

**RENEWAL**

**BOND ANTICIPATION NOTES**

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

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

**\$1,000,000**  
**CAMDEN CENTRAL SCHOOL DISTRICT**  
**ONEIDA, OSWEGO AND LEWIS COUNTIES, NEW YORK**  
**GENERAL OBLIGATIONS**  
**\$1,000,000 Bond Anticipation Notes, 2025**

(referred to herein as the "Notes")

**Dated: June 25, 2025**

**Due: June 25, 2026**

The Notes are general obligations of the Camden Central School District, Oneida, Oswego and Lewis Counties, New York (the "School District" or "District"). All the taxable real property within the School District is subject to the levy of ad valorem taxes to pay the Notes and interest thereon, without limitation as to rate or amount. See "NATURE OF THE OBLIGATIONS" and "TAX LEVY LIMITATION LAW" herein. **The Notes are not subject to redemption prior to maturity.**

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

If the Notes are issued as registered in the name of the purchaser, a single note certificate will be issued for those Notes bearing the same rate of interest in the aggregate principal amount awarded to such purchaser at such interest rate. Principal of and interest on the Notes will be payable in Federal Funds at maturity at such bank(s) or trust company(ies) located and authorized to do business in the State of New York as may be selected by the successful bidder.

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

The Notes are offered when, as and if issued and received by the purchasers and subject to the receipt of the respective approving legal opinion as to the validity of the Notes of WJ Marquardt PLLC, Bond Counsel, Skaneateles, New York. It is anticipated that the Notes will be available for delivery through the facilities of DTC in Jersey City, New Jersey, on or about June 25, 2025.

**Facsimile or telephone bids will be received THURSDAY, June 12, 2025 until 11:30 a.m. Prevailing Time, pursuant to the terms of the Notice of Sale.**

June 5, 2025

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

**CAMDEN CENTRAL SCHOOL DISTRICT ONEIDA,  
ONEIDA, OSWEGO AND LEWIS COUNTIES, NEW YORK**

SCHOOL DISTRICT OFFICIALS

**2024-25 BOARD OF EDUCATION**

Katherine Stone - President  
Randi Swancott. - Vice President

Thomas Fanning  
Stewart Hatzinger  
Jared Perham  
Laird Petrie  
Misty Portner

.....

Jason Evangelist – Interim Superintendent of Schools  
Karen Jones –Assistant Superintendent for Business  
Robin Mitchell- School District Treasurer  
Adja Williams – School District Clerk

.....

School District Attorney

Ferrara Fiorenza PC

**BOND COUNSEL**

**WJ Marquardt PLLC**

**MUNICIPAL ADVISOR**



**R. G. Timbs, Inc.**

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

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**OFFICIAL STATEMENT**  
of the  
**CAMDEN CENTRAL SCHOOL DISTRICT**  
**ONEIDA, OSWEGO AND LEWIS COUNTIES, NEW YORK**  
Relating To  
**\$1,000,000 Bond Anticipation Notes, 2025**

This Official Statement, which includes the cover page, inside cover page and appendices, has been prepared by the Camden Central School District, Oneida, Oswego and Lewis Counties, New York (the "School District" or "District", "Counties", and "State", respectively) in connection with the sale by the School District of \$1,000,000 Bond Anticipation Notes, 2025 (referred to herein as the "Notes").

The factors affecting the School 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 School District tax base, revenues, and expenditures, this Official Statement should be read in its entirety, and no one factor should be considered more or less important than any other by reason of its relative position in this Official Statement.

All quotations from and summaries and explanations of provisions of the Constitution and laws of the State and acts and proceedings of the School 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 School District relating thereto are qualified in their entirety by reference to the definitive forms of the Notes and such proceedings.

**THE NOTES**

**Description of the Notes**

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

The Notes will be dated June 25, 2025 and will mature, without option of prior redemption on June 25, 2026. Interest will be calculated on a 30-day month and 360-day year basis, payable at maturity.

The Notes will be issued in either (i) registered certificated form registered in the name of the purchaser, in denominations of \$5,000 each or multiples thereof with principal and interest payable in Federal Funds at such bank or trust company located and authorized to do business in the State as may be selected by such successful bidder; or (ii) at the option of the purchaser, 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. See "BOOK-ENTRY-ONLY SYSTEM" herein.

**No Optional Redemption**

The Notes are not subject to redemption prior to maturity.

## Nature of Obligations

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

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

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

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

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

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

"A pledge of the City's faith and credit is both a commitment to pay and a commitment of the City's revenue generating powers to produce the funds to pay. Hence, an obligation containing a pledge of the City's "faith and credit" is secured by a promise both to pay and to use in good faith the City's general revenue powers to produce sufficient funds to pay the principal and interest of the obligation as it becomes due. That is why both words, "faith" and "credit" are used and they are not tautological. That is what the words say and this is what the courts have held they mean. So, too, although the Legislature is given the duty to restrict municipalities in order to prevent abuses in taxation, assessment, and in contracting of indebtedness, it may not constrict the City's power to levy taxes on real estate for the payment of interest on or principal of indebtedness previously contracted... While phrased in permissive language, these provisions, when read together with the requirement of the pledge and faith and credit, express a constitutional imperative: debt obligations must be paid, even if tax limits be exceeded".

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

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

Constitution "requires the city to raise real estate taxes, and without specification other revenues, if such a levy be necessary to repay indebtedness."

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

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

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

### **Authorization and Purpose**

The Notes are authorized to be issued pursuant to the Constitution and laws of the State of New York, including amount others, the Education Law, the Local Finance Law, and pursuant to a bond resolution dated July 6, 2021, authorizing the issuance of obligations of the District in the amount of \$32,176,854 to finance an Energy Performance Contract and certain renovations, additions, alterations and improvements to various buildings and facilities. The District issued its \$29,126,854 Bond Anticipation Notes, 2024 dated June 26, 2024 (the "2024 Notes") to finance these capital projects. The proceeds of the Notes, together with \$26,385,000 of DASNY bond proceeds, and \$1,741,854 of available district funds will redeem and partially renew \$1,000,000 of the 2024 BAN for the aforementioned purpose.

### **Book-Entry Only System**

The Depository Trust Company ("DTC"), Jersey City, New Jersey, will act as securities depository for the Bonds and the Notes, if selected by the purchaser(s). As such, the Notes will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered bond and note certificate will be issued for each maturity of the Bonds and for Notes bearing the same rate of interest and CUSIP number.

DTC 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](http://www.dtcc.com) and [www.dtc.org](http://www.dtc.org).

Purchases of Notes under the DTC system must be made by or through Direct Participants, which will receive a credit for the Notes on DTC's records. The ownership interest of each actual purchaser of each Bond ("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 to them of notices of significant events with respect to the Notes, such as redemptions, tenders, defaults, and proposed amendments to the Note documents. For example, Beneficial Owners of Notes may wish to ascertain that the nominee holding the Notes for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

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

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

The School District may decide to discontinue use of the system of book-entry only transfers through DTC (or a successor securities depository). In that event, bond and 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 School District believes to be reliable, but the School District takes no responsibility for the accuracy thereof.

Source: The Depository Trust Company.

THE SCHOOL 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 SCHOOL 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 THAT IS REQUIRED OR PERMITTED TO BE GIVEN TO OWNERS, 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 ONLY SYSTEM HAS BEEN OBTAINED FROM DTC AND THE SCHOOL DISTRICT MAKES NO REPRESENTATION AS TO THE COMPLETENESS OR THE ACCURACY OF SUCH INFORMATION OR AS TO THE ABSENCE OF MATERIAL ADVERSE CHANGES IN SUCH INFORMATION SUBSEQUENT TO THE DATE HEREOF.

### **Certificated Notes**

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

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

## **THE SCHOOL DISTRICT**

### **General Information**

The School District is located in upstate New York in the Counties of Oneida, Lewis and Oswego. Centered in the Village of Camden, the School District is approximately 20 miles to the west of the City of Rome and approximately 35 miles northeast of the City of Syracuse. Major highways serving the School District include State Routes 13, 49 and 69. The land area of the School District is approximately 330 square miles. The School District is residential and commercial in nature, with wood products such as lumber, furniture, manufacturing wire mills, and postage stamp collectors processing as its principal industries.

### **District Population**

The current estimated population of the District is 12,658. (Source: 2023 U.S. Census Bureau estimate.)

## Economic Developments

In 2018 the local furniture factory, Harden Furniture closed. Since that time, B&B Lumber, a wood flooring fabricator, purchased the manufacturing facility formerly owned by Harden Furniture and currently has 55 employees, using approximately 35% of the building capacity.

There have been no major changes to the local economy in 2024.

The District is monitoring the potential positive impact of Wolfspeed, a computer chip manufacturer that has built a multi-million-dollar plant, as well as the positive impact of Micron, a semi-conductor manufacturing plant just over 30 minutes away from the District.

## 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 Villages, Towns and Counties listed below. The Figures set below with respect to such Villages, Towns, Counties and State are included for information only. It should not be inferred from the inclusion of such data in this Official Statement that the Villages, Towns, Counties or State are necessarily representative of the District, or vice versa.

	<u>Per Capita Income</u>			<u>Median Family Income</u>		
	<u>2006-2010</u>	<u>2016-2020</u>	<u>2019-2023</u>	<u>2006-2010</u>	<u>2016-2020</u>	<u>2019-2023</u>
Village of:						
Camden	\$20,948	\$20,752	\$31,155	\$49,214	\$44,537	\$90,161
Towns Of:						
Annsville	20,616	21,201	29,503	47,560	62,031	68,618
Camden	23,005	22,483	35,132	65,862	57,353	95,000
Florence	17,141	20,274	31,268	39,200	48,889	80,586
Lee	24,121	31,958	48,186	62,734	77,841	102,443
Vienna	22,896	22,330	41,428	55,508	53,627	92,867
Osceola	26,049	27,273	34,259	52,500	54,375	85,625
Constantia	22,048	27,843	37,044	62,606	63,056	104,471
County Of:						
Oneida	23,458	26,577	36,865	58,017	63,182	88,011
Lewis	20,970	25,230	32,690	49,554	59,992	78,095
Oswego	21,604	24,284	35,222	56,364	60,689	84,690
State Of:						
New York	30,948	34,212	49,520	67,405	74,036	105,060

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

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

## Major Employers

<u>Name</u>	<u>Nature of Business</u>	<u>Estimated Number of Employees</u>
Camden Central School	School	428
International Wire	Manufacturing	250
Mystic Stamp	Wholesaler	225
B & B Lumber	Manufacturing	55
Tops LLC	Retail	25

## Unemployment Rate Statistics

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

Year	Oneida County Unemployment Rate	Oswego County Unemployment Rate	Lewis County Unemployment Rate	New York State Unemploy- ment Rate	U.S. Unemployment Rate
2020	8.1%	8.9%	7.7%	9.8%	8.1%
2021	5.1%	5.5%	5.0%	7.1%	5.3%
2022	3.5%	4.0%	4.0%	4.3%	3.6%
2023	3.7%	4.3%	4.4%	4.2%	3.6%
2024	3.7%	4.2%	4.2%	4.3%	4.1%

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

## Form of School Government

The Board of Education, which is the policy-making body of the School District, consists of seven members with overlapping three-year terms so that as nearly as possible, an equal number are elected to the Board each year. Each Board member must be a qualified voter of the School District and no Board member may hold certain other School District offices or positions while serving on the Board of Education. The President and the Vice President are selected by the Board members.

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

## **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 2022-23 fiscal year was adopted by the qualified voters on May 17, 2022 by a vote of 496 to 483. 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 461 to 414. The School District's 2023-24 Budget remained within the School District Tax Cap imposed by Chapter 97 of the laws of 2011.

The budget for the 2024-25 fiscal year was adopted by the qualified voters on May 21, 2024 by a vote of 1,219 to 371. The School District's 2024-25 Budget remained within the School District Tax Cap imposed by Chapter 97 of the laws of 2011.

The budget for the 2025-26 fiscal year was adopted by the qualified voters on May 20, 2025 by a vote of 793 to 523. The School District's 2025-26 Budget remained within the School District Tax Cap imposed by Chapter 97 of the laws of 2011.

## **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 deposits or certificates of deposits in 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) with the approval of the New York State Comptroller, tax anticipation notes and revenue anticipation notes issued by any New York municipality or district corporation, other than the School District; (6) obligations of a New York public corporation which are made lawful investments by the School District pursuant to another provision of law; (7) certain certificates of participation issued on behalf of political subdivisions of the State of New York; and, (8) in the case of School District moneys held in certain reserve funds established pursuant to law, obligations issued by the School District. These statutes further require that all bank deposits, in excess of the amount insured under the Federal Deposit Insurance Act, be secured by either a pledge of eligible securities, an eligible surety bond or an eligible letter of credit, as those terms are defined in the law.

Consistent with the above statutory limitations, it is the School District's current policy to invest in: (1) certificates of deposit or time deposit accounts that are fully secured as required by statute, (2) obligations of the United States of America or (3) obligations guaranteed by agencies of the United States of America where the payment of principal and interest is guaranteed by the United States of America. In the case of obligations of the United States government, the School District may purchase such obligations pursuant to a written repurchase agreement that requires the purchased securities to be delivered to a third-party custodian.

## **State Aid**

The District receives appropriations from the State. In its adopted budget for the 2025-26 fiscal year, approximately 75.68% 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.

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

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

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

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

The amount of State aid to school districts can vary from year to year and is dependent in part upon the financial condition of the State. During the 2011 to 2019 fiscal years of the State, State aid to school districts was paid in a timely manner; however, during the State's 2010 and 2020 fiscal years, State budgetary restrictions resulted in delayed payments of State aid to school districts in the State. In addition, the availability of State aid and the timeliness of payment of State aid to school districts could be affected by a delay in adoption of the State budget, which is due at the start of the State's fiscal year of April 1. Since the 2010-11 State fiscal year, the State budget has been generally adopted on or before April 1, with the exception of the 2016-17 State budget which was not adopted until April 9, 2017, the 2023-24 State budget which was not adopted until May 3, 2023. The 2024-25 State budget which was not adopted until April 20, 2024 and the 2025-26 State Budget which was not adopted until May 9, 2025. 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 school districts in the State which could adversely affect the financial condition of school districts in the State.

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

### **Federal Aid Received by the State –**

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 were used to support local

educational agencies' efforts to address the impact that COVID-19 has had, and continues to have, on elementary and secondary schools in the State. Such federal funding expired at the end of the 2023-24 fiscal year.

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

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

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

### **State Aid History**

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

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

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

The State's 2025-26 Enacted Budget provides \$37.6 billion in State funding to school districts for the 2025-26 school year, the highest level of State aid ever. This represents an increase of \$1.7 billion or 4.9 percent compared to the 2024-25 school year and includes a \$1.4 billion or 5.6 percent Foundation Aid increase. The State's 2025-26 Enacted Budget includes a 2% minimum increase in Foundation Aid to all school districts and makes a number of alterations to the Foundation Aid formula designed to reflect low-income student populations and provide additional aid to low-wealth school districts.

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

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

After further litigation, on appeal in 2006, the Court of Appeals held that \$1.93 billion of additional funds for the New York City schools — as initially proposed by the Governor and presented to the Legislature as an amount sufficient to provide a sound basic education — was reasonably determined. State legislative reforms in the wake of *The Campaign for Fiscal Equity* decision

included increased accountability for expenditure of State funds and collapsing over 30 categories of school aid for school districts in the State into one classroom operating formula referred to as foundation aid. The stated purpose of foundation aid is to prioritize funding distribution based upon student need. As a result of the Court of Appeals ruling schools were to receive \$5.5 billion increase in foundation aid over a four fiscal year phase-in covering 2007 to 2011.

A case related to the Campaign for Fiscal Equity, Inc. v. State of New York was heard on appeal on May 30, 2017 in New Yorkers for Students' Educational Rights v. State of New York ("NYSER") and a consolidated case on the right to a sound basic education. The NYSER lawsuit asserts that the State has failed to comply with the original decision in the Court of Appeals in the 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 an 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, cover 50% of the anticipated shortfall
- FY 2024: Approximately \$23.2 billion, eliminating the anticipated shortfall, and funding the full amount of Foundation Aid for all school Districts
- FY 2025: Funding the full amount of Foundation Aid for all school districts.
- FY 2026: 2% minimum increase in Foundation Aid to all school districts. The State's 2025-26 Enacted Budget makes a number of alterations to the Foundation Aid formula designed to reflect low-income student populations and provide additional aid to low-wealth 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 2024-25 and 2025-26 fiscal years.

Fiscal Year	Total Revenues	Total State Aid	Percentage of Total Revenues Consisting of State Aid
2019-2020	\$ 49,592,099	\$ 37,308,824	75.23%
2020-2021	55,027,248	37,642,877	68.41
2021-2022	51,054,237	38,018,185	74.47
2022-2023	54,522,210	40,229,158	73.78
2023-2024	57,405,936	42,589,614	74.19
2024-2025 (Budgeted)	57,638,202	42,981,775	74.57
2025-2026 (Budgeted)	59,159,575	44,773,093	75.68

Source: Audited financial statements for the 2019-2020 fiscal year through the 2023-2024 fiscal year and the adopted budget of the District for the 2024-2025 and 2025-2026 fiscal years. This table is not audited.

### District Facilities

<u>Name</u>	<u>Grades</u>	<u>Year Built</u>	<u>Current Maximum Capacity</u>	<u>Date of Last Addition or Alteration</u>
Camden Elementary School	Pre K-4	1955	534	2015
McConnellsville Elementary School	Pre K-4	1991	279	2015
Camden Middle School	5-8	1930	641	2015
Camden High School	9-12	1967	620	2015

Source: District officials.

### Historical and Projected Enrollment

<u>Fiscal Year</u>	<u>Actual</u>	<u>Fiscal Year</u>	<u>Projected</u>
2020-21	2,031	2025-26	1,991
2021-22	1,964	2026-27	1,998
2022-23	1,924	2027-28	2,001
2023-24	1,998	2028-29	1,995
2024-25	2,007	2029-30	1,990

Source: District Officials

### District Employees

The District employs a total of 416 full-time and 12 part-time employees with representation by the various bargaining units listed below:

<u>Bargaining Unit</u>	<u>Employees</u>	<u>Expiration Date</u>
Camden Teachers' Association	221	6/30/2029
CSEA	175	6/30/2028
Camden Administrators' Association	12	6/30/2029
Individual Management Confidential	20	6/30/2029

\*Currently under negotiations.

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, which has since been changed to 5 years as of April 9, 2022 (for both Tier V and Tier VI)
- Capping the amount of overtime that can be considered in the calculation of pension benefits for civilians at \$15,000 per year, and for police and firefighters at 15% of non-overtime wages.

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

The State’s enacted budget for the 2024-25 fiscal year, which was signed into law on April 22, 2024, further reformed Tier 6 by changing the final average year salary to determine a public employee’s retirement benefit from the highest five consecutive years to the highest three consecutive years, and by extending the two-year exclusion of overtime earnings when determining a Tier 6 member’s contribution rate to their pension benefit.

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 2024-2025 and 2025-2026 fiscal years are as follows:

<u>Fiscal Year</u>	<u>ERS</u>	<u>TRS</u>
2019-2020	\$565,802	\$1,686,173
2020-2021	639,262	1,404,471
2021-2022	595,569	1,571,715
2022-2023	593,314	1,919,317
2023-2024	731,344	1,911,585
2024-2025 (Budgeted)	575,000	2,100,000
2025-2026 (Budgeted)	600,000	2,100,000

Source: District records

Source: Audited financial statements for the 2019-2020 fiscal year through the 2023-2024 fiscal year and the adopted budgets of the District for the 2024-2025 and 2025-2026 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 percentage of payroll (2020-21 to 2025-26) is shown below:

<u>Fiscal Year</u>	<u>ERS</u>	<u>TRS</u>
2020-2021	14.6%	9.53%
2021-2022	16.2	9.8
2022-2023	11.6	10.29
2023-2024	13.1	7.6
2024-2025	15.2	10.11
2025-2026	16.5	9.59*

\*Estimated

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

Chapter 57 of the Laws of 2010 (Part TT) amended the Retirement and Social Security Law to authorize participating employers, if they so elect, to amortize an eligible portion of their annual required contributions to ERS when employer contribution rates rise above certain levels. The option to amortize the eligible portion began with the annual contribution due February 1, 2011. The amortizable portion of an annual required contribution is based on a “graded” rate by the State Comptroller in accordance with formulas provided in Chapter 57. Amortized contributions are to be paid in equal annual installments over a ten-year period; but may be prepaid at any time. Interest is to be charged on the unpaid amortized portion at a rate to be determined by 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. In May of 2019 the District established the TRS sub-reserve fund in the amount of \$319,635 in accordance with the law. As of June 30, 2024, the TRS sub-reserve fund has been funded in the amount of \$1,689,284.

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** - 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, 2023 and financial data as of June 30, 2024, the School District's beginning year total OPEB liability was \$175,092,879 the net change for the year was 12,655,249 resulting in a total OPEB liability of \$187,748,128 for a fiscal year ending June 30, 2024. The aforementioned liability is recognized and disclosed in accordance with GASB 75 standards in the School District's June 30, 2024, 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. The District's OPEB liability 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.

### **Other Information**

The statutory authority for the power to spend money for the object or purpose, or to accomplish the object or purpose, for which the Notes are 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, 2024, 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.

### **State Comptroller Reports of Examination**

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

The State Comptroller's office released an audit report of the District on August 23, 2019. The purpose of the audit was to determine whether claims were adequately documented, for appropriate purposes and properly audited and approved before payment for the period July 1, 2017, through February 28, 2019.

### **Key Findings**

- OSC Auditor’s reviewed 91 claims totaling \$1.3 million (7 percent) paid during the audit period and found they were generally supported by adequate documentation and for proper purposes. However, 45 claims totaling \$471,138 were paid before the claims auditor’s approval and the claims auditor did not audit 10 scholarship payments totaling \$4,750.

The claims auditor did not

- Audit and approve 478 other claims totaling \$945,478 before payment.
- Report the results of the claims auditing process directly to the Board.

**Key Recommendations**

- Ensure no claims, other than those allowed under law, are paid prior to the claims auditor’s audit and approval.
- Ensure all claims for scholarship payments are audited and approved by the claims auditor before they are paid.
- Ensure the claims auditor reports to the Board of Education.

District officials agreed with the recommendations and have initiated or indicated they planned to initiate corrective action.

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

There are no State Comptroller’s audits of the District that are currently in progress or pending release.

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

**Fiscal Stress Monitoring System**

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 of the District are as follows:

<u>Fiscal Year Ending In</u>	<u>Stress Designation</u>	<u>Fiscal Score</u>
2024	No Designation	20.0
2023	No Designation	23.3
2022	No Designation	13.3
2021	No Designation	0.0
2020	No Designation	10.0

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, nor inclusion herein by reference.

## TAX INFORMATION

### Taxable Assessed Valuations

Fiscal Year Ended June 30:

	<u>2021</u>		<u>2022</u>		<u>2023</u>		<u>2024</u>		<u>2025</u>
Assessed Valuations:									
Camden	\$ 5,718,418	\$	5,794,929	\$	5,931,093	\$	6,073,422	\$	6,371,227
Annsville	67,282,532		67,971,116		68,794,342		68,432,277		69,001,526
Florence	12,994,602		13,045,932		13,208,816		13,469,469		13,822,472
Osceola	43,359,973		44,324,011		45,723,022		47,678,081		49,664,092
Vienna	170,012,259		172,052,661		172,135,292		174,993,054		176,699,588
Lee	140,049		141,199		128,784		129,777		131,907
Constantia	<u>248,900</u>		<u>248,900</u>		<u>248,900</u>		<u>248,900</u>		<u>248,900</u>
<b>Total</b>	<b>\$ 299,756,733</b>	<b>\$</b>	<b>303,578,748</b>	<b>\$</b>	<b>306,170,249</b>	<b>\$</b>	<b>311,024,980</b>	<b>\$</b>	<b>315,939,712</b>
Equalization Rates:									
Camden	2.25%		2.20%		2.10%		1.84%		1.69%
Annsville	55.00%		58.95%		57.20%		52.00%		50.00%
Florence	16.25%		16.25%		15.70%		13.50%		11.70%
Osceola	97.00%		100.00%		95.00%		79.00%		75.50%
Vienna	53.00%		52.00%		47.00%		40.00%		36.00%
Lee	3.04%		2.88%		2.40%		2.24%		2.11%
Constantia	93.00%		91.00%		79.00%		65.00%		60.00%
Full Valuations:									
Camden	\$ 254,151,911	\$	263,405,864	\$	282,433,000	\$	330,077,283	\$	376,995,680
Annsville	122,331,876		115,302,996		120,269,829		131,600,533		138,003,052
Florence	79,966,782		80,282,658		84,132,586		99,773,844		118,140,786
Osceola	44,701,003		44,324,011		48,129,497		60,352,001		65,780,254
Vienna	320,777,847		330,870,502		366,245,302		437,482,635		490,832,189
Lee	4,606,875		4,902,743		5,366,000		5,793,616		6,251,517
Constantia	<u>267,634</u>		<u>273,516</u>		<u>315,063</u>		<u>382,923</u>		<u>414,833</u>
<b>Total</b>	<b>\$ 826,803,929</b>	<b>\$</b>	<b>839,362,290</b>	<b>\$</b>	<b>906,891,277</b>	<b>\$</b>	<b>1,065,462,835</b>	<b>\$</b>	<b>1,196,418,312</b>

Equalized values shown here are those used by the School District for tax levy purposes as provided in the Real Property Tax Law. In some cases, equalization rates established specifically for school tax apportionment may have been used, as is also provided in the Real Property Tax Law.

## Tax Rate Per \$1,000 Assessed Value

Fiscal Year Ending June 30:

	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Camden	\$ 610.49	\$ 631.53	\$ 639.95	\$ 634.01	\$ 614.73
Annsville	24.95	23.55	23.47	22.41	20.76
Florence	84.45	85.42	85.51	86.33	88.70
Osceola	14.15	13.88	14.13	14.75	13.75
Vienna	25.89	25.89	28.56	29.14	28.83
Lee	451.42	481.94	559.38	520.27	491.87
Constantia	14.76	15.25	16.99	17.93	17.30

## Tax Collection Procedure

Tax payments are due September 1st. There is no penalty charge for the first thirty days after taxes are due, but a 2% penalty is charged for the next 30 days. On November 7th, uncollected taxes are returnable to Oneida, Oswego and Lewis Counties for collection. The School District receives this amount from said Counties prior to the end of the School District's fiscal year, thereby assuring 100% tax collection annually.

## Tax Collection Record

Fiscal Year Ended June 30:

	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025*</u>
Total Tax Levy	\$11,349,612	\$11,650,322	\$12,175,025	\$12,416,895	\$12,416,895
Amount Uncollected	977,743	895,074	891,206	971,477	1,293,837
% Uncollected	8.61%	7.68%	7.32%	7.82%	10.42%

Note: \* Collection information is as of 12/13/2024

## Real Property Tax Revenues

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

<u>Fiscal Year</u>	<u>Total Revenues</u>	<u>Total Real Property Taxes</u>	<u>Percentage of Total Revenues Consisting of Real Property Taxes</u>
2019-2020	\$ 49,592,099	\$ 9,384,641	18.92%
2020-2021	55,027,248	9,725,946	17.67
2021-2022	51,054,237	10,077,581	19.74
2022-2023	54,522,210	10,648,133	19.53
2023-2024	58,224,936	10,967,197	18.84
2024-2025 (Budgeted)	57,638,202	11,059,848	19.19
20205-2026 (Budgeted)	59,159,575	12,874,050	21.76

Source: Audited financial statements for the 2019-2020 fiscal year through 2023-2024 fiscal year and the adopted budget of the District for the 2024-2025 and 2025-2026 fiscal years. This table is not audited.

## Major Taxpayers 2024

### For 2024-25 Tax Roll

<u>Name</u>	<u>Type</u>	<u>Full Value</u>
State of New York	State	5,371,792
Niagara Mohawk Power	Utility	3,856,323
Oneida Water Supply	Utility	3,588,052
National Grid	Utility	3,587,175
City of Oneida	Utility	3,758,928
Niagara Mohawk/dba Natl Grid	Utility	3,340,170
ARH LLC	Commercial	2,341,800
B&B Reel Company	Commercial	2,005,300
Reforestation NYS	State	1,968,871
International Wire	Commercial	<u>87,725</u>
Total		\$29,906,136

1. The above taxpayers represent 2.49% of the School District's 2024-25 Full value of \$1,196,418,312

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

### 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, 2024, 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 \$98,700 or less in 2024 and \$107,300 or less in 2025, increased annually according to a cost-of-living adjustment, are eligible for a "full value" exemption of the first \$84,000 for the 2024-25 school year and the first \$86,100 for the 2025-26 school year (adjusted annually). Other homeowners with household STAR Adjusted Gross Income not in excess of \$250,000 (\$500,000 in the case of a STAR Credit, as discussed below) are eligible for a \$30,000 “full value” exemption on their primary residence.

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 was lowered to \$250,000, compared with a \$500,000 limit for the credit. The amount received for the STAR exemption will remain the same each year, while the amount of the STAR credit can increase up to two percent annually. Homeowners with STAR Adjusted Gross Income of \$250,000 or less have the option to select the credit or the exemption.

The 2020-21 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.

### **Real Property Tax Rebate**

Chapter 59 of the Laws of 2014 (“Chapter 59”) included provisions which provided a refundable personal income tax credit to real property taxpayers in school districts in 2014 and 2015 and certain municipal units of government in 2015 and 2016. The eligibility of real property taxpayers for the tax credit in each year depended on such jurisdiction’s compliance with the provisions of the Tax Credit Limitation Law. 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.

Chapter 20 of the Laws of 2015 (“Chapter 20”) introduced a new real property tax rebate program that provides state financed tax rebate checks and credits to taxpayers who are eligible for the STAR exemption in the years 2016-2019. For 2016, eligible taxpayers who resided outside New York City but within the Metropolitan Commuter Transportation District (“MCTD”) received \$130, and eligible taxpayers who resided outside the MCTD received \$185. Credits in 2017-2019 varied based on a taxpayer’s personal income level and STAR tax savings and the program was fully phased in in 2019. Similar to the Chapter 59 real property tax credit, under Chapter 20 the eligibility of real property taxpayers in each year depends on the school district’s compliance with the provisions of the Tax Levy Limitation Law. Unlike Chapter 59, however, for taxpayers other than those living in one of the “Big 4” cities only the compliance of the school district in which the taxpayer resides is relevant. Municipal compliance with the Tax Levy Limitation Law is only required in the case of the “Big 4” cities that have fiscally dependent school districts. In such cases, the joint school/city levy must remain in compliance with the Tax Levy Limitation Law.

While the provisions of Chapter 59 did not, and the provisions of Chapter 20 do not, directly further restrict the taxing power of the affected municipalities, school districts and special districts, Chapter 59 did, and Chapter 20 does, provide an incentive for such tax levies to remain with the tax cap limits established by the Tax Levy Limitation Law.

### **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.

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

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 federal 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

## **STATUS OF INDEBTEDNESS**

### **Constitutional Requirements**

The New York State Constitution limits the power of the District (and 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 one of the two fiscal years immediate succeeding the fiscal year in which such indebtedness was contracted, 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; or, in the alternative, the weighted average period of probable usefulness of the several objects or purposes for which such indebtedness is to be contracted; unless substantially level or declining annual debt service is authorized or 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.

General. The District is further subject to constitutional limitation by the general constitutionally imposed duty of the State Legislature to restrict the power of taxation and contracting indebtedness to prevent abuses in the exercise of such power; however, as has been noted under “NATURE OF THE OBLIGATION,” the State Legislature is prohibited by a specific constitutional provision from restricting the power of the District to levy taxes on real estate for the payment of interest on or principal of indebtedness theretofore contracted.

There is no constitutional limitation on the amount that may be raised by the District by tax on real estate in any fiscal year to pay principal of and interest on all indebtedness. However, Chapter 97 of the Laws of 2011 imposes a statutory limitation on the power of the District to increase its annual tax levy. The amount of such increases is limited by the formulas set forth in such law. See “TAX LEVY LIMITATION LAW” herein.

## Statutory Procedure

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

Debt Limit. The District has the power to contract indebtedness for any District purpose authorized by the Legislature of the State provided that the aggregate principal amount thereof shall not exceed ten per centum of the full valuation of the taxable real estate of the District as required by the Local Finance Law and subject to certain enumerated deductions such as State aid for building purposes. The statutory method for determining full valuation is by dividing the assessed valuation of taxable real estate for the last completed assessment roll by the equalization rate established by the State Office of Real Property Services in accordance with applicable State law.

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

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

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

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

**STATUS OF INDEBTEDNESS**

**Debt Outstanding End of Fiscal Year**

Fiscal Year Ending June 30:	2020	2021	2022	2023	2024
Serial Bonds	\$32,795,000	\$27,880,000	\$22,205,000	\$17,690,000	\$13,655,000
Bond Anticipation Notes	0	0	0	28,311,854	29,126,854
Energy Performance Contracts	0	0	0	0	0
<b>Total Debt Outstanding</b>	<b>\$32,795,000</b>	<b>\$27,880,000</b>	<b>\$22,205,000</b>	<b>\$46,001,854</b>	<b>\$42,781,854</b>

**Status of Outstanding Bond Issues**

Year of Issue:	2016		2017	
Amount Issued:	\$6,290,000		\$8,080,000	
Purpose/Instrument:	Refunding		DASNY	
Fiscal Year Ending June 30:	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2025	\$ 190,000*	\$ 4,600	\$ 1,425,000	\$ 175,000
2026	20,000	800	1,345,000	103,750
2027	<u>20,000</u>	<u>400</u>	<u>730,000</u>	<u>36,500</u>
Totals:	\$ 230,000	\$ 5,800	\$ 3,500,000	\$ 315,250

Year of Issue:	2022		2025	
Amount Issued:	\$13,795,000		\$24,735,000	
Purpose/Instrument:	Refunding		DASNY	
Fiscal Year Ending June 30:	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2025	\$ 2,050,000*	\$ 394,800	-	-
2026	2,195,000	312,800	1,915,000	1,594,033
2027	2,275,000	225,000	2,060,000	1,141,000
2028	785,000	134,000	2,155,000	1,038,000
2029	820,000	102,600	2,260,000	930,250
2030	855,000	69,800	2,190,000	817,250
2031	890,000	35,600	1,385,000	707,750
2032	-	-	1,445,000	638,500
2033	-	-	1,520,000	566,250
2034	-	-	1,610,000	490,250
2035	-	-	1,680,000	409,750
2036	-	-	1,765,000	325,750
2037	-	-	1,865,000	237,500
2038	-	-	1,900,000	144,250
2039	<u>-</u>	<u>-</u>	<u>985,000</u>	<u>49,250</u>
Totals:	\$ 9,870,000	\$ 1,274,600	\$ 24,735,000	\$ 9,089,783

Note: \* Principal payment made prior to date of Debt Statement.

### Total Annual Bond Principal and Interest

Fiscal Year Ending June 30:	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>	<u>%Paid</u>
2025	\$ 3,665,000	\$ 574,400	\$ 4,239,400	8.65%
2026	5,475,000	2,011,383	7,486,383	23.92%
2027	5,085,000	1,402,900	6,487,900	37.16%
2028	2,940,000	1,172,000	4,112,000	45.54%
2029	3,080,000	1,032,850	4,112,850	53.93%
2030	3,045,000	887,050	3,932,050	61.95%
2031	2,275,000	743,350	3,018,350	68.11%
2032	1,445,000	638,500	2,083,500	72.36%
2033	1,520,000	566,250	2,086,250	76.62%
2034	1,610,000	490,250	2,100,250	80.90%
2035	1,680,000	409,750	2,089,750	85.17%
2036	1,765,000	325,750	2,090,750	89.43%
2037	1,865,000	237,500	2,102,500	93.72%
2038	1,900,000	144,250	2,044,250	97.89%
2039	985,000	49,250	1,034,250	100.00%
Totals:	\$ 38,335,000	\$ 10,685,433	\$ 49,020,433	

### Status of Short-Term Indebtedness

<u>Type</u>	<u>Dated Date</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Amount Outstanding</u>
BAN	6/26/2024	6/26/2025	4.500%	\$29,126,854

The proceeds of the Notes, together with \$26,385,000 of DASNY bond proceeds, and \$1,741,854 of available district funds will redeem and partially renew \$1,000,000 of the existing BAN for the aforementioned purpose.

### Cash Flow Borrowings

The School District, historically, does not issue Tax Anticipation Notes or Revenue Anticipation Notes, nor deficiency or budget notes.

### Capital Project Plans

The District voters approved by a vote of 409 yes to 97 no, a \$35,476,854 Capital Improvement Project on May 18, 2021. The project will focus on safety, security, and infrastructure upgrades as well as increasing energy efficiency across the District. Construction began in Spring 2022 and is estimated to be complete by Fall 2025. The District issued \$18,000,000 Bond Anticipation Notes on July 20, 2022. The District issued \$28,311,854 Bond Anticipation Notes on June 27, 2023. That issue, together with \$365,000 available funds, redeemed the maturing \$18,000,000 Notes and provided \$10,676,854 of new monies. The District issued a \$29,141,854 Bond Anticipation Note on June 26, 2024. The proceeds of these Notes along with \$685,000 available funds of the District, renewed the \$28,311,854 Bond Anticipation Note that matured on June 27, 2024 and provided \$1,500,000 of new monies. The District will issue \$26,385,000 in DASNY Bonds on June 17, 2025. The proceeds of these Notes, together with the DASNY bond proceeds, and \$1,741,854 of available district funds will redeem and partially renew \$1,000,000 of the existing BAN for the aforementioned purpose.

## **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 93.1%.

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 June 5, 2025

<u>Town</u>	<u>Taxable Assessed Valuation</u>	<u>State Equalization Rate</u>	<u>Taxable Full Valuation</u>
Camden	\$ 6,371,227	1.69%	\$ 376,995,680
Annsville	69,001,526	50.00%	138,003,052
Florence	13,822,472	11.70%	118,140,786
Osceola	49,664,092	75.50%	65,780,254
Vienna	176,699,588	36.00%	490,832,189
Lee	131,907	2.11%	6,251,517
Constantia	248,900	60.00%	414,833
			<u>\$ 1,196,418,312</u>
Debt Limit: 10% of Full Valuation			\$ 119,641,831
Inclusions:			
Serial Bonds			\$ 36,095,000
Bond Anticipation Notes			29,126,854
Total Inclusions:			<u>\$ 65,221,854</u>
Exclusions:			
Building Aid Estimate	1		<u>\$0</u>
Total Exclusions:			<u>\$0</u>
Total Net Indebtedness			<u>\$ 65,221,854</u>
Net Debt Contracting Margin			\$ 54,419,977
Percentage of Debt-Contracting Power Exhausted			54.51%

Notes:

1. Pursuant to the provisions of Chapter 760 of the Laws of New York State of 1963, the School District receives aid on existing building debt. Since the Gross Indebtedness of the School District is within the debt limit, the School District is not required to apply for a Building Aid Estimate and therefore is not permitted to deduct Estimated Building Aid

### Estimated Overlapping Indebtedness

<u>Overlapping Unit</u>	<u>Applicable Equalized Value</u>	<u>Percent</u>	<u>Gross Indebtedness</u>	<sup>1</sup> <u>Exclusions</u>	<u>Net Indebtedness</u>	<u>Estimated Applicable Overlapping Indebtedness</u>
Oneida County	\$ 1,130,223,224 \$ 14,482,609,789	7.80%	\$ 503,316,433	N/A	\$ 503,316,433	\$ 39,278,827
Lewis County	\$ 65,780,254 \$ 2,493,390,719	2.64%	55,480,000	N/A	55,480,000	1,463,665
Oswego County	\$ 414,833 \$ 7,073,140,173	0.01%	-	N/A	-	-
Town of Camden	\$ 376,995,680 \$ 376,995,680	100.00%	23,438	N/A	23,438	23,438
Town of Annsville	\$ 138,003,052 \$ 138,003,052	100.00%	380,417	N/A	380,417	380,417
Town of Florence	\$ 118,140,786 \$ 118,140,786	100.00%	-	N/A	-	-
Town of Osceola	\$ 65,780,254 \$ 65,780,254	100.00%	-	N/A	-	-
Town of Vienna	\$ 490,832,189 \$ 490,832,189	100.00%	1,797,887	N/A	1,797,887	1,797,887
Town of Lee	\$ 6,251,517 \$ 6,251,517	100.00%	-	N/A	-	-
Town of Constantia	\$ 414,833 \$ 356,633,153	0.12%	9,255,852	N/A	9,255,852	10,766
Village of Camden	\$ 98,568,182 \$ 98,568,182	100.00%	-	N/A	-	-
<b>Total</b>						<u><u>\$ 42,955,000</u></u>

Source: Comptroller's Special Report on Municipal Affairs for Local Fiscal Years Ended in 2023.

Notes: 1 Bonds and Bond Anticipation notes as of 2024 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 June 5, 2025:

	Amount	Per Capita <sup>(a)</sup>	Percentage of Full Value <sup>(b)</sup>
Net Indebtedness	\$ 65,221,854	\$ 5,152.62	5.451%
Net Indebtedness Plus Net Overlapping Indebtedness	\$ 108,176,854	\$ 8,546.13	9.042%

(a) The District's estimated population is 12,658. (Source: 2023 U.S. Census Bureau estimate)

(b) The District's full valuation of taxable real estate for 2024-25 is \$1,196,418,312.

## 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 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.

Section 3-a of the General Municipal Law provides, subject to exceptions not pertinent, that the rate of interest to be paid by the District upon any judgment or accrued claim against it shall not exceed nine per centum per annum. 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 or interest on the Notes.

In accordance with the general rule with respect to municipalities, judgments against the District may not be enforced by levy and execution against property owned by the District.

The Federal Bankruptcy Code allows public bodies such as the District recourse to the protection of a Federal Court for the purpose of adjusting outstanding indebtedness. Section 85.80 of the Local Finance Law contains specific authorization for any municipality in the State to file a petition under any provision of Federal bankruptcy law for the composition or adjustment of municipal indebtedness. While the provisions of the Local Finance Law do not apply to school districts, there can be no assurance that they will not be made so applicable in the future.

There are separate State law provisions regarding debt service moratoriums enacted into law in 1975.

At the Extraordinary Session of the State Legislature held in November 1975, legislation was enacted which purported to suspend the right to commence or continue an action in any court to collect or enforce certain short-term obligations of The City of New York. The effect of such act was to create a three-year moratorium on actions to enforce the payment of such obligations. On November 19, 1976, the Court of Appeals, the State's highest court, declared such act to be invalid on the ground that it violates the provisions of the State Constitution requiring a pledge by such City of its faith and credit for the payment of such obligations.

As a result of the Court of Appeals decision, the constitutionality of that portion of Title 6-A of Article 2 of the Local Finance Law enacted at the 1975 Extraordinary Session of the State legislature authorizing any county, city, town or village with respect to which the State has declared a financial emergency to petition the State Supreme Court to stay the enforcement against such municipality of any claim for payment relating to any contract, debt or obligation of the municipality during the emergency period, is subject to doubt. In any event, no such emergency has been declared with respect to the District.

There is in the Constitution of the State, Article VIII, Section 2, the following provision relating to the annual appropriation of monies for the payment of due principal of and interest on indebtedness of every county, city, town, village and school district in the State: "If at any time the respective appropriating authorities shall fail to make such appropriations, a sufficient sum shall be set apart from the first revenues thereafter received and shall be applied to such purposes. The fiscal officer of any county, city, town, village or school district may be required to set aside and apply such revenues as aforesaid at the suit of any holder of obligations issued for any such indebtedness."

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

No principal or interest on District indebtedness is past due.

## **MARKET AND RISK FACTORS**

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

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

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

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

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

### **Cybersecurity**

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

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

## CONTINUING DISCLOSURE

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

### Historical Compliance:

On September 24, 2018 S&P downgraded the District’s long-term and underlying rating one notch to “A” from “A+.” The outlook is stable. The rating action reflects S&P Global Ratings’ opinion of the district’s weakened fund balance due to its negative budgetary performance recently leading to the use of reserves. The stable outlook reflects S&P Global Ratings’ opinion that while available fund balance could continue to decline, total fund balance will likely remain at levels S&P Global Ratings considers strong. The District filed a failure to file notice as required under S.E.C. Rule 15c2-12 on November 1, 2018 due to the failure to file a Material Event notice of the rating change within ten (10) business days of the occurrence.

## TAX MATTERS

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

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

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

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

Current and future legislative proposals, if enacted into law, or clarification of the Code or court decisions may cause interest on the Notes to be subject, directly or indirectly, to federal income taxation or to be subject to or exempted from state income taxation, or otherwise prevent Beneficial Owners from realizing the full current benefit of the tax status of such interest. Proposals have been made that could significantly reduce the benefit of, or otherwise affect, the exclusion from gross income

of interest on obligations like the Notes. The introduction or enactment of any such legislative proposals, clarification of the Code or court decisions may also affect, perhaps significantly, the market price for, or marketability of, the Notes. Prospective purchasers of the Notes should consult their own tax advisors regarding any pending or proposed federal or state tax legislation, regulations or litigation, and regarding the impact of future legislation, regulations or litigation, as to which Bond Counsel expresses no opinion.

## LEGAL MATTERS

Legal matters incident to the authorization, issuance and sale of the Notes are subject to the approving legal opinions of WJ Marquardt PLLC, Bond Counsel. Bond Counsel's opinion will be in substantially the form attached hereto as "APPENDIX - C". WJ Marquardt PLLC expresses no opinions as to the accuracy or completeness of information in any documents prepared by or on behalf of the District for use in connection with the offer and sale of the Notes, including, but not limited to, the financial information in this Official Statement.

## LITIGATION

The District is subject to a number of lawsuits in the ordinary conduct of its affairs on an annual basis. Such suits, individually or in the aggregate, may have a material adverse effect on the financial condition of the district

In November of 2019 a lawsuit was filed by a third party against the District in Oneida County State Supreme Court pursuant to New York State's Child Victims Act (the "CVA"). The Complaint alleges sexual misconduct related torts, including alleged negligent supervision by the District of a District employee, that allegedly occurred between 1961 and 1963. The Complaint seeks unspecified monetary damages, and the District has identified potential insurance coverage for this matter. The District is actively defending this lawsuit which remains in the discovery stage. At this time the scope of any potential damages cannot be predicted, however the outcome of this litigation could have a material adverse impact upon the District's finances.

In May of 2021 a lawsuit was filed by a third party against the District Oneida County State Supreme Court pursuant to the CVA. The Complaint alleges sexual misconduct related torts, including alleged negligent supervision by the District of a District employee, that allegedly occurred in approximately 1962. The Complaint seeks unspecified monetary damages, and the District has identified potential insurance coverage for this matter. The District is actively defending this lawsuit which remains in the discovery stage. At this time the scope of any potential damages cannot be predicted, however the outcome of this litigation could have a material adverse impact upon the District's finances.

In May of 2021 a lawsuit was filed by a third party against the District Oneida County State Supreme Court pursuant to the CVA. The Complaint alleges sexual misconduct related torts, including alleged negligent supervision by the District of a District employee, that allegedly occurred in approximately 1963. The Complaint seeks unspecified monetary damages, and the District has identified potential insurance coverage for this matter. The District is actively defending this lawsuit which remains in the discovery stage. At this time the scope of any potential damages cannot be predicted, however the outcome of this litigation could have a material adverse impact upon the District's finances.

In June of 2021 a lawsuit was filed by a third party against the District in Oneida County State Supreme Court pursuant to the CVA. The Complaint alleges sexual abuse of the plaintiff for a seven-year period beginning in or around 1978 by a scout master of the local Boy Scouts of America (BSA) troop. Specifically, the lawsuit alleges that the plaintiff was sexually abused by an assistant scout master, not an alleged employee of the District, in connection with BSA scouting activities. Although all the alleged acts of sexual abuse occurred off District premises, the plaintiff alleges that the nature of the District's association with the local BSA troop was such that it was involved in the selection of scout leaders, and that this connection is allegedly sufficient to render the District

liable for the scout master's alleged sexual abuse of the plaintiff. The Complaint seeks unspecified monetary damages, and the District has identified potential insurance coverage for this matter. No action has been permitted to be taken on the case since September of 2021 due to a stay arising from the BSA's bankruptcy filing. Since the BSA's plan of reorganization has recently been approved, we anticipate that the claim will be addressed through the claims administration procedures established in the BSA's bankruptcy proceedings. At this time the scope of any potential damages cannot be predicted, however the outcome of this litigation could have a material adverse impact upon the District's finances.

There is a discrimination case on the basis of sex discrimination filed by a former employee of the Camden Central School district. Employee alleges she was subjected to sexual harassment & sexual abuse at the hands of her supervisor. Supervisor was also the subject of an arrest on charges of improper sexual touching of the employee. Supervisor subsequently resigned his employment following these allegations. The New York State Division of Human Rights found "probable cause" to believe that the law had been violated and that discrimination had occurred. The case is in the pretrial phase and we are awaiting an assigned trial date. The trial will occur as an administrative trial before an administrative law judge. Under the law, the judge has the authority, if proven, to award damages for emotional distress, humiliation the pain and suffering. The administrative law judge also has authority under the law to award attorney's fees to a successful claimant. The district has tendered the defense of the action to its insurance company, Utica National Insurance which is defending under a reservation of rights. For further information as to the scope and breadth of insurance coverage, please consult the reservation of rights letter from the insurance company. It is anticipated that the case will reach an administrative trial sometime in late 2025 or early 2026. The district contends that it has committed no wrongdoing and that the Supervisor's actions were in clear violation of regulation and law. District officials were unaware of his of his alleged conduct. The district intends to vigorously defend itself against these claims and takes the position that the employee's actions, if they occurred, occurred outside the scope of his lawful employment.

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

## **RATINGS**

The Notes are issued as NOT rated. Purchasers may elect to obtain a rating at their expense.

The most recent underlying rating assigned to the School District by S&P Global Ratings, a business unit of Standard and Poor's Financial Services, LLP ("S&P") is an "A" rating which was assigned in connection with the issuance by the School District of the \$13,795,000 Refunding Serial Bonds dated April 5, 2022.

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

## **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.

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

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

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

The 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

R.G. Timbs, Inc. may place a copy of this Official Statement on its website at [www.RGTimbsInc.net](http://www.RGTimbsInc.net). Unless this Official Statement specifically indicates otherwise, no statement on such website is included by specific reference or constitutes a part of this Official Statement. 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.

The School District's contact information is as follows: Karen Jones, Assistant Superintendent for Business, Phone: (315) 245-1024, [Email: kjones2@camdencsd.org](mailto:kjones2@camdencsd.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 (877) 315-0100 x5 or at [www.RGTimbsInc.net](http://www.RGTimbsInc.net).

**CAMDEN CENTRAL SCHOOL DISTRICT**

Dated: June 5, 2025

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

# **APPENDIX A**

## **Financial Information**

## General Fund – Statement of Revenues, Expenditures and Fund Balance

Fiscal Year Ending June 30:	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	Budget <u>2025</u>
Beginning Fund Balance - July 1	\$6,009,388	\$7,442,323	\$13,719,440	\$7,148,156	\$8,300,327	\$9,020,318 <sup>E</sup>
<u>Revenues:</u>						
Real Property Taxes	\$9,384,641	\$9,725,946	\$10,077,581	\$10,648,133	\$10,967,197	\$11,059,848
Other Tax Items	1,734,981	1,666,973	1,606,754	1,586,409	1,512,746	1,438,529
Charges for Services	3,505	1,419	3,583	4,018	2,644	0
Use of Money & Property	32,605	20,175	24,563	223,129	353,632	271,300
Sale of Property/Comp. for Loss	168,588	62,288	125,941	183,825	124,546	55,500
Miscellaneous	887,944	1,551,691	718,396	605,423	765,373	641,250
Interfund Revenues	0	0	0	0	0	0
State Aid	37,308,824	37,642,877	38,018,185	40,229,158	42,589,614	42,981,775
Federal Aid	71,011	621,323	0	55,761	0	200,000
Interfund Transfer	<u>0</u>	<u>3,734,556</u>	<u>479,234</u>	<u>986,354</u>	<u>1,090,184</u>	<u>990,000</u>
Total Revenues	\$49,592,099	\$55,027,248	\$51,054,237	\$54,522,210	\$57,405,936	\$57,638,202
<u>Expenditures:</u>						
General Support	\$3,943,834	\$4,186,408	\$4,869,429	\$4,941,849	\$4,887,980	\$5,119,328
Instruction	22,574,609	22,505,150	24,229,484	24,823,179	26,366,438	27,148,013
Transportation	3,082,943	2,608,313	3,238,903	3,439,891	3,833,192	3,966,407
Community Service	750	1,750	750	1,250	1,250	1,250
Employee Benefits	12,340,785	12,994,515	13,985,532	14,126,261	14,725,437	15,907,801
Debt Service	6,101,569	6,099,444	5,915,078	5,464,484	6,119,282	7,616,962
Interfund Transfer	<u>114,674</u>	<u>354,551</u>	<u>5,386,345</u>	<u>573,125</u>	<u>752,366</u>	<u>70,000</u>
Total Expenditures	\$48,159,164	\$48,750,131	\$57,625,521	\$53,370,039	\$56,685,945	\$59,829,761
Adjustments	0	0	0	0	0	0
Year End Fund Balance	\$7,442,323	\$13,719,440	\$7,148,156	\$8,300,327	\$9,020,318	\$6,828,760 <sup>E</sup>
Excess (Deficit) Revenues Over Expenditures	\$1,432,935	\$6,277,117	(\$6,571,284)	\$1,152,171	\$719,991	(\$2,191,559) <sup>I</sup>

Source: Audited 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

### 2025-26 Proposed Budget

#### Revenues:

Real Property Taxes & STAR	\$12,874,050
Other Tax Items	59,502
Charges for Services	
Use of Money & Property	171,400
Sale of Property	52,100
Miscellaneous	949,430
State Aid	44,773,093
Federal Aid	200,000
Interfund Transfers	80,000
Appropriated Fund Balance	2,644,904
Total Revenues	<u>\$61,804,479</u>

#### Expenditures:

General Support	\$5,776,468
Instruction	28,350,884
Transportation	3,924,632
Community Service	1,250
Employee Benefits	16,619,645
Debt Service	7,061,600
Interfund Transfers	70,000
Total Expenditures	<u>\$61,804,479</u>

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

## General Fund – Comparative Balance Sheet

Fiscal Year Ending June 30:	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Assets:					
Unrestricted Cash	\$5,413,253	\$11,944,355	\$4,024,247	\$3,090,064	\$1,988,567
Restricted Cash	1,567,169	1,574,952	2,481,538	2,569,767	3,044,806
Accounts Receivable	125,981	182,187	190,673	81,974	161,714
Taxes Receivable	224,547	225,810	225,479	225,871	0
State and Federal Aid Receivable	704,155	1,200,483	702,105	800,977	1,928,095
Other Receivables	0	0	0	0	0
Due to Fiduciary Funds	0	0	0	0	0
Due from Other Governments	1,048,980	1,132,938	981,266	1,392,743	2,160,662
Prepays	0	0	0	0	21,079
Due from Other Funds	<u>872,592</u>	<u>830,672</u>	<u>1,492,350</u>	<u>3,261,072</u>	<u>4,230,308</u>
<b>Total Assets</b>	<b><u>\$9,956,677</u></b>	<b><u>\$17,091,397</u></b>	<b><u>\$10,097,658</u></b>	<b><u>\$11,422,468</u></b>	<b><u>\$13,535,231</u></b>
Liabilities:					
Accounts Payable & Accrued Liabilities	\$442,369	\$1,522,332	\$824,904	\$829,284	\$1,967,812
Accrued Interest	0	0	0	0	0
Notes Payable:					
Revenue Anticipation Notes	0	0	0	0	0
Due to Other Funds	103,973	44,864	212,748	110,089	167,348
Due to Fiduciary Funds	0	0	0	0	0
Deferred Revenues	353,062	0	0	0	143,761
Due to State Teachers Retirement System	1,464,042	1,644,946	1,783,895	2,034,439	2,053,156
Due to Employees' Retirement System	<u>150,908</u>	<u>159,815</u>	<u>127,955</u>	<u>148,329</u>	<u>182,836</u>
<b>Total Liabilities:</b>	<b><u>\$2,514,354</u></b>	<b><u>\$3,371,957</u></b>	<b><u>\$2,949,502</u></b>	<b><u>\$3,122,141</u></b>	<b><u>\$4,514,913</u></b>
Fund Balances:					
Nonspendable	0	0	0	0	21,079
Reserved:	3,078,428	9,313,036	4,014,735	4,426,522	6,170,493
Unreserved:					
Appropriated	2,567,235	2,219,403	1,352,947	1,742,549	455,863
Unappropriated	<u>1,796,660</u>	<u>2,187,001</u>	<u>1,780,474</u>	<u>2,131,256</u>	<u>2,372,883</u>
<b>Total Fund Balance</b>	<b><u>\$7,442,323</u></b>	<b><u>\$13,719,440</u></b>	<b><u>\$7,148,156</u></b>	<b><u>\$8,300,327</u></b>	<b><u>\$9,020,318</u></b>
<b>Total Liabilities and Fund Balance</b>	<b><u>\$9,956,677</u></b>	<b><u>\$17,091,397</u></b>	<b><u>\$10,097,658</u></b>	<b><u>\$11,422,468</u></b>	<b><u>\$13,535,231</u></b>

Source: Audited Financial Reports  
This table is NOT audited.

## **APPENDIX B**

### **Audited Financial Statements For The Fiscal Year Ended June 30, 2024**

*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.*

**CAMDEN CENTRAL SCHOOL DISTRICT**

**Financial Statements as of  
June 30, 2024  
Together with  
Independent Auditor's Report, Reports  
Required by the Uniform Guidance and  
*Government Auditing Standards***

# CAMDEN CENTRAL SCHOOL DISTRICT

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**INDEPENDENT AUDITOR'S REPORT**

October 8, 2024

To the Board of Education of the  
Camden Central School District

**Report on the Audit of the Financial Statements**

**Disclaimer of Opinion and Unmodified Opinions**

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Camden Central School District (the District) as of and for the year ended June 30, 2024, and the related notes to the financial statements. We were not engaged to audit the financial statements of the aggregate discretely presented component unit. These financial statements collectively comprise the District's basic financial statements as listed in the table of contents.

**Disclaimer of Opinion on the Aggregate Discretely Presented Component Unit**

We do not express an opinion on these financial statements because of the significance of the matter described in the Basis for Disclaimer of Opinion on the aggregate discretely presented component unit section of this report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the financial statements of the aggregate discretely presented component unit of the District.

**Unmodified Opinions on Governmental Activities, Each Major Fund, and Aggregate Remaining Fund Information**

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 District, as of June 30, 2024, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**Basis for Unmodified Opinions on Governmental Activities, Each Major Fund, and Aggregate Remaining Fund Information**

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

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## **INDEPENDENT AUDITOR'S REPORT**

(Continued)

### **Basis for Disclaimer of Opinion on the Aggregate Discretely Presented Component Unit**

The financial statements of the Virginia W. Tuthill Charitable Trust Fund (Tuthill Trust Fund) have not been audited, and we were not engaged to audit the Tuthill Trust Fund financial statements as part of our audit of the District's basic financial statements. The Tuthill Trust Fund financial activities are included in the District's basic financial statements as a discretely presented component unit and represent 100% of the assets, net position, and additions respectively, of the District's aggregate discretely presented component unit.

### **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 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 Aggregate Discretely Presented Component Unit**

Our responsibility is to conduct an audit of the District's financial statements in accordance with generally accepted auditing standards and to issue an auditor's report. However, because of the matter described in the Basis For Disclaimer of Opinion on the Aggregate Discretely Presented Component Unit section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the financial statements of the aggregate discretely presented component unit.

We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit.

### **Auditor's Responsibilities for the Audit of Governmental Activities, Each Major Fund, and the Aggregate Remaining Fund Information**

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.

(Continued)

## **INDEPENDENT AUDITOR'S REPORT**

(Continued)

### **Auditor's Responsibilities for the Audit of Governmental Activities, Each Major Fund, and the Aggregate Remaining Fund Information (Continued)**

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 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 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; Schedule of Revenue, Expenditures, and Change in Fund Balance - Budget and Actual - General Fund; Schedule of Change in Total OPEB Liability and Related Ratios; Schedule of Proportionate Share of Net Pension Liability (Asset) and the Schedule of Contributions - Pension Plans be presented to supplement the basic financial statements. Such information, 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.

(Continued)

## INDEPENDENT AUDITOR'S REPORT

(Continued)

### Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying combining and individual nonmajor fund financial statements and schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### Other Information

Management is responsible for the other information included in the annual report. The other information comprises the Schedule of Change from Original Budget to Revised Budget and the Real Property Tax Limit - General Fund, Schedule of Project Expenditures - Capital Projects Fund and the Schedule of Net Investment in Capital Asset but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated October 3, 2024 on our consideration of the 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 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 the District's internal control over financial reporting and compliance.

# CAMDEN CENTRAL SCHOOL DISTRICT

## Management's Discussion and Analysis

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### INTRODUCTION

The Camden Central School District has prepared this analysis of the District's financial statements in accordance with the Governmental Accounting Standards Board (GASB) Statement 34 to enhance the understanding and usefulness of the financial statements completed by Bonadio & Co., LLP, Certified Public Accountants. Please review this analysis in conjunction with the District's financial statements and the accompanying notes to the financial statements.

### ANALYSIS OF THE FINANCIAL STATEMENTS

**The Statement of Net Position** is formatted to include all fund types and account groups including the recognition of assets from GASB 34 assets pronouncement, liability associated with GASB 45 and GASB 75 for Other Post-Employment Benefits (OPEB), and the recognition of assets and liabilities associated with the New York State TRS and ERS pension fund under GASB 68. This statement presents information on all district assets and liabilities, with the difference between the two reported as net position. Increases or decreases from year-to-year can serve as a useful indicator of whether the School District financial condition is improving or deteriorating. As of June 30, 2024, the net position is \$(134m) a change of \$(13m) from prior year mainly due to additions of capital assets related to the current capital project as well as decreases in TRS and ERS pension liabilities offset by deferred outflows and inflows that are long term in nature and not reported in the funds.

### Highlights

- At June 30, 2024 total liabilities (what the District owes) exceeded its total assets (what the District owns) by \$134,051,076. At June 30, 2023, total liabilities exceeded total assets by \$121,045,765. Net Position decreased by \$13,005,311.
- Capital asset additions during 2024 amounted to \$14,731,058 primarily due to \$603,359 in building expenditures and \$14,127,699 for CIP.
- General revenue, which includes State aid, and property taxes, accounted for \$64,677,998 or 98.39% of all revenue. Program specific revenue in the form of charges for services accounted for \$68,742 or 0.11% of total revenue.
- Total expenses in the district-wide financial statements totaled \$78,740,863 and \$62,531,795 in 2024 and 2023 respectively.

## ANALYSIS OF THE FINANCIAL STATEMENTS (Continued)

### Condensed Statements of Net Position- Governmental Activities

	<u>2024</u>	<u>2023</u>	<u>\$ Change</u>	<u>% Change</u>
Current assets	\$ 25,854,983	\$ 35,092,503	\$ (9,237,520)	-26.3%
Non-current assets	<u>93,089,679</u>	<u>80,944,253</u>	<u>12,145,426</u>	15.0%
Total assets	<u>118,944,662</u>	<u>116,036,756</u>	<u>2,907,906</u>	2.5%
Deferred outflows	<u>25,370,264</u>	<u>28,941,225</u>	<u>(3,570,961)</u>	-12.3%
Current liabilities	34,741,885	31,883,701	2,858,184	9.0%
Long-term liabilities	<u>207,240,426</u>	<u>200,566,144</u>	<u>6,674,282</u>	3.3%
Total liabilities	<u>241,982,311</u>	<u>232,449,845</u>	<u>9,532,466</u>	4.1%
Deferred inflows	<u>36,383,691</u>	<u>33,573,901</u>	<u>2,809,790</u>	8.4%
Net position:				
Net investment in capital assets	49,466,080	33,953,199	15,512,881	45.7%
Restricted	9,662,718	7,798,017	1,864,701	23.9%
Unrestricted	<u>(193,179,874)</u>	<u>(162,796,981)</u>	<u>(30,382,893)</u>	18.7%
Total net position	<u>\$(134,051,076)</u>	<u>\$(121,045,765)</u>	<u>\$(13,005,311)</u>	10.7%

In the table above, total assets at June 30, 2024 were approximately \$2,907,906 higher than at June 30, 2023. Total liabilities increased by \$9,532,466.

Deferred outflows/inflows account for the GASB No. 68 recording of pensions and GASB No. 75 recording of other post-employment benefits. The deferred outflows decreased \$3,570,961 and the deferred inflows increased \$2,809,790.

## ANALYSIS OF THE FINANCIAL STATEMENTS (Continued)

### Condensed Statement of Activities

	<u>2024</u>	<u>2023</u>	<u>\$ Change</u>	<u>% Change</u>
<u>Revenue</u>				
Charges for services	\$ 1,057,554	\$ 1,102,613	\$ (45,059)	-4.0%
General Revenue:				
Real property taxes	10,967,197	10,648,133	319,064	3.0%
Non-property tax	2,376,814	2,117,692	259,122	12.2%
Use of money and property	362,767	237,176	125,591	53.0%
Sale of property and compensation for loss	124,546	183,825	(59,279)	-32.3%
Miscellaneous	1,120,488	771,199	349,289	45.3%
Federal and state sources	<u>49,726,186</u>	<u>47,086,935</u>	<u>2,639,251</u>	5.6%
Total revenue	<u>65,735,552</u>	<u>62,147,573</u>	<u>3,587,979</u>	5.8%
<u>Expenses</u>				
General government support	5,621,157	5,321,431	299,726	5.6%
Instruction	34,613,679	32,194,385	2,419,294	7.5%
Community services	1,250	1,250	-	0.0%
Pupil transportation	3,487,565	3,603,159	(115,594)	-3.2%
Interest	1,706,930	1,161,049	545,881	47.0%
Employee benefits	32,135,201	18,849,181	13,286,020	70.5%
School lunch program	<u>1,175,081</u>	<u>1,401,340</u>	<u>(226,259)</u>	-16.1%
Total expenses	<u>78,740,863</u>	<u>62,531,795</u>	<u>16,209,068</u>	25.9%
Increase (decrease) in net position	<u>\$ (13,005,311)</u>	<u>\$ (384,222)</u>	<u>\$ (12,621,089)</u>	3284.8%

The **Balance Sheet-Governmental Funds** report provides detailed information about the District's funds, focusing on the major funds including General, Special Aid, Debt Service, Capital Projects, and Nonmajor (Cafeteria, Special Revenue) funds. A fund is a grouping of related accounts, and is used to maintain control over resources that have been segregated for a specific activity or purpose. Governmental fund reporting focuses on how money flows in and out of funds. The governmental fund statements provide a detailed short-term view of the District's operations and are useful in determining financial resources available to be spent in the near future. For the year ending June 30, 2024 the District's total fund balance decreased by \$7m to \$31m mainly due to the decrease in assets relating to the capital project. The General Fund total fund balance increased from \$8.3m to \$9m as a result of a \$260k increase to the Unassigned Fund Balance, a \$1.3m reduction in Assigned Fund Balance, and an increase of \$1.7m to Restricted Fund Balance. This shift from Assigned to Restricted Fund Balance was based on the District's intent to fund and utilize reserves in the upcoming year.

The **Statement of Revenues, Expenditures, and Change in Fund Balance – Governmental Funds** provide a summary of revenues and expenditures for General Fund, Special Aid Fund, Debt Service Fund, Capital Project Fund and Non-Major Funds and the resulting equity balance that is reported as fund balance.

## ANALYSIS OF THE FINANCIAL STATEMENTS (Continued)

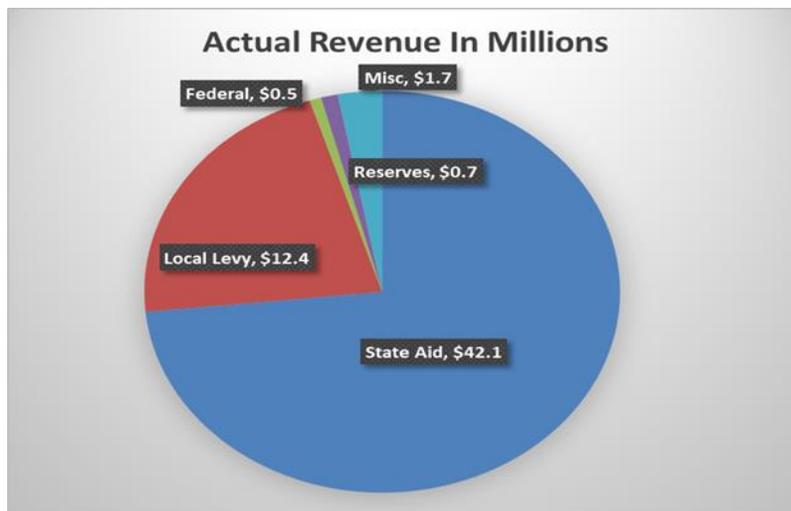
### The Statement of Revenues, Expenditures, And Change In Fund Balance – Governmental Funds (Continued)

#### Revenues

As of June 30, 2024, the General Fund actual revenues totaled \$57,405,526 up from \$53,535,856 from the prior year. Actual revenue exceeded projected mainly due to BOCES Aid, Interest Earned, and Medicare Part D claims. The major changes for this year include:

- Real property tax revenues increased by \$319,064. Other tax items decreased by \$76,946.
- State aid increased by \$2,273,186 and Federal Aid decreased by \$74,884.
- Revenue from Debt Service \$657,334 to offset Serial Bond P&I payments.

As indicated on the following chart, the District relies upon State aid and real property taxes as its primary revenue sources.



#### Expenses

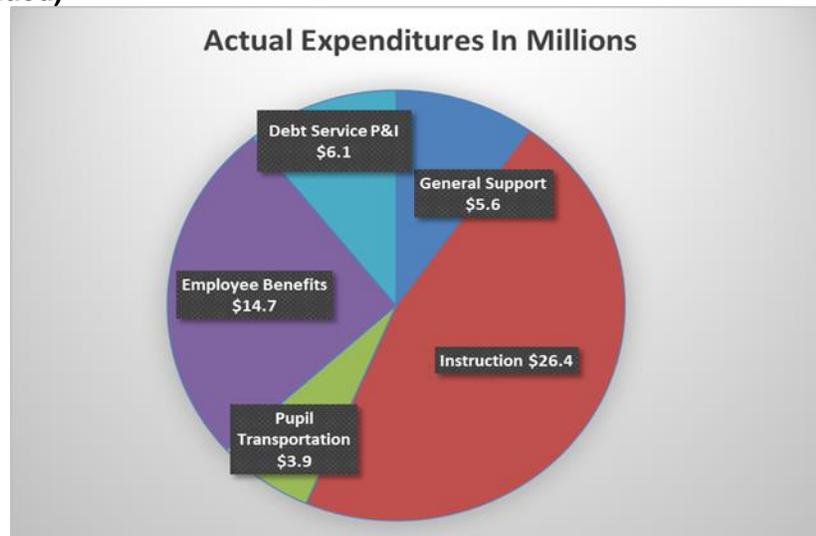
General Fund expenditures as of June 30, 2024 totaled \$56,685,536 up from \$53,425,357 from the prior year. The 6% increase in expenditures is driven by increases to salary and benefit expenses as well as an increase in principal and interest for short and long-term debt payments.

- Instructional program expenses increased by \$1,499,999 mostly due to salary increases.
- Employee benefit costs increased by \$547,151 due to increases in retirement system funding.

As indicated by the graph below, instructional costs and employee benefits account for 73% of all expenses.

## ANALYSIS OF THE FINANCIAL STATEMENTS (Continued)

### The Statement of Revenues, Expenditures, And Change In Fund Balance – Governmental Funds (Continued)



### General Fund Budgetary Highlights

The District's \$56,326,029 budget was prepared in accordance with New York State law and the District uses the modified accrual basis of accounting, utilizing cash receipts, disbursements, and encumbrances. The difference between the original budget and final amended budget was \$254,247 which represents the carryover of outstanding purchase orders (encumbrances) from the 22-23 fiscal year as well as the annual Virginia Tuthill grant disbursement.

### Results vs. Budget (in thousands)

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Variance</u>
<u>Revenue</u>					
Real property taxes	\$ 10,967,197	\$ 10,967,197	\$ 10,967,197	\$ -	\$ -
State and federal sources	40,871,591	40,871,591	42,589,614	-	1,718,023
Other financing sources	657,334	657,334	1,090,184	-	432,850
Other	<u>2,219,848</u>	<u>2,367,813</u>	<u>2,758,941</u>	<u>-</u>	<u>391,128</u>
Total	<u>54,715,970</u>	<u>54,863,935</u>	<u>57,405,936</u>	<u>-</u>	<u>2,542,001</u>
<u>Expenditures</u>					
General support	4,885,762	5,023,446	4,893,206	196,589	130,240
Instruction	25,670,252	25,995,799	26,366,438	59,274	(370,639)
Pupil transportation	3,850,296	3,850,296	3,833,192	-	17,104
Community service	1,350	1,350	1,250	-	100
Employee benefits	15,170,844	15,041,660	14,725,437	-	316,223
Debt service	6,700,724	6,620,924	6,114,056	-	506,868
Other financing uses	<u>46,800</u>	<u>46,800</u>	<u>752,366</u>	<u>-</u>	<u>(705,566)</u>
Total	<u>56,326,028</u>	<u>56,850,275</u>	<u>56,685,945</u>	<u>255,863</u>	<u>(105,670)</u>
Revenue over (under) expenditures	<u>\$ (1,610,058)</u>	<u>\$ (1,716,340)</u>	<u>\$ 719,991</u>	<u>\$ (255,863)</u>	<u>\$ 2,436,331</u>

## ANALYSIS OF THE FINANCIAL STATEMENTS (Continued)

### The Statement of Revenues, Expenditures, And Change In Fund Balance – Governmental Funds (Continued)

The General fund is the only fund for which a budget is legally adopted. For the purposes of the above analysis the budget columns do not include appropriated fund balance.

	<u>2024</u>	<u>2023</u>	<u>\$ Change</u>	<u>% Change</u>
Land and CIP	\$ 29,684,781	\$ 15,557,082	\$ 14,127,699	90.8%
Buildings and improvements	60,827,652	62,475,038	(1,647,386)	-2.6%
Furniture and equipment	<u>2,488,922</u>	<u>2,816,448</u>	<u>(327,526)</u>	<u>-11.6%</u>
Net Capital Assets	<u>\$ 93,001,355</u>	<u>\$ 80,848,568</u>	<u>\$ 12,152,787</u>	<u>15.0%</u>

### LONG-TERM DEBT

At year-end, the District had \$13.66 million in general obligation bonds outstanding and \$191.33 million in other long-term liabilities. More detailed information about the District's long-term liabilities is presented in the notes to the financial statements.

#### Outstanding Long-Term Debt

	<u>2024</u>	<u>2023</u>	<u>\$ Change</u>	<u>% Change</u>
General obligation bonds	\$ 13,655,000	\$ 17,690,000	\$ (4,035,000)	-22.8%
Net pension liability	3,308,915	5,014,686	(1,705,771)	-34.0%
Compensated absences	1,499,143	1,481,894	17,249	1.2%
Total other postemployment benefit obligation	<u>187,748,128</u>	<u>175,092,879</u>	<u>12,655,249</u>	<u>7.2%</u>
Total long-term debt	<u>\$ 206,211,186</u>	<u>\$ 199,279,459</u>	<u>\$ 6,931,727</u>	<u>3.5%</u>

### SUMMARY & LOOKING FORWARD

The Camden Central School District Board of Education and Administrative team continue to maintain a strong, supportive working relationship with all stakeholders. Together they have worked to align the District's mission to partner with parents and the community to engage and prepare each student to graduate with the knowledge and skills necessary for successful living. The Board of Education works with District Administration to maintain financial stability and provide an optimal educational experience for all students. The current stability has been maintained even through the challenging post-pandemic times. This stability is the result of fiscally responsible spending, long-range planning, and Federal funding through the Education Stabilization Fund, which has provided additional support to students to offset the negative effects of the pandemic on academic achievement and social and emotional well-being.

The level of financial stability we have achieved can only be maintained if all stakeholders involved in the district are continuously monitoring and adapting to trends in the economy. External factors such as the volatility of State Aid which represent approximately 75% of the District's revenue, could have a significant impact on District finances. District expenses such as fuel, salaries, and employee benefits, which make up a significant portion of the District's budget, are also dependent on the economic climate and continue to trend upward. In addition, the Education Stabilization funding stream will conclude in 2024, ending a four-year revenue source that directly impacted student success through enhanced programs and services.

## **SUMMARY & LOOKING FORWARD (CONTINUED)**

New York State Property Tax Cap legislation restricts the amount of taxes the District can raise through the levy of taxes to the CPI limit of 2% with limited exclusions. Tax cap limits can create challenges for school districts that rely on State aid and Real property tax revenue to operate. The negative impact of the New York State Gap Elimination Adjustment on foundation aid ended in 2022, however fully-funded State foundation aid is not projected to increase at a rate that will keep pace with the rising costs of operating a school district. This shortfall in aid could put a strain on the District's ability to meet obligations and has the potential to diminish the District's fund balance. The Board of Education along with administration and financial advisors will continually monitor the District's current and future financial position, analyzing reserve balances, and working together to meet the visions and goals of the District while maintaining fiscal stability.

It is the intent of this Management Discussion and Analysis to provide an overview of the District's finances and to demonstrate the District's accountability to our financial stability and academic success. It is a pleasure and honor to have provided you with this report. Questions related to any of the information provided in this report or the following independent audit report by The Bonadio Group can be addressed to the following:

Camden Central School District  
Attn: Karen Jones, Assistant Superintendent for Business  
51 Third Street  
Camden, NY 13316

# CAMDEN CENTRAL SCHOOL DISTRICT

## Statement of Net Position June 30, 2024

### ASSETS AND DEFERRED OUTFLOWS OF RESOURCES

#### CURRENT ASSETS:

Cash and cash equivalents - unrestricted	\$ 2,527,405
Cash and cash equivalents - restricted	13,571,195
Prepays	21,079
Accounts receivable	627,964
Due from other governments	2,160,662
State and federal aid receivable	6,870,175
Inventory	76,503
Total current assets	<u>25,854,983</u>

#### NON CURRENT ASSETS:

Capital assets - nondepreciable	29,684,781
Capital assets - depreciable, net	63,404,898
Total non current assets	<u>93,089,679</u>
Total assets	<u>118,944,662</u>

#### DEFERRED OUTFLOWS OF RESOURCES:

Deferred loss on refunding	187,495
Deferred outflows of resources - OPEB	15,437,103
Deferred outflows of resources - ERS	1,826,869
Deferred outflows of resources - TRS	7,918,797
Total deferred outflows of resources	<u>25,370,264</u>

### LIABILITIES AND DEFERRED INFLOWS OF RESOURCES

#### CURRENT LIABILITIES:

Accounts payable and accrued liabilities	3,033,557
Unearned grant revenue	146,125
Bond anticipation notes payable	29,326,211
Due to TRS	2,053,156
Due to ERS	182,836
Total current liabilities	<u>34,741,885</u>

#### LONG-TERM LIABILITIES:

Due and payable within one year:	
Bonds payable, net of premium, current	3,876,619
Lease liabilities, current	5,429
Other postemployment benefits, current	5,460,646
Due and payable in more than one year:	
Bonds payable, net of premium, net of current portion	10,727,412
Lease liabilities, net of current portion	74,780
Net pension liability - ERS	2,153,991
Net pension liability - TRS	1,154,924
Other postemployment benefits, net of current portion	182,287,482
Compensated absences payable	1,499,143
Total long-term liabilities	<u>207,240,426</u>
Total liabilities	<u>241,982,311</u>

#### DEFERRED INFLOWS OF RESOURCES:

Deferred inflows of resources - OPEB	34,434,578
Deferred inflows of resources - ERS	1,146,148
Deferred inflows of resources - TRS	802,965
Total deferred inflows of resources	<u>36,383,691</u>

#### NET POSITION

Net investment in capital assets	49,266,723
Restricted	17,512,981
Unrestricted	<u>(200,830,780)</u>

TOTAL NET POSITION \$ (134,051,076)

The accompanying notes are an integral part of these statements.

# CAMDEN CENTRAL SCHOOL DISTRICT

## Statement of Activities

For the year ended June 30, 2024

	Expenses	Program Revenue		Net (Expense) Revenue and Change in Net Position
		Charges for Services	Operating Grants	
<b>FUNCTIONS/PROGRAMS:</b>				
General support	\$ 5,621,157	\$ 2,644	\$ -	\$ (5,618,513)
Instruction	34,613,679	-	6,427,705	(28,185,974)
Community services	1,250	-	-	(1,250)
Pupil transportation	3,487,565	-	-	(3,487,565)
Interest	1,706,930	-	-	(1,706,930)
Employee benefits	32,135,201	-	-	(32,135,201)
School lunch program	1,175,081	66,098	988,812	(120,171)
<b>TOTAL FUNCTIONS AND PROGRAMS</b>	<b>\$ 78,740,863</b>	<b>\$ 68,742</b>	<b>\$ 7,416,517</b>	<b>(71,255,604)</b>
<b>GENERAL</b>				
Real property taxes				10,967,197
Other tax items				2,376,814
Use of money and property				362,767
Sale of property and compensation for loss				124,546
Miscellaneous				1,120,488
Federal and state sources				43,298,481
<b>TOTAL GENERAL REVENUE</b>				<b>58,250,293</b>
<b>CHANGE IN NET POSITION</b>				<b>(13,005,311)</b>
<b>NET POSITION - beginning of year</b>				<b>(121,045,765)</b>
<b>NET POSITION - end of year</b>				<b>\$ (134,051,076)</b>

The accompanying notes are an integral part of these statements.

**CAMDEN CENTRAL SCHOOL DISTRICT**

**Balance Sheet - Governmental Funds**

**June 30, 2024**

	General	Special Aid	Debt Service	Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS:</b>						
Cash and cash equivalents - unrestricted	\$ 1,988,567	\$ 30,787	\$ -	\$ -	\$ 508,051	\$ 2,527,405
Cash and cash equivalents - restricted	3,044,806	-	2,948,872	7,454,490	123,027	13,571,195
Accounts receivable	161,714	-	-	454,969	11,281	627,964
Due from other funds	4,230,308	165,740	37,795	1,027,758	1,153	5,462,754
Due from other governments	2,160,662	-	-	-	-	2,160,662
State and federal aid receivable	1,928,095	4,852,338	-	-	89,742	6,870,175
Inventory	-	-	-	-	76,503	76,503
Prepays	21,079	-	-	-	-	21,079
<b>TOTAL ASSETS</b>	<u>\$ 13,535,231</u>	<u>\$ 5,048,865</u>	<u>\$ 2,986,667</u>	<u>\$ 8,937,217</u>	<u>\$ 809,757</u>	<u>\$ 31,317,737</u>
<b>LIABILITIES:</b>						
Accounts payable and accrued liabilities	\$ 1,967,812	\$ 14,682	\$ -	\$ 1,049,159	\$ 1,904	\$ 3,033,557
Due to other funds	167,348	5,031,819	-	37,795	225,792	5,462,754
Unearned revenue	143,761	2,364	-	-	-	146,125
BANS Payable	-	-	-	29,126,854	-	29,126,854
Due to Teachers' Retirement System	2,053,156	-	-	-	-	2,053,156
Due to Employees' Retirement System	182,836	-	-	-	-	182,836
<b>TOTAL LIABILITIES</b>	<u>4,514,913</u>	<u>5,048,865</u>	<u>-</u>	<u>30,213,808</u>	<u>227,696</u>	<u>40,005,282</u>
<b>FUND BALANCE:</b>						
Nonspendable	21,079	-	-	-	76,503	97,582
Restricted:						
Employee benefits	1,499,143	-	-	-	-	1,499,143
Retirement contributions	3,903,477	-	-	-	-	3,903,477
Workers compensation	681,844	-	-	-	-	681,844
Debt service	-	-	2,986,667	-	-	2,986,667
Other	40,935	-	-	7,850,263	505,558	8,396,756
Unemployment	45,094	-	-	-	-	45,094
Total restricted fund balance	<u>6,170,493</u>	<u>-</u>	<u>2,986,667</u>	<u>7,850,263</u>	<u>505,558</u>	<u>17,512,981</u>
Assigned:						
Encumbrances	255,863	-	-	-	-	255,863
Appropriated for subsequent years expenditures	200,000	-	-	-	-	200,000
Total assigned fund balance	<u>455,863</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>455,863</u>
Unassigned	2,372,883	-	-	(29,126,854)	-	(26,753,971)
<b>TOTAL FUND BALANCE</b>	<u>9,020,318</u>	<u>-</u>	<u>2,986,667</u>	<u>(21,276,591)</u>	<u>582,061</u>	<u>(8,687,545)</u>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<u>\$ 13,535,231</u>	<u>\$ 5,048,865</u>	<u>\$ 2,986,667</u>	<u>\$ 8,937,217</u>	<u>\$ 809,757</u>	<u>\$ 31,317,737</u>

The accompanying notes are an integral part of these statements.

# CAMDEN CENTRAL SCHOOL DISTRICT

## Reconciliation of the Balance Sheet - Governmental Funds to the Statement of Net Position June 30, 2024

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Total fund balance - governmental funds	\$ (8,687,545)
Capital assets (including leased assets) used in governmental activities are not financial resources and, therefore, are not reported in the funds.	93,089,679
Premiums on bond anticipation notes are recorded as revenues in the funds and deferred in government-wide financial statements	(199,357)
Long-term pension plan related liabilities are not due and payable in the current period and, therefore, not reported in the funds.	
Net pension liability - ERS	(2,153,991)
Net pension liability - TRS	(1,154,924)
Deferred outflows/inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the funds.	
Deferred outflows of resources - relating to pensions	9,745,666
Deferred inflows of resources - relating to pensions	(1,949,113)
Deferred outflows/inflows of resources related to other postemployment benefits are applicable to future periods and, therefore, are not reported in the funds.	
Deferred outflows - OPEB	15,437,103
Deferred inflows - OPEB	(34,434,578)
Loss on bond refunding is recorded as an expenditure in the fund and deferred in the government-wide financial statements.	187,495
Long-term liabilities are not due and payable in the current period and therefore not reported in the funds. They include:	
Bonds payable	(13,655,000)
Premium on bond refunding	(949,031)
Lease liabilities	(80,209)
Total other postemployment benefits	(187,748,128)
Compensated absences	(1,499,143)
Total net position	<u>\$ (134,051,076)</u>

The accompanying notes are an integral part of these statements.

**CAMDEN CENTRAL SCHOOL DISTRICT**

**Statement of Revenue, Expenditures, and Change in Fund Balance - Governmental Funds  
For the year ended June 30, 2024**

	General	Special Aid	Debt Service	Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUE:</b>						
Real property taxes	\$10,967,197	\$ -	\$ -	\$ -	\$ -	\$10,967,197
Other tax items	1,512,746	-	864,068	-	-	2,376,814
Charges for services	2,644	-	-	-	66,098	68,742
Use of money and property	353,632	-	-	-	9,135	362,767
Sale of property and compensation for loss	124,546	-	-	-	-	124,546
Miscellaneous	765,373	-	-	101,250	253,865	1,120,488
State sources	42,589,614	783,013	-	454,969	253,898	44,081,494
Federal sources	-	5,644,692	-	-	988,812	6,633,504
Total revenue	<u>56,315,752</u>	<u>6,427,705</u>	<u>864,068</u>	<u>556,219</u>	<u>1,571,808</u>	<u>65,735,552</u>
<b>EXPENDITURES:</b>						
General support	4,887,980	-	-	-	-	4,887,980
Instruction	26,366,438	6,494,663	-	-	-	32,861,101
Pupil transportation	3,833,192	-	-	-	-	3,833,192
Community services	1,250	-	-	-	-	1,250
Employee benefits	14,725,437	-	-	-	172,276	14,897,713
Cost of sales	-	-	-	-	1,175,081	1,175,081
Other expenditures	-	-	-	-	157,855	157,855
Capital outlay	-	-	-	14,127,699	-	14,127,699
Debt service - Principal	4,040,226	-	-	-	-	4,040,226
Debt service - Interest	2,079,056	-	-	-	-	2,079,056
Total expenditures	<u>55,933,579</u>	<u>6,494,663</u>	<u>-</u>	<u>14,127,699</u>	<u>1,505,212</u>	<u>78,061,153</u>
<b>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES</b>	<u>382,173</u>	<u>(66,958)</u>	<u>864,068</u>	<u>(13,571,480)</u>	<u>66,596</u>	<u>(12,325,601)</u>
<b>OTHER SOURCES AND (USES):</b>						
Premium on obligations - bond anticipation	-	-	189,907	-	-	189,907
Operating transfers in	1,090,184	66,958	-	685,000	-	1,842,142
Operating transfers out	(752,366)	-	(887,231)	(95,742)	(106,803)	(1,842,142)
Total other sources (uses)	<u>337,818</u>	<u>66,958</u>	<u>(697,324)</u>	<u>589,258</u>	<u>(106,803)</u>	<u>189,907</u>
<b>CHANGE IN FUND BALANCE</b>	<u>719,991</u>	<u>-</u>	<u>166,744</u>	<u>(12,982,222)</u>	<u>(40,207)</u>	<u>(12,135,694)</u>
<b>FUND BALANCE - beginning of year</b>	<u>8,300,327</u>	<u>-</u>	<u>2,819,923</u>	<u>(8,294,369)</u>	<u>622,268</u>	<u>3,448,149</u>
<b>FUND BALANCE - end of year</b>	<u>\$ 9,020,318</u>	<u>\$ -</u>	<u>\$ 2,986,667</u>	<u>\$ (21,276,591)</u>	<u>\$ 582,061</u>	<u>\$ (8,687,545)</u>

The accompanying notes are an integral part of these statements.

**CAMDEN CENTRAL SCHOOL DISTRICT**

**Reconciliation of the Statement of Revenue, Expenditures, and Change in Fund Balance -  
Governmental Funds to the Statement of Activities  
For the year ended June 30, 2024**

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Amounts reported for governmental activities in the Statement of Activities are different from amounts reported in the Statement of Revenue, Expenditures, and Change in Fund Balance because:

Net changes in fund balance - total governmental funds \$ (12,135,694)

Capital outlays are expenditures in governmental funds, but are capitalized in the Statement of Net Position.

Capital asset (including lease asset) additions	14,731,058
Loss on disposition of capital assets	(951)
Depreciation expense and amortization expense	(2,584,681)

ERS pension (expense)/income resulting from the change in the pension related (liabilities)/assets and deferred outflows and inflows of resources, that are long-term in nature and therefore not reported in the funds.

Net pension liability/asset	992,199
Deferred outflows of resources	(363,052)
Deferred inflow of resources	(966,003)

TRS pension (expense)/income resulting from the change in the pension related (liabilities)/assets and deferred outflows and inflows of resources, that are long-term in nature and therefore not reported in the funds.

Net pension liability/asset	713,572
Deferred outflows of resources	(2,200,162)
Deferred inflow of resources	106,423

Other postemployment benefits (expense)/income resulting from the change in the pension related (liabilities)/assets and deferred outflows and inflows of resources, that are long-term in nature and therefore not reported in the funds.

Total other postemployment benefits liability	(12,655,249)
Deferred outflows of resources	(897,757)
Deferred inflow of resources	(1,950,210)

Change in deferred outflow of resources related to deferred loss on refunding not reported in the funds. (109,990)

Premiums on bond anticipation notes are recognized as proceeds in the governmental funds but not in the statement of activities. This is the amount of prior year premiums recognized, less premiums on current year BAN issuances. 39,990

Repayments of debt service principal and lease liabilities are recorded as expenditures in the governmental funds, but are recorded as a reduction of liabilities in the Statement of Net Position. 4,040,226

Amortization of the premium on long-term debt is recorded on the government wide statements, but not recorded in the governmental funds. 252,219

In the Statement of Activities, long-term obligations such as compensated absences, do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. (17,249)

Change in net position - governmental activities \$ (13,005,311)

The accompanying notes are an integral part of these statements.

# CAMDEN CENTRAL SCHOOL DISTRICT

## Statement of Net Position - Fiduciary Fund June 30, 2024

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	<u>Private Purpose Trusts</u>
<b>ASSETS:</b>	
Cash and cash equivalents - restricted	\$ 31,277
Total assets	<u>\$ 31,277</u>
<b>NET POSITION:</b>	
Restricted	<u>\$ 31,277</u>

## Statement of Change in Net Position - Fiduciary Fund For the year ended June 30, 2024

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	<u>Private Purpose Trusts</u>
<b>ADDITIONS:</b>	
Contributions	\$ 1,627
Interest	<u>132</u>
Total additions	<u>1,759</u>
<b>DEDUCTIONS:</b>	
Scholarships and other private purposes	<u>6,004</u>
Total deductions	<u>6,004</u>
Change in net position	(4,245)
NET POSITION - beginning of year	<u>35,522</u>
NET POSITION - end of year	<u>\$ 31,277</u>

The accompanying notes are an integral part of these statements.

# CAMDEN CENTRAL SCHOOL DISTRICT

## Virginia W. Tuthill Charitable Trust Fund - Component Unit (Unaudited) Statement of Fiduciary Net Position June 30, 2024

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	<u>Fund</u>
<b>ASSETS:</b>	
Fair market value of investments	\$ <u>2,255,924</u>
<b>NET POSITION:</b>	
Restricted	\$ <u>2,255,924</u>

## Virginia W. Tuthill Charitable Trust Fund - Component Unit (Unaudited) Statement of Change in Fiduciary Net Position For the year ended June 30, 2024

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	<u>Fund</u>
<b>ADDITIONS:</b>	
Increase in market value of investments	\$ 224,237
Interest income	<u>63,282</u>
Total additions	<u>287,519</u>
<b>DEDUCTIONS:</b>	
Asset disbursements	296,129
Decrease in market value of investments	
Fees	<u>29,799</u>
Total deductions	<u>325,928</u>
Change in net position	(38,409)
NET POSITION - beginning of year	<u>2,294,333</u>
NET POSITION - end of year	<u>\$ 2,255,924</u>

The accompanying notes are an integral part of these statements.

# CAMDEN CENTRAL SCHOOL DISTRICT

## NOTES TO BASIC FINANCIAL STATEMENTS JUNE 30, 2024

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### 1. NATURE OF OPERATIONS

Camden Central School District (the District) provides free K-12 public education to students living within its geographic borders.

#### **Reporting Entity**

The District is governed by the Laws of New York State. The District is an independent entity governed by an elected Board of Education (the Board) consisting of 7 members. The President of the Board serves as 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 District. Board members have authority to make decisions, power to appoint management and primary accountability for all fiscal matters.

The reporting entity of the District is based upon criteria set forth by the Governmental Accounting Standards Board (GASB) standards and consists of the primary government, and when applicable, 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 financials statements to be misleading or incomplete. As such, the Virginia W. Tuthill Charitable Trust Fund (Tuthill Trust Fund) is a discretely presented component unit of the District.

#### **Extraclassroom Activity Funds**

The extraclassroom activity funds (ECA) of the District represent funds of the students of the District. The BOE exercises general oversight of these funds. Separate audited financial statements (cash basis) of the extraclassroom activity funds can be found at the District's business office. The District accounts for ECA in a non-major special revenue fund called Extraclassroom Activities.

#### **Joint Venture**

The District is a component school district in the Madison-Oneida Board of Cooperative Education Services (BOCES). The 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 school 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 school districts pay tuition or a service fee for programs in which its students participate.

## 1. NATURE OF OPERATIONS (Continued)

### **Joint Venture**

During the year, the District was billed \$7,726,006 for BOCES administrative and program costs. The District's share of BOCES aid amounted to \$3,662,141.

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

### **Discretely Presented Component Unit**

The Tuthill Trust Fund, a legally separate organization, was created exclusively for charitable or educational purposes, including the making of distributions to organizations that qualify as exempt organizations under Section 501(c)(3) of the Internal Revenue Code of 1986. The District has been named the sole beneficiary. Based upon the benefit/burden relationship, the Tuthill Trust qualifies as a discretely presented component unit.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the District have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. Those principles are prescribed by the 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 District are described below:

### **Basis of Presentation**

The District's financial statements consist of government-wide financial statements, including a Statement of Net Position and a Statement of Activities, and fund level financial statements which provide more detailed information.

### **Government-Wide Financial Statements**

The Statement of Net Position and the Statement of Activities present financial information about the 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 revenue, and other exchange and non-exchange transactions. Operating grants include operating-specific and discretionary (either operating or capital) grants.

The Statement of Activities presents a comparison between direct expenses and program revenue for each function of the 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 revenue includes charges paid by the recipients of goods or services offered by the programs and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenue that is not classified as program revenue, including all taxes, is presented as general revenue.

### **Fund Financial Statements**

The fund statements provide information about the 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 remaining governmental funds are aggregated and reported as nonmajor funds.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Fund Financial Statements (Continued)

The District reports the following governmental funds:

**General Fund** - This is the District's primary operating fund. It accounts for all financial transactions that are not required to be accounted for in another fund.

**Debt Service Fund** - This fund accounts for the accumulation of resources and the payment of principal and interest on long-term general obligation debt of governmental activities.

**Capital Projects Fund** - This fund is used to account for the financial resources used for acquisition, construction, or major repair of capital facilities. The principal sources of financing are from the sale of bonds or issuance of bond anticipation notes, when applicable.

**Special Revenue Fund** - These funds account for the proceeds of specific revenue sources, such as federal and state grants, that are legally restricted to expenditures for specified purposes and other activities whose funds are restricted as to use. These legal restrictions may be imposed either by governments that provide the funds, or by outside parties. The following are the special revenue funds reported by the District:

**Special Aid Fund:** Used to account for proceeds from State and Federal grants that are restricted for specific educational programs.

**School Lunch Fund:** This fund accounts for the proceeds of specific revenue sources, such as federal and state grants, that are legally restricted to expenditures for school lunch operations.

**Extracurricular Activities Fund:** This fund accounts for the activities of the student run clubs and organizations of the District.

The District reports the following major funds: General Fund, Special Aid Fund, Debt Service Fund and Capital Projects Fund.

The District reports the following fiduciary funds:

**Private purpose trust funds** - These funds are used to account for trust arrangements in which principal and income are used to fund annual third-party awards and scholarships for students. Established criteria govern the use of the funds and members of the District or representatives of the donors may serve on committees to determine who benefits.

### Measurement Focus and Basis of Accounting

Measurement focus refers to what is being measured, whereas basis of accounting refers to when revenues and expenditures are recognized. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

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

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### **Measurement Focus and Basis of Accounting (Continued)**

The 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 District considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty 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, and compensated absences, which are recognized as expenditures to the extent they will be satisfied using current financial resources. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under leases are reported as other financing sources.

### **Cash and Cash Equivalents**

The 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 the date of acquisition. New York State law governs the District's investment policies. Resources must be deposited in 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.

### **Restricted Cash and Cash Equivalents**

Restricted cash represents cash and cash equivalents where use is limited by legal requirements. These assets include amounts required by statute to be reserved for various purposes.

### **Accounts Receivable**

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

### **Property Taxes**

Real property taxes are levied annually by the BOE no later than September 1, and become a lien on September 1. Taxes are collected during the period September 1 to the first Friday in November. Taxes not collected by that date are turned over to the County who assumes all responsibility for collection. Uncollected real property taxes are subsequently enforced by the County in which the District is located. The County pay an amount representing uncollected real property taxes transmitted to the County for enforcement to the District no later than the following April 1.

### **Due from other governments**

Due from other governments recorded as an asset at June 30, 2024 relates to receivables due from BOCES. Management does not believe an allowance for doubtful accounts is necessary.

### **State and Federal Aid receivable**

State and federal aid receivable recorded as an asset at June 30, 2024 relates to receivables due from New York State and/or the federal government. Management does not believe an allowance for doubtful accounts is necessary.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Inventory

Inventory of food in the school lunch fund is recorded at cost on a first-in, first-out basis, or in the case of surplus food, at stated value which approximates market. Purchases of inventory items in other funds are recorded as expenditures at the time of purchase and are considered immaterial in amount. A portion of fund balance equal to inventories is reported as nonspendable as these assets are not in spendable form in the current period.

### Interfund Transactions

The operations of the District include transactions between funds. These transactions may be temporary in nature, such as with interfund borrowings. The District typically loans resources between funds for the purpose of providing cash flow. These interfund receivables and payables are expected to be repaid within one year. Permanent transfers of funds include the transfer of expenditures and revenues to provide financing or other services. The governmental funds report all interfund transactions as originally recorded. Interfund receivables and payables may be netted on the accompanying governmental funds balance sheet when it is the District's practice to settle these amounts at a net balance based upon the right of legal offset.

In the district-wide statements, the amounts reported on the Statement of Net Position for interfund receivables and payables represent amounts due between different fund types (governmental activities and fiduciary funds). Eliminations have been made for all interfund receivables and payables between the funds, with the exception of those due from or to the fiduciary funds.

Refer to Note 8 for a detailed disclosure by individual fund for interfund receivables, payables, expenditures, and revenues activity.

### Capital Assets

Capital assets are reported at actual cost for acquisitions subsequent to July 1, 2002. Capital assets are reported at actual cost when such data was available. For assets in which there was no data available, estimated historical costs, based on appraisals conducted by independent third-party professionals, were used. Donated assets are reported at estimated fair value at the time received.

Capitalization thresholds (the dollar value above which asset acquisitions are added to the capital asset accounts), depreciation methods, and estimated useful lives of capital assets reported in the government-wide statements are as follows:

	Capitalization Threshold	Depreciation Method	Estimated Useful Life
Buildings and improvements	\$ 5,000	SL	50 years
Furniture and equipment	\$ 5,000	SL	5-20 years

Depreciation is calculated on a straight-line basis over the estimated useful life of the asset. It is the District's policy to record a full year of depreciation expense in the year an asset is placed in service.

Capital assets also include lease assets with a term greater than one year. The District does not implement a capitalization threshold for lease assets. Lease assets are amortized on a straight-line basis over the term of the lease.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### **Vested Employee Benefits**

Compensated absences consist of unpaid accumulated annual sick leave, vacation, and sabbatical time. Sick leave eligibility and accumulation is specified in negotiated labor contracts, and in individual employment contracts. Upon retirement, resignation or death, employees may contractually receive a payment based on unused accumulated sick leave.

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.

The liability has been calculated using the vesting/termination method and an accrual for that liability is included in the district-wide financial statements. The compensated absences liability is calculated based on the pay rates in effect at year-end.

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

### **Other Benefits**

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

Substantially all of the District's employees may become eligible for these benefits if they reach normal retirement age while working for the District. Healthcare benefits are provided through plans whose premiums are based on the benefits paid during the year. The District recognizes the cost of providing health insurance by recording its share of insurance premiums as an expenditure.

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

In addition to assets and liabilities, the Balance Sheet and Statement of Net Position will sometimes report a separate section for deferred outflows/inflows of resources. The 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 (expenses/expenditure) until then. The separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period and so will not be recognized as an inflow of resources (revenue) until then.

### **Short Term Debt**

The District may issue Revenue Anticipation Notes (RANs) and Tax Anticipation Notes (TANs), in anticipation of the receipt of revenues. These notes are recorded as a liability of the fund that will actually receive the proceeds from the issuance of the notes. The RANs and TANs represent a liability that will be extinguished by the use of expendable, available resources of the fund.

The 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.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### **Accrued Payables, Liabilities, and Long-Term Obligations**

Accounts 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 to the extent that they are due for payment in the current year.

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

### **Restricted Resources**

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

### **District-Wide Statements - Net Position Classifications**

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 or deferred outflows of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or 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 does not meet the definition of the above two classifications and are deemed to be available for general use by the District.

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

In the fund basis statements there are five classifications of fund balance:

Nonspendable fund balance - Includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact.

Restricted fund balance - 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. The District has available the following restricted fund balances:

#### Reserve for Debt Service

According to General Municipal Law §6-1, the Reserve for Debt Service must be established for the purpose of retiring the outstanding obligations upon the sale of District property or capital improvement that was financed by obligations that remain outstanding at the time of the sale. Also, earnings on project monies invested together with unused proceeds are reported here.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Governmental Fund Financial Statements - Fund Balance Classifications (Continued)

#### Employee Benefit Accrued Liability Reserve

According to General Municipal Law §6-p, this reserve must be used for the payment of accrued employee benefits due to an employee upon termination of the employee's service. This reserve may be established by a majority vote of the Board and is funded by budgetary appropriations and such other reserves and funds that may be legally appropriated. This reserve is accounted for in the General Fund.

#### Retirement Contribution

Retirement Contribution Reserve (GML §6-r) is used for the purpose of financing retirement contributions. The reserve must be accounted for separate and apart from all other funds and a detailed report of operation and condition of the fund must be provided to the Board. This reserve is accounted for in the General Fund for a total of \$3,903,477 (ERS is \$2,214,193 and TRS is \$1,689,284).

#### Workers' Compensation

According to General Municipal Law §6-j, the reserve 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 for a total of \$681,844.

#### Capital Projects

The Capital Projects Fund reports restricted fund balance for unspent debt proceeds restricted for use in capital projects.

#### Unemployment Insurance Reserve

This reserve (GML §6-m) is used to pay the cost of reimbursement to the State Unemployment Insurance Fund for payments made to claimants where the District 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 District elects to convert to the tax (contribution) basis, excess resources in the fund may be transferred to any other reserve fund. The reserve is accounted for in the General Fund.

#### Other

Other restricted fund balance amounts include amounts in the School Lunch Fund and Extraclassroom Activities Fund, which are restricted for purposes of those funds. Additionally, \$40,935 is restricted for the instrument rental reserve amounts which is accounted for in the General Fund.

Committed fund balance - Includes amounts that can be used for the specific purposes pursuant to constraints imposed by formal action of the District's highest level of decision-making authority, the Board of Education. The District has no committed fund balances as of June 30, 2024.

## **2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

### **Governmental Fund Financial Statements - Fund Balance Classifications (Continued)**

Assigned fund balance - Includes amounts that are constrained by the District's intent to be used for specific purposes but are neither restricted nor committed. All encumbrances of the General Fund are classified as assigned, as well as the amount of fund balance appropriated for the next year's budget. Encumbrances represent purchase commitments made by the District's purchasing agent through their authorization of a purchase order prior to year-end. The District assignment is based on the functional level of expenditures.

Unassigned fund balance - Includes all other General Fund amounts that do not meet the definition of the above four classifications and are deemed to be available for general use by the District.

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

New York State Real Property Tax Law §1318 limits the amount of unexpended surplus funds the District can retain to no more than 4% of the District's budget for the General Fund for the ensuing fiscal year. Non-spendable and restricted fund balance of the General Fund are excluded from the 4% limitation. Amounts appropriated for the subsequent year's budget and encumbrances are also excluded from the 4% limitation.

### **Order of Fund Balance Spending Policy**

The District's policy is to apply expenditures against non-spendable fund balance, restricted fund balance, committed fund balance, assigned fund balance, and unassigned fund balance at the end of the fiscal year. For all funds, non-spendable fund balances are determined first and then restricted fund balances for specific purposes are determined. Any remaining fund balance amounts for funds other than the General Fund are classified as restricted fund balance. In the General Fund, committed fund balance is determined next and then assigned. The remaining amounts are reported as unassigned. Assignments of fund balance cannot cause a negative unassigned fund balance.

### **Use of Estimates**

The preparation of basic 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 amounts reported in the basic financial statements and the accompanying notes. Actual results could differ from these estimates and such differences may be significant.

## **3. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

By its nature as a local government unit, the District is subject to various federal, state and local laws and contractual regulations. An analysis of the District's compliance with significant laws and regulations and demonstration of its stewardship over District resources follows.

### **Budgets**

The District administration prepares a proposed budget for approval by the Board of Education for the General Fund. The voters of the District approved the proposed appropriation budget. Appropriations are adopted at the program line item level.

### **3. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)**

#### **Budgets (Continued)**

Appropriations established by the adoption of the budget constitute a limitation on expenditures (and encumbrances) that may be incurred. Appropriations lapse at the end of the fiscal year unless expended or encumbered. Encumbrances will lapse if not expended in the subsequent year.

Appropriations authorized for the current year are increased by the planned use of specific reserves, and budget amendments approved by the BOE as a result of selected new revenue sources not included in the original budget (when permitted by law). These supplemental appropriations may occur subject to legal restriction, if the board approves them because of a need that exists which was not determined at the time the budget was adopted. There were no supplemental appropriations during the year. Budgets are adopted annually on a basis consistent with generally accepted accounting principles. Appropriations authorized for the year are increased by the amount of encumbrances carried forward from the prior year.

The General Fund is the only fund with a legally approved budget for the fiscal year ended June 30, 2024.

Budgets are established and used for individual capital project funds expenditures as approved by a special referendum of the District's voters. The maximum project amount authorized is based primarily upon the cost of the project, plus any requirements for external borrowings, not annual appropriations. These budgets do not lapse and are carried over to subsequent fiscal years until the completion of the projects. Portions of the fund balances are restricted and are not available for current expenditures or expenses, as reported in the governmental funds balance sheet.

#### **Encumbrances**

Encumbrance accounting is used for budgetary 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 assignments 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.

#### 4. CASH AND CASH EQUIVALENTS

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.

At June 30, 2024, the District's aggregate bank balances were insured and collateralized as follows:

<u>Description</u>	<u>Bank Balance</u>	<u>Carrying Amount</u>
Primary government	\$ 16,776,107	\$ 16,098,600
Fiduciary funds	<u>33,517</u>	<u>31,277</u>
Cash and cash equivalents	<u>\$ 16,809,624</u>	<u>\$ 16,129,877</u>
Category 1:		
Covered by FDIC insurance	\$ 500,000	
Category 2:		
Collateralized with securities held by the pledging financial institution's trust department or agent in the District's name	<u>16,309,624</u>	
	<u>\$ 16,809,624</u>	

## 5. CAPITAL ASSETS

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

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Capital assets not being depreciated:				
Land	\$ 265,500	\$ -	\$ -	\$ 265,500
Construction in progress	<u>15,291,582</u>	<u>14,127,699</u>	-	<u>29,419,281</u>
Total nondepreciable cost	<u>15,557,082</u>	<u>14,127,699</u>	-	<u>29,684,781</u>
Capital assets being depreciated:				
Buildings and improvements	86,477,353	-	-	86,477,353
Furniture and equipment	<u>9,634,768</u>	<u>603,359</u>	<u>(7,150)</u>	<u>10,230,977</u>
Total Capital assets, being depreciated	<u>96,112,121</u>	<u>603,359</u>	<u>(7,150)</u>	<u>96,708,330</u>
Less accumulated depreciation:				
Buildings and improvements	24,002,315	1,647,386	-	25,649,701
Furniture and equipment	<u>6,818,320</u>	<u>929,934</u>	<u>(6,199)</u>	<u>7,742,055</u>
Total accumulated depreciation	<u>30,820,635</u>	<u>2,577,320</u>	<u>(6,199)</u>	<u>33,391,756</u>
Total Capital assets, being depreciated, net	<u>65,291,486</u>	<u>(1,973,961)</u>	<u>(951)</u>	<u>63,316,574</u>
Leased assets, being amortized:				
Land	<u>110,407</u>	-	-	<u>110,407</u>
Total lease assets, being amortized	<u>110,407</u>	-	-	<u>110,407</u>
Less accumulated amortization for:				
Land	<u>14,722</u>	<u>7,361</u>	-	<u>22,083</u>
Total accumulated amortization	<u>14,722</u>	<u>7,361</u>	-	<u>22,083</u>
Total Lease Assets, being amortized, net	<u>95,685</u>	<u>(7,361)</u>	-	<u>88,324</u>
Total capital assets, net	<u>\$ 80,944,253</u>	<u>\$ 12,146,377</u>	<u>\$ (951)</u>	<u>\$ 93,089,679</u>

## 5. CAPITAL ASSETS (Continued)

Depreciation and amortization expense for the year ended June 30, 2024, was allocated to specific functions as follows:

	<u>Depreciation</u>	<u>Amortization</u>
General support	\$ 567,010	\$ 7,361
Instruction	1,752,578	-
Cost of food sales	<u>257,732</u>	<u>-</u>
Total depreciation	<u>\$ 2,577,320</u>	<u>\$ 7,361</u>

## 6. LEASES

The District leases equipment, primarily from Madison-Oneida Board of Cooperative Educational Service (BOCES) and land from the Village of Camden. The leases do not contain renewal options. Lease agreements are summarized as follows:

<u>Description</u>	<u>Inception Date</u>	<u>Term (in Months)</u>	<u>Interest Rate/ Discount Rate</u>	<u>Total Ending Lease Liability</u>
Land	7/1/2021	180	2.16%	\$ 80,209

Activity of lease liabilities for the year ended June 30, 2024 is summarized as follows:

<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
\$ 85,435	\$ -	\$ 5,226	\$ 80,209	\$ 5,429

Annual requirements to amortize long-term obligations and related interest are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 5,429	\$ 1,750	\$ 7,179
2026	5,638	1,631	7,269
2027	5,851	1,508	7,359
2028	6,071	1,381	7,452
2029	6,297	1,248	7,545
2030-2034	35,085	4,078	39,163
2035-2039	<u>15,838</u>	<u>521</u>	<u>16,359</u>
Totals	<u>\$ 80,209</u>	<u>\$ 12,117</u>	<u>\$ 92,326</u>

**7. INTERFUND BALANCES AND ACTIVITY**

	<u>Interfund</u>		<u>Transfers</u>	
	<u>Receivable</u>	<u>Payable</u>	<u>In</u>	<u>Out</u>
General	\$ 4,230,308	\$ 167,348	\$ 1,090,184	\$ 752,366
Special Aid	165,740	5,031,819	66,958	-
Debt Service	37,795	-	-	877,231
School Lunch	1,153	225,792	-	106,803
Capital Projects	<u>1,027,758</u>	<u>37,795</u>	<u>685,000</u>	<u>95,742</u>
Total	<u>\$ 5,462,754</u>	<u>\$ 5,462,754</u>	<u>\$ 1,842,142</u>	<u>\$ 1,842,142</u>

Interfund receivables and payables, other than between governmental activities and fiduciary funds, when applicable, are eliminated on the Statement of Net Position. The District typically loans resources between funds for the purpose of mitigating the effects of transient cash flow issues. All interfund payables are expected to be repaid within one year.

Transfers are used to finance certain special aid programs, support capital project expenditures, school lunch programs and debt service expenditures.

**8. SHORT-TERM DEBT**

The 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.

Outstanding balances of short-term debt were comprised of the following at June 30, 2024:

<u>Description</u>	<u>Issue Date</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Balance Due</u>
2024 BAN - Capital Project	6/26/2024	6/26/2025	4.50%	\$ 29,126,854
Add: Premium on BAN				<u>199,327</u>
				<u>\$ 29,326,181</u>

Short-term debt activity for the year is summarized as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>
2023 BAN – Capital Project	\$ 28,311,854	\$ -	\$ 28,311,854	\$ -
2024 BAN – Capital Project	-	29,126,854	-	29,126,854
Premiums on BANs	<u>239,347</u>	<u>189,907</u>	<u>229,897</u>	<u>199,357</u>
	<u>\$ 28,551,201</u>	<u>\$ 29,316,761</u>	<u>\$ 28,541,751</u>	<u>\$ 29,326,211</u>

## 9. LONG-TERM OBLIGATIONS

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

	<u>Beginning Balance</u>	<u>Additions {a}</u>	<u>Deletions {a}</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Bonds:					
Serial bonds	\$ 17,690,000	\$ -	\$ 4,035,000	\$ 13,655,000	\$ 3,665,000
Bond premium	<u>1,201,250</u>	<u>-</u>	<u>252,219</u>	<u>949,031</u>	<u>211,619</u>
Total Bonds	<u>18,891,250</u>	<u>-</u>	<u>4,287,219</u>	<u>14,604,031</u>	<u>3,876,619</u>
Other liabilities:					
Compensated absences	1,481,894	17,249	-	1,499,143	-
Total other postemployment benefits	175,092,879	12,655,249	-	187,748,128	5,460,646
Net pension liability - ERS	3,146,190	-	992,199	2,153,991	-
Net pension liability - TRS	1,868,496	-	713,572	1,154,924	-
Lease liabilities	<u>85,435</u>	<u>-</u>	<u>5,226</u>	<u>80,209</u>	<u>5,429</u>
Total other liabilities	<u>181,674,894</u>	<u>12,672,498</u>	<u>1,710,997</u>	<u>192,636,395</u>	<u>5,466,075</u>
Total long-term liabilities	<u>\$200,566,144</u>	<u>\$ 12,672,498</u>	<u>\$ 5,998,216</u>	<u>\$207,240,426</u>	<u>\$ 9,342,694</u>

{a} Additions and deletions to compensated absences are shown net because it is impractical to determine these amounts separately.

Issue dates, maturities, and interest rates on outstanding debt are as follows:

<u>Bond Issue</u>	<u>Issued</u>	<u>Maturity</u>	<u>Interest Rate</u>	<u>Balance Due</u>
2016 Serial Bond	July 2016	March 2027	5.00%	\$ 230,000
2017 Serial Bond	Nov 2017	June 2027	5.00%	3,555,000
2022 Serial Bond	March 2022	March 2031	2.00-4.00%	<u>9,870,000</u>
Total serial bonds				<u>\$ 13,655,000</u>

**9. LONG-TERM OBLIGATIONS (Continued)**

The following is a summary of the maturity of long-term indebtedness as of June 30, 2024:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 3,665,000	\$ 574,400	\$ 4,239,400
2026	3,560,000	417,350	3,977,350
2027	3,080,000	261,900	3,341,900
2028	785,000	134,000	919,000
2029	820,000	102,600	922,600
2029-2031	<u>1,745,000</u>	<u>105,400</u>	<u>1,850,400</u>
Totals	<u>\$ 13,655,000</u>	<u>\$ 1,595,650</u>	<u>\$ 15,250,650</u>

**10. PENSION PLANS**

**New York State Employees' Retirement System**

The District participates in the New York State and Local Employees' Retirement System (ERS). This is a cost-sharing multiple-employer retirement system. The System provides retirement benefits as well as death and disability benefits. The net position of the System is held in the New York State Common Retirement Fund (the Fund), which was established to hold all net assets and record changes in plan net position allocated to the System. The Comptroller of the State of New York serves as the trustee of the Fund and is the administrative head of the System. System benefits are established under the provisions of the 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 District also participates in the Public Employees' Group Life Insurance Plan (GLIP), which provides death benefits in the form of life insurance. The System is included in the State's financial report as a pension trust fund. That report, including information with regard to benefits provided, and the Report on the Schedule of Employer Allocations and Schedules of Pension Amounts by Employer may be found at [www.osc.state.ny.us/retire/publications/index.php](http://www.osc.state.ny.us/retire/publications/index.php) or obtained by writing to the New York State and Local Retirement System, 110 State Street, Albany, NY 12244.

The system is noncontributory except for employees who joined the System after July 27th, 1976, who contribute 3.0% of their salary for the first ten years of membership, and employees who joined on or after January 1, 2010 who generally contribute 3.0% to 3.5% of their salary for their entire length of service. In addition, employee contribution rates under ERS tier 6 vary based on a sliding salary scale. Under the authority of the NYSRSSL, the Comptroller annually certifies the actuarially determined rates expressly used in computing the employers' contributions based on salaries paid during the System's fiscal year ending March 31. Contributions for the current year and two preceding years were equal to 100% of the contributions required, and were as follows:

2024	\$	<u>ERS</u> 731,344
2023	\$	593,314
2022	\$	595,569

## 10. PENSION PLANS (Continued)

### Pension Liabilities, Pension Expense, and Deferred Outflows/Inflows of Resources Related to Pensions

At June 30, 2024, the District reported a liability of \$2,153,991 for its proportionate share of the net pension liability. The net pension liability was measured as of March 31, 2024, and the total pension liability used to calculate the net pension liability was determined by the actuarial valuation as of April 1, 2023. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined.

At June 30, 2024, the District's proportion was 0.0146291%, which was an decrease of 0.0000425% from its proportion reported at June 30, 2023.

For the year ended June 30, 2024, the District recognized pension expense of \$968,140. At June 30, 2024, the District reported deferred outflows and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 693,799	\$ 58,734
Changes of assumptions	814,375	-
Net difference between projected and actual earnings on pension plan investments	-	1,052,212
Changes in proportion and differences between the District's contributions and proportionate share of contributions	135,859	35,202
Contributions subsequent to the measurement date	<u>182,836</u>	<u>-</u>
Total	<u>\$ 1,826,869</u>	<u>\$ 1,146,148</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Plan's Year Ended June 30:	
2025	\$ (366,350)
2026	435,863
2027	656,437
2028	<u>(228,065)</u>
	<u>\$ 497,885</u>

The District reported \$182,836 in contributions subsequent to the measurement date that will be recognized in the year ended June 30, 2025.

## 10. PENSION PLANS (Continued)

### Actuarial Assumptions

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

The actuarial valuation used the following actuarial assumptions:

Actuarial cost method	Entry age normal
Inflation	2.90%
Salary scale	4.4% indexed by service
Projected COLAs	1.5% compounded annually
Decrements	Developed from the Plan's 2020 experience study of the period April 1, 2015 through March 31, 2020
Mortality improvement	Society of Actuaries Scale MP-2021
Investment Rate of Return	5.9% compounded annually, net of investment expenses

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 expenses 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.

The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

<u>Asset Type</u>	<u>Target Allocations</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Equity	32%	4.00%
International Equity	15%	6.65%
Private Equity	10%	7.25%
Real Estate	9%	4.60%
Opportunistic Portfolio	3%	5.25%
Credit	4%	5.40%
Real Assets	3%	5.79%
Fixed Income	23%	1.50%
Cash	<u>1%</u>	0.25%
	<u>100%</u>	

### Discount Rate

The discount rate used to calculate the total pension liability was 5.90%. 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 Plan'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.

**10. PENSION PLANS (Continued)**

**Sensitivity of the Proportionate Share of the Net Pension Liability to the Discount Rate Assumption**

The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 5.90%, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1% lower (4.90%) or 1% higher (6.90%) than the current rate:

	1% Decrease <u>4.90%</u>	Current <u>Discount 5.90%</u>	1% Increase <u>6.90%</u>
Proportionate share of net pension liability (asset)	\$ <u>6,772,365</u>	\$ <u>2,153,991</u>	\$ <u>(1,703,311)</u>

**Pension Plan Fiduciary Net Position (000's)**

Total pension liability	\$ 240,696,851
Net position	<u>225,972,801</u>
Net pension liability (asset)	<u>\$ 14,724,050</u>
ERS net position as a percentage of total pension liability	93.88%

**New York State Teachers' Retirement System**

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

The New York State Teachers' Retirement Board administers NYSTRS. NYSTRS provides benefits to plan members and beneficiaries as authorized by the Education Law and the Retirement and Social Security Law of the State of New York. NYSTRS issues a publicly available financial report that contains financial statements and required supplementary information for the system. The report may be obtained by writing to NYSTRS, 10 Corporate Woods Drive, Albany, New York 12211-2395.

## 10. PENSION PLANS (Continued)

### Contributions

NYSTRS is noncontributory for the employees who joined prior to July 27, 1976. For employees who joined the NYSTRS after July 27, 1976, and prior to January 1, 2010, employees contribute 3% of their salary, except that employees in the System more than ten years are no longer required to contribute. For employees who joined after January 1, 2010 and prior to April 1, 2012, contributions of 3.5% are paid throughout their active membership.

For employees who joined after April 1, 2012, required contributions of 3.5% of their salary are paid until April 1, 2013 and they then contribute 3% to 6% of their salary throughout their active membership. Pursuant to Article 11 of the Education Law, the New York State Teachers' Retirement Board establishes rates annually for NYSTRS.

The District is required to contribute at an actuarially determined rate. The District contributions made to NYSTRS were equal to 100% of the contributions required for each year. The required contributions for the current year and two preceding years were:

		<u>TRS</u>
2024	\$	1,911,585
2023	\$	1,919,317
2022	\$	1,571,715

### Pension Liabilities, Pension Expense, and Deferred Outflows/Inflows of Resources Related to Pensions

At June 30, 2024, the District reported \$1,154,924 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension asset was determined by the actuarial valuation as of June 30, 2022. The District's proportion of the net pension liability was based on a projection of the Districts' long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined.

At June 30, 2024, the District's proportion was 0.1009915%, which was an increase of 0.004% from its proportion measured June 30, 2024.

For the year ended June 30, 2024, the District recognized pension expense of \$3,291,158. At June 30, 2024 the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 2,800,383	\$ 6,921
Changes of assumptions	2,486,517	541,923
Net difference between projected and actual earnings on pension plan investments	590,374	-
Changes in proportion and differences between the District's contributions and proportionate share of contributions	129,938	254,121
Contributions subsequent to the measurement date	<u>1,911,585</u>	<u>-</u>
Total	<u>\$ 7,918,797</u>	<u>\$ 802,965</u>

The District reported contributions subsequent to the measurement date which will be recognized as a reduction in the net pension liability for the year ended June 30, 2025.

## 10. PENSION PLANS (Continued)

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

Other amounts reported as deferred outflows/inflows of resources related to pensions will be recognized in pension expense as follows:

Plan's Year Ended March 31:	
2024	\$ 485,552
2025	(598,561)
2026	4,614,035
2027	305,983
2028	245,351
Thereafter	151,887
	<u>\$ 5,204,247</u>

### Actuarial Assumptions

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

Actuarial cost method	Entry age normal
Inflation	2.4%
Projected Salary Increases	Rates of increase differ based on service years. They have been calculated based upon recent NYSTRS member experience.

<u>Service</u>	<u>Rate</u>
5	5.18%
15	3.64%
25	2.50%
35	1.95%

Projected COLAs	1.30% compounded annually
Mortality improvement	Society of Actuaries Scale MP-2021
Investment Rate of Return	6.95% compounded annually, net of pension plan investment expense, including inflation.

Annuitant mortality rates are based on plan member experience, with adjustments for mortality improvements based on Society of Actuaries Scale MP2021, applied on a generational basis. Active member mortality rates are based on plan member experience, with adjustments for mortality improvements based on Scale MP2021 starting as of June 30, 2023.

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 expect future real rates of return (expected returns, net of pension plan investment expense and inflation) for each major asset class as well as historical investment data and plan performance.

## 10. PENSION PLANS (Continued)

### Actuarial Assumptions (Continued)

Best estimates of arithmetic real rates of return for each major asset class included in the Systems target asset allocation as of the measurement date of June 30, 2023 (see the discussion of the pension plan's investment policy) are summarized in the following table:

<u>Asset Type</u>	<u>Target Allocations</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Equity	33%	6.80%
International Equity	15%	7.60%
Global Equities	4%	7.20%
Real Estate Equities	11%	6.30%
Private equities	9%	10.10%
Domestic fixed income securities	16%	2.20%
Global bonds	2%	1.60%
Private Debt	2%	6.00%
Real Estate Debt	6%	3.20%
High-yield bonds	1%	4.40%
Cash equivalents	<u>1%</u>	0.30%
	<u>100%</u>	

### Discount Rate

The discount rate used to measure the total pension liability 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 NYSTRS' fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

### Sensitivity of the Proportionate Share of the Net Pension Liability to the Discount Rate

The following presents the net pension liability (asset) of the school districts calculated using the discount rate of 6.95%, as well as what the school districts' net pension liability (asset) would be if it were calculated using a discount rate that is 1% lower (5.95%) or 1% higher (7.95%) than the current rate:

	1% Decrease <u>5.95%</u>	Current <u>Discount 6.95%</u>	1% Increase <u>7.95%</u>
Proportionate Share of Net Pension liability (asset)	<u>\$ 17,590,079</u>	<u>\$ 1,154,924</u>	<u>\$ (12,667,752)</u>

## 10. PENSION PLANS (Continued)

### Pension Plan Fiduciary Net Position (000's)

The components of the current year net pension liability (asset) (in thousands) of the employers as of the measurement date, were as follows:

Total pension liability (asset)	\$ 138,365,122
Net position	<u>137,221,537</u>
Net pension liability (asset)	<u>\$ 1,143,585</u>
NYSTRS net position as a percentage of total pension liability (asset)	99.2%

## 11. OTHER POSTEMPLOYMENT BENEFITS

### Plan Description

The District provides postemployment (health insurance, life insurance, etc.) coverage to retired employees in accordance with the provisions of various employment contracts. The benefit levels, employee contributions and employer contributions are governed by the District's contractual agreements. The District is required to calculate and record an other postemployment benefit (OPEB) obligation at year-end. The net OPEB obligation is the cumulative difference between the actuarially required contribution and the actual contributions made.

The plan is a single-employer defined benefit OPEB plan 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. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

### Benefits Provided

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

### Employees Covered by Benefit Terms

The following employees were covered by the benefit terms as of the date of the valuation:

Active employees	379
Inactive employees or beneficiaries currently receiving benefits	436
Beneficiaries	<u>1</u>
Total participants	<u>816</u>

### Total OPEB Liability

The District's total OPEB liability of \$187,748,128 was measured as of June 30, 2024, and was determined by an actuarial valuation as of July 1, 2023.

## 11. OTHER POSTEMPLOYMENT BENEFITS (Continued)

### Changes in the Total OPEB Liability

Balance at July 1, 2023	<u>\$ 175,092,879</u>
Changes for the Year-	
Service cost	5,079,791
Interest	6,478,957
Changes of benefit terms	12,889,472
Demographic gains or losses	(11,664,929)
Changes in assumptions or other inputs	5,254,158
Benefit payments	<u>(5,382,200)</u>
Net changes	<u>12,655,249</u>
Balance at June 30, 2024	<u>\$ 187,748,128</u>

### Actuarial Assumptions and Other Inputs

The total OPEB liability in the July 1, 2023, actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Payroll Growth, including inflation	2.4%
Discount Rate	3.93%
Healthcare Cost Trend Rates	6.7% decreasing to 3.8% over 50 years
Cost Method	Entry Age Normal Level

The discount rate was based on the Bond Buyer General Obligation 20-Bond Municipal Index.

The actuarial assumptions used in the July 1, 2023 valuation were not based on a formal actuarial experience study. The liability was determined by an actuarial valuation as of the valuation date, calculated based on the discount rate and actuarial assumptions, and was then projected forward to the measurement date.

Changes of assumptions and other inputs reflect a change in the discount rate from 3.65% in 2023 to 3.93% in 2024.

### 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 (2.93%) or 1 percentage point higher (4.93%) than the current discount rate:

	1% Decrease <u>2.93%</u>	Current <u>Discount 3.93%</u>	1% Increase <u>4.93%</u>
Total OPEB Liability	<u>\$ 220,330,658</u>	<u>\$ 187,748,128</u>	<u>\$ 161,684,600</u>

## 11. OTHER POSTEMPLOYMENT BENEFITS (Continued)

### 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:

	<u>Decrease</u>	<u>Healthcare Trend Rate</u>	<u>Increase</u>
Total OPEB Liability	\$ 158,022,262	\$ 187,748,128	\$ 226,019,476

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

For the year ended June 30, 2024, the District recognized OPEB expense of \$20,885,416. For the year ended June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 2,214,253	\$ (9,974,360)
Changes of assumptions	<u>13,222,850</u>	<u>(24,460,218)</u>
Total	<u>\$ 15,437,103</u>	<u>\$ (34,434,578)</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Fiscal Year Ending June</u>	<u>Amount</u>
2025	\$ (3,370,908)
2026	(2,161,765)
2027	(6,567,772)
2028	(4,980,855)
2029	(1,079,986)
Thereafter	<u>(836,189)</u>
	<u>\$ (18,997,475)</u>

## 12. RISK MANAGEMENT

### General

The District is exposed to various risks of loss related to torts, theft, damage, injuries, errors and omissions, natural disasters, etc. 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 District is actively monitoring and responding to all pending litigation. Since the outcome of these proceedings cannot presently be determined, no provision for this exposure, if any, has been included in the accompanying basic financial statements.

## **12. RISK MANAGEMENT (Continued)**

### **Consortiums and Self-Insured Plans**

The District participates in Madison-Oneida-Herkimer Consortium, a non-risk-retained public entity risk pool for its employees' health and accident insurance coverage. The pool is operated for the benefit of several individual governmental units located within the pool's geographic area and is considered a self-sustaining risk pool that will provide coverage for its members up to \$350,000 per insured event. The pool obtains independent coverage for insured events in excess of the \$350,000 limit, and the District has essentially transferred all related risk to the pool.

## **13. CONTINGENCIES AND COMMITMENTS**

### **Grants**

The 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 District's administration believes disallowances, if any, will be immaterial.

## **14. DONOR- RESTRICTED ENDOWMENTS**

The District administers endowment funds, which are restricted by the donor for the purpose of scholarships. The District authorizes expenditures from donor-restricted endowments in compliance with the wishes expressed by the donor, which varies among the unique endowments administered by the District.

**REQUIRED SUPPLEMENTARY  
INFORMATION (UNAUDITED)**

**CAMDEN CENTRAL SCHOOL DISTRICT**

**Required Supplementary Information (Unaudited)**

**Schedule of Revenue, Expenditures, and Change in Fund Balance - Budget and Actual - General Fund**

**For the year ended June 30, 2024**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual (Budgetary Basis)</u>	<u>Encumbrances</u>	<u>Final Budget Variance with Budgetary Actual</u>
<b>REVENUE</b>					
<b>LOCAL SOURCES:</b>					
Real property taxes	\$ 10,967,197	\$ 10,967,197	\$ 10,967,197	\$ -	\$ -
Other tax items	1,501,321	1,501,321	1,512,746	-	11,425
Charges for services	3,801	3,801	2,644	-	(1,157)
Use of money and property	157,310	157,310	353,632	-	196,322
Sale of property and compensation for loss	53,016	53,016	124,546	-	71,530
Miscellaneous	<u>504,400</u>	<u>652,365</u>	<u>765,373</u>	-	<u>113,008</u>
Total local sources	13,187,045	13,335,010	13,726,138	-	391,128
Federal sources	-	-	-	-	-
State sources	<u>40,871,591</u>	<u>40,871,591</u>	<u>42,589,614</u>	-	<u>1,718,023</u>
Total revenue	<u>54,058,636</u>	<u>54,206,601</u>	<u>56,315,752</u>	-	<u>2,109,151</u>
<b>OTHER FINANCING SOURCES</b>					
Transfers from other funds	<u>657,334</u>	<u>657,334</u>	<u>1,090,184</u>	-	<u>432,850</u>
Total revenues and other sources	<u>54,715,970</u>	<u>54,863,935</u>	<u>57,405,936</u>	-	<u>2,542,001</u>
<b>EXPENDITURES</b>					
<b>GENERAL SUPPORT:</b>					
Board of education	19,534	24,533	30,659	1,360	(7,486)
Central administration	298,190	293,852	290,534	-	3,318
Finance	737,791	753,145	779,924	41,527	(68,306)
Staff	379,269	374,846	387,799	5,508	(18,461)
Central services	2,874,376	3,015,404	2,867,933	148,194	(723)
Special items	<u>576,602</u>	<u>561,666</u>	<u>536,357</u>	-	<u>25,309</u>
Total general support	<u>4,885,762</u>	<u>5,023,446</u>	<u>4,893,206</u>	<u>196,589</u>	<u>(66,349)</u>
<b>INSTRUCTION:</b>					
Instruction, administration, and improvement	1,679,518	1,724,937	1,785,705	1,750	(62,518)
Teaching - Regular school	10,928,605	10,681,106	12,682,674	46,561	(2,048,129)
Programs for children with handicapping	5,093,630	5,381,646	5,462,022	-	(80,376)
Occupational education	2,046,985	2,046,985	1,855,240	289	191,456
Teaching - Special school	745,336	888,107	702,703	2,134	183,270
Instructional media	1,514,519	1,616,382	1,694,819	8,297	(86,734)
Pupil services	<u>3,661,659</u>	<u>3,656,636</u>	<u>2,183,275</u>	<u>243</u>	<u>1,473,118</u>
Total instruction	<u>25,670,252</u>	<u>25,995,799</u>	<u>26,366,438</u>	<u>59,274</u>	<u>(429,913)</u>
<b>OTHER:</b>					
Pupil transportation	3,850,296	3,850,296	3,833,192	-	17,104
Community services	1,350	1,350	1,250	-	100
Employee benefits	15,170,844	15,041,660	14,725,437	-	316,223
Debt service - Principal	4,785,000	4,720,000	4,035,000	-	685,000
Debt service - Interest	<u>1,915,724</u>	<u>1,900,924</u>	<u>2,079,056</u>	-	<u>(178,132)</u>
Total other	<u>25,723,214</u>	<u>25,514,230</u>	<u>24,673,935</u>	-	<u>840,295</u>
Total expenditures	<u>56,279,228</u>	<u>56,533,475</u>	<u>55,933,579</u>	<u>255,863</u>	<u>344,033</u>
<b>OTHER FINANCING USES</b>					
Transfers to other funds	<u>46,800</u>	<u>46,800</u>	<u>752,366</u>	-	<u>(705,566)</u>
Total expenditures and other uses	<u>56,326,028</u>	<u>56,580,275</u>	<u>56,685,945</u>	<u>255,863</u>	<u>(361,533)</u>
NET CHANGE IN FUND BALANCE	<u>\$ (1,610,058)</u>	<u>\$ (1,716,340)</u>	<u>719,991</u>	<u>\$ (255,863)</u>	<u>\$ 2,180,468</u>
FUND BALANCE - beginning of year			<u>8,300,327</u>		
FUND BALANCE - end of year			<u>\$ 9,020,318</u>		

**CAMDEN CENTRAL SCHOOL DISTRICT**

**Required Supplementary Information (Unaudited)  
Schedule of Changes in Total OPEB Liability and Related Ratios  
For the year ended June 30, 2024**

	Last 10 Fiscal Years (Dollar amounts displayed in thousands)								2017	2016	2015
	2024	2023	2022	2021	2020	2019	2018	2017			
<b>Total OPEB Liability</b>											
Service cost	\$ 5,079,791	\$ 4,955,386	\$ 6,487,398	\$ 6,175,058	\$ 4,638,558	\$ 6,103,984	\$ 5,926,198				
Interest	6,478,957	6,392,068	4,413,988	4,348,887	5,488,705	4,944,127	4,728,111				
Changes of benefit terms	1,224,543	-	-	-	-	-	-				
Differences between expected and actual experience	-	-	2,364,211	-	-	-	577,831				
Changes in assumptions	5,254,158	(9,204,397)	(30,335,429)	1,732,884	33,081,802	(13,240,789)	-				
Benefit payments	(5,382,200)	(5,277,449)	(5,106,278)	(4,894,455)	(4,659,167)	(4,003,356)	(4,412,394)				
Total change in total OPEB liability	12,655,249	(3,134,392)	(22,176,110)	7,362,374	38,549,898	(6,196,034)	6,819,746				
Total OPEB liability - beginning	175,092,879	178,227,271	200,403,381	193,041,007	154,491,109	160,687,143	153,867,397				
Total OPEB liability - ending	<u>\$ 187,748,128</u>	<u>\$ 175,092,879</u>	<u>\$ 178,227,271</u>	<u>\$ 200,403,381</u>	<u>\$ 193,041,007</u>	<u>\$ 154,491,109</u>	<u>\$ 160,687,143</u>				
Covered-employee payroll	23,255,331	19,256,900	19,256,900	18,214,671	18,214,671	19,568,357	19,568,357				
Total OPEB liability as a percentage of covered-employee payroll	807.33%	909.25%	925.52%	1100.23%	1059.81%	789.49%	821.16%				

Information for the periods prior to implementation of GASB 75 is unavailable and will be completed for each year going forward as they become available.

**Notes to schedule:**

**Changes of assumptions.** Changes in assumptions and other inputs reflect the effects of changes in the discount rate each period. The following reflects the discount rate used each period:

Discount rate	3.93%	3.65%	3.54%	2.16%	2.21%	3.50%	3.00%
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Information for the periods prior to implementation of GASB 75 is unavailable and will be completed for each year going forward as

**Plan assets.** No assets are accumulated in a trust that meets all of the criteria of GASB No. 75, paragraph 4, to pay benefits.

**CAMDEN CENTRAL SCHOOL DISTRICT**

**Required Supplementary Information (Unaudited)  
Schedule of Proportionate Share of Net Pension Liability (Asset)  
For the year ended June 30, 2024**

NEW YORK STATE EMPLOYEES' RETIREMENT	Last 10 Fiscal Years (Dollar amounts displayed in thousands)									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Proportion of the net pension liability (asset)	0.0146291%	0.0146716%	0.0122296%	0.0130973%	0.0131592%	0.0137890%	0.0136648%	0.0140011%	0.0144222%	0.0151051%
Proportionate share of the net pension liability (asset)	2,153,991	3,146,190	(1,005,113)	13,042	3,484,629	976,993	441,024	1,315,571	2,314,807	510,286
Covered-employee payroll	\$ 5,091,407	\$ 4,845,354	\$ 4,718,600	\$ 4,225,287	\$ 4,118,758	\$ 4,259,189	\$ 4,186,172	\$ 3,851,804	\$ 4,266,179	\$ 4,201,274
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	42.31%	64.93%	-21.30%	0.31%	84.60%	22.94%	10.54%	34.15%	54.26%	12.15%
Plan fiduciary net position as a percentage of the total pension liability (asset)	93.88%	90.78%	103.65%	99.95%	86.39%	96.27%	98.24%	90.70%	90.70%	97.90%

NEW YORK STATE TEACHERS' RETIREMENT	Last 10 Fiscal Years (Dollar amounts displayed in thousands)									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Proportion of the net pension liability (asset)	0.1009915%	0.0973737%	0.0971670%	0.0933930%	0.0951220%	0.0981140%	0.0999460%	0.0987570%	0.1011400%	0.1026690%
Proportionate share of the net pension liability (asset)	1,154,924	1,868,496	(16,838,037)	2,580,712	(2,471,265)	(1,774,166)	(759,692)	1,057,733	(10,505,184)	(11,436,716)
Covered-employee payroll	\$ 19,585,912	\$ 18,652,258	\$ 17,250,019	\$ 16,491,914	\$ 15,851,818	\$ 15,877,335	\$15,981,725	\$ 15,827,041	\$ 15,690,509	\$ 15,756,643
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	5.90%	10.02%	-97.61%	15.65%	-15.59%	-11.17%	-4.75%	6.68%	-66.95%	-72.58%
Plan fiduciary net position as a percentage of the total pension liability (asset)	99.17%	98.57%	113.25%	97.76%	102.17%	101.53%	100.66%	110.46%	110.46%	111.48%

**CAMDEN CENTRAL SCHOOL DISTRICT**

**Required Supplementary Information (Unaudited)  
Schedule of Contributions - Pension Plans  
For the year ended June 30, 2024**

	Last 10 Fiscal Years (Dollar amounts displayed in thousands)									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
<b>NEW YORK STATE EMPLOYEES' RETIREMENT SYSTEM</b>										
Contractually required contribution	\$ 731,344	\$ 593,314	\$ 595,569	\$ 639,262	\$ 565,802	\$ 593,797	\$ 588,141	\$ 566,924	\$ 641,627	\$ 647,151
Contributions in relation to the contractually required contribution	<u>731,344</u>	<u>593,314</u>	<u>595,569</u>	<u>639,262</u>	<u>565,802</u>	<u>593,797</u>	<u>588,141</u>	<u>566,924</u>	<u>641,627</u>	<u>647,151</u>
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered-employee payroll	\$ 5,091,407	\$ 4,845,354	\$ 4,718,600	\$ 4,225,287	\$ 4,118,758	\$ 4,259,189	\$ 4,186,172	\$ 3,851,804	\$ 4,266,179	\$ 4,201,274
Contributions as a percentage of covered-employee payroll	14.36%	12.25%	12.62%	15.13%	13.74%	13.94%	14.05%	14.72%	15.04%	15.40%
	Last 10 Fiscal Years (Dollar amounts displayed in thousands)									
<b>NEW YORK STATE TEACHERS' RETIREMENT SYSTEM PLAN</b>										
Contractually required contribution	\$ 1,911,585	\$ 1,919,317	\$ 1,571,715	\$ 1,404,471	\$ 1,686,173	\$ 1,566,209	\$ 1,654,171	\$ 2,020,726	\$ 2,633,253	\$ 2,595,019
Contributions in relation to the contractually required contribution	<u>1,911,585</u>	<u>1,919,317</u>	<u>1,571,715</u>	<u>1,404,471</u>	<u>1,686,173</u>	<u>1,566,209</u>	<u>1,654,171</u>	<u>2,020,726</u>	<u>2,633,253</u>	<u>2,595,019</u>
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered-employee payroll	\$ 19,585,912	\$ 18,652,258	\$ 17,250,019	\$ 16,491,914	\$ 15,851,818	\$ 15,877,335	\$ 15,981,725	\$ 15,827,041	\$ 15,827,041	\$ 15,756,643
Contributions as a percentage of covered-employee payroll	9.76%	10.29%	9.11%	8.52%	10.64%	9.86%	10.35%	12.77%	16.64%	16.47%

Information for the periods prior to implementation of GASB 68 is unavailable and will be completed for each year going forward as they become available.

## **SUPPLEMENTARY INFORMATION**

**CAMDEN CENTRAL SCHOOL DISTRICT**

**Supplementary Information  
Combining Balance Sheet  
Nonmajor Governmental Funds  
June 30, 2024**

	School Lunch	Extraclassroom Activities	Total Nonmajor Governmental Funds
<b>ASSETS:</b>			
Cash - unrestricted	\$ 508,051	\$ -	\$ 508,051
Cash - restricted	-	123,027	123,027
Accounts receivable	11,281	-	11,281
Due from other funds	1,153	-	1,153
State and federal aid receivable	89,742	-	89,742
Inventories	76,503	-	76,503
<b>TOTAL ASSETS</b>	<b><u>\$ 686,730</u></b>	<b><u>\$ 123,027</u></b>	<b><u>\$ 809,757</u></b>
<b>LIABILITIES:</b>			
Accounts payable	\$ 1,904	\$ -	\$ 1,904
Due to other funds	225,792	-	225,792
<b>TOTAL LIABILITIES</b>	<b><u>227,696</u></b>	<b><u>-</u></b>	<b><u>227,696</u></b>
<b>FUND BALANCE:</b>			
Nonspendable	76,503	-	76,503
Restricted	382,531	123,027	505,558
<b>TOTAL FUND BALANCE</b>	<b><u>459,034</u></b>	<b><u>123,027</u></b>	<b><u>582,061</u></b>
<b>TOTAL LIABILITIES AND FUND</b>	<b><u>\$ 686,730</u></b>	<b><u>\$ 123,027</u></b>	<b><u>\$ 809,757</u></b>

**CAMDEN CENTRAL SCHOOL DISTRICT**

**Supplementary Information  
Combining Statement of Revenues, Expenditures, and Change in Fund Balance  
Nonmajor Governmental Funds  
For the year ended June 30, 2024**

	<u>School Lunch</u>	<u>Extraclassroom Activities</u>	<u>Total Nonmajor Governmental Funds</u>
<b>REVENUE:</b>			
Charges for services	\$ 66,098	\$ -	\$ 66,098
Use of money and property	9,135	-	9,135
Miscellaneous	94,672	159,193	253,865
State sources	253,898	-	253,898
Federal sources	<u>988,812</u>	<u>-</u>	<u>988,812</u>
Total revenue	<u>1,412,615</u>	<u>159,193</u>	<u>1,571,808</u>
<b>EXPENDITURES:</b>			
Employee benefits	172,276	-	172,276
Cost of sales	1,175,081	-	1,175,081
Other expenditures	<u>-</u>	<u>157,855</u>	<u>157,855</u>
Total expenditures	<u>1,347,357</u>	<u>157,855</u>	<u>1,505,212</u>
EXCESS(DEFICIENCY) OF REVENUE OVER EXPENDITURES	<u>65,258</u>	<u>1,338</u>	<u>66,596</u>
<b>OTHER SOURCES (USES):</b>			
Operating transfers out	<u>(106,803)</u>	<u>-</u>	<u>(106,803)</u>
Total other sources	<u>(106,803)</u>	<u>-</u>	<u>(106,803)</u>
CHANGE IN FUND BALANCE	<u>(41,545)</u>	<u>1,338</u>	<u>(40,207)</u>
FUND BALANCE - beginning of year	<u>500,579</u>	<u>121,689</u>	<u>622,268</u>
FUND BALANCE - end of year	<u>\$ 459,034</u>	<u>\$ 123,027</u>	<u>\$ 582,061</u>

## **OTHER INFORMATION**

**CAMDEN CENTRAL SCHOOL DISTRICT**

**Other Information (Unaudited)**

**Schedule of Change from Original Budget to Revised Budget and Real Property Tax Limit -  
General Fund**

**For the year ended June 30, 2024**

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**CHANGE FROM ADOPTED BUDGET TO REVISED**

Adopted budget	\$ 56,326,028
Add: Prior year's encumbrances	<u>132,490</u>
Original budget	56,458,518
Budget revision	<u>121,757</u>
Final budget	<u><u>\$ 56,580,275</u></u>

**SECTION 1318 OF REAL PROPERTY TAX LAW LIMIT CALCULATION**

2024-25 voter-approved expenditure budget	\$ 59,829,761	
Maximum allowed (4% of 2023-24 budget)		\$ 2,393,190

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

Total fund balance:	<u>\$ 9,020,318</u>
Less:	
Nonspendable fund balance	\$ 21,079
Restricted fund balance	6,170,493
Assigned fund balance:	
Appropriated for subsequent year's expenditures	200,000
Other	<u>255,863</u>
Total adjustments	<u>\$ 6,647,435</u>

General Fund Fund Balance Subject to Section 1318 of Real Property Tax Law \$ 2,372,883

Actual percentage 3.97%

\* Per Office of the State Comptroller's "Fund Balance Reporting and Governmental Fund Type Definitions", Updated April 2011 (Originally Issued November 2010), the portion of [General Fund] fund balance subject to Section 1318 of the Real Property Tax Law is: unrestricted fund balance (i.e., the total of the committed, assigned, and unassigned classifications), minus appropriated fund balance, amounts reserved for insurance recovery, amounts reserved for tax reduction, and encumbrances included in committed and assigned fund balance.

**CAMDEN CENTRAL SCHOOL DISTRICT**

**Other Information (Unaudited)  
 Schedule of Project Expenditures - Capital Projects Fund  
 For the year ended June 30, 2024**

	Expenditures					Methods of Financing						Fund Balance June 30, 2024
	Original Budget	Revised Budget	Prior Years	Current Year	Total	Available Balance	Proceeds of Obligations	State Aid	Local Sources	Transfers	Total	
District-wide building improvements	\$35,476,854	\$ 35,476,854	\$ 12,842,559	\$ 14,087,739	\$ 26,930,298	\$ 8,546,556	\$ -	\$ 2,268,627	\$ -	\$ 5,764,201	\$ 8,032,828	\$ (18,897,470)
Smart Schools Bond Act	-	-	2,614,894	39,960	2,654,854	(2,654,854)	-	454,969	-	(179,236)	275,733	(2,379,121)
	<u>\$35,476,854</u>	<u>\$ 35,476,854</u>	<u>\$ 15,457,453</u>	<u>\$ 14,127,699</u>	<u>\$ 29,585,152</u>	<u>\$ 5,891,702</u>	<u>\$ -</u>	<u>\$ 2,723,596</u>	<u>\$ -</u>	<u>\$ 5,584,965</u>	<u>\$ 8,308,561</u>	<u>\$ (21,276,591)</u>

# CAMDEN CENTRAL SCHOOL DISTRICT

## Other Information (Unaudited) Schedule of Net Investment in Capital Assets June 30, 2024

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Capital assets, net	\$ 93,089,679
Deduct:	
Premium on bonds payable	949,031
Deferred loss on refunding	(187,495)
Short-term portion of bonds payable	3,665,000
Long-term portion of bonds payable	9,990,000
Bond anticipation notes	29,326,211
Short-term portion of lease liabilities	5,429
Long-term portion of lease liabilities	<u>74,780</u>
Net investment in capital assets	<u>\$ 49,266,723</u>

**REQUIRED REPORTS UNDER OMB  
UNIFORM GUIDANCE**

**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**

October 8, 2024

To the Board of Education  
Camden Central School District

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Camden Central School District (District), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated October 3, 2024. The aggregate discretely presented component unit financial statements of the Virginia W. Tuthill Charitable Trust Fund (Tuthill Trust Fund) have not been audited, and we were not engaged to express an opinion on these financial statements and have issued a disclaimer opinion on the aggregate discretely presented component unit. The opinions on the governmental activities, each major fund, and aggregate remaining fund information were unmodified.

**Report on Internal Control Over Financial Reporting**

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

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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***

**Report on Compliance and Other Matters**

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

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

October 8, 2024

To the Board of Education and Superintendent of  
Camden Central School District

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

**Opinion on Each Major Federal Program**

We have audited the Camden Central School District's (District) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2024. The 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, the District, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2024.

The District's basic financial statements include the operations of Camden Central School District and the Virginia W. Tuthill Charitable Trust Fund (Tuthill Trust Fund), whose federal awards are not included in the schedule of expenditures of federal awards for the year ended June 30, 2024. Our audit, described below, did not include the federal awards of the Tuthill Trust Fund as this fund is unaudited.

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

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(Continued)

## **INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

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

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the 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 the 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 the 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 the District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the 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.

## INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

### 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.

**CAMDEN CENTRAL SCHOOL DISTRICT**

**Schedule of Expenditures of Federal Awards  
For the year ended June 30, 2024**

Federal Grantor/Pass-Through Grantor/ Program Title	Federal Assistance Listing Number	Pass-Through Entity Identification Number	Expenditures
<u>U.S. Department of Agriculture</u>			
Pass-Through New York State Department of Education			
<i>Child Nutrition Cluster</i>			
School Breakfast Program (SBP)	10.553	N/A	\$ 228,482
National School Lunch Program (noncash food donations)	10.555	N/A	48,816
National School Lunch Program (NSLP)	10.555	N/A	668,282
Total National School Lunch Program (NSLP)			<u>717,098</u>
Summer Food Service Program for Children	10.559	N/A	43,232
Total Child Nutrition Cluster			<u>988,812</u>
Total U.S. Department of Agriculture			<u>988,812</u>
<u>U.S. Department of Education</u>			
Pass-Through New York State Department of Education			
<i>Special Education Cluster (IDEA)</i>			
Special Education - Grants to States (IDEA, Part B)	84.027	00332220617	692,712
COVID-19: American Rescue Plan-Special Education - Grants to States	84.027X	5532220617	(1,180)
Total Special Education Grants			<u>691,532</u>
Special Education - Preschool Grants (IDEA, Part B)	84.173	0033220617	9,423
Total Special Education - Preschool Grants			<u>9,423</u>
Total Special Education Cluster (IDEA)			<u>700,955</u>
Title I Grants to Local Educational Agencies (Title I, Part A of the ESEA)	84.010A	0021212005	599,982
Supporting Effective Instruction State Grants (Title II PT A)	84.367A	01472220005	69,836
Student Support and Academic Enrichment Program (Title IV - Part A)	84.424	02042220005	42,328
<i>COVID-19 Education Stabilization Fund</i>			
COVID-19: Elementary and Secondary School Emergency Relief	84.425D	5891212005	65,661
Total Elementary and Secondary School Emergency Relief Fund			<u>65,661</u>
COVID-19: American Rescue Plan-Elementary and Secondary School Emergency Relief (ESSER) Fund	84.425U	5880212005	1,532,994
COVID-19: American Rescue Plan-Elementary and Secondary School Emergency Relief (ESSER) Fund	84.425U	5884212005	2,085,898
COVID-19: American Rescue Plan-Elementary and Secondary School Emergency Relief (ESSER) Fund	84.425U	5883212005	452,259
COVID-19: American Rescue Plan-Elementary and Secondary School Emergency Relief (ESSER) Fund	84.425U	5883212005	94,779
Total American Rescue Plan-Elementary and Secondary School			<u>4,165,930</u>
Total COVID-19 Education Stabilization Fund			<u>4,231,591</u>
Total U.S. Department of Education			<u>5,644,692</u>
Total expenditures of federal awards			<u>\$ 6,633,504</u>

# CAMDEN CENTRAL SCHOOL DISTRICT

## NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS JUNE 30, 2024

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### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### **Basis of Presentation**

The accompanying Schedule of Expenditures of Federal awards (SEFA) presents the activity of all federal award programs administered by Camden Central School District (the District), an entity as defined in Note 1 to the District's financial statements. Federal awards received directly from federal agencies, as well as federal awards passed through from other government agencies, are included on the SEFA. The information in the SEFA is presented in accordance with Title 2 of U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

### 2. BASIS OF PRESENTATION

The Schedule of Expenditures of Federal Awards is presented in accordance with generally accepted accounting principles in the United States and the amounts presented are derived from the District's general ledger. Federal expenditures are recorded when an allowable cost is incurred under the applicable program and is due and payable.

### 3. INDIRECT COSTS

Indirect costs are not included in the reported expenditures as they are not included in the federal funding for each program. The District has not elected to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

### 4. MATCHING COSTS

Matching costs, i.e., the District's or State's share of certain program costs, are not included in the reported expenditures.

### 5. NON-MONETARY FEDERAL PROGRAM

The District is the recipient of a federal financial award program that does not result in cash receipts or disbursements termed a "non-monetary" program. During the year ended June 30, 2024, the District received food commodities, the fair value of which amounted to \$48,816, and is presented in the SEFA as National School Lunch Program (Division of Donated Foods, AL #10.555).

# CAMDEN CENTRAL SCHOOL DISTRICT

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

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### Part I - Summary of Auditor's Results

#### Financial Statements

Type of auditor's report issued on whether the District's financial statements are prepared in accordance with GAAP (governmental activities, each major fund, aggregate remaining fund information):

Unmodified

Type of auditor's report issued on whether the District's financial statements are prepared in accordance with GAAP (aggregate discretely presented component unit):

Disclaimer

Internal control over financial reporting:

Material weakness(es) identified?

yes no

Significant deficiencies identified?

yes none reported

Noncompliance material to financial statements noted?

yes no

#### Federal Awards

Internal control over major programs:

Material weakness(es) identified?

yes no

Significant deficiencies identified?

yes none reported

Type of auditor's report issued on compliance for major programs:

Unmodified

Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance, 2 CFR Section 200.516(a)?

yes no

The dollar threshold used to distinguish Types A/B programs:

\$750,000

The major federal programs of the District for the year ended June 30, 2024 were as follows:

#### U.S. Department of Education

COVID-19 – Education Stabilization Fund (84.425D and 84.425U)

#### U.S. Department of Agriculture

Child Nutrition Cluster (10.553, 10.555, and 10.559)

The District was considered a low-risk auditee for the year ended June 30, 2024.

**Part II - Findings and Questioned Costs Relating to Financial Statements**

No current year findings.

**Part III - Findings and Questioned Costs Relating to Federal Awards**

No current year findings.

**Camden Central School District**

**Extraclassroom Activity Funds Financial Statements  
As of and for the year ended  
June 30, 2024  
Together with  
Independent Auditor's Report**

## INDEPENDENT AUDITOR'S REPORT

October 8, 2024

To the Board of Education of  
Camden Central School District :

### Opinion

We have audited the accompanying financial statements of the Camden Central School District (School District) Extraclassroom Activity Funds which comprise the Statement of Cash and Fund Balance - cash basis as of June 30, 2024 and the related Statement of Cash Receipts and Disbursements - cash basis for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the cash and fund balance of the School District's Extraclassroom Activity Funds as of June 30, 2024 and its cash receipts and cash disbursements for the year then ended, in accordance with the cash basis of accounting as described in Note 1.

### Basis of Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 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 opinion.

### Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to that matter.

### Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the cash basis of accounting as described in Note 1; this includes determining that the cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible 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.

### 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 opinion. 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 will always detect a material misstatement when it exists.

### **Auditor's Responsibilities for the Audit of the Financial Statements (Continued)**

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 judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

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.

**CAMDEN CENTRAL SCHOOL DISTRICT  
EXTRACLASSROOM ACTIVITY FUNDS**

**STATEMENT OF CASH AND FUND BALANCE - CASH BASIS  
JUNE 30, 2024**

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**ASSETS**

Cash - restricted	\$ 118,360
TOTAL ASSETS	<u>\$ 118,360</u>

**FUND BALANCE**

Fund Balance - restricted	\$ 118,360
TOTAL FUND BALANCE	<u>\$ 118,360</u>

The accompanying notes are an integral part of these financial statements.

**CAMDEN CENTRAL SCHOOL DISTRICT  
EXTRACLASSROOM ACTIVITY FUNDS**

**STATEMENT OF CASH RECEIPTS AND CASH DISBURSEMENTS - CASH BASIS  
FOR THE YEAR ENDED JUNE 30, 2024**

	<u>Balance</u> <u>July 01, 2023</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Cash Balance</u> <u>June 30, 2024</u>
Accounting	\$ 5	\$ 2,452	\$ 2,443	\$ 14
AFS	3,691	2,213	3,990	1,914
Amnesty	299	92	104	287
Bible Club	-	2,000	-	2,000
Blurred Vision	841	-	-	841
Block - Middle School	5,757	3,401	4,226	4,932
Book Club	243	-	153	90
Blue Devils CU (RTFCU)	81	-	-	81
Boys Track	339	-	-	339
Camden Corner(RTFCU)	1,173	4,464	3,802	1,835
Choral/Music	155	2,485	2,587	53
Class of 2024	2,545	16,772	18,411	906
Class of 2025	2,760	7,160	8,701	1,219
Class of 2026	430	4,971	3,240	2,161
Class of 2027	-	185	-	185
Drama Club - Middle School	688	-	-	688
Drama Club - High School	13,345	11,108	9,705	14,748
Foreign Language Club	159	124	237	46
Girls Track	1,019	-	523	496
GSA Club	1,294	-	171	1,123
HCS Enterprises	6	20	-	26
HS Band	1,535	2,897	2,849	1,583
Junior Honor Society	189	-	-	189
Kids	1,050	119	725	444
Kids for Saving Earth	84	-	-	84
Marching Band	575	100	883	(208)
Musical Production	16,417	7,920	3,893	20,444
National Honor Society	6,887	25,833	22,230	10,490
Newspaper Club - High School	53	-	-	53
Newspaper Club - Middle School	-	186	122	64
Orchestra	1,033	6,754	5,230	2,557
Sales Tax - High School	1,470	2,545	2,468	1,547
Science Club	2	3,930	3,736	196
Science Olympiad	8,755	2,868	3,019	8,604
Social Studies	748	1	-	749
Special Hearts	103	1,432	942	593
Student Council - High School	7,245	4,531	4,286	7,490
Student Council - Middle 5/6	2,201	-	458	1,743
Student Council - Middle 7/8	1,655	-	50	1,605
Student Recognition	428	-	29	399
Tech Club	375	-	-	375
Varsity Club	8,649	752	1,095	8,306
Vocalist	12,960	600	3,388	10,172
WEB	129	-	129	-
Yearbook - Middle School	2,568	667	248	2,987
Yearbook - High School	2,894	4,560	3,544	3,910
<b>Total</b>	<u>\$ 112,835</u>	<u>\$ 123,142</u>	<u>\$ 117,617</u>	<u>\$ 118,360</u>

The accompanying notes are an integral part of these financial statements.

## CAMDEN CENTRAL SCHOOL DISTRICT

### EXTRACLASROOM ACTIVITY FUNDS NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2024

---

#### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

##### **Basis of Accounting**

The financial statements of the Extraclassroom Activity Funds of the Camden Central School District (School District) are prepared on a cash basis, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The cash basis of accounting, therefore, does not recognize receivables and payables, inventories, long-lived assets, and accrued income and expenses, which would be recognized under accounting principles generally accepted in the United States of America. The more significant principles and policies used by the School District are described below.

##### **Reporting Entity**

The transactions of the Extraclassroom Activity Funds are included in the reporting entity of the School District. Such transactions are included in the basic financial statements of the School District and are reported in the Miscellaneous Special Revenue Fund. Exclusion from the School District's financial statements, due to their nature and significance of their relationship with the primary government, would cause the reporting entity's financial statements to be misleading or incomplete.

The Extraclassroom Activity Funds 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 activities included in this report were formed only for educational and school activity purposes in accordance with School District rules and regulations for the conduct, operation, and maintenance of the extraclassroom activities.

##### **Cash**

The School District's Extraclassroom Activity Funds' cash consists of cash on hand and demand deposits. New York State law governs the School District's investment policies. Resources must be deposited in 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 New York State or its localities.

Demand deposits at year-end were entirely covered by FDIC. At June 30, 2024, cash consisted of cash on hand and demand deposit accounts.

##### **Fund Balance**

Restricted fund balance consists of the restricted cash for the Extraclassroom Activities of the School District.

**CAMDEN CENTRAL SCHOOL DISTRICT**

**Extraclassroom Activity Funds  
Communication of Management Letter Comments  
For the Year Ended June 30, 2024**

October 8, 2024

Dr. Ravo Root, Superintendent and  
Karl Keil, Assistant Superintendent for Business  
Camden Central School District

In planning and performing our audit of the financial statements of the Camden Central School District's (the District) Extraclassroom Activity Funds as of and for the year ended June 30, 2024, in accordance with auditing standards generally accepted in the United States of America, we considered the District's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

However, during our audit, we became aware of several matters that are opportunities for strengthening internal controls and operating efficiency. The list that accompanies this letter summarizes our comments and suggestions regarding those matters. This letter does not affect our report dated October 3, 2024, on the financial statements of the Camden Central School District.

We will review the status of these comments during our next audit engagement. We have already discussed these comments and suggestions with various District personnel, and we will be pleased to discuss these comments in further detail at your convenience, to perform any additional study of these matters, or to assist you in implementing the recommendations.

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## CAMDEN CENTRAL SCHOOL DISTRICT

### EXTRA-CLASSROOM ACTIVITY FUNDS COMMUNICATION OF MANAGEMENT LETTER COMMENTS

---

- 1) **Observation:**  
In some instances, at both the middle school and high school deposits are not being processed timely.

**Recommendation:**  
We recommend receipts be processed and deposited within 72 hours of collection. This will not only ensure timely reporting of financial transactions and ease of reconciliation between the records and corresponding bank statement(s), it will mitigate risk for loss or theft.
- 2) **Observation:**  
In Middle school receipt testing there was a \$128.95 transfer from an inactive club to the senior class budget. This transfer was made with only the approval of the school treasurer.

**Recommendation:**  
We recommend that any transfers between budgets, even for inactive clubs, receive approval from the principal and the school treasurer.
- 3) **Observation:**  
It was noted that the Marching Band club had a negative balance as of June 30, 2024.

**Recommendation:**  
We recommend that no activity have a negative balance at any point, as this is an indication that funds were borrowed from another club/activity without authorization. Prior to disbursement, consideration should always be given to the club/activity's available balance to ensure the club/activity is overdrawn.

October 8, 2024

The Board of Education and Superintendent  
Camden Central School District

Dear Board Members:

We have audited the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Camden Central School District (the District) for the year ended June 30, 2024. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated March 5, 2024. Professional standards also require that we communicate to you the following information related to our audit.

**SIGNIFICANT AUDIT MATTERS**

***Qualitative Aspects of Accounting Practices***

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the District are described in Note 2 to the financial statements. No new accounting policies having material impact were adopted, and the application of existing policies was not changed during 2024.

We noted no transactions entered into by the District during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the District's financial statements were:

Management's estimate of depreciation expense is based on the assignment of useful lives for each asset acquired or constructed by the District.

Management's estimate of compensated absences is based on the accrued time at the end of the year per employee in accordance with the existing collective bargaining agreements in place at the time.

Management's estimate of the net pension asset (liability) and related deferred inflows/outflows of resources is based on actuarial assumptions utilized by an actuary applied to the pension plans' census information.

Management's estimate of the other postemployment benefits liability is based on an actuarial calculation from a third-party actuary.

The financial statement disclosures are neutral, consistent, and clear.

#### ***Difficulties Encountered in Performing the Audit***

We encountered no significant difficulties in dealing with management in performing and completing our audit.

#### ***Corrected and Uncorrected Misstatements***

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. We did not identify any misstatements to report to management and those charged with governance.

#### ***Disagreements with Management***

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

#### ***Management Representations***

We have requested certain representations from management that are included in the management representation letter dated as of the date of this letter.

#### ***Management Consultations with Other Independent Accountants***

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the District's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

#### ***Other Audit Findings or Issues***

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the District's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

#### **Other Matters**

We applied certain limited procedures to the Management's Discussion and Analysis; Schedule of Revenue, Expenditures, and Change in Fund Balance - Budget and Actual - General Fund; Schedule of Changes in Total OPEB Liability and Related Ratios; Schedule of Proportionate Share of Net Pension Liability (Asset) and the Schedule of Contributions - Pension Plans which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the schedule of expenditures of federal awards; Combining Balance Sheet - Nonmajor Governmental Funds and Combining Statement of Revenues, Expenditures and Change in Fund Balance - Nonmajor Governmental Funds which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with Title 2 *U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

We were not engaged to report on the Introductory Section; Schedule of Change from Original Budget to Revised Budget and the Real Property Tax Limit – General Fund; Schedule of Project Expenditures - Capital Projects Fund; and the Schedule of Net investment in Capital Assets, which accompany the financial statements but are not RSI. We did not audit or perform other procedures on this other information and we do not express an opinion or provide any assurance on it.

**Restriction on Use**

This information is intended solely for the use of the Board of Education and management of Camden Central School District and is not intended to be, and should not be, used by anyone other than these specified parties.

# CAMDEN

## CENTRAL SCHOOLS

Business Office  
315 245-1024

### Summary Schedule of Prior Audit Findings:

Finding: 2023-001

#### Correction Action Taken:

In response to finding 2023-001, the District recognizes the importance of reconciliations and timely review of general ledger balances to ensure proper recognition of revenues and expenditures in accordance with GAAP. To address the recommendations cited the District Treasurer reconciles general ledger accounts and submits for monthly review by the Assistant Superintendent for Business. This monthly review confirms that balances are properly reflected on trial balance and that errors that could cause material misstatements of revenues and expenditures are recorded correctly within the accounting period they occur.

Interfund reconciliations are performed at a fund level on a monthly basis. In addition, the District Treasurer confirms the interfund balances on the monthly reconciliation are in agreement with the general ledger account codes within our financial software system, ensuring interfund transfers are posted accurately.

Federal grant revenues and expenditures are reviewed and account reconciliations for general ledger accounts are performed for all Federal grants by the District Treasurer and reviewed by the Assistance Superintendent for Business.

Monthly reconciliation of Capital Project general ledger accounts, BAN and Bond revenues, project expenditures, and interfund transfers are performed by the District Treasurer and reviewed by the Assistant Superintendent for Business to ensure accuracy with financial reporting.

#### Current Year Audit Status:

Management implemented corrective action, and finding is resolved.

**APPENDIX C**  
**Form of Legal Opinion**

June 25, 2025

Camden Central School District  
51 Third Street  
Camden, New York 13316

Re: Camden Central School District, Oneida, Oswego and Lewis Counties, New York  
\$1,000,000 Bond Anticipation Notes, 2025

Ladies and Gentlemen:

As Bond Counsel to Camden Central School District, Oneida, Oswego and Lewis Counties, New York (the "District") we have examined a record of proceedings relating to the issuance of \$1,000,000 Bond Anticipation Notes, 2025 (Renewals) (the "Notes"). The Notes are dated June 25, 2025 and are being issued pursuant to the Constitution and laws of the State of New York, including the Education Law and Local Finance Law, a bond resolution of the District and a Certificate of Determination dated on or before June 25, 2025 of the President of the Board of Education relative to the form and terms of the Notes.

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

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

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

The opinions expressed herein are based on an analysis of existing laws, regulations, rulings and court decisions and cover certain matters not directly addressed by such authorities. Such opinions may be

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

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

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

Very truly yours,

WJ MARQUARDT PLLC

**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

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

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

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

entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the District.

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

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