OFFICIAL STATEMENT DATED AUGUST 24, 2023

NEW ISSUE/RENEWALS | **BOND ANTICIPATION NOTES**

In the opinion of Bond Counsel, under the existing statutes, regulations and court decisions, interest on the Notes is excludable from gross income for Federal income tax purposes, and, under the existing statutes, interest on the Bonds and Notes is exempt from New York State and New York City personal income taxes. In the opinion of Bond Counsel, interest on the Notes is not a specific preference item for purposes of Federal alternative minimum tax; however, for tax years beginning after December 31, 2022, 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. No opinion is expressed regarding other Federal tax consequences arising with respect to the Notes. See "Tax Exemption" herein.

The Notes will be designated as "qualified tax-exempt obligations" pursuant to Section 265(b)(3) of the Internal Revenue Code of 1986 as amended.

WHITESBORO CENTRAL SCHOOL DISTRICT
ONEIDA COUNTY, NEW YORK

$2,478,316
BOND ANTICIPATION NOTES, 2023
(the "Notes")

At an Interest Rate of 5.00% to Yield 3.75%
CUSIP: 965560MS1

Dated Date: September 7, 2023 | **Date of Maturity: September 6, 2024**

The Notes are general obligations of the Whitesboro Central School District, Oneida County, New York, all the taxable real property within which is subject to the levy of ad valorem taxes to pay the Notes and interest thereon, without limitation as to rate or amount, subject to applicable statutory limitations. See "Nature of the Obligation" and "TAX LEVY LIMITATION LAW" herein. The Notes will be issued without the option of prepayment, with interest payable at maturity.

The Notes will be dated September 7, 2023 and will mature, without option of prior redemption, on September 6, 2024.

The Notes will be issued in registered form in the names of Cede & Co. as nominee of the Depository Trust Company ("DTC"), New York, New York, which will act as the securities depository for the Notes.

The Notes are issued in registered in book-entry form, the Notes will be registered in the name of Cede & Co. as nominee of The Depository Trust Company ("DTC"), New York, New York, which will act as the securities depository for the Notes. Noteholders will not receive certificates representing their ownership interest in the Notes. Such Notes will be issued in denominations of $5,000 or integral multiples thereof except one odd denomination as needed, and payment of principal of and interest on the Notes to the Beneficial Owner(s) of the Notes will be made by DTC Direct Participants and Indirect Participants in accordance with standing instructions and customary practices, as is now the case with municipal securities held for the accounts of customers registered in the name of the purchaser or registered in "street name". Payment will be the responsibility of such DTC Direct Participants, subject to any statutory and regulatory requirements as may be in the effect from time to time. See "Book-Entry-Only System" herein.

The Notes are offered when, as and if issued and received by the purchaser(s) and subject to the receipt of an unqualified legal opinion as to the validity of the Notes of Timothy R. McGill, Esq., Fairport, New York. It is anticipated that the Notes will be available for delivery on or about September 7, 2023.

OPPENHEIMER & CO.

THIS REVISED OFFICIAL STATEMENT SUPPLEMENTS THE OFFICIAL STATEMENT OF THE SCHOOL DISTRICT DATED AUGUST 17, 2023 RELATING TO THE OBLIGATIONS THEREOF DESCRIBED THEREIN AND HEREIN BY INCLUDING CERTAIN INFORMATION OMITTED FROM SUCH OFFICIAL STATEMENT IN ACCORDANCE WITH SECURITIES AND EXCHANGE COMMISION RULE 15C2-12. OTHER THAN AS SET FORTH ON THIS REVISED COVER PAGE AND THE DATED DATE ON PAGE 43, THERE HAVE BEEN NO MATERIAL REVISIONS TO SAID OFFICIAL STATEMENT.

DATED: AUGUST 24, 2023

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WHITESBORO CENTRAL SCHOOL DISTRICT
ONEIDA COUNTY, NEW YORK

School District Officials

2023-24 BOARD OF EDUCATION

Michael Head - President
Brian McQueen - Vice President
-
Steven Farr
Dr. Jonathan Henderson
Cheryl Partyka La Valley
Thomas Schoen, Jr.
Dr. Steven Szatko

Dr. Brian K. Bellair – Superintendent
Joseph Muller – Assistant Superintendent for Business
Kimberly Powers – District Treasurer
Kimberly Bunal – District Clerk

School District Attorneys

Ferrara Fiorenza

BOND COUNSEL

Timothy R. McGill, Esq.

MUNICIPAL ADVISOR

R. G. Timbs, Inc.

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

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PREPARED WITH THE ASSISTANCE OF:

R. G. Timbs, Inc

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OFFICIAL STATEMENT

WHITESBORO CENTRAL SCHOOL DISTRICT
ONEIDA COUNTY, NEW YORK

Relating To

$2,478,316
Bond Anticipation Notes, 2023
(the "Notes")

This Official Statement, which includes the cover page, has been prepared by the Whitesboro Central School District, Oneida County, New York (the "District" or "School District", "County" and "State," respectively) in connection with the sale by the District of its $2,478,316 Bond Anticipation Notes, 2023 (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's 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 form of the Notes and such proceedings.

THE NOTES

DESCRIPTION OF THE NOTES

The Notes are general obligations of the District and will contain a pledge of its faith and credit for the payment of the principal of and interest on the Notes as required by the Constitution and laws of the State (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, without limitation as to rate or amount.

The Notes are dated September 7, 2023 and mature, without option of prior redemption, September 6, 2024. Interest will be calculated on a 30-day month and 360-day year basis, payable at maturity.

The Notes will be issued as registered notes and, at the option of the purchaser, may be registered to the Depository Trust Company ("DTC") or may be registered in the name of the purchaser.

If the Notes will be issued through DTC, the Notes will be registered in the name of Cede & Co., as nominee of DTC in New York, New York, which will act as Securities Depository for the Notes. Payments of principal of and interest on the Notes will be made by the District to DTC, which will in turn remit such principal and interest to its Participants, for subsequent distribution to the Beneficial Owners of the Notes.

If the Notes are registered in the name of the purchaser, principal of and interest on the Notes will be payable in Federal Funds by the District.

Purpose and Authorization

The Notes are authorized to be issued pursuant to the Constitution and laws of the State of New York, including among others, the Education Law, the Local Finance Law, for the following purposes:

The acquisition of school buses pursuant to a Bond Resolution dated June 11, 2019 authorizing the issuance of $650,974 serial bonds, of which the School District is now issuing $135,000 bond anticipation notes.

The acquisition of school buses pursuant to a Bond Resolution dated June 16, 2020 authorizing the issuance of $689,000 serial bonds, of which the School District is now issuing $285,000 bond anticipation notes.

The acquisition of school buses pursuant to a Bond Resolution dated June 15, 2021 authorizing the issuance of $723,000 serial bonds, of which the School District is now issuing $440,000.

The acquisition of school buses pursuant to a Bond Resolution dated June 7, 2022 authorizing the issuance of $722,500 serial bonds, of which the School District is now issuing $580,000.

The acquisition of school buses pursuant to a Bond Resolution dated June 13, 2023 authorizing the issuance of $1,038,316 serial bonds, of which the School District is now issuing $1,038,316.

The proceeds of the Notes together with $652,500 available funds of the District will redeem at maturity the $2,092,500 bond anticipation notes maturing September 8, 2023 and will provide $1,038,316 in new money for the aforementioned purpose.

Nature of the 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 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.

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.

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 Notes 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, only if requested by the purchaser prior to the initial issuance of Notes. One fully-registered note certificate will be issued for each of the notes bearing the same rate of interest and CUSIP number and will be deposited with DTC.

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

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

To facilitate subsequent transfers, all Notes deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Notes with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not affect 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 of them of notices of significant events with respect to the Notes, such as redemptions, tenders, defaults and proposed amendments to the Notes documents. For example. Beneficial Owners of Notes may wish to ascertain that the nominee holding the Notes for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption proceeds, distributions and dividend payments on the Notes will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the District, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC not its nominee or the District, subject to any statutory or regulatory requirements as may be in effect from time to time.

Payment of redemption proceeds, distributions, and dividend payments Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the District, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

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

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

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

Source: The Depository Trust Company

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

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

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

Certificated Notes

In the event the purchaser does not request the DTC book-entry-only system apply to the Notes on the date of initial issuance thereof, or in the event that book-entry only system is requested but subsequently discontinued by either DTC or the District, the following provisions will apply: The Notes will be issued registered in the name of the purchaser in denominations of $5,000 each or integral multiples thereof, except for any 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 a fiscal agent by the District. The Notes will remain not subject to redemption prior to their stated final maturity date.

THE SCHOOL DISTRICT

General Information

The District is located in central upstate New York, northwest and adjacent to the City of Utica. Its land area is approximately 65 square miles with portions of the District located in Oneida and Herkimer Counties.

As a suburb of the City of Utica, the District is primarily residential and commercial in character. Many of its residents are employed by the various industries in or near the Utica metropolitan area which are principally hospitality, healthcare, finance/insurance, social services, education and manufacturing.

Major highways serving the area include Interstate Highway 90 (New York State Thruway), which passes through the Mohawk Valley connecting the area to Albany to the east and Syracuse, Rochester and Buffalo to the west. Other major roadways which connect the region include State Routes 5, 8 and 12. Union Station in Utica is a beautifully restored train station that serves Amtrak, Adirondack Scenic Railway, and an occasional New York, Susquehanna & Western passenger train. Bus service is provided by Greyhound, Trailways, Utica Transit and other local bus lines.

District Population

The 2021 population of the School District is estimated to be 25,001. (Source: 2021 U.S. Census Bureau estimate).

Economic Developments

Wynn Hospital construction is in progress with plans for completion in 2023.

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, County and State are included for information only. It should not be inferred from the inclusion of such data in this Official Statement that the Towns, County or State are necessarily representative of the District, or vice versa.

	Per Capita Income			Median Family Income		
	2000	2006-2010	2017-2021	2000	2006-2010	2017-2021
Village Of:						
Whitesboro	$17,386	$22,173	$28,956	$42,741	$55,208	$69,160
Yorkville	17,727	19,499	26,807	42,813	51,941	60,795
Towns Of:						
Whitestown	19,507	27,192	36,182	49,798	66,969	85,236
Marcy	16,182	18,842	29,877	54,231	82,099	109,148
Deerfield	20,676	26,507	41,432	53,631	68,302	105,817
Trenton	23,139	29,860	36,197	56,377	76,324	82,356
Schuyler	18,205	21,772	29,956	42,500	54,386	74,167
County Of:						
Herkimer	16,141	21,908	30,791	40,570	53,288	79,001
Oneida	18,516	23,458	32,119	45,341	58,017	78,281
State Of:						
New York	23,389	30,948	43,208	51,691	67,405	92,731

Note: 2018-2022 American Community Survey Estimates are not available as of the date of this Official Statement.
Source: U.S. Census Bureau, 2000 census, 2006-2010 and 2017-2021 American Survey data.

District Facilities

Name	Grades	Year Built	Current Maximum Capacity	Date of Last Addition or Alteration
Harts Hill Elementary	K-5	1953	411	2017
Westmoreland Road Elementary	K-5	1966	490	2016
Marcy Elementary	K-5	1955	429	2017
Deerfield Elementary	K-5	1963	409	2016
Parkway Elementary	6	1953	326	2018
Whitesboro Middle	7-8	1936	666	2016
Whitesboro Senior High	9-12	1966	1,371	2016

Source: District Official

District Employees

The District employs a total of 456 full-time and 62 part-time employees with representation by the various bargaining units listed below.

Bargaining Unit	Employees	Expiration Date
Whitesboro Teachers' Association	318	6/30/2027
Whitesboro Employees' Union	189	6/30/2028
Whitesboro Administrator's Organization	11	6/30/2027

Source: District Officials

Historical and Projected Enrollment

Fiscal Year	Actual	Fiscal Year	Projected
2018-19	3,184	2023-24	3,030
2019-20	3,132	2024-25	3,035
2020-21	3,104	2025-26	3,040
2021-22	3,031	2026-27	3,030
2022-23	3,065	2027-28	3,030

Source: District Officials

Employee Pension Benefits

All non-teaching and non-certified administrative employees of the District eligible for pension or retirement benefits under the Retirement and Social Security Law of the State of New York are members of the New York and Local Employees' Retirement -System ("ERS"). Teachers and certified administrators are members of the New York State Teachers' Retirement System ("TRS"). Payments to TRS are deducted from the School District's State aid payments. Both the ERS and the TRS (together, the "Retirement Systems") are non-contributory with respect to members hired prior to July 27, 1976. Other than those in Tier V and Tier VI, all members hired on or after July 27, 1976, with less than 10 years of service must contribute 3% of their gross annual salary toward the cost of retirement programs.

On December 10, 2009, pension reform legislation was signed into law that created a new Tier V pension level. 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 toward pension costs so long as they accumulate additional pension credits.

• Increasing the minimum years of service required to draw a pension from 5 years to 10 years.

• Capping the amount of overtime that can be considered in the calculation of pension benefits for civilians at $15,000 per year, and for police and firefighters at 15% of non-overtime wages.

Members of the TRS have a separate Tier V benefit structure that will achieve equivalent savings as other civilian public employees. It includes:

• Raising the minimum age an individual can retire without penalty from 55 to 57 years.

• Contributing 3.5% of their annual wages to pension costs rather than 3% and continuing this increased contribution so long as they accumulate additional pension credits.

• Increasing the 2% multiplier threshold for final pension calculations from 20 to 25 years.

In accordance with constitutional requirements, Tier V applies only to public employees hired after December 31, 2009, and before April 2, 2012.

On March 16, 2012, legislation was signed into law that created a new Tier VI pension program. The Tier VI plan only applies to those employees hired on or after April 1, 2012. The new pension tier has progressive contribution rates between 3% to 6% of salary; it increases the retirement age for new employees from 62 to 63 and includes provisions allowing early retirement with penalties. Under previous tiers, there was no limit to the number of public employers a public employee worked for from which retirement benefits could be calculated. Tier VI permits only two salaries to be included in the calculation. The pension multiplier for Tier VI is 1.75% for the first 20 years of service and 2% thereafter; Vesting will occur after 10 years of service. The final average salary is based on a five-year average instead of the previous Tiers' three-year average. Pension eligible overtime for civilian and non-uniformed employees will be capped at $15,000, indexed for inflation. For uniformed employees outside of New York City, the cap is set at 15% of base pay. The number of sick and leave days that can be applied toward retirement service credit is reduced from 200 to 100. The legislation includes an optional defined contribution plan for new non-union employees with annual salaries of $75,000 or more. The State is required to fund any pension enhancements on an ongoing basis. This is a potential future cost savings for local governments.

The District is required to contribute at an actuarially determined rate. The actual contribution for the last five years and the budgeted figures for the 2022-2023 and 2023-2024 fiscal years are as follows:

Fiscal Year	ERS	TRS
2018-2019	$ 826,899	$ 2,421,596
2019-2020	839,936	2,089,059
2020-2021	875,658	2,246,472
2021-2022	827,105	2,416,782
2022-2023 (Budgeted)	816,175	2,518,150
2023-2024 (Budgeted)	953,999	2,534,331

Source: Audited financial statements for the 2018-2019 fiscal year through the 2021-2022 fiscal year and the adopted budgets of the District for the 2022-2023 and 2023-2024 fiscal years. This table is not audited.

Retirement Incentive Program – 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 does not currently have early retirement incentive programs for its employees

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

A chart of average ERS and TRS rates as a percent of payroll (2018-19 to 2023-24) is show below:

Fiscal Year	ERS	TRS
2018-2019	14.9	10.62
2019-2020	14.6	8.86
2020-2021	14.6	9.53
2021-2022	16.2	9.8
2022-2023	11.6	10.29
2023-2024	13.1	7.6

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

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

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

Stable Rate Pension Contribution Option **-** The 2013-14 State Budget included a provision that 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 12.5% 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 not participate in the Stable Rate Pension Contribution Option, nor does it intend to do so in the foreseeable future.

The State's 2019-2020 Enacted Budget will allow school districts in the State to establish a reserve fund for the purpose of funding/offsetting the cost of TRS contributions. School districts may pay into such 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 and funded a TRS Reserve in June 2019.

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

Other Post-Employment Benefits

The District provides post-retirement healthcare benefits to various categories of former employees. These costs may be expected to rise substantially in the future. School districts and Boards of Cooperative Educational Services, unlike other municipal units of government in the State, have been prohibited from reducing retiree health benefits 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. OPEB consists 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 - requires municipalities and school districts to account for OPEB liabilities much like they already account for pension liabilities, generally adopting the actuarial methodologies used for pensions, with adjustments for the different characteristics of OPEB and the fact that most municipalities and school districts have not set aside any funds against this liability. However, GASB 75 also addresses certain circumstances in which a non-employer entity provides financial support for OPEB of employees of another entity and requires: (a) explanations of how and why the OPEB liability changed from year to year (b) amortization and reporting of deferred inflows and outflows due to assumption changes, (c) use of a discount rate that takes into account resources of an OPEB plan and how they will be invested to maximize coverage of the liability (d) a single actual cost method and (e) immediate recognition of OPEB expense and effects of changes to benefit terms.

Under GASB 75, a total OPEB liability is determined for each municipality or school district. A net change in the total OPEB Liability is calculated as the sum of changes for the year including service cost, interest, difference between expected and actual experience, changes in benefit terms, changes in assumptions or other inputs, less the benefit payments made by the School District for the year.

Based on the most recent actuarial valuation dated July 1, 2020, and financial data as of June 30, 2022, the School District's beginning year total OPEB liability was $154,111,457, the net change for the year was $7,231,959 resulting in a total OPEB liability of $161,343,416 for a fiscal year ending June 30, 2022. The aforementioned liability is recognized and disclosed in accordance with GASB 75 standards in the School District's June 30, 2022, financial statements.

The total OPEB liability is required to be determined through an actuarial valuation every two years, at a minimum. However, OPEB plans with fewer than 100 members may use an alternative measurement method in place of an actuarial valuation. Additional information about GASB 75 and other accounting rules applicable to municipalities and school districts may be obtained from GASB.

There is no authority in current State law to establish a trust account or reserve fund for this liability. While State Comptroller Thomas P. DiNapoli proposed a bill in April of 2015 that would create an optional investment pool to help local governments fund their OPEB liabilities, such legislation has not advanced past the committee stage.

The School District's total OPEB liability is expected to increase. As is the case with most municipalities, this is being handled by the School District on a "pay-as-you-go" basis. Substantial future increases could have a material adverse impact upon the School District's finances and could force the School District to reduce services, raise taxes or both.

Major Employers

Name	Nature of Business	Estimated Number of Employees
Bank of America, N.A.	Financial Institution	800
Whitesboro Central School District	Education	518
Carbone Auto Group	Automobile Sales & Services	500
Mohawk Valley Community Action Agency, Inc.[3]	Community Service Organization	304
State University of New York Polytechnic Institute[4]	Higher Education	297
TECT – Utica Corporation	Manufacturer	174
ICON Development Solutions	Bioanalytical Laboratories	120
H.R. Beebe Construction Services, Inc.	Construction & Construction Management Services	50
Oneida Research Services, Inc.	Specialized Laboratory Test Services	29

Note:

1. A new Tractor Supply Distribution Center opened on March 14, 2019. The 930,000 square foot distribution center in Frankfort, New York plans to create 350 new jobs within the first five years. This facility is the largest site for Tractor Supply in the country. The Frankfort Industrial Park is located at thirteen miles east of the School District.

2. A new 35,000 square foot light manufacturing facility is located in the Frankfort Industrial Park. JBF Stainless Inc. fabricates stainless tanks for the food and beverage industry, as well as for dairy and cosmetics industries. This new facility is expected to employ between 40-50 employees.

3. On December 12, 2019, the Mohawk Valley Health System (MVHS) broke ground on the construction of a new $480,000,000, 672,000 square foot hospital, located in downtown Utica.

4. Danfoss Silicon Power, operates a computer-chip packaging facility on the campus of SUNY Polytechnic Institute, Marcy New York in the new Quad-C Facility. Danfoss began packaging and shipping their products in April 2019. The packaging process combines silicon-carbide wafers with a housing that allows the interconnection of wafers with applications. Danfoss expects to eventually create 300 jobs at the Quad-C Facility.

Source: District Officials

Unemployment Rate Statistics

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

Year	Oneida County Unemployment Rate	Herkimer County Unemployment Rate	New York State Unemployment Rate	U.S. Unemployment Rate
2018	4.4%	4.9%	4.1%	3.9%
2019	4.1%	4.7%	3.8%	3.7%
2020	8.1%	8.2%	10.0%	8.1%
2021	5.1%	5.8%	6.9%	5.3%
2022	3.5%	3.9%	4.3%	3.6%

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

	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Herkimer County	3.7%	3.8%	3.1%	3.0%	3.5%	4.0%	5.4%	4.8%	4.3%	3.2%	3.2%	3.3%
Oneida County	3.8%	3.8%	3.2%	3.0%	3.2%	3.4%	4.3%	3.9%	3.5%	2.7%	3.1%	3.2%
New York State	4.3%	4.2%	3.6%	3.7%	3.8%	3.8%	4.6%	4.5%	4.0%	3.7%	3.8%	4.3%

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

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

Investment Policy

Pursuant to the statutes of the State of New York, the School District is permitted to invest only in the following investments: (1) special time deposit accounts in, certificates of deposit issued by or a deposit placement program (as provided by statute) with a bank or trust company located and authorized to do business in the State of New York; (2) obligations of the United States of America; (3) obligations guaranteed by agencies of the United States of America where the payment of principal and interest is guaranteed by the United States of America; (4) obligations of the State of New York; (5) obligations issued pursuant to Local Finance Law Sections 24.00 (tax anticipation notes) or 25.00 (revenue anticipation notes) with approval of the State Comptroller, by any municipality, school district or district corporation other than the School District; and (6) in the case of the 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 a pledge of eligible securities, an eligible letter of credit or an eligible surety bond, as each such term is defined in the law, or satisfy the statutory requirements of the deposit placement program.

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. The School District is not authorized by State Law to invest in reverse repurchase agreements or similar derivative-type investments.

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 (the "Board"). Each year an election is held within the School District to elect one or more members to the Board. The Board consists of seven members with overlapping five-year terms. Therefore, as nearly as practicable, an equal number of members is elected to the Board each year.

During the first week in July of each year the Board meets for the purpose of reorganization. At that time an election is held within the Board to elect a President and Vice President and to appoint other School District officials.

Pursuant to the Local Finance Law, the President of the Board is the chief fiscal officer of the School District. However, certain of the financial management functions of the School District are the responsibility of the Superintendent of Schools and the Assistant Superintendent for Business.

Budgetary Procedures

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

Pursuant to Chapter 97 of the Laws of 2011 of the State of New York ("Chapter 97"), beginning with the 2012-13 fiscal year, if the proposed budget requires a tax levy increase that does not exceed the lesser of 2% (plus certain adjustments, if applicable) or the rate of inflation (the " Tax Cap"), then a majority vote is required for approval. If the proposed budget requires a tax levy increase 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 School District 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.

The budget for the 2021-22 fiscal year was adopted by the qualified voters on May 18, 2021, by a vote of 629 yes to 217 no. The School District’s 2021-22 Budget remained within the School District Tax Cap imposed by Chapter 97 of the laws of 2011.

The budget for the 2022-23 fiscal year was adopted by the qualified voters on May 17, 2022, by a vote of 1,204 yes to 427 No. The School District’s 2022-23 Budget remained within the School District Tax Cap imposed by Chapter 97 of the laws of 2011.

The budget for the 2023-24 fiscal year was adopted by the qualified voters on May 16, 2023, by a vote of 670 yes to 204 No. The School District's 2023-24 Budget remained within the School District Tax Cap imposed by Chapter 97 of the laws of 2011.

State Aid

The District receives appropriations from the State. In its adopted budget for the 2023-24 fiscal year, approximately 51.65% of the revenues of the District are estimated to be received in the form of State aid. If the State should not adopt its budget in a timely manner, in any year, municipalities and school districts in the State, including the District, may be affected by a delay in the payment of State aid.

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

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

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 adoption of the State budget, which is due at the start of the State's fiscal year of April 1. The State's budget has been adopted by April 1 or shortly thereafter for over ten (10) years. The State's 2021-22 Enacted Budget was adopted on April 7, 2021. 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.

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.

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, 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 –

Since March 2020, the State has been awarded over $14 billion in Federal education COVID response funding through the Coronavirus Aid, Relief, and Economic Security ("CARES") Act; Coronavirus Response and Relief Supplemental Appropriations Act, 2021 ("CRRSA"); and the American Rescue Plan ("ARP") Act. These funds are supporting the ability of local educational agencies to address the impact that COVID-19 has had, and continues to have, on elementary and secondary schools in the State. The District has been allocated a total of approximately $3,087,365 in ARP funds and $3,018,269 in CRRSA funds. As of June 30, 2023 the District has received $626,345 in ARP funds and $1,268,973 in CRRSA funds.

The State receives a substantial amount of federal aid for other 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.

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

The State 2017-2018 Enacted Budget increased State aid to education by $1.1 billion, including a $700 million increase in Foundation Aid, bringing the total amount of State aid to education to $25.8 billion or an increase of 4.4%. Expense based aids to support school construction, pupil transportation, BOCES and special education were continued in full, as is the State's usual practice. Transportation aid increased by 5.5% and building aid increased by 4.8%. The State 2017- 18Enacted Budget continued to link school aid increases for 2017-2018 and 2018-2019 to teacher and principal evaluation plans approved by September 1 of the current year in compliance with Education Law Section 3012-d.

The State 2018-2019 Enacted Budget included nearly $1 billion in additional education funding, representing a 3.9% increase over 2017-2018. Approximately $859 million of that increase was comprised of traditional public-school aid, including increased Foundation Aid and full-funding of expense-based aids. Formula-based school aid stood at $26.03 billion statewide, a 3.4% increase over the prior year. The State's 2018-19 Enacted Budget included an increase of $618 million in Foundation Aid for school districts. Foundation Aid totaled nearly $17.8 billion statewide. For the seventh consecutive year, the Foundation Aid increase was distributed using a one year, off formula methodology. The State's 2018-2019 Enacted Budget guaranteed that all school districts receive an increase in Foundation Aid over their 2017-2018 levels. $50 million of the Foundation Aid increase was "set aside" for certain school districts to fund community schools. The State's 2018-2019 Enacted Budget fully funded all expense-based aid for 2018-2019, including building, transportation, BOCES and special education aid. These categories served as State reimbursements for school district expenses made in the prior year, based on school district-specific aid ratios. A total of $240 million was approved for increases in all expense-based aids in 2018-2019.

The State 2019-2020 Enacted Budget included a total of $27.69 billion for School Aid, a year-to-year funding increase of $956 million or 3.6 percent and provided additional funding for Foundation Aid of $338.0 million and $409.65 million in reimbursements for expense-based aids. In addition, the 2019-2020 Enacted Budget increased the Community Schools set-aside funding amount by $49.99 million to a total of $250.0 million. This increased funding is targeted to districts with failing schools and/or districts experiencing significant growth in English language learners. The 2019-2020 Enacted Budget increased the minimum community schools funding amount from $75,000 to $100,000. This ensures all high-need districts across the State can apply the funds to a wide range of activities.

The State's 2020- 2021 Enacted Budget - Due to the anticipated impact of the COVID-19 pandemic on State revenues, State aid in the State's 2020-2021 Enacted Budget was 3.7% lower than in the State's 2019-2020 Enacted Budget but was offset in part with increased Federal support. This reduction in State Operating Funds support was offset by approximately $1.1 billion in funding provided to the State through the Federal CARES Act, including the Elementary and Secondary School Emergency Education Relief Fund and the Governor's Emergency Education Relief Fund. With these Federal funds, State aid in the school district fiscal year 2020-2021 was approximately $27.9 billion, an annual increase of approximately $100 million or 0.4%. The State's 2020-2021 Enacted Budget continued prior year funding levels for existing programs, including Foundation Aid, Community Schools, and Universal Prekindergarten. The 2020-2021 Enacted Budget also provided over $200 million in support for competitive grant programs, including $1 million for development of a new Civics Education curriculum and $10 million for a Student Mental Health program. Funding for expense-based aids, such as Building Aid, Transportation Aid, and Boards of Cooperative Educational Services (BOCES) Aid continued under existing aid formulas. The out-year growth in School Aid reflected then current projections of the ten-year average growth in State personal income. The State's 2020- 2021 Enacted Budget authorized the State's Budget Director to make periodic adjustments to State Aid, in the event that actual State revenues come in below 99% of estimates or if actual disbursements exceed 101% of estimates. Pursuant to that provision, in October 2020, the State announced that, in the absence of Federal funding to offset such lost revenue, the State had begun to take steps to reduce spending, including but not limited to, temporarily holding back 20% of most aid payments to local governments and school districts. However, the 2020-2021 State aid declines were offset, in part, by $1.1 billion of increased federal funding through the Coronavirus Aid, Relief, and Economic Security Act. With these federal funds, State aid totaled $27.9 billion in the State's 2020-2021 Enacted Budget, an annual increase of approximately $100 million or 0.4% from the 2019-2020 Enacted Budget. As of February 1, 2021, the State Education Department ("SED") advised school districts that the State Division of the Budget would, at some point, provide approval for SED to make the payments to school districts for State aid and other Pre-K-12 grant programs that had been subject to the above-referenced 20% withholding. Such approval was received, and the State released all of the withheld funds prior to June 30, 2021

The State 2021-22 Budget included $29.5 billion in state aid to school districts, and significantly increased funding for schools and local governments, including a $1.4 billion increase in Foundation Aid and a three-year phase in of the full restoration to school districts of Foundation Aid that was initially promised in 2007. Additionally, the budget 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. Under the budget, local governments are to receive a full restoration of proposed cuts to Aid and Incentives for Municipalities (AIM) funding and will receive a full restoration of $10.3 million in proposed Video Lottery Terminal (VLT) aid cuts where applicable.

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

The State's 2023-24 Enacted Budget was enacted on May 3, 2023 and provides for a total of $34 billion in State funding to school districts for the 2023-24 school year. The State's 20232-24 Enacted Budget represents a $3.2 billion or 10.4% increase in State funding for education, and includes a $2.629, or 12.3% percent Foundation Aid increase.

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

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

A case related to the Campaign for Fiscal Equity, Inc. v. State of New York was heard on appeal on May 30, 2017 in New Yorkers for Students' Educational Rights v. State of New York ("NYSER") and a consolidated case on the right to a sound basic education. The NYSER lawsuit asserts that the State has failed to comply with the original decision in the Court of Appeals in the 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 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 such funding. The litigation, which has been ongoing since 2014, sought to require New York State to fully fund the Foundation Aid formula that was put into place following the Campaign for Fiscal Equity cases, and has been previously opposed by the State. Foundation Aid was created in 2007 and takes school district wealth and student need into account to create and equitable distribution of state funding to schools, however, New York State has never fully funded Foundation Aid, The new settlement requires New York to phase-in full funding of Foundation Aid by the FY 2024 budget. In the 2022 Enacted State Budget approved in April 2022, the Executive and Legislature agreed to fully fund the Foundation Aid by FY 2024 budget and enacted this commitment into law. A breakdown of the currently anticipated Foundation Aid funding is available below:

- FY 2022: $19.8 billion, covering 30% of 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.

The following table illustrates the percentage of total revenue of the District for each of the below fiscal years comprised of State aid and budgeted figures for 2022-2023 and 2023-2024 fiscal years.

Fiscal Year	Total Revenues	Total State Aid	Percentage of Total Revenues Consisting of State Aid
2017-2018	$ 62,328,242	$ 29,976,291	48.09%
2018-2019	65,653,317	31,783,690	48.41%
2019-2020	66,393,982	32,208,600	48.51%
2020-2021	68,748,914	32,971,868	47.96%
2021-2022	70,498,285	34,288,122	48.64%
2022-2023 (Budgeted)	72,277,772	35,923,563	49.70%
2023-2024 (Budgeted)	75,436,970	38,961,787	51.65%

Source: Audited financial statements for the 2017-208 fiscal year through the 2021-2022 fiscal year and the adopted budgets of the District for the 2022-2023 and 2023-2024 fiscal years. This table is not audited.

Fiscal Stress Monitoring

The New York State Comptroller has developed a Fiscal Stress Monitoring System ("FSMS") to provide independent information to School District officials, taxpayers and policy makers regarding the various levels of fiscal stress under which the State's diverse school districts are operating.

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

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

Fiscal Year Ending In	Stress Designation	Fiscal Score
2022	No Designation	0.0
2021	No Designation	0.0
2020	No Designation	0.0
2019	No Designation	0.0
2018	No Designation	0.0

Note: See the official website of the New York State Comptroller for more information on FSMS. Reference to websites implies no warranty of accuracy of information therein.

New York State Comptroller Report of Examination

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

The State Comptroller’s office released an audit report of the District on March 5, 2021. The purpose of the audit was to assess whether separation payments to certain Whitesboro Central School District (District) employees were properly supported and accurately calculated in accordance with Board-approved agreements.

Key Finding

Separation of payments made to seven of 10 employees tested were generally supported and accurately calculated. However, [they questioned] payments to three employees totaling $108,963. District officials:

- Paid two former administrators separation payments totaling $66,368 there were not supported by their individual employment contracts and were based on a Board resolution adopted over 20 years before their contracts were approved.

- Allowed a former assistant principal to retire early and received a $42,595 separation payment and post-employment health benefits that he otherwise would not have been eligible for based on the collective bargaining agreement (CBA).

Key Recommendations

- Periodically review and update individual employment contracts to ensure they reflect all compensation and benefits employees are authorized to receive.

- Ensure that separation payments are accurately calculated, supported, and disbursed in accordance with the terms of the CBAs and individual employment contracts.

A copy of the complete report and response can be found via the website of the Office of the New York State Comptroller.

Note: Reference to website implies no warranty of accuracy of information therein.

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 were issued is the Education Law and the Local Finance Law.

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

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

Other than "Estimated Calculation of Overlapping Indebtedness", this Official Statement does not include the financial data of any other political subdivisions of the State having power to levy taxes within the School District.

Financial Statements

The School District retains an independent Certified Public Accountant, whose most recent report covers the period ended June 30, 2022 and may be found attached hereto as Appendix B.

The District complies with the Uniform System of Accounts as prescribed for school districts in New York 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 National Committee on Government Accounting.

TAX INFORMATION

Assessed and Full Valuations

Fiscal Year Ended June 30:	2019	2020	2021	2022	2023
Assessed Valuations:					
Whitestown	$ 458,480,346	$ 457,958,116	$ 458,078,674	$ 461,120,718	$ 462,003,417
Marcy	290,769,957	294,673,799	303,654,521	304,878,680	312,345,575
Deerfield	37,077,319	37,413,625	37,420,674	37,513,683	37,613,105
Trenton	2,528,468	2,538,995	2,533,301	2,532,313	2,518,481
Schuyler	79,751,818	80,486,193	81,853,905	81,822,451	81,149,314
Total	$ 868,607,908	$ 873,070,728	$ 883,541,075	$ 887,867,845	$ 895,629,893
Equalization Rates:					
Whitestown	65.50%	61.00%	58.00%	58.00%	53.00%
Marcy	76.00%	69.00%	66.50%	68.00%	62.00%
Deerfield	15.30%	14.00%	13.10%	12.50%	10.85%
Trenton	65.00%	62.00%	60.00%	60.00%	53.00%
Schuyler	88.40%	83.00%	81.30%	78.90%	73.75%
Full Valuations:					
Whitestown	$ 699,969,994	$ 750,751,010	$ 789,790,817	$ 795,035,721	$ 871,704,561
Marcy	382,592,049	427,063,477	456,623,340	448,351,000	503,783,186
Deerfield	242,335,418	267,240,179	285,654,000	300,109,464	346,664,563
Trenton	3,889,951	4,095,153	4,222,168	4,220,522	4,751,851
Schuyler	90,216,989	96,971,317	100,681,310	103,703,994	110,032,969
Total	$ 1,419,004,400	$ 1,546,121,135	$ 1,636,971,635	$ 1,651,420,700	$ 1,836,937,130

Valuations Based on Regular Equalizations Ratios

Tax Rate per $1,000 Assessed Value

Fiscal Year Ending June 30:	2019	2020	2021	2022	2023
Whitestown	$ 34.97	$ 33.99	$ 34.43	$ 34.80	$ 35.13
Marcy	30.14	30.05	30.03	29.68	30.03
Deerfield	149.72	148.08	152.45	161.48	171.58
Trenton	35.24	33.44	32.28	33.64	35.13
Schuyler	25.91	24.98	24.56	25.58	25.24

Tax Collection Procedure

School taxes are due September 1. If paid by September 30, no penalty is imposed. There is a 2% penalty if paid by the end of October. On November 1, a list of all unpaid taxes is given to the Counties for re-levy on County/Town tax rolls. The School District is reimbursed by the Counties for all unpaid taxes the first week of April in each year and is thus assured of 100% collection of its annual levy.

Tax Collection Record

Fiscal Year Ended June 30:	2019	2020	2021	2022	2023*
General Fund Tax Levy	$31,427,924	$32,053,340	$32,691,201	$33,333,587	$34,196,985
Library Tax Levy	1,077,188	1,112,968	1,178,268	1,211,177	1,245,124
Less STAR Reimbursement	5,202,787	4,950,923	4,624,408	4,414,142	4,164,802
Adjustments	-2,753	-3,986	0	-3,507	-1,340
Total Taxes to be Collected	27,299,572	28,211,399	29,245,061	30,127,115	31,275,967
Taxes Collected Prior to Return	26,277,298	27,213,730	28,265,911	29,185,422	30,042,422
Uncollected Date of Return	$1,022,945	$997,669	$979,150	$941,693	$1,233,545
% Collected Prior to Return	96.26%	96.46%	96.65%	96.87%	96.06%

Note: * Collection figures as of 11/13/2022

Note: The County reimburses the District for any unpaid taxes, thus assuring the District of 100% collection each year. See "Tax Collection Procedure" below.

Real Property Tax Revenues

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

Fiscal Year	Total Revenues	Total Real Property Taxes	Percentage of Total Revenues Consisting of Real Property Taxes
2017-2018	$ 62,328,242	$ 30,779,523	49.38%
2018-2019	65,653,317	31,417,168	47.85%
2019-2020	66,393,982	27,095,474	40.81%
2020-2021	68,748,914	28,043,182	40.79%
2021-2022	70,498,285	28,914,614	41.01%
2022-2023 (Budgeted)	72,277,772	34,196,985	47.31%
2023-2024 (Budgeted)	75,436,970	34,936,262	46.31%

Source: Audited financial statements for the 2017-18 fiscal year through 2021-22 fiscal year and the adopted budgets of the District for the 2022-2023 and 2023-2024 fiscal years. This table is not audited

Major Taxpayers 2022

For 2022-23 Tax Roll

Name	Type	Full Value
National Grid	Utility	89,855,575
Second Garden Park	Mobile Home Park	4,608,967
Turbine Engine Co	Turbine Engines	3,431,000
Legnetics of New York	Commercial	3,200,000
Heritage A Heritage Acres	MFG Housing	3,049,251
AlanBern	Shopping Center	2,832,520
Dan VanWaes	Apartment Building	2,800,000
BHB Properties	Sport Complex	2,250,347
Buckeye Terminal	Gas Storage	2,144,500
Green Acres MHC, LLC	MFG Housing	1,567,000
Total		$115,739,160

Note:

1. The above taxpayers above have a total full value of 115,739,60 which represent12.92% of the tax base of the School District.

2. In 2009 National Grid filed a notice of petition with the Town of Marcy seeking a judicial review and reduction of assessments for real property on the grounds that it was illegally and/or unequally overvalued for assessment purposes. The total exposure from the National Grid proceedings as of November 2015 was $4,868,198. On April 13, 2017 an agreement was reached resolving the National Grid tax certiorari litigation. The agreement provides for an acceptance of assessments for the nine years under litigation (2008-2016). Therefore no refunds will be due. In addition, the Stipulation and Order of Settlement provides an agreement for increasing assessments in tax years 2017 through 2024 from $35,453,015 in 2016 to $46,149,268 in 2017, ending with an assessment of $81,801,782 in 2024. The increase in assessment is due to the expansion and planned upgrade to facilities to meet the future needs of the proposed semiconductor manufacturing site expansion in Marcy. The School District has been able to set aside $2,389,906, or 49.1% of the claimed assessment into a reserve fund in anticipation of settlement.

General Fund Operations

District finances are operated primarily through its General Fund. All taxes and most other revenues are paid into this fund and all current operating expenditures are made from it. (A statement of such revenues and expenditures for the five-year period ending June 30, 2022, is contained in the Appendices). As reflected in the Appendices, the District derives the bulk of its annual revenues from a tax on real property and from State aid. Capital improvements are generally financed by the issuance of bonds and bond anticipation notes.

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 $93,299 or less in 2022-24, increased annually according to a cost of living adjustment, are eligible for a "full value" exemption of the first $81,400 for the 2023-24 school year (adjusted annually). Other homeowners with household STAR Adjusted Gross income not in excess of $250,000 ($500,000 in the case of a STAR credit, as discussed below) are eligible for a $30,000 "full value" exemption on their primary residence.

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

The 2019-20 Enacted State Budget made several changes to the STAR program, which went into effect immediately. The changes are intended to encourage homeowners to switch from the STAR exemption to the STAR credit. The income limit for the exemption has been 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 State's 2020-21 Enacted 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. While various Executive Orders issued in response to the COVID-19 pandemic temporarily precluded the State Tax Department from disallowing STAR exemptions or credits, the most recent of such Executive Orders expired on July 5, 2021.

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

Real Property Tax Rebate

Certain additional restrictions on the amount of the personal income tax credit are set forth in Chapter 59 in order for the tax cap to qualify as one which will provide the tax credit benefit to such real property taxpayers. The refundable personal income tax credit amount was increased in the second year if compliance occurs in both taxable years.

For the second taxable year of the program, the refundable personal income tax credit for real property taxpayers was additionally contingent upon adoption by the school district or municipal unit of a state approved "government efficiency plan" which demonstrated "three-year savings and efficiencies of at least one per cent per year from shared services, cooperation agreements and/or mergers or efficiencies".

Municipalities, school districts and independent special districts must have provided certification of compliance with the requirements of the new provisions to certain state officials in order to render their real property taxpayers eligible for the personal income tax credit.

While the provisions of Chapter 59 did not directly further restrict the taxing power of the affected municipalities, school districts and special districts, they did provide an incentive for such tax levies to remain within the tax cap limits established by the Tax Levy Limitation Law. The implications of this for future tax levies and for operations and services of the District are uncertain at this time.

An additional real property tax rebate program applicable solely to school districts was enacted by Chapter 20 of the Laws of 2015 and was signed into law by the Governor on June 26, 2015. The program began in 2016 and was fully phased in 2019.

TAX LEVY LIMITATION LAW

On June 24, 2011, Chapter 97 of the Laws of 2011 was signed into law by the Governor. The Tax Levy Limit Law modifies current law by imposing a limit on the amount of real property taxes that a school district may levy. The Law affected school district tax levies for the school district fiscal year beginning July 1, 2012.

Prior to the enactment of the Law, there was no statutory limitation on the amount of real property taxes that a school district could levy 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").

The Tax Levy Limit Law requires that a school district hereafter submit its proposed tax levy (not its proposed budget) to the voters each year and imposes a limitation on the amount of tax levy growth from one fiscal year to the next. Such limitation is the lesser of (i) 2% or (ii) the annual percentage increase in the CPI, as described in the Law. Tax levies that do not exceed such limit will require approval by at least 50% of the voters. Approval by at least 60% of the voters will be required for a tax levy in excess of the limit. In the event the voters reject the tax levy, the school district's tax levy for the ensuing fiscal year may not exceed the amount of the tax levy for the prior fiscal year, without any stated exceptions.

There are exceptions for school districts to the tax levy limitation provided in the law, 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.

On February 20, 2013, the New York State United Teachers ("NYSUT") and several individuals filed a lawsuit in State Supreme Court seeking a declaratory judgment and a preliminary injunction that the Tax Levy Limitation Law is unconstitutional as it applies to public school districts. On September 23, 2014, a Justice of the State Supreme Court dismissed each of NYSUT's causes of action but granted NYSUT's motion to amend the complaint. After the ruling, NYSUT amended its complaint to include a challenge to the Real Property Tax Rebate, also on Federal and State constitutional grounds. On March 16, 2015, all causes of action contained in the amended complaint were dismissed. On May 5, 2016, the dismissal was upheld by the New York Supreme Court, Appellate Division, Third Judicial Department to dismiss the complaint. An additional appeal by NYSUT was dismissed on October 20, 2016 by the Court of Appeals, New York's highest court, on the grounds that no substantial constitutional question was directly involved, and thereafter, leave to appeal was denied on January 14, 2017 by the Court of Appeals.

STATUS OF INDEBTEDNESS

Constitutional Requirements

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

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

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

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

Debt Limit. The District has the power to contract indebtedness for any school district purpose so long as the 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. The constitutional method for determining full valuation by taking the assessed valuation of taxable real estate for the last completed assessment roll and applying thereto the ratio which such assessed valuation bears to the full valuation as determined by the State Office of Real Property Services. The State Legislature is required to prescribe the manner by which such ratio shall be determined.

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. With respect to certain school building construction projects, the District is not permitted to spend in excess of $100,000 for construction costs until the plans and specifications for such project have been approved by the Commissioner of Education of the State. The District has obtained such approval with respect to the project to be financed by the Notes.

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

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

(1) Such obligations are authorized for a purpose for which the District is not authorized to expend money, or

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

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

The Board of Education, as the finance board of the District, has the power to enact bond resolutions. In addition, such finance board has the power to authorize the sale and issuance of obligations. However, such finance board may delegate the 30 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.

Statutory law in the State permits bond anticipation notes to be renewed each year provided annual principal installments are made in reduction of the total amount of such notes outstanding, commencing no later than 2 years from the date of the first issuance of such notes and provided that such renewal issues do not exceed 5 years beyond the original date of borrowing.

In general, the Local Finance Law contains provisions providing the District with power to issue certain other short-term general obligation indebtedness including revenue, tax anticipation, budget and capital notes.

Debt Outstanding End of Fiscal Year

Fiscal Year Ending June 30:	2018	2019	2020	2021	2022
Serial Bonds	$ 46,345,000	$ 42,085,000	$ 37,880,000	$ 32,820,000	$ 45,970,000
Bond Anticipation Notes	3,880,000	3,591,635	5,379,001	22,460,067	4,490,596
Total Debt Outstanding	$ 50,225,000	$ 45,676,635	$ 43,259,001	$ 55,280,067	$ 50,460,596

Status of Outstanding Bond Issues

Year of Issue:	2015		2016	
Amount Issued:	$2,760,000		$8,000,000	
Final Maturity:	6/15/2030		6/15/2032	
Interest Rate/ Instrument:	2.4786% - SB		1.9798% - SB	
Purpose:	Building		Building	
Fiscal Year Ending June 30:	Principal	Interest	Principal	Interest
2024	$ 200,000	$ 35,281	$ 510,000	$ 99,344
2025	200,000	31,031	530,000	89,144
2026	205,000	26,531	535,000	78,544
2027	210,000	21,406	545,000	67,844
2028	215,000	15,631	565,000	56,944
2029	220,000	9,450	580,000	44,938
2030	95,000	2,850	590,000	31,888
2031	-	-	605,000	17,875
2032	-	-	110,000	2,750
Totals:	$ 1,345,000	$ 142,180	$ 4,570,000	$ 489,271

Year of Issue:	2017		2020	
Amount Issued:	$14,005,000		$14,145,000	
Final Maturity:	6/15/2033		6/15/2027	
Interest Rate/ Instrument:	2.9369% - DASNY SB		Various	
Purpose:	Building		Refunding	
Fiscal Year Ending June 30:	Principal	Interest	Principal	Interest
2024	$ 830,000	$ 470,963	$ 2,240,000	$ 305,600
2025	870,000	429,463	2,325,000	216,000
2026	915,000	385,963	2,410,000	123,000
2027	960,000	340,213	665,000	26,600
2028	1,010,000	292,213	-	-
2029	1,060,000	241,713	-	-
2030	1,115,000	188,713	-	-
2031	1,170,000	132,963	-	-
2032	1,145,000	74,463	-	-
2033	510,000	17,213	-	-
Totals:	$ 9,585,000	$ 2,573,880	$ 7,640,000	$ 671,200

Year of Issue:	2021		2022	
Amount Issued:	$2,520,000		$14,235,000	
Final Maturity:	6/15/2028		6/15/2037	
Interest Rate/ Instrument:	Various		Various	
Purpose:	Refunding		DASNY SB	
Fiscal Year Ending June 30:	Principal	Interest	Principal	Interest
2024	$ 345,000	$ 48,150	$ 785,000	$ 665,250
2025	350,000	44,700	820,000	626,000
2026	365,000	37,700	865,000	585,000
2027	385,000	26,750	905,000	541,750
2028	380,000	15,200	950,000	496,500
2029	-	-	855,000	449,000
2030	-	-	900,000	406,250
2031	-	-	935,000	361,250
2032	-	-	985,000	314,500
2033	-	-	1,035,000	265,250
2034	-	-	1,090,000	213,500
2035	-	-	1,145,000	159,000
2036	-	-	1,200,000	101,750
2037	-	-	835,000	41,750
Totals:	$ 1,825,000	$ 172,500	$ 13,305,000	$ 5,226,750

Year of Issue:	2022		2023	
Amount Issued:	$2,790,000		$2,210,000	
Final Maturity:	6/15/2036		6/15/2038	
Interest Rate/ Instrument:	3.0327% - SB		4.00% - SB	
Purpose:	Capital Improvement		Capital Improvement	
Fiscal Year Ending June 30:	Principal	Interest		
2024	$ 240,000	$ 72,713	$ 180,000	$ 87,172
2025	240,000	65,513	110,000	81,200
2026	220,000	58,313	115,000	76,800
2027	205,000	51,713	120,000	72,200
2028	185,000	45,563	130,000	67,400
2029	190,000	40,013	130,000	62,200
2030	200,000	34,313	135,000	57,000
2031	195,000	28,313	145,000	51,600
2032	185,000	22,463	145,000	45,800
2033	205,000	16,913	160,000	40,000
2034	155,000	10,763	165,000	33,600
2035	125,000	5,919	175,000	27,000
2036	55,000	1,856	180,000	20,000
2037	-	-	190,000	12,800
2038	-	-	130,000	5,200
Totals:	$ 2,400,000	$ 454,363	$ 2,210,000	$ 739,972

Total Annual Bond Principal and Interest Due

Fiscal Year Ending June 30:	Principal	Interest	Total Debt Service	%Paid
2024	$ 5,330,000	$ 1,784,473	$ 7,114,473	13.34%
2025	5,445,000	1,583,051	7,028,051	26.51%
2026	5,630,000	1,371,851	7,001,851	39.63%
2027	3,995,000	1,148,476	5,143,476	49.27%
2028	3,435,000	989,451	4,424,451	57.57%
2029	3,035,000	847,314	3,882,314	64.84%
2030	3,035,000	721,014	3,756,014	71.88%
2031	3,050,000	592,001	3,642,001	78.71%
2032	2,570,000	459,976	3,029,976	84.39%
2033	1,910,000	339,376	2,249,376	88.61%
2034	1,410,000	257,863	1,667,863	91.73%
2035	1,445,000	191,919	1,636,919	94.80%
2036	1,435,000	123,606	1,558,606	97.72%
2037	1,025,000	54,550	1,079,550	99.75%
2038	130,000	5,200	135,200	100.00%
Totals:	$ 42,880,000	$ 10,470,116	$ 53,350,116	

Status of Short-Term Indebtedness

Type	Dated Date	Maturity Date	Interest Rate	Amount Outstanding
BAN	9/8/2022	9/8/2023	3.17%	$2,092,500*

*To be redeemed at maturity using the proceeds of the Note in combination with $652,500 in District funds.

Cash Flow Borrowings

The School District, historically, does not issue Tax Anticipation Notes or Revenue Anticipation Notes.

Capital Project Plans

On December 15, 2014, voters approved a $30,678,027 capital project consisting of construction and reconstruction of school buildings and facilities. The school district will be utilizing $1,000,000 in additional funds toward the project. On January 20, 2015, the Board of Education adopted a Bond Resolution authorizing the issuance of $29,678,027 serial bonds to finance the cost of construction and reconstruction of school buildings and facilities. This issue is in permanent financing.

On May 21, 2019, voters approved a $20,304,450 capital project consisting of construction and reconstruction of school buildings and facilities. The school district will be utilizing $1,000,000 from the capital reserve towards the project. Construction began in the spring of 2020. The BAN issued 09/10/20 was the first borrowing against the authorization and will provide $5,500,000 in new money for the aforementioned purpose. The BAN issued June 24, 2021 renewed $4,880,000 of the BAN which matured on June 25, 2021 and provided an additional $12,304,450 for the aforementioned purpose. The BAN issued June 23, 2022 renewed $1,045,000 and provided $1,500,000 in new money for the aforementioned purpose.

The District issued $14,235,000 in DASNY Serial Bonds dated June 15, 2022. The District issued a $2,210,000 Serial Bond dated June 20, 2023. Both bond issues will be used to redeem and retire debt associated with the $20,304,450 Capital Project.

On February 14, 2023, voters approved a $26,000,000 capital project consisting of construction and reconstruction of school buildings and facilities.

On May 16, 2023, voters approved a $1,879,000 capital project consisting of addition to the existing Dunham Public Library, authorizing the issuance of Bond Anticipation Notes in contemplation thereof, the levy of taxes in annual installments in payment thereof.

Building Aid Estimate

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. The District has not applied for such estimate, but anticipates that aid may be received on its outstanding indebtedness at their Building Aid Ratio of 86.0%

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.

A fundamental reform of building aid was enacted as Chapter 383 of the Laws of 2001. The provisions legislated, among other things, a new "assumed amortization" payout schedule for future State building aid payments based on an annual "average interest rate" and mandatory periods of probable usefulness with respect to the allocation of building aid. The School District has no reason to believe that it will not ultimately receive all of the building aid it anticipates; however, no assurance can be given as to when and how much building aid the School District will receive in relation to its outstanding debt. See "State Aid" herein.

Debt Statement Summary

As of August 10, 2023

Town	Taxable Assessed Valuation	State Equalization Rate	Taxable Full Valuation
Whitestown	$ 462,003,417	53.00%	$ 871,704,561
Marcy	312,345,575	62.00%	503,783,186
Deerfield	37,613,105	10.85%	346,664,563
Trenton	2,518,481	53.00%	4,751,851
Schuyler	81,149,314	73.75%	110,032,969

Total		$ 1,836,937,130
Debt Limit: 10% of Full Valuation		$ 183,693,713
Inclusions:		
Serial Bonds		$ 42,880,000
Bond Anticipation Notes		2,092,500
Total Inclusions:		$ 44,972,500
Exclusions:		
Building Aid Estimate [1]		$0
Total Exclusions:		$0
Total Net Indebtedness Before Giving Effect to This Issue		$ 44,972,500
New BAN issue	$ 2,478,316	
Proceeds to Be Used to Renew Indebtedness Listed Under Inclusions	1,440,000	$ 1,038,316
Total Net Indebtedness		$ 46,010,816
Net Debt Contracting Margin		$ 137,682,897
Percentage of Debt-Contracting Power Exhausted		25.05%

Notes: 1. The calculation of such indebtedness has not been taken into account any deductions therefrom of any apportionment of State Aid for debt service for School District purposed for which the District may be entitled. Since the gross indebtedness of the District is within its constitutional debt limit, the District is not required to apply for a Building Aid Estimate from the State Department of Education. The District anticipates the receipt of building aid

Estimated Overlapping Indebtedness

Overlapping Unit	Applicable Equalized Value	Percent	Gross Indebtedness[1]	Exclusions	Net Indebtedness	Estimated Applicable Overlapping Indebtedness
Oneida	$ 1,726,904,161					
County	$12,296,862,927	14.04%	435,810,657	N/A	435,810,657	61,202,865
Herkimer	$ 110,032,969					
County	$ 5,233,890,786	2.10%	18,560,000	N/A	18,560,000	390,190
Town of	$ 871,704,561					
Whitestown	$ 1,172,920,236	74.32%	-	N/A	-	-
Town of	$ 503,783,186					
Marcy	$ 569,189,756	88.51%	2,139,000	N/A	2,139,000	1,893,204
Town of	$ 346,664,563					
Deerfield	$ 346,664,563	100.00%	4,229,700	N/A	4,229,700	4,229,700
Town of	$ 4,751,851					
Trenton	$ 336,092,360	1.41%	670,377	N/A	670,377	9,478
Town of	$ 110,032,969					
Schuyler	$ 193,270,677	56.93%	196,640	N/A	196,640	111,951
Village of	$ 161,517,866					
Whitesboro	$ 161,517,866	100.00%	303,000	N/A	303,000	303,000
Village of	$ 132,049,925					
Yorkville	$ 132,049,925	100.00%	3,043,500	N/A	3,043,500	3,043,500
Total						$71,183,888

Source: Comptroller's Special Report on Municipal Affairs for Local Fiscal Years Ended in 2021.

Notes: 1 Bonds and Bond Anticipation notes as of 2021 fiscal year. Not adjusted to include subsequent bond and note sales.

N/A Information not available from source document

Debt Ratios

The following table sets forth certain ratios relating to the District's indebtedness as of August 10, 2023:

	Amount	Per Capita (a)	Percentage of Full Value [(b)]
Net Indebtedness	$46,010,816	$1,840.36	2.50%
Net Indebtedness Plus Net Overlapping Indebtedness	$111,527,116	$4,460.91	6.07%

(a) The District's estimated population is 25,001. (Source: 2021 U.S. Census Bureau estimate)

(b) The District's full valuation of taxable real estate for 2022-23 is $1,836,937,130.

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

SPECIAL PROVISIONS AFFECTING REMEDIES UPON DEFAULT

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 the 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, 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 enforces 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 judgement or accrued claim against it on an amount adjudged due to a creditor shall not exceed nine per centrum 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 judgement, although judicial mandates have been issued to officials to appropriate and pay judgements our of certain funds or the District may not be enforced to levy and execution against property owned by the School District.

Authority to File for Municipal Bankruptcy. The Federal Bankruptcy Code allows public bodies, such a 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 or 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 VII, Section 2, the following provision relating to the annual appropriation of monies for the payment of due principal of an 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.

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

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

Cyber Security

The District, like many other public and private entities, relies on technology to conduct its operations. As a recipient and provider of personal, private, or sensitive information, the District faces multiple cyber threats including, but not limited to hacking, viruses, malware and other attacks on computer and other sensitive digital networks and systems. To mitigate the risk of business operations impact and/or damage from cyber incidents or cyber-attacks, the District invests in various forms of cybersecurity and operation controls; however, no assurances can be given that such security and operational control measures will be completely successful to guard again cyber threats and attacks. The results of any such attack could impact business operations and/or damage District digital networks and systems and the costs of remedying any such damage could be substantial.

COVID – 19

An outbreak of disease or similar public health threat, such as the COVID-19 outbreak, or fear of such an event, could have an adverse impact on the District’s financial condition and operating results by potentially delaying the receipt of real property tax or resulting in a delay or reduction by the State in the payment of State aid. Currently, the spread of COVID-19, is a respiratory disease caused by a new strain of coronavirus, has spread globally, including the United States, and has been declared a pandemic by the World Health Organization. The outbreak of the disease has affected travel, commerce and financial markets globally and is widely expected to affect economic growth worldwide. The current outbreak has caused the Federal government to declare a national state of emergency. The State has also declared a state of emergency and the Governor has taken and continues to take steps designed to mitigate the spread and impacts of COVID-19, including closing schools and non-essential business. The outbreak of COVID-19 and the dramatic steps taken by the State to address it have and are expected to continue to negatively impact the State’s economy and financial condition. The full impact of COVID-19 upon the State is not expected to be known for some time. Similarly, the degree of the impact of COVID-19 on the operations and finances of the District is extremely difficult to predict due to the dynamic nature of the COVID-19 outbreak, including uncertainties relating to its (i) duration, (ii) severity, as well as with regard to what actions may be taken by governmental and health care authorities, including the State, to contain or mitigate its impact. The continued spread of the outbreak could have a material adverse effect on the State and municipalities and school districts located in the State, including the District. The District is monitoring the situation and will take such proactive measures as may be required to maintain its operations and meet its obligations. (See “State Aid” herein).

The District does not expect to realize any significant negative impacts from the COVID-19 pandemic through its 2023-24 fiscal year or for the foreseeable future

TAX EXEMPTION

The delivery of the Notes is subject to the opinion of Bond Counsel to the effect that interest on the Notes for federal income tax purposes (1) will be excludable from gross income, as defined in Section 61 of the Internal Revenue Code of 1986, as amended to the date of such opinion (the “Code”), pursuant to Section 103 of the Code and existing regulations, published rulings, and court decisions, and (2) is not a specific preference item for purposes of the federal alternative minimum tax; however for tax years beginning after December 31, 2022, 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. The statutes, regulations, rulings, and court decisions on which such opinion is based are subject to change.

In rendering the foregoing opinions, Bond Counsel will rely upon representations and certifications of the District made in a certificate (the "Tax Certificate") dated the date of delivery of the Notes pertaining to the use, expenditure, and investment of the proceeds of the Notes and will assume continuing compliance by the District with the provisions of the Tax Certificate subsequent to the issuance of the Notes. The Tax Certificate contains covenants by the District with respect to, among other matters, the use of the proceeds of the Notes and the facilities financed therewith by persons other than state or local governmental units, the manner in which the proceeds of the Notes are to be invested, the periodic calculation and payment to the United States Treasury of arbitrage "profits" from the investment of proceeds, and the reporting of certain information to the United States Treasury. Failure to comply with any of these covenants may cause interest on the Notes to be includable in the gross income of the owners thereof from the date of the issuance.

Bond Counsel's opinion is not a guarantee of a result, but represents its legal judgment based upon its review of existing statutes, regulations, published rulings and court decisions and the representations and covenants of the District described above. No ruling has been sought from the Internal Revenue Service (the "IRS") with respect to the matters addressed in the opinion of Bond Counsel, and Bond Counsel's opinion is not binding on the IRS. The IRS has an ongoing program of auditing the tax-exempt status of the interest on tax-exempt obligations. If an audit of the Notes is commenced, under current procedures the IRS is likely to treat the District as the "taxpayer," and the owners of the Notes would have no right to participate in the audit process. In responding to or defending an audit of the tax-exempt status of the interest on the Notes, the District may have different or conflicting interests from the owners of the Notes. Public awareness of any future audit of the Notes could adversely affect the value and liquidity of the Notes during the pendency of the audit, regardless of its ultimate outcome.

In the opinion of Bond Counsel, under existing law interest on the Notes is exempt from personal income taxes imposed by the State of New York or any political subdivision thereof (including The City of New York).

Except as described above, Bond Counsel expresses no opinion with respect to any federal, state or local tax consequences under present law, or proposed legislation, resulting from the receipt or accrual of interest on, or the acquisition or disposition of, the Notes. Prospective purchasers of the Notes should be aware that the ownership of tax-exempt obligations such as the Notes may result in collateral federal tax consequences to, among others, financial institutions, life insurance companies, property and casualty insurance companies, certain foreign corporations doing business in the United States, S corporations with subchapter C earnings and profits, individual recipients of Social Security or Railroad Retirement benefits, individuals otherwise qualifying for the earned income tax credit, owners of an interest in a FASIT, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry, or who have paid or incurred certain expenses allocable to, tax-exempt obligations. Prospective purchasers should consult their own tax advisors as to the applicability of these consequences to their particular circumstances. Existing law may change to reduce or eliminate the benefit to bondholders of the exclusion of interest on the Bonds from gross income for federal income tax purposes. Any proposed legislation or administrative action, whether or not taken, could also affect the value and marketability of the Bonds. Prospective purchasers of the Bonds should consult with their own tax advisors with respect to any proposed or future changes in tax law.

LEGAL MATTERS

The legality of the authorization and issuance of the Notes will be covered by the unqualified legal opinions of Timothy R. McGill Esq., Fairport, New York, Bond Counsel, each to the effect that the Notes as the case may be, are valid and legally binding obligations of the District, that all the taxable real property therein will be subject to the levy of ad valorem taxes to pay the Notes and the interest thereon without limitations as to rate or amount, the interest on the Notes is excluded from gross income for federal income tax purposes and is not a specific preference item for purposes of the federal alternative minimum tax; however for tax years beginning after December 31, 2022, 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 and that interest on the Notes is exempt from personal income taxes imposed by New York State or any political subdivision thereof, including The City of New York. The opinion set forth in the preceding sentence is subject to the condition that the District comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Notes in order that interest thereon be, or continue to be, excluded from gross income for federal income tax purposes. The District will covenant to comply with all such requirements. Failure to comply with all such requirements may cause interest of the Notes to be included in gross income for federal income tax purposes retroactive to the date of issuance of the Notes. Such opinion will state that (a) the rights of the owners of the Notes and the enforceability of the Notes may be limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally and by equitable principles, whether considered at law or in equity; (b) Bond Counsel expresses no opinion as to the accuracy, adequacy, or completeness of the Official Statement relating to the Notes; and (c) such opinion is given as of its dated date and that Bond Counsel assumes no obligation to update or supplement their opinion to reflect any facts or circumstance that may thereafter come to their attention or any changes in law.

The proposed form of such opinion is attached hereto as Appendix C.

LITIGATION

The School District is subject to a number of lawsuits in the ordinary conduct of its affairs including pending tax certiorari proceedings. 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.

RATINGS

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

The most recent underlying rating assigned to the District by Moody's is an Aa3 rating, which was assigned in connection with the issuance by the District of $2,210,000 School District (Serial) Bonds dated June 20, 2023.

A rating reflects only the view of the rating agency assigning such rating and an explanation of the significance of such rating may be obtained from such rating agency. 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 rating will continue for any given period of time or that it will not be revised downward or withdrawn entirely by such rating agency if, in its judgment, circumstances so warrant. Any downward revision or withdrawal of the rating of the District's outstanding serial bonds may have an adverse effect on the market price of the bonds.

CONTINUING DISCLOSURE COMPLIANCE

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 pursuant to the Securities Exchange Act of 1934, the School District will enter into an Undertaking to provide Material Event Notices, the description of which is attached hereto as "Appendix D".

The District is in compliance in all material respects, within the last five years with all previous undertakings made pursuant to the Rule 15c2-1.

MUNICIPAL ADVISOR

R.G. Timbs, Inc.is a Municipal Advisor, registered with the Securities and Exchange Commission and the Municipal Securities Rulemaking Board. The Municipal Advisor serves as independent municipal advisor to the District on matters relating to debt management. The Municipal Advisor is a municipal 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 and has reviewed and commented on certain legal documents, including this Official Statement. 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.

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

Timothy R. McGill, Esq., Fairport, 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.

reference or constitutes a part of this Official Statement. R.G. Timbs, 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 School District nor R.G. Timbs, Inc. assumes any liability or responsibility for errors or omissions on such website. Further, R.G. Timbs, Inc. and the School 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.

R.G. Timbs, Inc. may place a copy of this Official Statement on its website at www.RGTimbsInc.net. Unless this Official Statement specifically indicates otherwise, no statement on such website is included by specific.

The School District's contact information is as follows: Joseph Muller, Asst. Superintendent for Business, phone: (315) 266-3300; email: jmuller@wboro.org.

Additional copies of the Notice of Sale and the Official Statement may be obtained from the offices of R.G. Timbs, Inc., telephone number (585) 747-8111 or at www.RGTimbsInc.net.

Whitesboro Central School District

Dated: August 24, 2023
Whitesboro, New York

Michael Head
President of the Board of Education
and Chief Fiscal Officer

<u>APPENDIX A</u>

Financial Information

General Fund – Statement of Revenues, Expenditures and Fund Balance

Fiscal Year Ending June 30:	2018	2019	2020	2021	2022	Budget 2023	
Beginning Fund Balance - July 1	$15,134,224	$15,371,660	$16,283,992	$15,809,977	$17,540,425	$18,217,300	
Revenues:							
Real Property Taxes	$30,779,523	$31,417,178	$27,095,474	$28,043,182	$28,914,614	$34,196,985	
Other Tax Items	358,671	275,522	270,464	305,155	314,642	403,724	
School Tax Relief Reimbursement	0	0	4,947,045	4,633,408	4,414,142	0	
Charges for Services	67,832	20,812	21,900	88,167	13,887	40,000	
Use of Money & Property	28,194	214,511	154,148	4,088	4,478	13,000	
Sale of Property/Comp. for Loss	23,586	42,229	28,114	413,739	33,012	0	
Miscellaneous	937,729	1,521,056	1,282,361	1,729,408	1,771,550	1,500,500	
State Aid	29,976,291	31,783,690	32,208,600	32,971,868	34,288,122	35,923,563	
Federal Aid	156,416	378,319	385,876	559,899	743,838	200,000	
Interfund Transfers	0	0	0	67,199	212,766	0	
Total Revenues	$62,328,242	$65,653,317	$66,393,982	$68,816,113	$70,711,051	$72,277,772	
Expenditures:							
General Support	$6,190,235	$5,812,227	$6,779,911	$6,475,374	$6,715,428	$8,026,862	
Instruction	33,503,028	34,073,394	35,344,801	36,543,977	37,063,228	39,586,870	
Transportation	2,698,551	2,854,728	2,703,738	2,654,795	3,227,725	3,662,259	
Employee Benefits	13,008,180	13,796,597	14,148,144	14,684,962	15,304,383	17,134,879	
Debt Service	6,585,705	6,591,739	6,782,049	6,610,243	7,623,306	8,501,902	
Interfund Transfer	105,107	1,612,300	1,109,354	116,314	100,106	115,000	
Total Expenditures	$62,090,806	$64,740,985	$66,867,997	$67,085,665	$70,034,176	$77,027,772	
Adjustments	0	0	0	0	0	0	
Year End Fund Balance	$15,371,660	$16,283,992	$15,809,977	$17,540,425	$18,217,300	$13,467,300	E
Excess (Deficit) Revenues Over Expenditures	$237,436	$912,332	($474,015)	$1,730,448	$676,875	($4,750,000)	1, E

Source: Audited Annual Financial Reports and Annual Budget. This table is NOT audited.

Note:
1. Appropriated Fund Balance is planned to be used
E. Estimated

General Fund – Budget Summary

	2023-24 Adopted Budget
Revenues:	
Real Property Taxes	$34,936,262
Payments in Lieu of Taxes	326,421
Charges for Services	44,000
Interest and Earnings	0
Use of Property	28,000
Miscellaneous	840,500
State Aid	38,961,787
Federal Aid	300,000
Appropriated Fund Balance	4,665,000
Total Revenues	$80,101,970
Expenditures:	
General Support	$8,299,738
Instruction	40,859,418
Transportation	3,828,478
Employee Benefits	18,025,753
Debt Service	8,973,583
Interfund Transfers	115,000
Total Expenditures	$80,101,970

Source: Adopted Budget of the School District. This table is NOT audited

General Fund – Comparative Balance Sheet

Fiscal Year Ending June 30:	2018	2019	2020	2021	2022
Assets:					
Cash & Cash Equivalents	$11,147,754	$11,715,530	$11,509,681	$12,569,312	$11,546,486
Restricted Cash & Cash Equivalents	6,748,299	7,186,937	7,542,578	9,311,263	10,092,078
Taxes Receivable	0	0	0	0	0
Due from Other Funds	1,015,470	3,990,544	255,571	152,742	1,623,735
Due From Other Governments	2,163,673	2,312,991	2,609,125	3,369,898	3,312,650
Other Receivables	21,432	43,805	39,100	68,555	61,245
Total Assets	$21,096,628	$25,249,807	$21,956,055	$25,471,770	$26,636,194
Liabilities:					
Accounts Payable	$0	$49,265	$749	$179,502	$131,602
Accrued Liabilities	1,174,388	891,051	1,270,599	1,487,529	2,179,981
Due to Other Funds	191,024	3,253,394	19,874	1,126,004	548,357
Due to State Teachers' Retirement System	2,277,554	2,504,685	2,176,042	2,365,755	2,560,702
Due to Employees' Retirement System	206,725	209,984	214,341	243,791	175,953
Compensated Absences	353,808	353,808	353,808	353,808	353,808
Deferred Revenues	1,521,469	1,703,628	2,110,665	2,174,956	2,468,491
Total Liabilities:	$5,724,968	$8,965,815	$6,146,078	$7,931,345	$8,418,894
Fund Balances:					
Non-spendable	$0	$0	$0	$0	$0
Restricted	6,748,299	7,186,937	7,542,578	9,311,263	10,092,078
Assigned:					
Encumbrances	0	0	0	446,619	0
Appropriated Fund Balance	5,291,024	6,250,506	5,272,411	4,800,000	5,061,402
Unassigned					
Unappropriated Fund Balance	3,332,337	2,846,549	2,994,988	2,982,543	3,063,820
Total Fund Balance	$15,371,660	$16,283,992	$15,809,977	$17,540,425	$18,217,300
Total Liabilities and Fund Balance	$21,096,628	$25,249,807	$21,956,055	$25,471,770	$26,636,194

Source: Audited Financial Reports. This table is NOT audited.

<u>APPENDIX B</u>

Audited Financial Statements

For The Fiscal Year Ended June 30, 2022

Note: Such Financial Reports and opinions were prepared as of the date thereof and have not been reviewed and/or updated by the District's Auditors in connection with the preparation and dissemination of this official statement. Consent of the Auditors for inclusion of the Audited Financial Reports in this Official Statement has neither been requested nor obtained.

Inspire-Cultivate-Empower

WHITESBORO CENTRAL SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

AND

BASIC FINANCIAL STATEMENTS

For the Year Ended
June 30, 2022

WHITESBORO CENTRAL SCHOOL DISTRICT
TABLE OF CONTENTS

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

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

Independent Auditor's Report

Board of Education
Whitesboro Central School District

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Whitesboro Central School District, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Whitesboro Central School District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Whitesboro Central School District, as of June 30, 2022, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

New Accounting Standard

As discussed in Notes 1 and 18 to the financial statements, the School District changed its accounting policies related to the accounting and reporting of leases by adopting the Governmental Accounting Standards Board's (GASB) Statement No. 87, *Leases*. The new pronouncement changes the criteria used, and provides guidance on accounting and reporting for leases. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Whitesboro Central School District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Whitesboro Central School District's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

Supplementary and Other Information

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 18, 2022, on our consideration of the Whitesboro Central School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Whitesboro Central School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Whitesboro Central School District's internal control over financial reporting and compliance.

D'Arcangelo + Co., LLP

October 18, 2022

Rome, New York

The Whitesboro Central School District's discussion and analysis of financial performance provides an overall review of the District's financial activities for the fiscal years ended June 30, 2022 and 2021. The intent of this discussion and analysis is to look at the District's financial performance as a whole. This should be read in conjunction with the financial statements, which immediately follow this section.

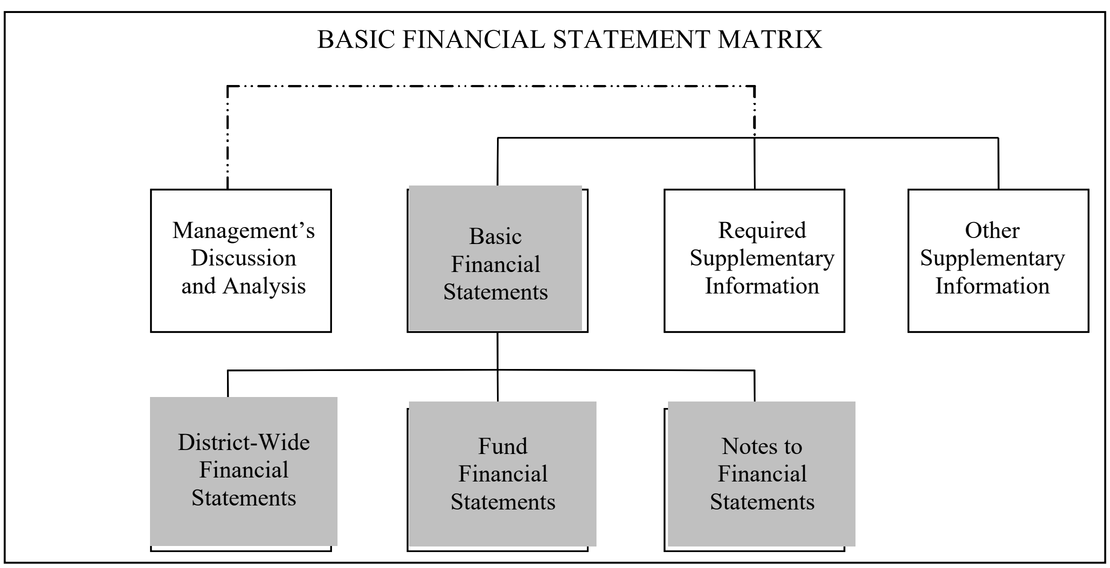
1. FINANCIAL HIGHLIGHTS

Key financial highlights for fiscal year 2022 are as follows:

- The District's total Net Position, as reflected in the District-Wide financial statements, increased by $5,589,594 to a deficit balance of $66,806,652.
- The current total net position deficit in the amount of $66,806,652 is primarily the result of the liability for Other Postemployment Benefits, which requires the recognition of an unfunded liability of $161,343,416 at June 30, 2022. Since New York State Laws provide no mechanism for funding the liability, the subsequent accruals are expected to increase the deficit in subsequent years.
- The District's expenses for the year, as reflected in the District-Wide financial statements, totaled $70,200,376. Of this amount $4,927,801 was offset by program charges for services and operating grants. General revenues of $70,862,169 amount to 93.5% of total revenues.
- The General Fund's total fund balance, as reflected in the fund financial statements on pages 15 and 17, increased by $676,875 to a total balance of $18,217,300. This was due mainly to the District's actual revenues and other sources that were under budget by $4,437,808 or approximately 5.9% of the budget. In addition, the District under expended the budget, after encumbrances, by $4,803,281 or approximately 6.4% of the budget.

2. OVERVIEW OF THE FINANCIAL STATEMENTS

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



A. District-Wide Financial Statements

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

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

The Statement of Net Position

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

The Statement of Activities

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

B. Fund Financial Statements

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

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

Governmental Funds

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

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

The District maintains six individual governmental funds, General Fund, School Lunch Fund, Special Aid Fund, Miscellaneous Special Revenue Fund, Debt Service Fund, and Capital Projects Fund, each of which is considered to be a major fund and is presented separately in the fund financial statements.

Fiduciary Funds

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

3. FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

A. Net Position

The Districts total net position, increased by $5,589,594 between fiscal year 2022 and 2021. A summary of the District's Statement of Net Position for June 30, 2022 and 2021 is as follows:

	2022	(Restated) 2021	Increase (Decrease)	Percentage Change
Current and Other Assets	$ 33,049,327	$ 40,132,572	$ (7,083,245)	(17.6%)
Net Pension Asset - Proportionate Share	25,522,811		25,522,811	100.0%
Capital and Right to Use Leased Assets, Net	101,474,936	91,846,602	9,628,334	10.5%
Total Assets	160,047,074	131,979,174	28,067,900	21.3%
Deferred Outflows of Resources	38,192,014	41,392,341	(3,200,327)	(7.7%)
Total Assets and Deferred Outflows of Resources	$ 198,239,088	$ 173,371,515	$ 24,867,573	14.3%
Non-Current Liabilities	$ 211,973,678	$ 191,036,281	$ 20,937,397	11.0%
Net Pension Liability - Proportionate Share		3,855,842	(3,855,842)	(100.0%)
Other Liabilities	10,822,712	27,381,123	(16,558,411)	(60.5%)
Total Liabilities	222,796,390	222,273,246	523,144	0.2%
Deferred Inflows of Resources	42,249,350	23,494,515	18,754,835	79.8%
Total Liabilities and Deferred Inflows of Resources	265,045,740	245,767,761	19,277,979	7.8%
Net Investment in Capital Assets	47,328,913	33,470,068	13,858,845	41.4%
Restricted	11,362,045	10,727,627	634,418	5.9%
Unrestricted (Deficit)	(125,497,610)	(116,593,941)	(8,903,669)	7.6%
Total Net Position (Deficit)	(66,806,652)	(72,396,246)	5,589,594	(7.7%)
Total Liabilities, Deferred Inflows of Resources, and Net Position	$ 198,239,088	$ 173,371,515	$ 24,867,573	14.3%

Current and other assets decreased by $7,083,245, as compared to the prior year. This decrease is primarily due to a decrease in Capital Fund restricted cash in the amount of $8,658,714 due to planned capital project expenses.

Capital and right to use leased assets (net) increased by $9,628,334, as compared to the prior year. This increase is primarily due to additions exceeding depreciation and amortization expense. Note 6 to the financial statements provides additional information.

The District accounts for its proportionate share of net assets and deferred outflows, and/or liabilities and deferred inflows in the New York State Teachers' Retirement System and Employees' Retirement Systems. The net change in these accounts for the year resulted in a $4,534,301 increase in the District's net position.

Non-current liabilities increased by $20,937,397, as compared to the prior year. The increase was mainly due to the issuance of serial bonds in the amount of $19,815,000, which was offset by the $3,875,000 of principal payments on serial bonds payable. This increase was also the result of the OPEB liability increasing from $154,111,457 to the year-end amount of $161,343,416, or a total increase of $7,231,959.

The change in the OPEB liability combined with the respective deferred inflows and outflows decreased the District's Net Position by $4,307,188 for the year.

Other Liabilities decreased by $16,558,411 in the current year, primarily due to bond anticipation notes decreasing by $17,969,471 due to the issuance of serial bonds.

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

The restricted net position at June 30, 2022 is $11,362,045 which represents the amount of the District's reserves and other restricted funds in the Debt Service Fund and Miscellaneous Special Revenue Fund.

The unrestricted portion of the net position at June 30, 2022, is a deficit of $125,497,610, and represents the amount by which the District's liabilities and deferred inflows exceeded assets and deferred outflows, excluding restricted assets, capital assets, and debt related to capital construction. This deficit is primarily a result of the requirement to accrue other postemployment benefits. The liability for this obligation is $161,343,416 at June 30, 2022.

B. Changes in Net Position

The results of this year's operations as a whole are reported in the Statement of Activities in a programmatic format in the accompanying financial statements. In the accompanying financial statements, STAR (school tax relief) revenue is included in the other tax items line. However, in this MD&A, STAR revenue has been combined with property taxes. A summary of this statement for the years ended June 30, 2022 and 2021 is as follows.

Revenues	2022	2021	Increase (Decrease)	Percentage Change
Program Revenues				
Charges for Services	$ 151,039	$ 124,844	$ 26,195	21.0%
Operating Grants	4,776,762	2,435,919	2,340,843	96.1%
Capital Grants		921,538	(921,538)	(100.0%)
General Revenues				
Property Taxes and STAR	33,643,398	32,981,745	661,653	2.0%
State and Federal Sources	35,325,495	33,596,058	1,729,437	5.1%
Other	1,893,276	2,421,564	(528,288)	(21.8%)
Total Revenues	75,789,970	72,481,668	3,308,302	4.6%
Expenses				
General Support	8,550,619	8,936,250	(385,631)	(4.3%)
Instruction	54,641,941	57,360,151	(2,718,210)	(4.7%)
Pupil Transportation	4,391,514	4,364,444	27,070	0.6%
Debt Service-Unallocated Interest	1,176,288	940,128	236,160	25.1%
Food Service Program	1,440,014	1,096,721	343,293	31.3%
Total Expenses	70,200,376	72,697,694	(2,497,318)	(3.4%)
Total Change in Net Position	$ 5,589,594	$ (216,026)	$ 5,805,620	

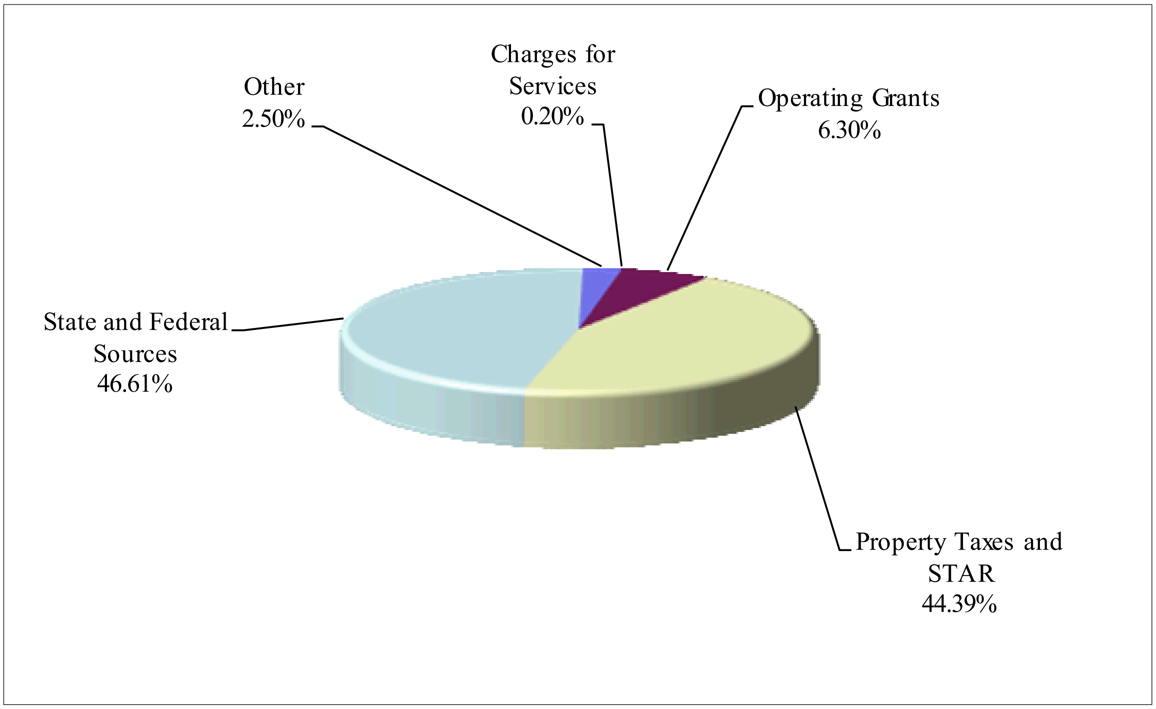
The District's revenues increased by $3,308,302 in 2022 from 2021. The major factors that contributed to the increase were:

- The State and federal revenue increased by a net of $1,729,437 or 5.1% in 2022. This was mainly due to increases in State Foundation Aid by $692,378, State Building Aid by $656,052, and State Transportation Aid by $375,206.
- Operating Grants increased $2,340,843 due to federal COVID-19 grants from the Education Stabilization Fund increasing $575,067 and the Nutrition Cluster programs increasing $644,990.
- Capital Grants of $921,538 were received in the prior year for Smart School Bond Act project funding.
- Property taxes and STAR revenues increased by $661,653 or 2.0%, in accordance with the approved budget.
- Other revenues decreased mainly due to the prior year $397,638 insurance recovery for flood damage.

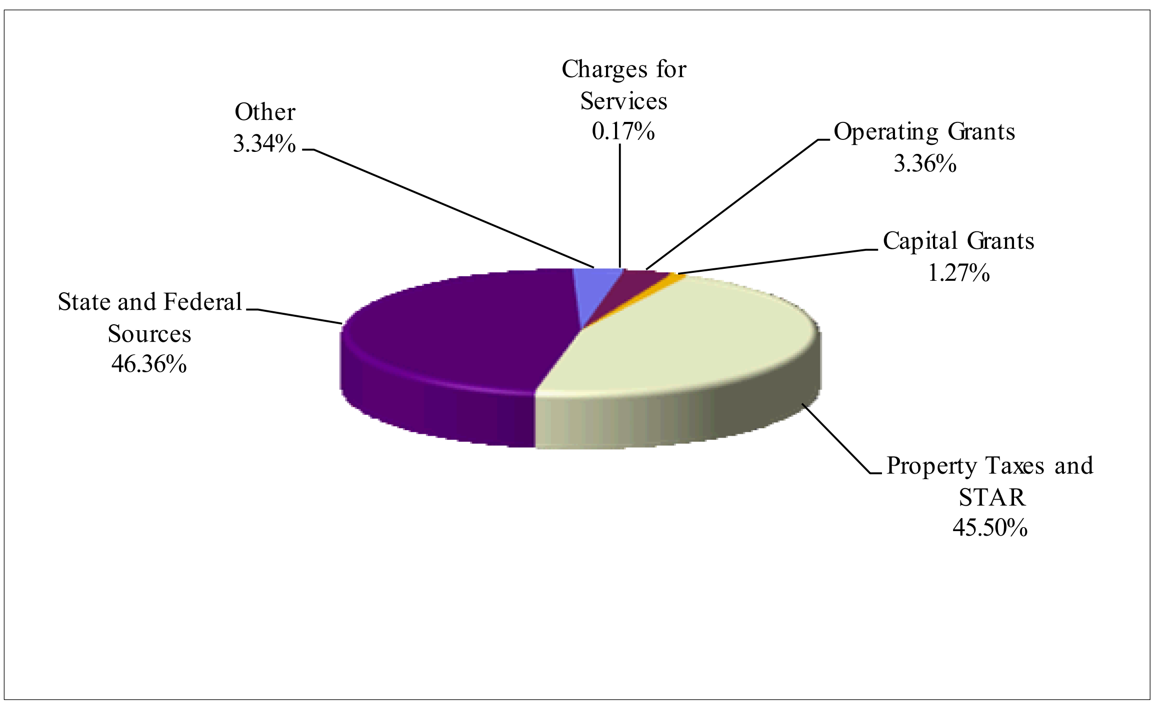
The District's expenses for the year decreased by $2,497,318. The major factor that contributed to this decrease was the NYS Pension expenses recognized in the current year were $7,038,223 less than the prior year. This decrease was offset by budgeted increases in operating costs and increases in expenditures due to the COVID-19 grants noted above.

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

For the Year Ended June 30, 2022

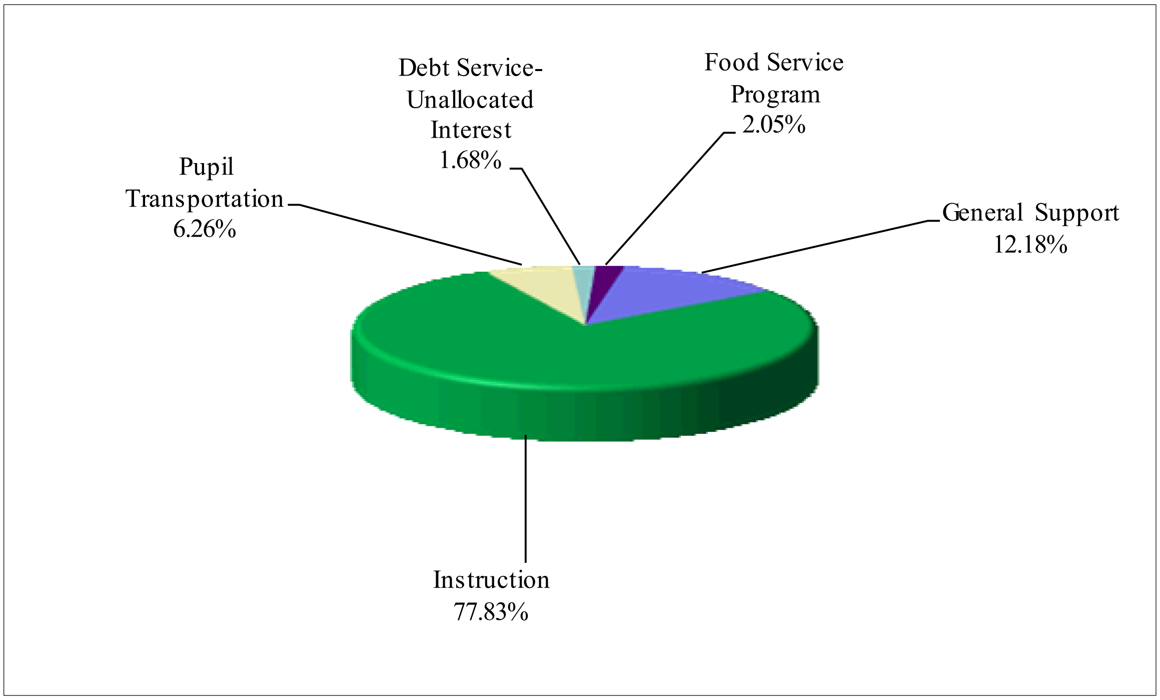


For the Year Ended June 30, 2021

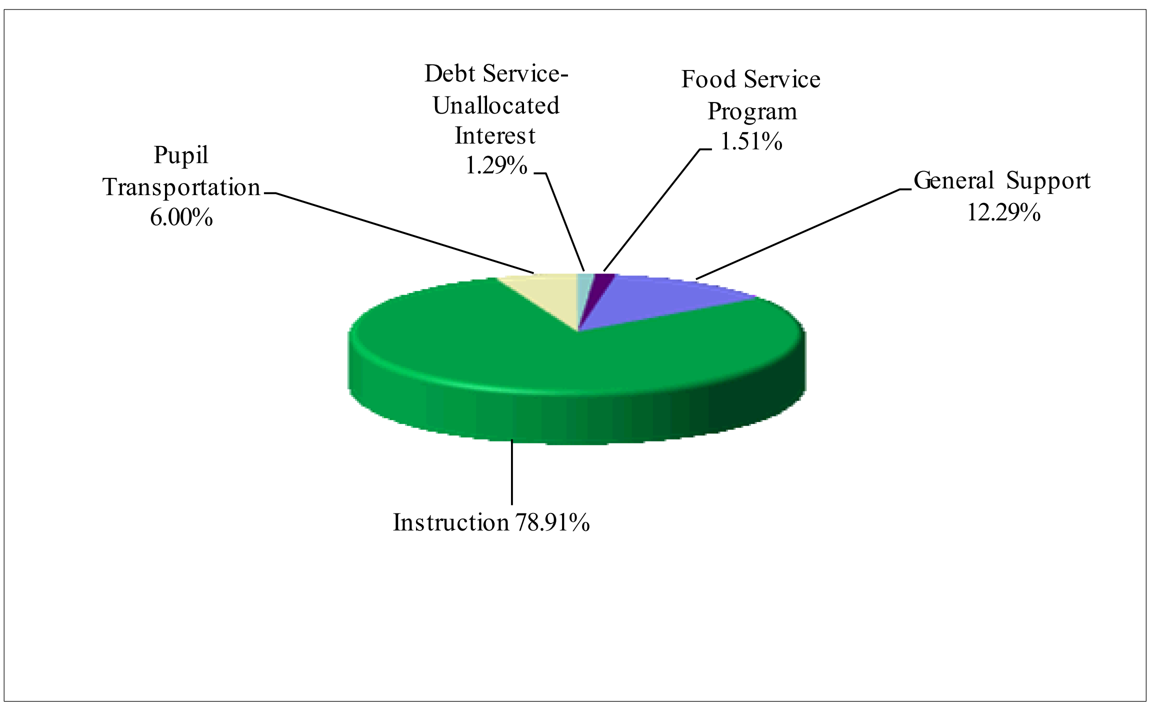


A graphic display of the distribution of expenses for the two years follows:

For the Year Ended June 30, 2022



For the Year Ended June 30, 2021



(Continued)

4. FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

At June 30, 2022, the District's governmental funds reported a combined fund balance of $19,483,260 which is an increase of $9,205,540 from the prior year. The increase was mainly due to the issuance of serial bond for Capital Fund projects. A summary of the change in fund balance by fund is as follows:

	2022	2021	Increase (Decrease)
General Fund			
Restricted			
Workers' Compensation	$ 255,571	$ 235,549	$ 20,022
Unemployment Insurance	221,570	211,551	10,019
Retirement Contribution-ERS	1,711,649	1,411,519	300,130
Retirement Contribution-TRS	1,690,977	1,240,886	450,091
Employee Benefit Accrued Liability	387,683	387,645	38
Property Loss	1,482,273	1,482,127	146
Insurance	511,222	511,171	51
Tax Certiorari	1,029,508	1,029,430	78
Capital Reserve	2,496,598	2,496,388	210
Repair Reserve	305,027	304,997	30
Total Restricted	10,092,078	9,311,263	780,815
Assigned			
Appropriated for Subsequent Year's Budget	4,750,000	4,800,000	(50,000)
General Support	136,410	178,863	(42,453)
Instruction	174,897	254,065	(79,168)
Pupil Transportation	95	12,895	(12,800)
Employee Benefits		796	(796)
Total Assigned	5,061,402	5,246,619	(185,217)
Unassigned	3,063,820	2,982,543	81,277
Total General Fund	18,217,300	17,540,425	676,875
School Lunch Fund			
Nonspendable	32,618	43,673	(11,055)
Assigned	630,436	228,427	402,009
Total School Lunch Fund	663,054	272,100	390,954
Special Aid Fund			
Unassigned (Deficit)	(18,070)	(481)	(17,589)
Miscellaneous Special Revenue Fund			
Restricted	96,383	100,413	(4,030)
Debt Service Fund			
Restricted	1,173,584	1,315,951	(142,367)
Capital Fund			
Unassigned (Deficit)	(648,991)	(8,950,688)	8,301,697
Total	$ 19,483,260	$ 10,277,720	$ 9,205,540

At June 30, 2022, the Capital Fund's unassigned deficit of $648,991 mainly represents the portion of the voter approved bus purchases that have not been permanently financed. The District issues short term bond anticipation notes to temporarily fund the deficits. Each year a portion of the BANs payable is redeemed from current appropriations. The deficit will be eliminated when the BANs are fully redeemed or paid through the issuance of serial bonds.

5. GENERAL FUND BUDGETARY HIGHLIGHTS

A. 2021-2022 Budget

The District's General Fund adopted budget for the year ended June 30, 2022, was $74,702,240. This is an increase of $2,900,964 over the prior years' adopted budget.

The budget was funded through a combination of revenues and designated fund balance. The majority of this funding source was $33,539,861 in estimated property taxes and STAR and $34,591,146 from State Aid.

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

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

Opening, Unassigned Fund Balance	$	2,982,543
Revenues and Other Financing Sources under Budget		(4,437,808)
Carryover Encumbrances from June 30, 2021		446,619
Expenditures and Encumbrances under Budget		4,803,281
Decrease in Assigned - Appropriated Fund Balance		50,000
Net Increase to Restricted Funds		(780,815)
Closing, Unassigned Fund Balance	$	3,063,820

Opening, Unassigned Fund Balance

The $2,982,543 shown in the table is the portion of the District's June 30, 2021, fund balance that was retained unassigned. This was 4.99% of the District's 2021-2022 approved operating budget.

Revenues and Other Financing Sources Under Budget

The 2021-2022 budget for revenues was $69,902,240. The actual revenues received for the year were $70,711,051. The actual revenue was over the budgeted revenue by $808,811. This variance and the appropriated fund balance and reserves totaled to an actual and planned shortfall of $4,437,808. This contributed directly to the change to the unassigned portion of the General Fund balance from June 30, 2021 to June 30, 2022.

Expenditures and Encumbrances Under Budget

The 2021-2022 budget for expenditures with carryover encumbrances and appropriated reserves was $75,148,859. The actual expenditures and encumbrances were $70,345,578. The final budget was under expended by $4,803,281, after encumbrances. This under expenditure and encumbrances contribute to the change to the unassigned portion of the General Fund balance from June 30, 2021 to June 30, 2022.

Decrease in Assigned Funds

The District decreased the amounts in their assigned funds during the current year in the amount of $50,000 which was allocated back to unassigned funds.

Increase in Restricted Funds

The District increased the amounts in their reserve accounts during the current year in the amount of $780,815.

Closing, Unassigned Fund Balance

Based upon the summary changes shown in the above table, the District will begin the 2022-2023 fiscal year with an unassigned fund balance of $3,063,820. This is 3.98% of the District's 2022-2023 approved operating budget. This is an increase of $81,277 from the unassigned balance from the prior year.

6. CAPITAL AND RIGHT TO USE LEASED ASSETS AND DEBT ADMINISTRATION

A. Capital Assets

At June 30, 2022, the District had invested in a broad range of capital and right to use leased assets, including land, buildings and improvements and equipment. The net increase in capital assets is due to capital additions exceeding depreciation and amortization expense for the year ended June 30, 2022. A summary of the District's capital and right to use leased assets, net of accumulated depreciation and amortization at June 30, 2022 and 2021, is as follows:

	2022	(Restated) 2021	Increase (Decrease)
Land	$ 1,387,168	$ 1,387,168	$
Construction in Progress	42,160,928	30,898,969	11,261,959
Buildings and Improvements	54,878,448	56,580,717	(1,702,269)
Furniture, Equipment, and Vehicles	2,712,099	2,536,999	175,100
Right to Use Leased Equipment	336,293	442,750	(106,457)
Capital and Right to Use Leased Assets, Net	$ 101,474,936	$ 91,846,603	$ 9,628,333

B. Debt Administration

At June 30, 2022, the District had total bonds payable of $45,970,000. The serial bonds of $45,970,000 and the bond anticipation notes of $4,490,596 exhausted 30% of the District's State Constitutional Debt Limit. A summary of the outstanding debt at June 30, 2022 and 2021, is as follows:

Issue Date	Interest Rate	2022	2021	Increase (Decrease)
2012 Refunding Bonds	2.50-3.00%	$ 9,790,000	$ 11,905,000	$ (2,115,000)
2013 Refunding Bonds	1.00-4.00%	2,170,000	2,510,000	(340,000)
2015	2.00-3.00%	1,540,000	1,720,000	(180,000)
2016	1.98%	5,060,000	5,540,000	(480,000)
2017 DASNY	3.75-5.00%	10,385,000	11,145,000	(760,000)
2022	3.00-3.375%	2,790,000		2,790,000
2022 DASNY	5.00%	14,235,000		14,235,000
		$ 45,970,000	$ 32,820,000	$ 13,150,000

7. ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The Whitesboro Central School community once again demonstrated both their unwavering support of our schools and trust in our District. Overwhelmingly, our budget and bus purchases were approved. The approval rates for each of these were over 70%!

At the annual meeting on May 17, 2022, voters approved the proposed $77,027,772 spending plan. Voters in the Whitesboro Central School District also authorized the additional expenditure, up to $722,500 to replace four sixty-six passenger buses, one thirty passenger bus, and one wheelchair bus. The designated fund balance applied to the 2022-23 budget is $4,750,000.

The District continues to work with local and State resources to improve District safety programs while continuing its ongoing review of its Emergency Response Plans. The District increased its internal and external video surveillance program at the secondary buildings, while also improving internal emergency response procedures/protocols. The District worked closely with all local fire and law enforcement agencies to enhance overall communication and emergency response capabilities.

The approved 2022-23 School Budget had a 3.11% increase in spending and the District stayed within its 2022-23 levy limit of 2.59%. The expenditure increase was primarily a result of contractual salary increases and increases to employee benefits.

The District operates a food service program that provides healthy, affordable meals to its students. The financial stability of the program ensures that meals will continue to be available to both students and staff of the District.

The Board of Education has agreements with the Whitesboro Administrator Organization, the Whitesboro Teacher Association and the Whitesboro Employees Union, as it continues to work closely with staff and administration to monitor and maintain the financial stability of the School District through careful financial planning and prudent fiscal management.

8. CONTACTING THE DISTRICT

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

Whitesboro Central School District
Business Office
65 Oriskany Boulevard, Suite 1
Whitesboro, NY 13492

WHITESBORO CENTRAL SCHOOL DISTRICT
STATEMENT OF NET POSITION
June 30, 2022

Assets	
Cash and Cash Equivalents	$ 11,936,606
Restricted Cash and Cash Equivalents	15,117,312
Receivables	
Other Governments	5,901,479
Other Receivables	61,312
Inventory	32,618
Net Pension Asset - Proportionate Share	25,522,811
Right To Use Leased Assets (Net of Amortization)	336,293
Capital Assets (Net of Accumulated Depreciation)	57,590,547
Capital Assets (Not Being Depreciated)	43,548,096
Total Assets	160,047,074
Deferred Outflows of Resources	
Deferred Charge on Refunding of Debt (Net of Amortization)	184,039
Pensions	16,784,504
OPEB	21,223,471
Total Deferred Outflow of Resources	38,192,014
Total Assets and Deferred Outflows of Resources	$ 198,239,088
Liabilities	
Accounts Payable	$ 174,491
Accrued Liabilities	2,290,754
Due To	
Other Governments	22,564
Teachers' Retirement System	2,560,702
Employees' Retirement System	175,953
Short-Term Notes Payables	
Bond Anticipation Notes	4,490,596
Unearned Revenue	1,107,652
Noncurrent Liabilities	
Due Within One Year	
Bonds Payable	4,370,000
Unamortized Premium	432,605
Lease Liability	119,176
Compensated Absences	353,808
Due in More Than One Year	
Bonds Payable	41,600,000
Unamortized Premium	3,292,865
Other Postemployment Benefits	161,343,416
Compensated Absences	461,808
Total Liabilities	222,796,390
Deferred Inflows of Resources	
Pensions	31,883,788
OPEB	10,365,562
Total Deferred Inflow of Resources	42,249,350
Total Liabilities and Deferred Inflows of Resources	265,045,740
Net Position (Deficit)	
Net Investment in Capital Assets	47,328,913
Restricted	11,362,045
Unrestricted (Deficit)	(125,497,610)
Total Net Position (Deficit)	(66,806,652)
Total Liabilities, Deferred Inflows of Resources and Net Position (Deficit)	$ 198,239,088

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

WHITESBORO CENTRAL SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2022

		Program Revenues		Net (Expense)
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Revenue and Changes in Net Position
General Support	$ 8,550,619	$	$	$ (8,550,619)
Instruction	54,641,941	13,887	3,182,421	(51,445,633)
Pupil Transportation	4,391,514			(4,391,514)
Debt Service - Unallocated Interest	1,176,288			(1,176,288)
Food Service	1,440,014	137,152	1,594,341	291,479
Total Functions/Programs	$ 70,200,376	$ 151,039	$ 4,776,762	(65,272,575)
General Revenues				
Real Property Taxes				28,914,614
STAR and Other Real Property Tax Items				4,728,784
Use of Money and Property				107,889
State and Federal Sources				35,325,495
Miscellaneous				1,785,387
Total General Revenues				70,862,169
Change in Net Position				5,589,594
Net Position (Deficit), Beginning of Year, as Previously Stated				(72,602,546)
Cumulative Effect of Change in Accounting Principle				206,300
Net Position (Deficit), Beginning of Year, as Restated				(72,396,246)
Net Position (Deficit), End of Year				$ (66,806,652)

WHITESBORO CENTRAL SCHOOL DISTRICT
BALANCE SHEET - GOVERNMENTAL FUNDS
June 30, 2022

	General	School Lunch	Special Aid	Miscellaneous Special Revenue	Debt Service	Capital	Total
Assets							
Cash and Cash Equivalents	$ 11,546,486	$ 327,574	$ 62,546	$	$	$	$ 11,936,606
Restricted Cash and Cash Equivalents	10,092,078			96,383	1,173,562	3,755,289	15,117,312
Receivables							
Other Governments	3,312,650	318,355	2,270,474				5,901,479
Due from Other Funds	1,623,735	19,399	15,961		37,056	2,644,185	4,340,336
Other Receivables	61,245	67					61,312
Inventory		32,618					32,618
Total Assets	$ 26,636,194	$ 698,013	$ 2,348,981	$ 96,383	$ 1,210,618	$ 6,399,474	$ 37,389,663
Liabilities							
Payables							
Accounts Payable	$ 131,602	$	$ 18,069	$	$	$ 24,820	$ 174,491
Accrued Liabilities	2,179,981	20,368	11,461				2,211,810
Due To							
Other Governments		673	21,891				22,564
Other Funds	548,357	13,918	1,207,978		37,034	2,533,049	4,340,336
Teachers' Retirement System	2,560,702						2,560,702
Employees' Retirement System	175,953						175,953
Bond Anticipation Note						4,490,596	4,490,596
Compensated Absences	353,808						353,808
Unearned Grant Revenue			1,107,652				1,107,652
Total Liabilities	5,950,403	34,959	2,367,051		37,034	7,048,465	15,437,912
Deferred Inflow of Resources							
Unavailable General State Aid	2,468,491						2,468,491
Fund Balance							
Nonspendable		32,618					32,618
Restricted	10,092,078			96,383	1,173,584		11,362,045
Assigned	5,061,402	630,436					5,691,838
Unassigned (Deficit)	3,063,820		(18,070)			(648,991)	2,396,759
Total Fund Balance (Deficit)	18,217,300	663,054	(18,070)	96,383	1,173,584	(648,991)	19,483,260
Total Liabilities, Deferred Inflow of Resources, and Fund Balance	$ 26,636,194	$ 698,013	$ 2,348,981	$ 96,383	$ 1,210,618	$ 6,399,474	$ 37,389,663

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

WHITESBORO CENTRAL SCHOOL DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUND BALANCE SHEET
TO THE STATEMENT OF NET POSITION
June 30, 2022

Total Governmental Fund Balances		$ 19,483,260
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Revenues that do not provide current financial resources that are recognized in the Statement of Net Position but not the fund financial statements.		
	State Aid	2,468,491
The cost of building, acquiring, and leasing capital assets (land, buildings, equipment) financed from the governmental funds are reported as expenditures in the year they are incurred, and the assets do not appear on the balance sheet. However, the Statement of Net Position includes those capital and right to use leased assets among the assets of the School District as a whole, and their original costs are expensed annually over their useful lives.		
	Right to Use Leased Assets	557,831
	Accumulated Amortization	(221,538)
	Original Cost of Capital Assets	144,403,797
	Accumulated Depreciation	(43,265,154)
		101,474,936
Proportionate share of the long-term liability/asset associated with participation in state retirement systems are not current financial resources or obligations and are not reported in the funds.		
	Net Pension Asset - Proportionate Share	25,522,811
	Deferred Outflow - Pensions	16,784,504
	Deferred Inflow - Pensions	(31,883,788)
		10,423,527
Long-term liabilities, including bonds payable and related deferred outflows and inflows, are not due and payable in the current period and, therefore, are not reported as liabilities in the funds. Long-term liabilities at year end consist of:		
	Bonds Payable	(45,970,000)
	Lease Liability	(119,176)
	Accrued Interest on Long-term Debt	(78,944)
	Unamortized Premium on Issuance of Advanced Refunding	(3,725,470)
	Deferred Charge on Refunding	184,039
	Deferred Outflow - OPEB	21,223,471
	Deferred Inflow - OPEB	(10,365,562)
	Other Post-Employment Liabilities	(161,343,416)
	Compensated Absences Payable	(461,808)
		(200,656,866)
Total Net Position (Deficit)		$ (66,806,652)

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

WHITESBORO CENTRAL SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
For the Year Ended June 30, 2022

	General	School Lunch	Special Aid	Miscellaneous Special Revenue	Debt Service	Capital	Total
Revenues							
Real Property Taxes	$ 28,914,614	$	$	$	$	$	$ 28,914,614
Other Real Property Tax Items	314,642						314,642
School Tax Relief Reimbursement	4,414,142						4,414,142
Charges for Services	13,887						13,887
Premium on Debt Issuance					69,602	1,015,000	1,084,602
Use of Money and Property	4,478				797		5,275
Sale of Property and Compensation for Loss	33,012						33,012
Miscellaneous	1,771,550	5,320	500	8,017			1,785,387
State Aid	34,288,122	25,484	518,261				34,831,867
Federal Aid	743,838	1,568,857	2,664,160				4,976,855
School Lunch Sales		137,152					137,152
Total Revenues	70,498,285	1,736,813	3,182,921	8,017	70,399	1,015,000	76,511,435
Expenditures							
General Support	6,715,428			12,047		11,267,774	17,995,249
Instruction	37,063,228		3,200,510				40,263,738
Pupil Transportation	3,227,725					715,596	3,943,321
Food Service Program		1,162,160					1,162,160
Employee Benefits	15,304,383	183,805					15,488,188
Debt Service - Principal	6,137,341						6,137,341
Debt Service - Interest	1,485,965						1,485,965
Total Expenditures	69,934,070	1,345,965	3,200,510	12,047		11,983,370	86,475,962
Excess (Deficit) Revenues Over Expenditures	564,215	390,848	(17,589)	(4,030)	70,399	(10,968,370)	(9,964,527)
Other Financing Sources (Uses)							
Proceeds of Debt						17,025,000	17,025,000
BANs Redeemed from Appropriations						2,145,067	2,145,067
Transfers from Other Funds	212,766	106				100,000	312,872
Transfers to Other Funds	(100,106)				(212,766)		(312,872)
Total Other Financing Sources (Uses)	112,660	106			(212,766)	19,270,067	19,170,067
Excess (Deficit) Revenues Over Expenditures and Other Financing Sources	676,875	390,954	(17,589)	(4,030)	(142,367)	8,301,697	9,205,540
Fund Balance (Deficit), Beginning of Year	17,540,425	272,100	(481)	100,413	1,315,951	(8,950,688)	10,277,720
Fund Balance (Deficit), End of Year	$ 18,217,300	$ 663,054	$ (18,070)	$ 96,383	$ 1,173,584	$ (648,991)	$ 19,483,260

WHITESBORO CENTRAL SCHOOL DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES AND EXPENDITURES OF THE GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2022

Net Changes in Fund Balance - Total Governmental Funds		$ 9,205,540
Capital Outlays to purchase, build, or lease capital or right to use assets are reported in governmental funds as expenditures. However, for governmental activities, those costs are shown in the Statement of Net Position and allocated over their useful lives as depreciation and amortization expenses in the statement of activities. This is the amount by which capital outlays exceeded depreciation and amortization in the period.		
Depreciation Expense	(2,393,785)	
Amortization Expense	(108,573)	
Capital Outlays	12,128,576	
Cost of Leased Assets	2,116	9,628,334
Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayments of bond principal is an expenditure in governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position. Changes in long-term debt are as follows:		
Proceeds from Issued Serial Bonds	(17,025,000)	
Deferred Premium on Debt Issuance	(1,015,000)	
Repayment of Bond Principal	3,992,274	(14,047,726)
Revenues recognized in the statement of activities that provided current financial resources were not reported as revenues in the governmental funds in the prior year.		
Deferred State Aid	293,535	293,535
Certain expenses in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
Change In Accrued Interest on Debt	(23,909)	
Amortization of Deferred Premium	369,167	
Amortization of Deferred Charges on Refunded Debt	(35,581)	
Change in Proportionate Share of Net Pension Expense	4,534,301	
Change In Compensated Absences	(26,879)	
Change In Other Post Employment Benefits	(4,307,188)	509,911
Change in Net Position Governmental Activities		$ 5,589,594

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

WHITESBORO CENTRAL SCHOOL DISTRICT
STATEMENT OF FIDUCIARY NET POSITION
June 30, 2022

	Custodial Fund
Assets	
Cash and Cash Equivalents - Restricted	$ 105,999
Net Position	
Restricted for Extraclassroom Activities	$ 105,999

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

WHITESBORO CENTRAL SCHOOL DISTRICT
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
For the Year Ended June 30, 2022

	Custodial Fund
Additions	
Dunham Library Tax Income	$ 1,211,177
Dunham Library Payroll Reimbursements	690,784
Extraclassroom Income	146,450
	2,048,411
Deductions	
Dunham Library Tax Expense	1,211,177
Dunham Library Payroll Expense	690,784
Extraclassroom Expense	152,622
Total Deductions	2,054,583
Change in Net Position	(6,172)
Net Position, Beginning of Year	112,171
Net Position, End of Year	$ 105,999

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

Reporting Entity

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

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

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

(a) Extraclassroom Activity Funds

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

Joint Venture

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

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

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

Basis of Presentation

(a) District-Wide Statements

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

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

(b) Fund Financial Statements

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

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

Special Revenue Funds:

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

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

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

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

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

(c) Fiduciary Funds

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

Custodial Funds: These funds are strictly custodial in nature. Assets are held by the School District as agent for various student groups or Extraclassroom activity funds. In addition, the fund is used to account for real property taxes collected and paid to Dunham Library.

Measurement Focus and Basis of Accounting

Accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

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

The governmental fund statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The School District considers all revenues reported in the governmental funds to be available if the revenues are collected within 60 days after the end of the fiscal year.

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

Accrued Liabilities and Long-Term Obligations

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

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

Estimates

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

Cash and Cash Equivalents

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

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

Property Taxes

Real property taxes are levied annually by the Board of Education and become a lien no later than September 1. Taxes are collected during the period September 1 to October 31. Uncollected real property taxes are subsequently enforced by Oneida 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 forthcoming April 1.

Receivables

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

Interfund Transactions

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

The amounts reported on the Statement of Net Position for due to and due from other funds represents amounts due between different fund types (governmental activities and fiduciary funds). Eliminations have been made for amounts due to and due from within the same fund type. A detailed description of the interfund transactions for governmental funds throughout the year is shown in Note 11 to the financial statements.

Inventories

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

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

Capital Assets

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

The School District uses capitalization thresholds of $5,000 (the dollar value above which asset acquisitions are added to the capital asset accounts for grouped like assets or individual assets). Interest incurred on obligations is not capitalized. Depreciation methods and estimated useful lives of capital assets reported in the District-wide statements are as follows:

	Lives	Depreciation Method
Buildings and Improvements	20-30 Years	Straight Line
Furniture and Equipment	4-20 Years	Straight Line
Vehicles	10 Years	Straight Line

Right to Use Leased Assets

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

Vested Employee Benefits – Compensated Absences

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

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

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

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

Retirement Plans and Other Benefits

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

In addition to providing pension benefits, the District provides post-employment health insurance coverage and survivor benefits for retired employees and their survivors. Collective bargaining agreements determine if District employees are eligible for these benefits if they reach normal retirement age while working for the District. Health care benefits are provided through plans whose premiums are based on the benefits paid during the year. The cost of providing postemployment benefits is shared between the District and the retired employee. Other postemployment benefit costs are measured and disclosed using the accrual basis of accounting (see Note 9).

Short-Term Debt

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

Deferred Outflows of Resources

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

Deferred Inflows of Resources

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has three items that qualify for reporting in this category. The first item is related to pensions reported in the District-wide Statement of Net Position. This represents the effect of the net change in the District's proportion of the collective net pension liability or asset and difference during the measurement periods between the District's contributions and its proportionate share of total contributions to the pension systems not included in pension expense. The second item is related to other postemployment benefits (OPEB) reported on the District-wide Statement of Position and represents the effect of differences between expected and actual experience and changes in assumptions during the year. These amounts are deferred and will be recognized in OPEB expense over the next several years. The third arises only under a modified accrual basis of accounting for State Aid revenue that is unavailable.

Unearned Revenues

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 both recognition criteria are met, or when the School District has legal claim to the resources, the liability for unearned revenues is removed and revenues are recorded.

Restricted Resources

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

Equity Classifications

(a) District-Wide Financial Statements

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

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

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

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

(b) Fund Statements

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

Non-spendable

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

Restricted Resources

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

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

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

- ***Reserve for Unemployment Insurance***

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

- ***Retirement Contribution Reserve Fund***

  According to General Municipal Law §6-r, must be used for financing retirement contributions to the New York State and Local Employees' Retirement System. This reserve is established by Board resolution and is funded by budgetary appropriation and such other reserves and funds that may be legally appropriated. The reserve must be accounted for separate and apart from all other funds and a detailed report of the operation and condition of the fund must be provided to the Board. This reserve is accounted for in the General Fund. Effective April 1, 2019, a Board may adopt a resolution establishing a sub-fund for contributions to the New York State Teachers' Retirement System. During a fiscal year, the Board may authorize payment into the sub-fund of up to 2% of the total covered salaries paid during the preceding fiscal year, not to exceed a total of 10%. The sub-fund is separately administered, but must comply with all the existing provisions of General Municipal Law §6-r.

- ***Reserve for Insurance***

  Reserve for Insurance (GML §6-n) must be used to pay liability, casualty and other types of losses, except losses incurred for which the following types of insurance may be purchased: life, accident, health, annuities, fidelity and surety, credit, title residual value and mortgage guarantee. In addition, this reserve may not be used for any purpose for which a special reserve may be established pursuant to law (for example, for unemployment compensation insurance). The reserve may be established by Board action, and funded by budgetary appropriations, or such other funds as may be legally appropriated. There is no limit on the amount that may be accumulated in the Insurance Reserve; however, the annual contribution to this reserve may not exceed the greater of $33,000 or 5% of the budget. Settled or compromised claims up to $25,000 may be paid from the reserve without judicial approval. This reserve is accounted for in the General Fund.

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

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

- ***Reserve for Property Loss***

  Reserve for Property Loss [Education Law §1709(8)(c)] is used to pay for property loss incurred. Separate funds for property loss claims are required, and this reserve may not in total exceed 3% of the annual budget or $15,000, whichever is greater. This type of reserve fund may be utilized only by school districts, except city school districts with a population greater than 125,000. This reserve is accounted for in the General Fund.

- ***Reserve for Tax Certiorari***

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

- ***Capital Reserve***

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

  - In May 2017, the Board and voters established a capital reserve fund to reserve up to $5 million plus interest and investment earnings for the purpose of capital improvements. The reserve was established with a probable term of ten years. More specifically, the fund will further enable the district to maintain and/or upgrade its facilities and infrastructure to provide and modernize its teaching and learning environments, supplementing the scope of other capital improvement projects. The fund may also be used to offset the local share of future capital project work. This proposition only establishes the capital reserve fund and does not obligate the district to fund it at any specific level at any time. The district will determine the level at which it is funded based on current and future financial conditions.

- In May 2022, the Board and voters established a capital reserve fund for the construction of improvements, reconstruction of, and additions to various School District facilities, including original furnishings, equipment, machinery, apparatus, appurtenances, and site and incidental improvements and expenses in connection therewith, at an ultimate amount of $10,000,000, plus accrued interest and investment earnings with a probable term of ten (10) years, the source of the funding being the District's available funds balance, State aid reimbursement to the District on account of capital projects, such other monies as the voters may direct, and other legally available funds of the District in an amount determined by the Board of Education up to the maximum authorized amount.

- ***Reserve for Repairs***

  Repair Reserve (GML §6-d) is used to pay the cost of repairs to capital improvements or equipment, which repairs are of a type not recurring annually. The Board of Education without voter approval may establish a repair reserve fund by a majority vote of its members. Voter approval is required to fund this reserve (Opinion of the New York State Comptroller 81-401). Expenditures from this reserve may be made only after a public hearing has been held, except in emergency situations. If no hearing is held, the amount expended must be repaid to the reserve fund over the next two subsequent fiscal years. This reserve is accounted for in the General Fund.

- ***Miscellaneous Special Revenue Fund***

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

- ***Debt Service***

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

Unrestricted Resources

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

- ***Committed* -** Includes amounts that can only be used for the specific purposes pursuant to constraints imposed by formal action of the school districts highest level of decision making authority, i.e., the Board of Education. The School District has no committed fund balances as of June 30, 2022.

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

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

(c) Reserve for Extraclassroom Activities

This reserve is used to account for various student groups or Extraclassroom activities. This reserve is accounted for in the Fiduciary Custodial fund.

(d) Order of Use of Fund Balance

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

New Accounting Standard

Effective July 1, 2021, the District implemented Governmental Accounting Standards Board (GASB) Statement No. 87, *Leases*. GASB Statement No. 87 enhances the relevance and consistency of information of the District's leasing activities. It establishes requirements for lease accounting based on the principle that leases are financings of the right to use an underlying asset. A lessee is required to recognize a lease liability and an intangible right to use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources.

Future Changes in Accounting Standards

GASB has issued Statement No. 96, *Subscription-Based Information Technology Arrangements*, effective for the year ending June 30, 2023. The District will evaluate the impact this pronouncement may have on its financial statements and will implement it as applicable and when material.

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

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

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

Total fund balances of the School District's governmental funds differ from "Net Position" of governmental activities reported in the Statement of Net Position. This difference primarily results from the additional long-term economic focus of the Statement of Net Position versus the solely current financial resources focus of the governmental fund Balance Sheet.

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

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

(a) Long-Term Revenue Differences

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

(b) Capital Related Differences

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

(c) Long-Term Debt Transaction Differences

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

(d) Employee Benefit Allocation

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

(e) Pension Differences

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

(f) OPEB Differences

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

3. STEWARDSHIP AND COMPLIANCE

Budgetary Procedures and Budgetary Accounting

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

Appropriations are adopted at the program line-item level. The voters approved the General Fund budget. 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.

Change from Adopted Budget to Revised Budget

Adopted Budget	$ 74,702,240
Add: Prior Year's Encumbrances	446,619
Original and Final Budget	$ 75,148,859

Budgets are adopted annually on a basis consistent with GAAP. Appropriations authorized for the year are increased by the amount of encumbrances carried forward from the prior year. The Special Aid and School Lunch Funds do not have legally authorized budgets.

Encumbrances

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

NYS Real Property Tax Cap

Chapter 97 of the Laws of 2011 established a property tax levy limit (generally referred to as the tax cap) that restricts the amount of property taxes local governments including school districts can levy. The tax levy for the 2021-2022 school year was in compliance with the NYS Tax Cap Limit.

Fund Balance Limitations

NYS Real Property Tax Law 1318 limits the amount of unexpended surplus funds a school district can retain to no more than 4% of the School District's budget for the General Fund for the ensuing fiscal year. Nonspendable and restricted fund balance of the General Fund are excluded from the 4% limitation. Amounts appropriated for the subsequent year and encumbrances are also excluded from the 4% limitation.

At June 30, 2022, the School District had an unassigned fund balance of $3,063,820, which is approximately 3.98% of the 2022-2023 budget.

4. CUSTODIAL AND CONCENTRATION OF CREDIT RISK

Custodial Credit Risk

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. While the District does not have a specific policy for custodial credit risk, New York State statutes govern the District's investment policies, as discussed previously in these notes. GASB directs that deposits be disclosed as exposed to custodial credit risk if they are not covered by depository insurance and the deposits are either uncollateralized, collateralized by securities held by the pledging financial institution, or collateralized by securities held by the pledging financial institution's trust department or agent but not in the District's name.

The District's had aggregate bank balances of $30,297,266 all of which were fully covered by depository insurance or collateralized by securities held by the pledging financial institution.

Restricted Cash and Cash Equivalents

1. Restricted cash in the General Fund of $10,092,077, consists of the following:

Description	Amount
Reserve for Tax Certiorari	$ 1,029,508
Employee Benefit Accrued Liability	387,683
Employee Retirement Contribution	1,711,649
Teachers Retirement Contribution	1,690,977
Capital Reserve	2,496,598
Insurance Reserve	511,222
Repair Reserve	305,027
Worker's Compensation	255,571
Unemployment Insurance	221,570
Property Loss	1,482,273
Total	$ 10,092,078

2. Restricted cash of $1,173,562 in the Debt Service fund represents funds restricted for debt service of the outstanding bonds.
3. Restricted cash of $3,755,289 in the Capital Fund represents funds restricted for approved capital projects.
4. Restricted cash of $96,383 in the Miscellaneous Special Revenue Fund represents various expendable trust funds held by the School District for scholarships and awards.
5. Restricted cash of $105,999 in the Fiduciary Custodial Funds represents funds restricted for Extraclassroom activities.

5. PARTICIPATION IN BOCES

During the year, the School District was billed $10,559,633 for BOCES' administrative and program costs. Financial statements for the BOCES are available from the BOCES' administrative office at Middle Settlement Road, New Hartford, New York 13413.

6. CAPITAL AND RIGHT TO USE LEASED ASSETS

Capital asset activity for the year ended June 30, 2022, is as follows:

	Beginnning Balance	Additions	Deletions	Ending Balance
Capital Assets Not Being Depreciated				
Land	$ 1,387,168	$	$	$ 1,387,168
Construction in Progress	30,898,969	11,261,959		42,160,928
Total	32,286,137	11,261,959		43,548,096
Capital Assets Being Depreciated				
Buildings and Improvements	88,607,771			88,607,771
Furniture, Equipment and Vehicles	11,542,918	866,616	161,603	12,247,931
Total	100,150,689	866,616	161,603	100,855,702
Accumulated Depreciation				
Buildings and Improvements	32,027,054	1,702,269		33,729,323
Furniture, Equipment and Vehicles	9,005,919	691,516	161,603	9,535,832
Total	41,032,973	2,393,785	161,603	43,265,155
Net Capital Assets Being Depreciated	59,117,716	(1,527,169)		57,590,547
Net Capital Assets	$ 91,403,853	$ 9,734,790	$	$ 101,138,643

Depreciation expense was allocated to governmental functions as follows:

Function/Program	
General Support	$ 679,588
Instruction	1,521,327
Pupil Transportation	148,967
School Lunch	43,903
Total Depreciation	$ 2,393,785

Right to use leased asset activity for the year ended June 30, 2022 is as follows:

	Restated Beginning Balance	Additions	Deletions	Ending Balance
Right to Use Leased Assets				
Leased Equipment	$ 555,715	$ 2,116	$	$ 557,831
Accumulated Amortization				
Leased Equipment	112,965	108,573		221,538
Net Right to Use Leased Assets	$ 442,750	$ (106,457)	$	$ 336,293

Amortization expense of $108,573 is charged to the instruction program.

7. SHORT-TERM DEBT

The School District may issue Bond Anticipation Notes (BANs) in anticipation of proceeds from the subsequent sale of bonds. These notes are recorded as current liabilities of the funds that will actually receive the proceeds from the issuance of bonds. State law requires that BANs issued for capital purposes be converted to long-term financing within five years after the original issue date. The following is a summary of the BANs outstanding at June 30, 2022:

Payable From/Description	Date of Original Issue	Original Amount	Date of Final Maturity	Interest Rate (%)	Outstanding Amount
General Fund					
Buses	09/21	$ 1,742,590	09/22	2.00	$ 1,945,596
BAN Capital Projects	06/22	$ 2,545,000	06/23	3.50	2,545,000
					$ 4,490,596

Changes in the School District's short–term outstanding debt for the year ended June 30, 2022, are as follows:

Description	Outstanding Beginning Balance	Redeemed	Issued	Paid	Outstanding Ending Balance
Governmental Activities					
Buses	$ 1,742,590	$	$ 715,596	$ (512,590)	$ 1,945,596
BAN Capital Project	20,717,477	(18,040,000)	1,500,000	(1,632,477)	2,545,000
Total Governmental Activities	$ 22,460,067	$ (18,040,000)	$ 2,215,596	$ (2,145,067)	$ 4,490,596

Interest costs for short–term debt for the year ended June 30, 2022, was as follows:

Total interest for the year was as follows:	
Interest Paid	$ 276,395
Less: Interest Accrued in the Prior Year	(18,838)
Plus: Interest Accrued in the Current Year	33,185
Total Interest Expense on Short-Term Debt	$ 290,742

8. NONCURRENT LIABILITIES

Noncurrent liability balances and activity for the year ended June 30, 2022, are as follows:

Description	Restated Outstanding Beginning Balance	Issued	Paid	Outstanding Ending Balance	Due Within One Year
Governmental Activities					
Bonds Payable	$ 32,820,000	$ 17,025,000	$ 3,875,000	$ 45,970,000	$ 4,370,000
Unamortized Premium	3,079,637	1,015,000	369,167	3,725,470	432,605
Lease Liability	236,450		117,274	119,176	119,176
OPEB Liability	154,111,457	10,557,715	3,325,756	161,343,416	
Compensated Absences	788,737	26,879		815,616	353,808
Total Governmental Activities	$ 191,036,281	$ 28,624,594	$ 7,687,197	$ 211,973,678	$ 5,275,589

Serial Bonds

The School District borrows funds on a long-term basis for the purpose of financing acquisitions of land and equipment and construction of buildings and improvement. This policy enables the cost of these capital assets to be borne by the present and future taxpayers receiving the benefit of the capital assets. These long-term liabilities for governmental funds are maintained separately and represent a reconciling item between this fund and District-wide statements. Interest associated with long-term debt is recorded as an expenditure when such amounts are due.

Details relating to general obligation serial bonds of the School District outstanding at June 30, 2022 are summarized as follows:

Payable From/Description	Date of Original Issue	Original Amount	Date of Final Maturity	Interest Rate (%)	Outstanding Amount
General Fund					
2009 Building Renovations	06/15	2,760,000	06/30	2.00-3.00	1,540,000
2014 Building Renovations	06/16	8,000,000	06/32	1.98	5,060,000
2017 DASNY Bond	06/17	14,005,000	06/33	3.75-5.00	10,385,000
2012 Refunding	06/21	14,145,000	06/27	2.5-3.0	9,790,000
2013 Refunding	04/21	2,520,000	06/28	1.00-4.00	2,170,000
2022 DASNY Bond	06/22	14,235,000	06/38	5.00	14,235,000
2022 Building Renovations	06/22	2,790,000	06/36	3.00-3.375	2,790,000
					$ 45,970,000

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

For the Year Ending	Serial Bonds		
June 30,	Principal	Interest	Total
2023	$ 4,370,000	$ 1,659,933	$ 6,029,933
2024	5,295,000	1,647,837	6,942,837
2025	5,300,000	1,455,963	6,755,963
2026	5,470,000	1,495,437	6,965,437
2027	3,835,000	1,046,188	4,881,188
2028-2033	14,360,000	3,268,712	17,628,712
2034-2037	6,505,000	934,838	7,439,838
2038	835,000	20,875	855,875
Total	$ 45,970,000	$ 11,529,783	$ 57,499,783

Interest costs for debt for the year ended June 30, 2022, was as follows:

Interest Paid	$ 1,191,388
Lease Interest	3,835
Bond Anticipation Note Interest	290,742
Amorization of Deferred Charge on Advance Refunding	35,581
Amortization of Deferred Premium	(369,167)
Less: Interest Accrued in the Prior Year	(55,035)
Plus: Interest Accrued in the Current Year	78,944
Total Interest Expense on Long-Term Debt	$ 1,176,288

Prior-Year Defeasance of Debt

In current and prior years, the School District defeased certain general obligation bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the School District's financial statements. On June 30, 2022, $12,880,000 of bonds outstanding are considered defeased.

Premium on Bonds

The original issue premiums on bonds has been deferred and recorded as an addition to long-term liabilities on the District-Wide financial statements. The premiums are being amortized using the straight-line method over 6 to 16 years, the remaining time to maturity of the respective bond issue. The current year amortization is $369,167 and is included as a reduction to interest expense on the statement of activities.

Premium from Refunding of Debt	$ 4,854,290
Less: Accumulated Amortization	(1,128,820)
Net Unamortized Bond Premiums	$ 3,725,470

Deferred Outflows of Resources – Deferred Charges from Refunding of Debt

The cost of refunding serial bonds has been deferred and recorded as a deferred outflow on the District-wide financial statements. The cost is being amortized using the straight-line method over 7 years, the remaining time to maturity of the bonds. The current year amortization is $35,581 and is included as an addition to interest expense on the statement of activities.

Deferred Charge from Refunding of Debt	$	249,064
Less: Accumulated Amortization		(65,025)
Net Capitalized Refunding of Debt Costs	$	184,039

Lease Liability

The District has entered into agreements with the BOCES to lease certain technology equipment. The lease agreements qualify as other than short-term leases under GASB 87 and, therefore, have been recorded at the present value of the minimum lease payments as of the date of the inception of the agreements. The agreements were executed in 2019 and are for a term of 3 years. Annual lease payments for these agreements are $61,449 The lease liability is measured at a discount rate of 2.07% which is stated in the lease agreements. As a result of these leases, the District has recorded a right to use asset with a net book value of $304,107 at June 30, 2022. The District has made some lump sum payments at the beginning of certain lease agreements and thus there are right to use assets with a net book value of $32,186 at June 30, 2022 with no corresponding lease liability.

For the Year Ending June 30,	Leases Principal	Leases Interest	Leases Total
2023	$ 119,176	$ 1,933	$ 121,109
Total	$ 119,176	$ 1,933	$ 121,109

9. PENSION PLANS

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

(a) Plan Description

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

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

(b) Contributions

The System is noncontributory for employees who joined prior to July 28, 1976. For employees who joined after July 27, 1976, and prior to January 1, 2010, employees contribute 3% of their salary for the first ten years of membership. Employees who joined on or after January 1, 2010 but before April 1, 2012 are required to contribute 3% of their annual salary for their entire working career. Those who joined on or after April 1, 2012 contribute at a rate ranging from 3% to 6% based on their total annualized salary. Under the authority of the RSSL, the Comptroller certifies the actuarially determined rates expressly used in computing the employers' contributions based on salaries paid during the Systems' fiscal year ending March 31. All required contributions for the NYSERS fiscal year ended March 31, 2022, were paid.

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

		Amount
2020	$	839,936
2021	$	875,658
2022	$	977,505

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

At June 30, 2022, the School District reported an asset of $1,455,986 for its proportionate share of the net pension asset. The net pension asset was measured as of March 31, 2022, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of April 1, 2021. The School District's proportion of the net pension asset was based on a projection of the School District's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined.

At June 30, 2022, the School District's proportion was .017811% which is an increase of .000535% from the prior year's proportionate share of .0172758%.

For the year ended June 30, 2022, the School District recognized pension expense of $180,028. At June 30, 2022, the School District reported deferred outflows and inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	$ 110,264	$ 143,018
Change of Assumptions	2,429,878	41,002
Net Difference Between Projected and Actual Earnings on Pensions Plan Investments		4,767,745
Changes in Proportion and Differences Between Contributions and Proportionate Share of Contributions	353,056	74,338
Contributions Subsequent to the Measurement Date	175,953	
Total	$ 3,069,151	$ 5,026,103

Amounts reported as deferred outflows/inflows of resources related to pensions resulting from School District contributions subsequent to the measurement date, if any, will be recognized as a reduction of the net pension asset/liability in the year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30,		
2023	$	(270,392)
2024	$	(461,365)
2025	$	(1,186,191)
2026	$	(214,957)

(d) Actuarial Assumptions

The total pension liability at March 31, 2022 was determined by using an actuarial valuation as of April 1, 2021, with update procedures used to roll forward the total pension liability to March 31, 2022.

Significant actuarial assumptions used in the April 1, 2021 valuation were as follows:

Investment Rate of Return (Net of Investment Expense, including Inflation)	5.90%
Salary Scale	4.40%
Decrement Tables	April 1, 2015 - March 31, 2020 System's Experience
Inflation Rate	2.70%

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

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

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

Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of March 31, 2022 are summarized below.

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	32%	3.30%
International Equity	15%	5.85%
Private Equity	10%	6.50%
Real Estate	9%	5.00%
Opportunistic/Absolute Return Strategy	3%	4.10%
Credit	4%	3.78%
Real Assets	3%	5.58%
Fixed Income	23%	0.00%
Cash	1%	-1.00%
	100%	

The real rate of return is net of the long-term inflation assumption of 2.50%

(e) Discount Rate

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

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

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

	1% Decrease (4.9%)	Current Assumption (5.9%)	1% Increase (6.9%)
Proportionate Share of the Net Pension Liability (Asset)	$ 3,747,693	$ (1,455,986)	$ (5,808,612)

(g) Pension Plan Fiduciary Net Position

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

(h) Payables to the Pension Plan

The School District has recorded an amount due to ERS in amount of $175,953 at June 30, 2022. This amount represents the three months of the School District’s fiscal year that will be covered in the ERS 2022-2023 billing cycle and has been accrued as an expenditure in the current year.

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

(a) Plan Description

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

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

(b) Contributions

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

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

		Amount
2020	$	2,089,059
2021	$	2,246,472
2022	$	2,416,782

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

At June 30, 2022, the School District reported an asset of $24,066,825 for its proportionate share of the net pension asset. The net pension asset was measured as of June 30, 2021, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of June 30, 2020. The School District's proportion of the net pension asset was based on a projection of the School District's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined.

At June 30, 2022, the School District's proportion was .138881%, which was a decrease of .000036% from its proportion measured as of June 30, 2021.

For the year ended June 30, 2022, the School District recognized pension credit of $1,386,645. At June 30, 2022, the School District reported deferred inflows and outflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	$ 3,317,357	$ 125,037
Changes of Assumptions	7,916,082	1,401,822
Net Difference Between Projected and Actual Earnings on Pensions Plan Investments		25,188,422
Changes in Proportion and Differences Between Contributions and Proportionate Share of Contributions	65,132	142,404
Contributions Subsequent to the Measurement Date	2,416,782	
Total	$ 13,715,353	$ 26,857,685

Amounts reported as deferred outflows/inflows of resources related to pensions resulting from School District contributions subsequent to the measurement date, if any, will be recognized as a reduction of the net pension liability in the year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30:		
2022	$	(3,113,639)
2023	$	(3,662,608)
2024	$	(4,613,207)
2025	$	(6,092,284)
2026	$	1,122,549
Thereafter	$	800,075

(d) Actuarial Assumptions

The total pension liability at June 30, 2021 measurement date was determined by using an actuarial valuation as of June 30, 2020, with update procedures used to roll forward the total pension liability to June 30, 2021.

Significant actuarial assumptions used in the June 30, 2020 valuation were as follows:

Investment Rate of Return	6.95% Compounded Annually, Net of Pension Plan Investment Expense, Including Inflation.
Salary Scale	Rates of Increase Differ Based on Service. They Have Been Calculated Based Upon Recent NYSTRS Member Experience.

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

Projected COLAs	1.3% Compounded Annually.
Inflation Rate	2.40%

Annuitant mortality rates are based on plan member experience, with adjustments for mortality improvements based on Society of Actuaries Scale MP 2020, applied on a generational basis. Active member mortality rates are based on plan member experience.

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

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

Best estimates of arithmetic real rates of return for each major asset class included in the System's target asset allocation as of the measurement date of June 30, 2021 is summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return*
Domestic Equity	33.0%	6.8%
International Equity	16.0%	7.6%
Global Equities	4.0%	7.1%
Real Estate Equities	11.0%	6.5%
Private Equities	8.0%	10.0%
Domestic Fixed Income Securities	16.0%	1.3%
Global Fixed Income Securities	2.0%	80.0%
High-yield Bonds	1.0%	5.9%
Private Debt	1.0%	3.3%
Real Estate Debt	7.0%	3.8%
Cash Equivalents	1.0%	-0.2%
	100.0%	

** Real rates of return are net of the long-term inflation assumption of 2.4% for 2021.*

(e) Discount Rate

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

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

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

	1% Decrease (5.95%)	Current Assumption (6.95%)	1% Increase (7.95%)
Proportionate Share of the Net Pension Liability (Asset)	$ (2,525,462)	$ (24,066,825)	$ (4,210,777)

(g) Pension Plan Fiduciary Net Position

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

(h) Payables to the Pension Plan

The School District has recorded an amount due to TRS in amount of $2,416,782 (excluding employees' share) in the General Fund at June 30, 2022. This amount represents the District's and employees' contribution for the 2021-2022 fiscal year that will be made in 2022-2023 and has been accrued as a liability in the current year.

10. POSTRETIREMENT HEALTH CARE BENEFITS

(a) Plan Description

The School District administers the Retiree Medical Plan (the Plan) as a single-employer defined benefit Other Postemployment Benefit plan. The plans are single-employer defined benefit OPEB plans administered by the District. Article 11 of the State Compiled Statutes grants the authority to establish and amend the benefit terms and financing requirements to the District Board.

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

(b) Benefits Provided

The Plan provides for continuation of medical insurance benefits for certain retirees and their spouses and can be amended by action of the School District subject to applicable collective bargaining and employment agreements. Employees are eligible for retirement when they reach the age of 55 years and have 10 years of service with the District.

- WTA-Teachers - All Retirees who retired prior to 5/1/1999 contribute 50% of the individual premium, whereas all Retirees who retired after 5/1/1999 contribute 35% of the individual premium. Spouses of Retirees who retired prior to 5/1/1999 contribute 65% of the premium amount, whereas Spouses of Retirees who retired after 5/1/1999 contribute 55% of the premium amount. This group also receives full reimbursement for premiums paid for Medicare Part B.
- Other Unions - The School contributes between 35% and 100% of the insurance premium for the retiree and spouse.

(c) Employees Covered by Benefit Terms

	Total
Inactive employees currently receiving benefit payments	353
Active employees	396
Total	749

(d) Total OPEB Liability

The District's total OPEB liability of $161,343,416 was measured as of July 1, 2021 and was determined by an actuarial valuation as of July 1, 2020.

(e) Changes in the Net OPEB Liability

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

	Total OPEB Liability
Balances, June 30, 2021	$ 154,111,457
Changes recongnized for the year:	
Service cost	5,129,390
Interest on Total OPEB Liability	3,482,473
Changes of Assumptions or Other Inputs	1,945,852
Benefit payments	(3,325,756)
Net changes	7,231,959
Balances, June 30, 2022	$ 161,343,416

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

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

	1% Decrease (1.14%)	Current Assumption (2.14%)	1% Increase (3.14%)
Total OPEB liability	$ 192,990,990	$ 161,343,416	$ 136,336,884

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

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

	1% Decrease	Current Assumption	1% Increase
Total OPEB liability	$ 132,176,803	$ 161,343,416	$ 200,009,892

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

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

For the year ended June 30, 2022, the District recognized a change in OPEB expense of $7,885,502. At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$	$ 7,295,628
Changes of assumptions or other inputs	17,645,157	3,069,934
Contributions subsequent to the measurement date	3,578,314	
Total	$ 21,223,471	$ 10,365,562

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

Year ended June 30:	Amount
2023	(114,531)
2024	2,493,812
2025	3,063,673
2026	1,719,599
2027	117,042

(i) Actuarial Methods and Assumptions

The total OPEB liability was determined by an actuarial valuation as of July 1, 2020 rolled forward to July 1, 2021, the measurement date. The following actuarial assumptions applied to all periods in the measurement, unless otherwise specified:

Valuation Date	July 1, 2020
Measurement Date	July 1, 2021
Reporting Date	June 30, 2022
Actuarial Cost Method	Entry Age Normal - Level Percent of Pay
Plan Type	Single Employer Defined Benefit Plan
Discount Rate	2.14% (Prior Year 2.21%)
Salary Scale	3.00%
Inflation rate	2.40%
Healthcare Cost Trend Rates	6.50 to 4.04%

The following changes in actuarial assumptions have been made since the prior measurement date:

- Changes of assumptions and other inputs reflect a change in the discount rate from 2.21% on July 1, 2020 to 2.14% on July 1, 2021.

Discount Rate – The selected discount rate of 2.14% is based on the prescribed discount interest rate methodology under GASB 75 based on an average of three 20-year bond indices (Bond Buyer-20 Bond GO Index) as of July 1, 2020.

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

11. INTERFUND TRANSACTIONS – GOVERNMENTAL FUNDS

	Interfund		Interfund	
Fund Type	Receivables	Payables	Revenues	Expenditures
General	$ 1,623,735	$ 548,357	$ 212,766	$ 100,106
School Lunch	19,399	13,918	106	
Special Aid	15,961	1,207,978		
Debt Service	37,056	37,034		212,766
Capital Fund	2,644,185	2,533,049	100,000	
Total	$ 4,340,336	$ 4,340,336	$ 312,872	$ 312,872

The School District transferred $100,000 from the General Fund to the Capital Fund for the local share of a small capital project.

The School District transferred $212,766 from the Debt Service Fund to the General Service Fund for repayment on issued debt.

The interfund receivables and payables are all considered current and are scheduled to be repaid in the current year. The purpose of this activity is for cash flow.

12. CONTINGENCIES AND COMMITMENTS

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.

Construction Commitments

The School District had various open capital projects during the year ended June 30, 2022, with a total construction commitments to various contractors for $2,967,886. The contracts will be paid as work is completed.

Risk Management

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

The School District had various tax certiorari cases outstanding at June 30, 2022. The aggregate possible liability for the tax certioraris ranges from $0 to $4,531,706.

Workers' Compensation Pool

Whitesboro Central School District participates with 11 other school districts and BOCES in the Central New York Workers' Compensation Consortium administered by the Oneida-Herkimer-Madison BOCES for its workers' compensation insurance coverage. Voluntary withdrawal from the Plan is effective only once annually on the last day of the Plan year. Notice of intent to withdraw must be submitted in writing no later than March 30 of the plan year. Additional members may be admitted by a majority vote of the Plan's Board of Directors. Membership is effective on the first day of the month following the Board's resolution to accept a new participant. 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 insures against catastrophic losses for amounts over $600,000 up to $1,000,000 for claims during the lifetime of an eligible member. The Plan does not insure amounts in excess of $1,000,000 per lifetime. 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. The Consortium is a shared-risk public entity risk pool, whereby each district pays annual premiums based on the expected aggregate claims for all enrollees. Paid claims are also accounted for in the aggregate with individual district activity not being traced separately. Due to this arrangement, a possible contingent liability exists for Whitesboro Central School District as a result of the possibility that any participating school district may have actual claims less than the annual premium and try to recover its portion due to it through the Consortium participants. During the current year, the School District paid $248,072 in net fees.

Bargaining Unit Agreements

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

Employees	Bargaining Unit	Contract Expiration Date
314	Whitesboro Teachers' Association	June 30, 2027
197	Whitesboro Employees' Union	June 30, 2023
11	Whitesboro Administrators' Organization	June 30, 2027

Encumbrances

Encumbrance accounting is employed as an extension of formal budgetary integration for the general fund and special revenue fund. At June 30, 2022, certain amounts which were previously restricted, committed, or assigned for specific purposes have been encumbered in the governmental funds. The general fund encumbrances are reflected as part of the assigned fund balance. The other encumbrances are not reflected on the fund financial statements because the assignment would result in a negative unassigned fund balance.

Significant encumbrances included in governmental fund balances are as follows:

	General Fund
Encumbrances	
General Support	$ 136,410
Instruction	174,897
Pupil Transportation	95
Total Encumbrances	$ 311,402

13. FUND BALANCE

(a) The following is a summary of the change in General Fund restricted reserve funds during the year ended June 30, 2022:

	Beginning Balance	Increases	Decreases	Ending Balance
Restricted				
General Fund				
Workers' Compensation	$ 235,549	$ 20,022	$	$ 255,571
Unemployment Insurance	211,551	10,019		221,570
Employees' Retirement Contribution Reserve	1,411,519	300,130		1,711,649
Teachers' Retirement Contribution Reserve	1,240,886	450,091		1,690,977
Employee Benefit Accrued Liability	387,645	38		387,683
Property Loss	1,482,127	146		1,482,273
Insurance	511,171	51		511,222
Tax Certiorari	1,029,430	78		1,029,508
Capital Reserve	2,496,388	210		2,496,598
Repair Reserve	304,997	30		305,027
Total General Fund Restricted	$ 9,311,263	$ 780,815	$	$ 10,092,078

(b) The following is the disaggregation of the fund balance that is reported in summary on the Governmental Fund's Balance Sheet at June 30, 2022:

	General	School Lunch	Special Aid	Special Revenue	Debt Service	Capital	Total
Nonspendable	$	$ 32,618	$	$	$	$	$ 32,618
Restricted							
Workers' Compensation Reserve	255,571						255,571
Unemployment Insurance Reserve	221,570						221,570
Employees' Retirement Contribution Reserve	1,711,649						1,711,649
Teachers' Retirement Contribution Reserve	1,690,977						1,690,977
Employee Benefit Accrued Liability Reserve	387,683						387,683
Property Loss Reserve	1,482,273						1,482,273
Insurance Reserve	511,222						511,222
Tax Certiorari Reserve	1,029,508						1,029,508
Capital Reserve	2,496,598						2,496,598
Repair Reserve	305,027						305,027
Scholarships and Donations				96,383			96,383
Debt Service					1,173,584		1,173,584
Total Restricted	10,092,078			96,383	1,173,584		11,362,045
Assigned							
General Support	136,410						136,410
Instruction	174,897						174,897
Pupil Transportation	95						95
School Lunch		630,436					630,436
Appropriated for Subsequent Year's Budget	4,750,000						4,750,000
Total Assigned	5,061,402	630,436					5,691,838
Unassigned (Deficit)	3,063,820		(18,070)			(648,991)	2,396,759
Total Fund Balances (Deficit)	$ 18,217,300	$ 663,054	$ (18,070)	$ 96,383	$ 1,173,584	$ (648,991)	$ 19,483,260

15. TAX ABATEMENTS

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

Property abatements may be partially offset by an agreement that requires payments in lieu of taxes. These agreements specify the annual amount to be remitted by the property owner and are allocated to the effected jurisdiction based on the proportion of taxes abated. The District has chosen to disclose information about its tax abatement by purpose. At June 30, 2022, there are no amounts receivable from OCIDA.

Abatement agreements of OCIDA resulted in a revenue impact to the District for the year ended June 30, 2022 as follows:

Purpose	Gross Tax Amounts	Payments in Lieu of Taxes	Net Revenue Reduction
Economic Development and Job Creation	$463,098	$314,662	$148,436

16. DEFICIT FUND BALANCE

The Capital Fund had a deficit fund balance at June 30, 2022 of $648,991. The deficit is due to the current capital project being funded with a short-term bond anticipation note. The deficit will be eliminated when the note is either repaid with current appropriations or refinanced with long-term debt.

The Special Aid Fund had a deficit fund balance at June 30, 2022 of $18,070. The deficit is due to federal program expenditures exceeding grant revenues. The deficit will be eliminated when the fund is made whole.

17. NET POSITION DEFICIT- DISTRICT WIDE

The District-wide Net Position had total net position deficit of $66,806,652, and an unrestricted portion deficit of $125,497,610. The deficit is primarily the result of GASB Statement No. 75, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, which required the recognition of an unfunded liability of $161,343,416 at June 30, 2022. Since New York State Laws provide no mechanism for funding the liability, the subsequent accruals are expected to increase the deficit in subsequent years.

18. CUMULATIVE EFFECT OF IMPLEMENTING NEW ACCOUNTING STANDARD

The following adjustments were made to the prior year's net position and fund balance due to the implementation of GASB 87, Accounting for Leases:

Net Position (Deficit) Beginning of Year, As Previously Stated	$ (72,602,546)
GASB Statement No. 87 Implementation:	
Net Book Value Leased Asset	442,750
Lease Liability	(236,450)
Cumulative Change of Change in Accounting Principle	206,300
Net Position (Deficit) Beginning of Year, As Restated	$ (72,396,246)

WHITESBORO CENTRAL SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
For the Year Ended June 30, 2022

	Original Budget	Final Budget	Actual		Final Budget Variance With Actual
Revenues					
Local Sources					
Real Property Taxes	$ 33,333,587	$ 33,333,587	$ 28,914,614		$ (4,418,973)
Other Real Property Tax Items (Including STAR)	206,274	206,274	4,728,784		4,522,510
Charges for Services	40,000	40,000	13,887		(26,113)
Use of Money and Property	8,000	8,000	4,478		(3,522)
Sale of Property and Compensation for Loss	8,000	8,000	33,012		25,012
Miscellaneous	1,565,233	1,565,233	1,771,550		206,317
State Aid	34,591,146	34,591,146	34,288,122		(303,024)
Federal Aid	150,000	150,000	743,838		593,838
Total Revenues	69,902,240	69,902,240	70,498,285		596,045
Other Financing Sources					
Transfers from Other Funds			212,766		212,766
Appropriated Fund Balance	5,246,619	5,246,619			(5,246,619)
Total Revenues and Other Financing Sources	$ 75,148,859	$ 75,148,859	70,711,051		$ (4,437,808)

	Original Budget	Final Budget	Actual	Year-End Encumbrances	Final Budget Variance With Actual and Encumbrances
Expenditures					
General Support					
Board of Education	$ 71,992	$ 45,428	29,851	$ 170	$ 15,407
Central Administration	265,805	266,405	263,768		2,637
Finance	689,776	682,975	665,678	2,886	14,411
Staff	597,665	555,770	516,530	532	38,708
Central Services	5,159,778	4,750,698	4,243,431	129,804	377,463
Special Items	1,111,632	1,014,087	996,171	3,018	14,898
Total General Support	7,906,403	7,315,363	6,715,429	136,410	463,524
Instruction					
Instruction, Administration, and Improvement	2,002,447	2,556,420	2,006,076	19,583	530,761
Teaching - Regular School	19,994,614	20,045,849	19,738,758	55,916	251,175
Programs for Children With Special Needs	11,071,921	10,364,828	9,482,932	66,194	815,702
Occupational Education	1,080,644	1,080,644	1,087,050		(6,406)
Teaching - Special School	83,340	302,540	232,300		70,240
Instructional Media	1,881,999	2,343,435	1,941,054	10,588	391,793
Pupil Services	2,707,827	2,781,413	2,575,057	22,616	183,740
Total Instruction	38,822,792	39,475,129	37,063,227	174,897	2,237,005
Pupil Transportation	3,691,485	3,623,188	3,227,725	95	395,368
Employee Benefits	16,890,409	16,897,409	15,304,383		1,593,026
Debt Service - Principal	5,475,617	5,475,617	6,137,341		(661,724)
Debt Service - Interest	2,247,153	2,247,153	1,485,965		761,188
Total Expenditures	75,033,859	75,033,859	69,934,070	311,402	4,788,387
Other Financing Uses					
Transfers to Other Funds	115,000	115,000	100,106		14,894
Total Expenditures and Other Financing Uses	$ 75,148,859	$ 75,148,859	70,034,176	$ 311,402	$ 4,803,281
Net Change in Fund Balance			676,875		
Fund Balance - Beginning of Year			17,540,425		
Fund Balance - End of Year			$ 18,217,300		

Notes to Required Supplementary Information:

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

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

WHITESBORO CENTRAL SCHOOL DISTRICT
SCHEDULES OF FUNDING PROGRESS OF OTHER POSTEMPLOYMENT BENEFITS
For the Year Ended June 30, 2022

	2022	2021	2020	2019	2018 *
Measurement Date	7/1/2021	7/1/2020	7/1/2019	7/1/2018	7/1/2017
Total OPEB Liability					
Service cost	$ 5,129,390	$ 3,330,589	$ 3,332,271	$ 3,446,116	$ 4,475,435
Interest on Total OPEB Liability	3,482,473	4,528,167	4,789,577	4,608,315	4,047,343
Change in assumptions and other inputs	1,945,852	25,421,056	362,733	(1,140,399)	(18,709,208)
Change in Benefit Terms				4,778,723	
Differences between expected and actual experience		(3,559,649)		(12,536,245)	
Benefit payments	(3,325,756)	(3,308,658)	(3,069,288)	(2,868,993)	(2,705,996)
Net change in total OPEB Liability	7,231,959	26,411,505	5,415,293	(3,712,483)	(12,892,426)
Total OPEB Liability - Beginning	154,111,457	127,699,952	122,284,659	125,997,142	138,889,568
Total OPEB Liability - Ending	$ 161,343,416	$ 154,111,457	$ 127,699,952	$ 122,284,659	$ 125,997,142
Covered payroll	$ 29,684,401	$ 29,095,975	$ 25,075,873	$ 17,918,651	$ 20,886,428
Total OPEB Liability as a percentage of covered payroll	544%	530%	509%	682%	603%

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

Notes to Required Supplementary Information:
The District does not have net assets accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75 to pay OPEB benefits. The District currently contributes enough money to the plan to satisfy current obligations on a pay-as-you-go basis.

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

Changes to Assumptions -

Changes of assumptions and other inputs reflect a change in the discount rate from 2.21% in July 1, 2020 to 2.14% percent in July 1, 2021.

WHITESBORO CENTRAL SCHOOL DISTRICT
SCHEDULES OF DISTRICT CONTRIBUTIONS
For the Year Ended June 30, 2022

ERS Pension Plan

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Contractually Required Contribution	$ 977,505	$ 875,658	$ 839,936	$ 826,899	$ 799,287	$ 792,584	$ 862,099	$ 980,871	$ 1,080,846	$ 936,619
Contributions in Relation to the Contractually Required Contribution	$ 977,505	$ 875,658	$ 839,936	$ 826,899	$ 799,287	$ 792,584	$ 862,099	$ 980,871	$ 1,080,846	$ 936,619
Contribution Deficiency (Excess)	$	$	$	$	$	$	$	$	$	$
School District's Covered-ERS Employee Payroll	$ 6,045,410	$ 6,050,626	$ 5,794,599	$ 5,613,734	$ 5,348,893	$ 5,185,233	$ 4,914,397	$ 5,119,285	$ 5,135,146	$ 4,938,442
Contributions as a Percentage of Covered-Employee Payroll	16.17%	14.47%	14.50%	14.73%	14.94%	15.29%	17.54%	19.16%	21.05%	18.97%

TRS Pension Plan

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Contractually Required Contribution	$ 2,416,782	$ 2,246,472	$ 2,089,059	$ 2,421,596	$ 2,277,554	$ 2,552,862	$ 2,820,261	$ 3,647,122	$ 3,287,759	$ 2,343,638
Contributions in Relation to the Contractually Required Contribution	$ 2,416,782	$ 2,246,472	$ 2,089,059	$ 2,421,596	$ 2,277,554	$ 2,552,862	$ 2,820,261	$ 3,647,122	$ 3,287,759	$ 2,343,638
Contribution Deficiency (Excess)	$	$	$	$	$	$	$	$	$	$
School District's Covered-TRS Employee Payroll	$ 24,661,041	$ 23,572,634	$ 23,578,544	$ 22,802,222	$ 23,240,347	$ 21,782,099	$ 21,268,937	$ 20,805,031	$ 20,232,363	$ 19,794,240
Contributions as a Percentage of Covered-Employee Payroll	9.80%	9.53%	8.86%	10.62%	9.80%	11.72%	13.26%	17.53%	16.25%	11.84%

WHITESBORO CENTRAL SCHOOL DISTRICT
SCHEDULES OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION (ASSET) LIABILITY
For the Year Ended June 30, 2022

ERS Pension Plan

	2022	2021	2020	2019	2018	2017	2016	2015	2014
District's proportion of net pension (asset) liability	0.017811%	0.017276%	0.018286%	0.018527%	0.018472%	0.018440%	0.017969%	0.018290%	0.018290%
District's proportionate share of the net pension (asset) liability	$ (1,455,986)	$ 17,202	$ 4,842,304	$ 1,312,725	$ 596,161	$ 1,732,658	$ 2,884,052	$ 826,486	$ 826,486
District's covered-employee payroll	$ 6,045,410	$ 6,050,626	$ 5,794,599	$ 5,613,734	$ 5,348,893	$ 5,185,233	$ 4,914,397	$ 5,119,285	$ 5,135,146
District's proportionate share of the net pension (asset) liability as a percentage of its covered-employee payroll	(24.08%)	00.28%	83.57%	23.38%	11.15%	33.42%	58.69%	16.14%	16.09%
Plan fiduciary net position as a percentage of total pension liability	103.65%	99.95%	86.39%	96.27%	98.24%	94.7%	90.7%	97.2%	97.2%

TRS Pension Plan

	2021	2020	2019	2018	2017	2016	2015	2014	2013
District's proportion of net pension (asset) liability	0.138881%	0.138917%	0.136741%	0.135875%	0.137455%	0.137832%	0.138503%	0.136968%	0.135134%
District's proportionate share of the net pension (asset) liability	$ (24,066,825)	$ 3,838,640	$ (3,552,539)	$ (2,456,972)	$ (1,044,795)	$ 1,476,243	$ (14,386,049)	$ (15,257,425)	$ (889,526)
District's covered-employee payroll	$ 24,661,041	$ 23,572,634	$ 23,578,544	$ 22,802,222	$ 23,240,347	$ 21,782,099	$ 21,268,937	$ 20,805,031	$ 20,232,363
District's proportionate share of the net pension (asset) liability as a percentage of its covered-employee payroll	(97.59%)	16.28%	(15.07%)	(10.78%)	(4.50%)	6.78%	(67.64%)	(73.34%)	(4.40%)
Plan fiduciary net position as a percentage of total pension liability	113.20%	97.80%	102.20%	101.53%	100.66%	99.01%	110.46%	111.48%	100.70%

Information is presented only for the years available.

WHITESBORO CENTRAL SCHOOL DISTRICT
SCHEDULES OF CHANGE FROM ORIGINAL BUDGET TO REVISED BUDGET
AND REAL PROPERTY TAX LIMIT - GENERAL FUND
For the Year Ended June 30, 2022

Change from Adopted Budget to Revised Budget

Adopted Budget	$ 74,702,240
Add: Prior Year's Encumbrances	446,619
Original and Final Budget	$ 75,148,859

Section 1318 of Real Property Tax Law Limit Calculation

2022-23 Voter-Approved Expenditure Budget		$ 77,027,772
Maximum Allowed (4% of 2022-23 budget)		$ 3,081,111
General Fund - Fund Balance Subject to Section 1318 of Real Property Tax Law :		
Unrestricted Fund Balance:		
Assigned Fund Balance	$ 5,061,402	
Unassigned Fund Balance	3,063,820	
Total Unrestricted Fund Balance		8,125,222
Less:		
Appropriated Fund Balance	4,750,000	
Encumbrances Included in Assigned Fund Balance	311,402	
Total adjustments		5,061,402
General Fund's Fund Balance Subject to Section 1318 of Real Property Tax Law		$ 3,063,820
Actual Percentage		3.98%

WHITESBORO CENTRAL SCHOOL DISTRICT
SCHEDULE OF PROJECT EXPENDITURES - CAPITAL PROJECTS FUND
For the Year Ended June 30, 2022

			Expenditures				Methods of Financing				Fund
PROJECT TITLE	Original Authorization	Revised Authorization	Prior Years	Current Year	Total	Unexpended Balance	Proceeds of Obligations	Federal and State Aid	Local Sources	Total	Balance (Deficit) June 30, 2022
2014 Capital Project	$ 30,678,027	$ 30,678,027	$ 30,439,780	$ 8,867	$ 30,448,647	$ 229,380	$ 25,070,000	$	$ 5,274,303	$ 30,344,303	$ (104,344)
2019-20 Capital Project	100,000	100,000	102,149		102,149	(2,149)			100,000	100,000	(2,149)
2019-20 District Wide	20,304,450	20,304,450	4,620,968	10,965,067	15,586,035	4,718,415	14,235,000		3,524,450	17,759,450	2,173,415
2020-21 Capital Project	100,000	100,000		89,468	89,468	10,532			100,000	100,000	10,532
2021-22 Capital Project	100,000	100,000				100,000			100,000	100,000	100,000
Safety and Security	1,500,000	1,500,000	1,504,165		1,504,165	(4,165)			1,500,000	1,500,000	(4,165)
Smart Schools Bonds	2,455,359	2,455,359	1,533,744	204,372	1,738,116	717,243		921,538		921,538	(816,578)
Total Capital Projects	55,237,836	55,237,836	38,200,806	11,267,774	49,468,580	5,769,256	39,305,000	921,538	10,598,753	50,825,291	1,356,711
Buses 2015-16	428,999	428,999	441,265		441,265	(12,266)			445,479	445,479	4,214
Buses 2016-17	480,505	480,505	479,725		479,725	780			371,505	371,505	(108,220)
Buses 2017-18	419,597	419,597	419,597		419,597				310,000	310,000	(109,597)
Buses 2018-19	510,000	510,000	508,134		508,134	1,866			381,635	381,635	(126,499)
Buses 2019-20	650,974	650,974	650,974		650,974				255,974	255,974	(395,000)
Buses 2020-21	689,000	689,000	687,594		687,594	1,406			132,590	132,590	(555,004)
Buses 2021-22	723,000	723,000		715,596	715,596	7,404					(715,596)
Total Buses	3,902,075	3,902,075	3,187,289	715,596	3,902,885	(810)			1,897,183	1,897,183	(2,005,702)
Totals	$ 59,139,911	$ 59,139,911	$ 41,388,095	$ 11,983,370	$ 53,371,465	$ 5,768,446	$ 39,305,000	$ 921,538	$ 12,495,936	$ 52,722,474	$ (648,991)

WHITESBORO CENTRAL SCHOOL DISTRICT
NET INVESTMENT IN CAPITAL ASSETS
For the Year Ended June 30, 2022

Capital Assets, Net	$ 101,138,643
Right to Use Leased Assets, Net	336,293
	101,474,936
Add:	
Unamortized Deferred Charge on Refunding of Debt	184,039
	184,039
Deduct:	
Capital Fund Accounts Payable	24,820
Serial Bonds Payable	45,970,000
Unamortized Premium	3,725,470
Bond Anticipation Notes	4,490,596
Lease Liability	119,176
Net Deductions	54,330,062
Net Investment in Capital Assets	$ 47,328,913

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Certified Public Accountants & Consultants

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

Board of Education
Whitesboro Central School District

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Whitesboro Central School District, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise Whitesboro Central School District's basic financial statements, and have issued our report thereon dated October 18, 2022.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

D'Arcangelo + Co., LLP

October 18, 2022

Rome, New York

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

Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance

Board of Education
Whitesboro Central School District, New York

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Whitesboro Central School District's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of Whitesboro Central School District's major federal programs for the year ended June 30, 2022. Whitesboro Central School District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Whitesboro Central School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022.

Basis for Opinion on Each Major Federal Program

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

We are required to be independent of Whitesboro Central 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 Whitesboro Central 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 Whitesboro Central School District's federal programs.

Auditor's Responsibilities for the Audit of Compliance

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Whitesboro

Central 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 Whitesboro Central 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 Whitesboro Central School District's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control Over Compliance

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

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

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

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

D'Arcangelo + Co., LLP

October 18, 2022

Rome, New York

WHITESBORO CENTRAL SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2022

Federal Grantor/Pass-Through Grantor/Program Title	Federal AL Number	Agency or Pass-through Number	Current Year Expenditures	Expenditures to Subrecipients
U.S. Department of Agriculture				
(Passed Through the State Education Department of the State of New York- Pass-Through Grantor No. 412902060000)				
Food Donation (Noncash)	10.555	N/A	$ 60,227	$
Summer Food Service Program (Cash Assistance)	10.559	N/A	30,985	
School Breakfast Program	10.553	N/A	249,989	
Supply Chain Interruption	10.555	N/A	65,721	
National School Lunch Program	10.555	N/A	1,161,935	
Total Cash Assistance Subtotal			1,508,630	
Total U.S. Department of Agriculture (Total Nutrition Cluster)			1,568,857	
U.S. Department of Education				
(Passed Through the State Education Department of the State of New York)				
Education Stabilization Fund under the Coronavirus Aid, Relief, and Economic Security Act - COVID-19				
Governor's Emergency Education Relief Fund (GEER)	84.425C	5896-21-2080	506	
Elementary and Secondary School Emergency Relief (ESSER)	84.425D	5891-21-2080	148,031	
American Rescue Plan - Elementary and Secondary School Emergency Relief (ARP ESSER)	84.425U	5880-21-2080	833,076	
American Rescue Plan - Elementary and Secondary School Emergency Relief (ARP ESSER)	84.425U	5882-21-2080	51	
American Rescue Plan - Elementary and Secondary School Emergency Relief (ARP ESSER)	84.425U	5883-21-2080	70,909	
American Rescue Plan - Elementary and Secondary School Emergency Relief (ARP ESSER)	84.425U	5884-21-2080	3,952	
Total			1,056,525	
Title I Grants to Local Education Agencies (Part A of ESEA)	84.010	0021-21-2080	435,714	
Special Education Cluster (IDEA)				
Special Education - Grants to States (IDEA, Part B)	84.027	0032-21-0636	796,378	
COVID-19 Special Education - Grants to States	84.027X	5532-22-0636	152,092	
Special Education - Preschool Grants (IDEA Preschool)	84.173	0033-21-0636	18,390	
COVID-19 Special Education - Preschool Grants (IDEA Preschool)	84.173X	5533-22-0636	11,211	
Total Special Education Cluster (IDEA)			978,071	
Improving Teacher Quality State Grants (Title II, Part A)	84.367	0147-20-2080	66,080	
Improving Teacher Quality State Grants (Title II, Part A)	84.367	0147-21-2080	28,784	
Total			94,864	
Student Support and Academic Enrichment (Title IV)	84.424	0204-20-2080	26,714	
Student Support and Academic Enrichment (Title IV)	84.424	0204-21-2080	14,362	
Total			41,076	
Total U.S Department of Education			2,606,250	
U.S. Department of Homeland Security				
(Pass-Through NYS Office Dividion of Homeland Security and Emergency Services under FEMA: 4129-DR-NY)				
Disaster Grants - Public Assistance (Presidentially Declared Disaster)	97.036	N/A	57,910	
Total Federal Financial Assistance			$ 4,233,017	$

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

1. SIGNIFICANT ACCOUNTING POLICIES

Organization

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

Basis of Accounting

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

Indirect Cost Rate

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

Food Donation

Nonmonetary assistance is reported in the schedule at fair market value of the food commodities received. At June 30, 2022, the School District had food commodities totaling $9,631 in inventory.

Cluster Programs

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

<u>U.S. Department of Agriculture</u>
Nutrition Cluster

AL #10.553	School Breakfast Program
AL #10.555	National School Lunch Program

<u>U.S. Department of Education</u>
Special Education Cluster

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

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WHITESBORO CENTRAL SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS – FEDERAL COMPLIANCE REQUIREMENTS
For the Year Ended June 30, 2022

Summary of Auditor's Results

(d)(1)(i)	Type of Financial Statement Opinion	Unmodified
(d)(1)(ii)	Were there any material control weakness conditions reported at the financial statement level (GAGAS)?	No
(d)(1)(ii)	Were there any other significant deficiencies reported at the financial statement level (GAGAS)?	No
(d)(1)(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
(d)(1)(iv)	Were there any material significant deficiencies reported for major Federal programs?	No
(d)(1)(iv)	Were there any other significant deficiencies reported for major Federal programs?	No
(d)(1)(v)	Type of Major Programs' Compliance Opinion	Unmodified
(d)(1)(vi)	Are there any reportable findings under 2 CFR Section 200.516(a)?	No
(d)(1)(vii)	Major Programs (list):	U.S. Department of Education COVID-19 Education Stabilization Fund: AL # 84.425C Governor's Emergency Educational Relief (GEER) Fund School Emergency Relief (ESSER) AL # 84.425D Elementary and Secondary School Emergency Relief (ESSER) AL # 84.425U American Rescue Plan – Elementary and Secondary School Emergency Relief (ARP ESSER)
	Dollar Threshold: Type A\B Programs	Type A: > $ 750,000 Type B: all others
(d)(1)(ix)	Low Risk Auditee?	Yes

(Continued)

WHITESBORO CENTRAL SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS – FEDERAL COMPLIANCE REQUIREMENTS
For the Year Ended June 30, 2022

(Continued)

Findings and Questioned Costs – Major Federal Award Programs Audit

No findings in the current year.

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WHITESBORO CENTRAL SCHOOL DISTRICT
STATUS OF PRIOR YEAR'S FINDINGS AND QUESTIONED COSTS – FEDERAL COMPLIANCE REQUIREMENTS
For the Year Ended June 30, 2022

No prior year audit findings.

APPENDIX C

Form of Legal Opinions

LAW OFFICES
OF
Timothy R. McGill
248 WILLOWBROOK OFFICE PARK
FAIRPORT, NEW YORK 14450
Kristine M. Bryant
Paralegal
Tel: (585) 381-7470
Fax: (585) 381-7498

September 7, 2023

Board of Education of the
Whitesboro Central School District
Oneida County, New York

Re: ***Whitesboro Central School District***
$2,478,316 Bond Anticipation Note, 2023

Dear Board Members:

I have examined a record of proceedings relating to the issuance of a $2,478,316 principal amount Bond Anticipation Note, 2023 of the Whitesboro Central School District, a school district of the State of New York. The Note is [registered to ___________ / in book-entry-only form registered to "Cede & Co.,"] is dated September 7, 2023, is numbered 2023A-1, bears interest at the rate of _____________________ per centum (_______%) per annum payable at maturity, matures September 6, 2024, and is issued pursuant to the Local Finance Law of the State of New York and bond resolutions adopted June 11, 2019, June 16, 2020, June 15, 2021, June 7, 2022 and June 13, 2023. The propositions approving the matters set forth in the bond resolutions were approved by the voters of the School District on May 21, 2019, June 16, 2020, May 18, 2021, May 17, 2022 and May 16, 2023. The Note is not subject to redemption prior to maturity. The Note is a temporary obligation issued in anticipation of the issuance of bonds.

In my opinion, except insofar as the enforcement thereof may be limited by any applicable bankruptcy, moratorium or similar laws relating to the enforcement of creditors' rights, the Note is a valid and legally binding obligation of the Whitesboro Central School District, payable in the first instance from the proceeds of the sale of the bonds in anticipation of which the Note is issued, but, if not so paid, payable ultimately from *ad valorem* taxes that may be levied upon all the taxable real property within the School District without limitation as to rate or amount.

The School District has covenanted to comply with any requirements of the Internal Revenue Code of 1986, as amended (the "Code"), that must be met subsequent to the issuance of the Note in order that interest thereon be and remain excludable from gross income under the Code. In my opinion, under the existing statute, regulations and court decisions, interest on the Note is excludable from gross income for federal income tax purposes under Section 103 of the Code and will continue to be so excluded if the School

District continuously complies with such covenant; and under the Code, interest on the Note is not a specific preference item for purposes of the federal alternative minimum tax, however for tax years beginning after December 31, 2022, interest on the Note 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. I express no opinion regarding other Federal income tax consequences caused by the receipt or accrual of interest on the Note. Further, in my opinion, interest on the Note is exempt from New York State and New York City personal income taxes under existing statutes.

In rendering the opinions expressed herein, I have assumed the accuracy and truthfulness of all public records, documents and proceedings examined by me which have been executed or certified by public officials acting within the scope of their official capacities, and have not verified the accuracy or truthfulness thereof, and I also have assumed the genuineness of the signatures appearing upon such public records, documents and proceedings, and such certifications. The scope of my engagement in relation to the issuance of the Note has extended solely to the examination of the facts and law incident to rendering the opinions expressed herein. Such opinions 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 and interest on the Note as the same respectively become due and payable. Reference should be made to the Official Statement prepared by the School District in relation to the Note for factual information which, in the judgment of the School District, could materially affect the ability of the School District to pay such principal and interest. While I have participated in the preparation of such Official Statement, I have not verified the accuracy, sufficiency, completeness or fairness of the Official Statement or any factual information contained therein or any additional proceedings, reports, correspondence, financial statements or other documents containing financial or other information relative to the School District or the financed project and, accordingly, I express no opinion as to whether the School District, in connection with the sale of the Note, 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 the light of the circumstances under which they were made, not misleading.

Very truly yours,

Timothy R. McGill, Esq.

TRM:

APPENDIX D

Material Event Notices

Material Event Notices

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

(a) principal and interest payment delinquencies

(b) non-payment related defaults, if material

(c) unscheduled draws on debt service reserves reflecting financial difficulties

(d) in the case of credit enhancement, if any, provided in connection with the issuance of the Notes, unscheduled draws on credit enhancements reflecting financial difficulties

(e) substitution of credit or liquidity providers, or their failure to perform

(f) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701 TEB) or other material notices or determinations with respect to the tax status of the Note, or other material events affecting the tax status of the Notes

(g) modifications to rights of Note holders, if material

(h) note calls, if material and tender offers

(i) Defeasances

(j) release, substitution, or sale of property securing repayment of the Note

(k) rating changes

(l) bankruptcy, insolvency, receivership or similar event of the District

(m) the consummation of a merger, consolidation, or acquisition involving the District or the sale of all or substantially all of the assets of the District, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material

(n) appointment of a successor or additional trustee or the change of name of a trustee, if material

(o) Incurrence of a financial obligation 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 security holders, if material: and

(p) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the District, any of which reflect financial difficulties.

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

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

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 a 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.

For the purposes of the event identified in paragraph (1) of this section, the event is considered to occur when any of the following occur: The appointment of a receiver, fiscal agent or similar officer for the District in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the District, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the District.

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

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

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

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