds	29,856	-	29,856
Due to Other Governments	386	-	386
Unearned Revenues	15,294	-	15,294
<b>Total Liabilities</b>	<b>50,977</b>	<b>-</b>	<b>50,977</b>
<b>FUND BALANCES</b>			
Nonspendable	15,494	-	15,494
Restricted	90,810	186,746	277,556
<b>Total Fund Balance</b>	<b>106,304</b>	<b>186,746</b>	<b>293,050</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$ 157,281</b>	<b>\$ 186,746</b>	<b>\$ 344,027</b>

# *LANSING CENTRAL SCHOOL DISTRICT*

## STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - NON-MAJOR GOVERNMENTAL FUNDS FOR THE YEAR ENDED JUNE 30, 2024

	<u>Special Revenue Funds</u>		<u>Total Non-Major Governmental Funds</u>
	<u>School Lunch Fund</u>	<u>Miscellaneous Special Revenue Fund</u>	
<b>REVENUES</b>			
Use of Money and Property	\$ 40	\$ 8,932	\$ 8,972
Miscellaneous	59	17,602	17,661
State Sources	231,722	-	231,722
Federal Sources	331,825	-	331,825
Sales - School Lunch	146,239	-	146,239
<b>Total Revenues</b>	<u>709,885</u>	<u>26,534</u>	<u>736,419</u>
<b>EXPENDITURES</b>			
Instruction	359,183	26,372	385,555
Employee Benefits	128,305	-	128,305
Cost of Sales	285,173	-	285,173
<b>Total Expenditures</b>	<u>772,661</u>	<u>26,372</u>	<u>799,033</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>(62,776)</u>	<u>162</u>	<u>(62,614)</u>
Net Change in Fund Balances	<u>(62,776)</u>	<u>162</u>	<u>(62,614)</u>
Fund Balances - Beginning of Year	169,080	186,584	355,664
<b>Fund Balances - End of Year</b>	<u>\$ 106,304</u>	<u>\$ 186,746</u>	<u>\$ 293,050</u>



**INDEPENDENT AUDITORS' 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  
Lansing Central School District  
Lansing, New York

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Lansing Central School District (the School District), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements, and have issued our report thereon dated October 11, 2024.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the 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 the School District's internal control. Accordingly, we do not express an opinion on the effectiveness of the 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 may exist that have not been identified.

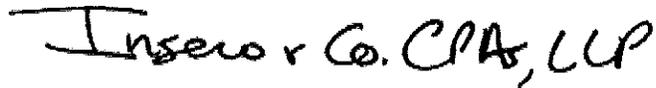
**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the School District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on 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.

Respectfully submitted,



Insero & Co. CPAs, LLP  
Certified Public Accountants

Ithaca, New York  
October 11, 2024



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH  
MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE  
REQUIRED BY UNIFORM GUIDANCE**

Board of Education  
Lansing Central School District  
Lansing, New York

**Report on Compliance for Each Major Federal Program**

We have audited the Lansing Central School District's (the School District) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the School District's major federal programs for the year ended June 30, 2024. The School District's major federal programs are identified in the summary of auditors' results section of the accompanying Schedule of Findings and Questioned Costs.

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

**Basis for Opinion on Each Major Federal Program**

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

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

### **Responsibilities of Management for Compliance**

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

### **Auditors' Responsibilities for the Audit of Compliance**

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

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

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

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

### **Report on Internal Control Over Compliance**

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

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

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

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

Respectfully submitted,



Inero & Co. CPAs, LLP  
Certified Public Accountants

Ithaca, New York  
October 11, 2024

# **LANSING CENTRAL SCHOOL DISTRICT**

## **SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED JUNE 30, 2024**

Federal Grantor/Pass - Through Grantor Program Title	Federal ALN #	Pass - Through Grantor #	Pass - Through to Subrecipients	Expenditures
<b>U.S. Department of Education</b>				
Passed Through NYS Department of Education:				
Title I Grants to Local Educational Agencies	84.010	0021243380	\$ -	\$ 179,622
Education Stabilization Funds (ESF)				
(COVID-19) American Rescue Plan - Elementary and Secondary School Emergency Relief Fund	84.425U	5880213380	-	364,847
(COVID-19) American Rescue Plan - Elementary and Secondary School Emergency Relief Fund	84.425U	5882213380	-	35,054
(COVID-19) American Rescue Plan - Elementary and Secondary School Emergency Relief Fund	84.425U	5883213380	-	25,775
(COVID-19) American Rescue Plan - Elementary and Secondary School Emergency Relief Fund	84.425U	5884213380	-	112,453
(COVID-19) American Rescue Plan - Universal Pre-K	84.425U	5870239159	-	140,399
<b>Total ESF</b>			<u>-</u>	<u>678,528</u>
Supporting Effective Instruction State Grants	84.367	0147243380	-	24,169
Title IV Student Support and Academic Enrichment Program	84.424	0204243380	-	14,063
Special Education Cluster:				
Special Education - Grants to States	84.027	0032240985	-	294,172
Special Education - Preschool Grants	84.173	0033240985	-	6,091
<b>Total Special Education Cluster</b>			<u>-</u>	<u>300,263</u>
<b>Total U.S. Department of Education</b>			<u>-</u>	<u>1,196,645</u>
<b>U.S. Department of Agriculture</b>				
Passed Through NYS Department of Education:				
Child Nutrition Cluster:				
School Breakfast Program	10.553	(1)	-	242,523
National School Lunch Program	10.555	(1)	-	54,312
<b>Total Child Nutrition Cluster</b>			<u>-</u>	<u>296,835</u>
Direct Programs				
(COVID-19) State Pandemic EBT Food Benefits (P-EBT) Administrative Costs Grant	10.649	N/A	-	34,990
<b>Total U.S. Department of Agriculture</b>			<u>-</u>	<u>331,825</u>
<b>Total Expenditures of Federal Awards</b>			<u>\$ -</u>	<u>\$ 1,528,470</u>

(1) Denotes - Unable to Obtain from Pass-Through Entity

*See Notes to Schedule of Expenditures of Federal Awards*

# ***LANSING CENTRAL SCHOOL DISTRICT***

## **NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

**JUNE 30, 2024**

**Note 1 Basis of Presentation**

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all Federal awards programs administered by the Lansing Central School District, an entity as defined in Note 1 to the School District's basic financial statements. Federal awards received directly from federal agencies, as well as federal awards passed through from other government agencies, are included on the Schedule of Expenditures of Federal Awards.

**Note 2 Basis of Accounting**

The basis of accounting varies by federal program consistent with the underlying regulations pertaining to each program. The information is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore some amounts presented in this schedule may differ from amounts presented in, or used in, preparation of the financial statements.

**Note 3 Indirect Costs**

Indirect costs are included in the reported expenditures to the extent they are included in the federal financial reports used as the source for the data presented. The School District has elected not to use the 10% de minimis indirect cost rate allowed under Uniform Guidance.

**Note 4 Matching Costs**

Matching costs, such as the School District's share of certain program costs, are not included in the reported expenditures.

**Note 5 Non-Monetary Federal Program**

The School District is the recipient of a federal award program that does not result in cash receipts or disbursements termed a "non-monetary program." During the year ended June 30, 2023, the School District received \$41,743 worth of commodities under the National School Lunch Program (ALN #10.555).

**Note 6 Subrecipients**

No amounts were provided to subrecipients.

**Note 7 Other Disclosures**

No insurance is carried specifically to cover equipment purchased with Federal Funds. Any equipment purchased with Federal Funds has only a nominal value and is covered by the School District's casualty insurance policies.

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

# LANSING CENTRAL SCHOOL DISTRICT

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED JUNE 30, 2024

### Section I Summary of Auditors' Results:

#### *Financial Statements*

Type of auditors' report issued: Unmodified

Internal control over financial reporting:

Material weakness(es) identified?  yes  no

Significant deficiency(ies) identified that are not considered to be material weakness(es)?  yes  none reported

Noncompliance material to financial statements noted?  yes  no

#### *Federal Awards*

Internal control over major programs:

Material weakness(es) identified?  yes  no

Significant deficiency(ies) identified that are not considered to be material weakness(es)?  yes  none reported

Type of auditors' report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR §200.516(a)?  yes  no

Identification of major programs:

<u>Assistance Listing Numbers</u>	<u>Name of Federal Program or Cluster</u>
<u>84.425U</u>	<u>Education Stabilization Funds</u>

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

Auditee qualified as low-risk?  yes  no

***LANSING CENTRAL SCHOOL DISTRICT***

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2024**

**Section II**      **Financial Statement Findings**  
None.

**Section III**    **Federal Award Findings and Questioned Costs**  
None.

## FORM OF BOND COUNSEL’S OPINION

July 17, 2025

Lansing Central School District  
County of Tompkins  
State of New York

Re: Lansing Central School District, Tompkins County, New York  
\$17,938,166 Bond Anticipation Notes, 2025

Ladies and Gentlemen:

We have examined a record of proceedings relating to the issuance of \$17,938,166 Bond Anticipation Notes, 2025 (referred to herein as the “Notes”), of the Lansing Central School District, Tompkins County, State of New York (the “District”). The Notes are dated July 17, 2025 and are being issued pursuant to the Constitution and laws of the State of New York, including the Education Law and Local Finance Law, resolutions of the District in respect of the Notes and a Certificate of Determination dated on or before July 17, 2025 of the President of the Board of Education relative to the form and terms of the Notes.

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

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

In our opinion (i) interest on the Notes is excluded from gross income for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the “Code”), and (ii) interest on the Notes is not treated as a preference item in calculating the alternative minimum tax under the Code, however, interest on the Notes is included in the “adjusted financial statement income” of certain corporations that are subject to the alternative minimum tax under Section 55 of the Code. In addition, under existing statutes, interest on the Notes is exempt from personal income taxes of New York State and its political subdivisions, including the City of New York. Bond counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of, or the accrual of interest on the Notes. We express no opinion regarding other tax consequences related to the ownership or disposition of, or the accrual or receipt of interest on, the Notes.

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

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

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

Very truly yours,

WJ Marquardt PLLC