PRELIMINARY OFFICIAL STATEMENT DATED JUNE 2, 2025

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

In the opinion of Bond Counsel, under the existing statutes, regulations and court decisions, assuming continuing compliance by the District with its covenants relating to certain requirements contained in the Internal Revenue Code of 1986, as amended (the "Code"), interest on the Notes is excludable from gross income for Federal income tax purposes, and, under the existing statutes, interest on the Notes is exempt from New York State and New York City personal income taxes. In the opinion of Bond Counsel, interest on the Notes is not an item of tax preference for purposes of Federal alternative minimum tax imposed on individuals, however, interest on the Notes that is included in the adjusted financial statement income of certain corporations is not excluded from the corporate alternative minimum tax imposed under the Code. No opinion is expressed regarding other Federal tax consequences arising with respect to the Notes. See "Tax Exemption" herein.

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

$14,790,000
CLINTON CENTRAL SCHOOL DISTRICT
ONEIDA COUNTY, NEW YORK

$14,790,000 Bond Anticipation Notes, 2025

Dated: June 25, 2025 | **Due: June 25, 2026**

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

At the option of the purchaser(s), the Notes will be issued in registered book-entry form or registered in the name of the purchaser(s). If the Notes are registered in the name of the purchaser, principal of and interest on the Notes will be payable in Federal Funds at the office of the District Clerk, Clinton, New York. In such case, the Notes will be issued as registered in the name of the purchaser in dominations of $5,000 or multiples thereof.

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

The Notes are offered when, as and if issued and received by the purchaser(s) and subject to the receipt of an unqualified legal opinion as to the validity of the Notes of Bond, Schoeneck & King, PLLC of Syracuse, New York. It is anticipated that the Notes will be available for delivery through the facilities of DTC located in Jersey City, New Jersey, or as may be agreed upon with the Purchaser(s), on or about June 25, 2025.

Facsimile or telephone bids will be received TUESDAY June 10, 2025 until 10:30 a.m. Prevailing Time, pursuant to the terms of the Notice of Sale.

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

DATED: June 2, 2025

CLITON CENTRAL SCHOOL DISTRICT
ONEIDA COUNTY, NEW YORK

School District Officials

2024-25 BOARD OF EDUCATION

Melinda Leising - President
Lisa Magnarelli - Vice President

Sam Catterson
Rachael Clark
Orlando Guitian
Patrick LaVeck
Erica Shaw

Christopher Clancy – Superintendent
Ethan Martin – School Business Administrator
Julia A. Scranton - District Clerk

School District Attorneys

Ferrara Fiorenza, PC

BOND COUNSEL

Bond, Schoeneck & King, 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 solicit 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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PREPARED WITH THE ASSISTANCE OF:

R. G. Timbs, Inc
11 Meadowbrook Road
Whitesboro, NY 13492
877-315-0100
Expert@rgtimbsinc.net

OFFICIAL STATEMENT

of the

CLINTON CENTRAL SCHOOL DISTRICT
ONEIDA COUNTY, NEW YORK

Relating To
$14,790,000 Bond Anticipation Notes, 2025

This Official Statement, which includes the cover page, has been prepared by the Clinton Central School District, Oneida County, New York (the "District," "County" and "State," respectively) in connection with the sale by the School District of $14,790,000 Bond Anticipation Notes, 2025 (the "Notes).

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

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

DESCRIPTION OF THE NOTES

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

The Notes are dated June 25, 2025, and mature, without option of prior redemption, 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 as registered notes, and at the option of each purchaser, may be registered to The Depository Trust Company ("DTC" or the "Securities Depository") or may be registered in the name of such purchaser.

If the Notes will be issued through DTC, the Notes will be registered in the name of Cede & Co., as nominee of DTC in New York, New York, which will act as Securities Depository for the Notes. Individual purchases will be made in book-entry-only form, in the principal amount of $5,000 or integral multiples thereof. Purchasers of the Notes will not receive certificates representing their ownership interest in the Notes. Payments of principal of and interest on the Notes will be made by the District to DTC, which will in turn remit such principal and interest to its Participants, for subsequent distribution to the Beneficial Owners of the Notes, (See "Book-Entry-Only System" herein).

If the Notes are registered in the name of the purchaser(s), principal of and interest on the Notes will be payable in Federal Funds at the office of the District Clerk, Clinton, New York. In such case, the Notes will be issued in registered form in denominations of $5,000, or multiples thereof.

Nature of the Obligation

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

Holders of any series of notes 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 bonds or notes.

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

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

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

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

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

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

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

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

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

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

Purpose and Authorization

The Notes are authorized to be issued pursuant to the Constitution and laws of the State of New York, including among others, the Education Law, the Local Finance Law, and pursuant to a bond resolution dated January 24, 2023, authorizing the reconstruction, improvement, rehabilitation, repair, furnishing and equipping of the Clinton Elementary School, the Clinton Middle School and the Clinton High School buildings and grounds, including site work, athletic field improvements, and construction of a synthetic turf field with lights and spectator seating adjacent to the High School.

The proceeds of the Notes, together with $165,000 available funds, will renew and redeem $6,650,000 Bond Anticipation Note maturing June 26, 2025 and provide $8,305,000 in new monies for the aforementioned purpose.

Book-Entry Only System

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

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

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

To facilitate subsequent transfers, all Notes deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Notes with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Notes; DTC's records reflect only the identity of the Direct Participants to whose accounts such Notes are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Notes may wish to take certain steps to augment the transmission of them of notices of significant events with respect to the Notes, such as redemptions, tenders, defaults, and proposed amendments to the Notes documents. For example. Beneficial Owners of Notes may wish to ascertain that the nominee holding the Notes for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

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

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

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

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

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

Source: The Depository Trust Company

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

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

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

Certificated Notes

DTC may discontinue providing its services with respect to the Notes at any time by giving reasonable 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 transfers through DTC at any time. In the event that such book-entry-only system is discontinued, the following provisions will apply: the Notes will be issued in fully registered form in denominations of $5,000 each or any integral multiple thereof for any single maturity. Principal of the Notes when due will be payable upon presentation at the principal corporate trust office of a bank or trust company located and authorized to do business and act as a fiscal agent in the state of New York to be named by the District. Notes may be transferred or exchanged at no cost to the registered owner at any time prior to maturity at the office of the fiscal agent for the Notes of the same or any other authorized denomination or denominations in the same aggregate principal amount upon the terms set forth in Certificate of Determination executed by the President of the Board of Education authorizing the sale of the Notes and fixing the details thereof and in accordance with the Local Finance Law.

THE DISTRICT

General Information

The School District is located in the Towns of Kirkland, Westmoreland, Marshall, Vernon, Paris, New Hartford and Whitestown, all in Oneida County. The School District is located just to the southwest of the City of Utica and covers approximately 38 square miles.

The School District is served by numerous State highways with access to the New York State Thruway at Utica. Rail, bus, and air transportation are also available in Utica.

The School District is primarily residential and agricultural in nature. Many of its residents are employed in the metropolitan Utica area.

Water and sewer services are provided in some locations by the respective Towns, or by private wells and septic systems. Police protection is provided by the Oneida County Sheriff's Department, supplemented by the New York State Police. Fire protection and ambulance service are provided by various volunteer organizations. Telephone service is available from Verizon New York Inc. and electricity from National Grid.

Commercial services are available on a limited basis in the Village of Clinton and on a larger scale in the Utica area. Banking facilities are available locally through NBT Bank, N.A. and Key Bank.

District Population

The 2023 population of the School District is estimated to be 11,526. (Source: 2023 U.S. Census Bureau estimate)

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.

	Per Capita Income			Median Family Income		
	2006-2010	2016-2020	2019-2023	2006-2010	2016-2020	2019-2023
Village Of:						
Clinton	$35,024	$39,383	$54,054	$77,917	$84,896	$109,444
Towns Of:						
Kirkland	27,665	31,855	42,121	77,774	83,462	121,094
Westmoreland	28,847	31,064	46,760	75,335	80,872	113,690
Marshall	27,719	27,262	46,251	74,571	77,981	118,542
Vernon	24,579	28,793	44,995	59,563	69,688	103,851
Paris	28,617	32,187	41,582	65,129	74,745	106,168
New Hartford	33,819	40,101	51,553	77,733	80,253	112,361
Whitestown	27,192	31,035	42,935	66,969	75,208	100,793
County Of:						
Oneida	23,458	26,577	36,865	58,017	63,182	88,011
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.

District Facilities

Name	Grades	Year Built	Current Maximum Capacity	Date of Last Addition or Alteration
Elementary School	K-5	1955	912	2020
Junior High School	6-8	1933	600	2020
High School	9-12	1963	750	2020

District Employees

The School District employs 208 full-time employees and 7 part-time employees. The number of members, the collective bargaining units which represent them, and their current contract expiration dates are as follows:

Bargaining Unit	Employees	Expiration Date
Clinton Teachers' Association	121	6/30/2025*
Clinton Central School CSEA	80	6/30/2026
Clinton Administrators' Association	5	6/30/2027

*Tentative agreement reached on contract through 6/30/28 and is ratified by the CTA and Board of Education. Final agreement and related documentation in process.

Historical and Projected Enrollment

Fiscal Year	Actual	Fiscal Year	Projected
2020-21	1,300	2025-26	1,165
2021-22	1,280	2026-27	1,165
2022-23	1,250	2027-28	1,165
2023-24	1,205	2028-29	1,165
2024-25	1,177	2029-30	1,165

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 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:

Fiscal Year	ERS	TRS
2019-2020	$220,382	$849,609
2020-2021	220,183	934,072
2021-2022	233,899	1,006,911
2022-2023	184,330	1,089,483
2023-2024	215,470	1,033,760
2024-2025 (Budgeted)	362,928	1,102,098
2025-2026 (Budgeted)	397,219	1,058,152

Source: District records

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.

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 percents of payroll (2020-21 to 2025-26) is shown below:

Fiscal Year	ERS	TRS
2020-2021	14.6	9.53
2021-2022	16.2	9.8
2022-2023	11.6	10.29
2023-2024	13.1	9.76
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. The District established this fund in June 2019. The current balance is $1,286,646.

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 $57,400,073, the net change for the year was 3,469,659 resulting in a total OPEB liability of $60,869,732 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. Substantial future increases could have a material adverse impact upon the School District's finances and could force the School District to reduce services, raise taxes or both.

Major Employers

Name	Nature of Business	Estimated Number of Employees
Hamilton College	Education	638
Lutheran Homes	Nursing Facility	400
Indium Corporation	Manufacturer	245
Clinton Central School District	Education	215
Hannaford	Retail Grocery Store	100
Alterra Village	Adult Care Facility	60

Source: District Officials

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) is Oneida County. The data set forth below with respect to the County is included for information purposes only. It should not be inferred from the inclusion of such data in this Statement that the School District is necessarily representative of the County or vice versa.

Year	Oneida County Unemployment Rate	New York State Unemployment Rate	U.S. Unemployment Rate
2020	7.7%	9.8%	8.3%
2021	5.1%	7.1%	5.3%
2022	3.6%	4.3%	3.5%
2023	3.5%	4.1%	3.7%
2024	3.7%	4.3%	4.0%

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

2024-2025 Monthly Figures

	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May
Oneida County	3.6%	4.0%	3.9%	3.2%	3.3%	3.4%	3.6%	4.3%	4.6%	4.1%	N/A	N/A
New York State	4.3%	4.8%	4.8%	4.0%	4.2%	4.2%	4.2%	4.6%	4.3%	4.1%	N/A	N/A

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

Investment Policy

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

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

Form of School Government

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

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

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

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

Budgetary Procedures

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

Pursuant to Chapter 97 of the Laws of 2011 of the State of New York ("Chapter 97"), beginning with the 2012-13 fiscal year, if the proposed budget requires a tax levy increase that does not exceed the lesser of 2% (plus certain adjustments, if applicable) or the rate of inflation (the " Tax Cap"), then a majority vote is required for approval. If the proposed budget requires a tax levy increase that exceeds the Tax Cap, the budget proposition must include special language and a 60% vote is required for approval. Any separate proposition that would cause the School District to exceed the School District Tax Cap also must receive at least 60% voter approval.

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

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

The budget for the 2023-24 fiscal year was adopted by the qualified voters on May 16, 2023 by a vote of 656 to 130. 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 387 to 57. 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 422 to 82. The School District's 2025-26 Budget remained within the School District Tax Cap imposed by Chapter 97 of the laws of 2011.

State Aid

The District receives appropriations from the State. In its adopted budget for the 2025-26 fiscal year, approximately 42.81% 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 –

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

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.

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

State Aid History

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 States 2023-24 Budget also provided a $2.6 billion increase in Foundation Aid, fully funding the program for the first time in history. The State's 2023-24 Enacted Budget provided $134 million to increase access to free school meals. An additional $20 million in grant funding established new Early College High School and Pathways in Technology Early College High School Programs. An investment of $10 million over two years in competitive funding for school districts, boards of cooperative educational services, and community colleges 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 (such as State Aid) if, on a cash basis of accounting, a "general fund imbalance" has or is expected to occur in fiscal year 2025-26. Specifically, the State's 2025-26 Enacted Budget provides that a "general fund imbalance" has occurred, and the State Budget Director's powers are activated, if any State fiscal year 2025-26 quarterly financial plan update required by Subdivision 4 of Section 23 of the New York State Finance Law reflects, or if at any point during the final quarter of State fiscal year 2025-26 the State Budget Director projects, that estimated general fund receipts and/or estimated general fund disbursements have or will vary from the estimates included in the State's 2025-26 Enacted Budget financial plan required by sections 22 and 23 of the New York State Finance Law results in a cumulative budget imbalance of $2 billion or more. Any significant reductions or delays in the payment of State aid could adversely affect the financial condition of school districts in the State.

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

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

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

- FY 2022: $19.8 billion, covering 30% of existing shortfall
- FY 2023: Approximately $21.3 billion, 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 2024-2025 and 2025-2026 fiscal years.

Fiscal Year	Total Revenues	Total State Aid	Percentage of Total Revenues Consisting of State Aid
2019-2020	$28,598,346	$11,603,396	40.57%
2020-2021	29,133,374	11,655,832	40.01
2021-2022	29,781,071	12,361,531	41.51
2022-2023	30,834,682	12,361,881	40.09
2023-2024	31,424,371	12,577,627	40.03
2024-2025 (Budgeted)	31,755,223	13,395,825	42.18
2025-2026 (Budgeted)	32,951,812	14,106,645	42.81

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.

Fiscal Stress Monitoring

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

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

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

Fiscal Year Ending In	Stress Designation	Fiscal Score
2024	No Designation	3.3
2023	No Designation	10.0
2022	No Designation	3.3
2021	No Designation	13.3
2020	No Designation	3.3

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.

State Comptroller Report of Examination

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

The State Comptroller’s office released an audit report of the District on January 26, 2018. The purpose of the audit was to determine whether employee salaries and wages were accurately paid for the period July 1, 2016 through June 30, 2017.

Key Findings:

- District officials accurately calculated and paid gross salaries and wages.
- The Head Custodian did not sign custodial employees’ time records as evidence of his review of their hours worked and did not preapprove in writing overtime to be worked.

Key Recommendations:

- Ensure the Head Custodian signs time records to evidence the review of employees' time worked and preapproves overtime hours to be worked.

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.

Other Information

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

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

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

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

Financial Statements

The School District retains an independent Certified Public Accountant, whose most recent report covers the period ended June 30, 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.

Tax Information

Assessed and Full Valuations*

Fiscal Year Ended June 30:	2021	2022	2023	2024	2025
Assessed Valuations:					
Kirkland	$ 317,584,925	$ 318,111,400	$ 318,640,290	$ 317,929,225	$ 318,763,289
Westmoreland	16,653,708	16,640,086	16,575,641	16,066,863	16,187,160
Marshall	9,680,439	10,234,208	10,302,827	10,178,309	10,282,108
Vernon	1,811,668	1,811,065	1,815,111	1,804,445	1,834,589
Paris	765,808	767,501	756,913	776,762	908,448
New Hartford	47,376,925	48,194,131	49,241,401	50,983,572	52,141,200
Whitestown	956,432	953,504	949,199	933,978	883,497
Total	$ 394,829,905	$ 396,711,895	$ 398,281,382	$ 398,673,154	$ 401,000,291
Equalization Rates:					
Kirkland	57.00%	54.00%	48.50%	43.00%	39.50%
Westmoreland	58.00%	53.00%	43.00%	38.00%	38.00%
Marshall	62.00%	59.00%	50.00%	42.00%	38.00%
Vernon	64.50%	61.00%	52.00%	47.50%	47.20%
Paris	85.00%	79.50%	72.00%	63.50%	59.00%
New Hartford	72.00%	70.00%	63.00%	57.00%	53.00%
Whitestown	58.00%	58.00%	53.00%	47.00%	42.00%
Full Valuations:					
Kirkland	$ 557,166,535	$ 589,095,185	$ 656,990,289	$ 739,370,291	$ 806,995,668
Westmoreland	28,713,290	31,396,389	38,548,002	42,281,218	42,597,789
Marshall	15,613,611	17,346,115	20,605,654	24,234,069	27,058,179
Vernon	2,808,788	2,968,959	3,490,598	3,798,832	3,886,841
Paris	900,951	965,410	1,051,268	1,223,247	1,539,742
New Hartford	65,801,285	68,848,759	78,160,954	89,444,863	98,379,623
Whitestown	1,649,021	1,643,972	1,790,942	1,987,187	2,103,564
Total	$ 672,653,480	$ 712,264,789	$ 800,637,707	$ 902,339,707	$ 982,561,407

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:

	2021	2022	2023	2024	2025
Kirkland	$ 42.09	$ 41.59	$ 42.06	$ 43.00	$ 43.94
Westmoreland	41.36	38.07	47.44	48.66	45.68
Marshall	38.69	32.09	40.79	44.03	45.68
Vernon	37.19	28.25	39.23	38.93	36.77
Paris	28.22	36.82	28.33	29.12	29.42
New Hartford	33.32	42.38	32.38	32.44	32.75
Whitestown	41.36	38.72	38.49	39.34	41.33

Tax Collection Procedure

School District taxes are payable during September without penalty. Beginning October 1, a 2% penalty is added. Unpaid taxes are turned over to the County Treasurer after November 15. Taxes which remain unpaid after that date are added to the following year's County/Town tax bills with an additional penalty. The responsibility for collection of unpaid taxes rests with the County, which reimburses the School District for any uncollected taxes in April of the year following the year of levy. The School District is thus assured of 100% collection of its annual levy.

Tax Collection Record

Fiscal Year Ended June 30:

	2021	2022	2023	2024	2025*
Total Tax Levy	$16,462,126	$15,997,529	$16,662,138	$17,023,271	$17,054,198
Less STAR Reimbursement	1,977,095	1,902,230	1,505,028	1,422,183	1,344,086
Adjustments	0.00	3,406.28	-4,782.34	0.00	0.00
Total Taxes to be Collected	14,485,031	14,098,705	15,152,328	15,601,088	15,710,112
Taxes Collected Prior to Return to County	13,938,721	13,668,266	14,616,601	15,134,400	15,449,095
Returned to County	$546,310	$430,439	$535,727	$466,688	$594,891
% Collected Prior to Return	96.23%	96.95%	96.46%	97.01%	96.21%

Note: * Collection information is as of November 1, 2024.

Real Property Tax Revenues

Fiscal Year	Total Revenues	Total Real Property Taxes	Percentage of Total Revenues Consisting of Real Property Taxes
2019-2020	$28,598,346	$13,598,845	47.55%
2020-2021	29,113,374	14,159,747	48.64
2021-2022	29,781,071	14,087,102	47.30
2022-2023	30,834,682	14,820,953	48.07
2023-2024	31,424,371	15,262,682	48.57
2024-2025 (Budgeted)	31,755,223	17,054,198	53.71
2025-2026 (Budgeted)	32,951,812	17,502,327	53.11

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 2025-2026 fiscal years. This table is not audited.

Major Taxpayers 2024

For 2024-25 Tax Roll

Name	Type	Full Value
Jensens Cherrywood	Real Estate	$14,218,424
Applewood Community	Real Estate	13,480,560
Garden Homes Milgate	Real Estate	$6,843,886
Niagara Mohawk	Utility	$6,669,633
Barkett Group Inc.	Rental Property	$2,458,641
Lewiston @ Clinton St.	Rental Property	$2,184,000
Martin Foods of S. Burlington	Shopping Center	$1,967,100
Lewiston At White St, LLC	Rental Property	$1,320,000
Clinton House Apts	Rental Property	$1,200,000
Ventas Realty Ltd.	Real Estate	$1,000,000
Total		$51,342,244

1. The above taxpayers represent 5.2% of the School District's 2024-25 Full value of $982,561,407

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

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

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

School districts receive full reimbursement from the State for real property taxes exempted pursuant to the STAR program by the first business day in January of each year.

Real Property Tax Rebate

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

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

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

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

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

TAX LEVY LIMITATION LAW

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

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

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

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

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

On February 20, 2013, the New York State United Teachers ("NYSUT") and several individuals filed a lawsuit in State Supreme Court seeking a declaratory judgment and a preliminary injunction that the Tax Levy Limitation

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

STATUS OF INDEBTEDNESS

Constitutional Requirements

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

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

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

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

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 laws, including the Education Law.

The District is generally required by such laws to submit propositions for the expenditure of money for capital purposes to the qualified electors of the District. Upon approval thereby, the Board of Education may adopt a bond resolution authorizing the issuance of bonds, and notes in anticipation of the bonds. With respect to certain school building construction projects, the District is not permitted to spend in excess of $100,000 for construction costs until the plans and specifications for such project have been approved by the Commissioner of Education of the State. The District has obtained such approval with respect to the project to be financed by the Notes.

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

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

(1) Such obligations are authorized for a purpose for which the District is not authorized to expend money, or
(2) There has not been substantial compliance with the provisions of law which should have been complied with in the authorization of such obligations and an action contesting such validity, is commenced within twenty days after the date of such publication or,
(3) Such obligations are authorized in violation of the provisions of the Constitution.

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

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

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

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

Debt Limit. Pursuant to the Local Finance Law, the District has the power to contract indebtedness for any school district purpose so long as the principal amount thereof shall not exceed ten per centum of the full valuation of the taxable real estate of the District and subject to certain enumerated deductions. The constitutional method for determining full valuation by taking the assessed valuation of taxable real estate for the last completed assessment roll and applying thereto the ratio which such assessed valuation bears to the full valuation as determined by the State Office of Real Property Services. The State Legislature is required to prescribe the manner by which such ratio shall be determined.

Debt Outstanding End of Fiscal Year

Fiscal Year Ending June 30:	2020	2021	2022	2023	2024
Serial Bonds	$19,330,000	$17,540,000	$15,965,000	$14,355,000	$12,705,000
Energy Performance Contracts	1,805,073	1,567,676	1,322,421	1,078,427	829,821
Total Debt Outstanding	$21,135,073	$19,107,676	$17,287,421	$15,433,427	$13,534,821

Status of Outstanding Bond Issues

Year of Issue:	2010		2015	
Amount Issued:	$2,256,866		$7,395,000	
Interest Rate/ Instrument:	4.0097% - SB		2.4856% - SB	
Purpose/Instrument:	Construction/Serial Bond		Construction/Serial Bond	
Fiscal Year Ending June 30:	Principal	Interest	Principal	Interest
2025	$ 190,000	$ 7,980	$ 510,000	$ 87,319
2026	-	-	525,000	75,844
2027	-	-	540,000	62,719
2028	-	-	555,000	49,219
2029	-	-	570,000	34,650
2030	-	-	585,000	17,550
Totals:	$ 190,000	$ 7,980	$ 3,285,000	$ 327,301

Year of Issue:	2020	
Amount Issued:	$13,190,000	
Purpose/Instrument:	Construction/Serial Bond	
Fiscal Year Ending June 30:	Principal	Interest
2025	$ 825,000	$ 184,600
2026	830,000	168,100
2027	760,000	151,500
2028	780,000	136,300
2029	805,000	120,700
2030	815,000	104,600
2031	855,000	88,300
2032	875,000	71,200
2033	885,000	53,700
2034	890,000	36,000
2035	910,000	18,200
Totals:	$ 9,230,000	$ 1,133,200

Total Annual Bond Principal and Interest Due

Fiscal Year Ending June 30:	Principal	Interest	Total Debt Service	%Paid
2025	$ 1,525,000	$ 279,899	$ 1,804,899	12.73%
2026	1,355,000	243,944	1,598,944	24.02%
2027	1,300,000	214,219	1,514,219	34.70%
2028	1,335,000	185,519	1,520,519	45.43%
2029	1,375,000	155,350	1,530,350	56.22%
2030	1,400,000	122,150	1,522,150	66.96%
2031	855,000	88,300	943,300	73.62%
2032	875,000	71,200	946,200	80.29%
2033	885,000	53,700	938,700	86.92%
2034	890,000	36,000	926,000	93.45%
2035	910,000	18,200	928,200	100.00%
Totals:	$ 12,705,000	$ 1,468,481	$ 14,173,481	

Status of Short-Term Indebtedness

Type	Dated Date	Maturity Date	Interest Rate	Amount Outstanding
BAN	11/19/2024	6/26/2025	4.00%	$6,650,000*

*To be paid in full with a portion of the Notes, together with $165,000 available funds.

Cash Flow Borrowings

The District has not issued revenue anticipation notes since the 2009-10 fiscal year and does not anticipate the need to issue revenue or tax anticipation notes in the near future.

Capital Project Plans

On December 14, 2016, the voters approved a $18,690,000 capital project consisting of renovations to various School District buildings and facilities, of which $16,690,000 may be financed with proceeds of obligations issued by the school district and up to $2,000,000 may be funded by appropriations from capital reserves. The District issued $13,190,000 Serial Bonds on June 11, 2020. The Bonds allowed for the redemption of the outstanding $11,500,000 Bond Anticipation Notes that matured on June 18, 2020, and issued $3,690,000 of new monies for this Authorization. There is $1,500,000 of the Authorization that remains authorized and unissued. The District has no plans to spend these funds at this time.

On December 13, 2022, the voters approved a $18,045,000 capital project consisting of renovations to various School District buildings and facilities, of which $15,045,000 may be financed with proceeds of obligations issued by the District and up to $3,000,000 may be funded by appropriations from capital reserves. The District issued $6,650,000 Bond Anticipation Notes on November 19, 2024. The proceeds of these Notes, together with $165,000 available funds, will renew and redeem the $6,650,000 Notes and will provide $8,305,000 in new monies 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 84.7%.

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 May 30, 2025

Town	Taxable Assessed Valuation	State Equalization Rate	Taxable Full Valuation
Kirkland	$ 318,763,289	39.50%	$ 806,995,668
Westmoreland	16,187,160	38.00%	42,597,789
Marshall	10,282,108	38.00%	27,058,179
Vernon	1,834,589	47.20%	3,886,841
Paris	908,448	59.00%	1,539,742
New Hartford	52,141,200	53.00%	98,379,623
Whitestown	883,497	42.00%	2,103,564
			$ 982,561,407
Debt Limit: 10% of Full Valuation			$ 98,256,141
Inclusions:			
Serial Bonds			$ 12,705,000
Bond Anticipation Notes			6,650,000
Total Inclusions:			$ 19,355,000
Exclusions:			
Building Aid Estimate [1]			$0
Total Exclusions:			$0
Total Net Indebtedness Before Giving Effect to This Issue:			19,355,000
New Money			8,305,000
Total Net Indebtedness After Giving Effect to This Issue:			$ 27,660,000
Net Debt Contracting Margin			$ 70,596,141
Percentage of Debt-Contracting Power Exhausted			28.15%

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

Overlapping Unit	Applicable Equalized Value	Percent	Gross Indebtedness [1]	Exclusions	Net Indebtedness	Estimated Applicable Overlapping Indebtedness
Oneida	$ 982,561,407					
County	$ 14,482,609,789	6.78%	$ 503,163,433	N/A	$ 503,163,433	$ 34,136,732
Town of	$ 806,995,668					
Kirkland	$ 806,995,668	100.00%	4,851,979	N/A	4,851,979	4,851,979
Town of	$ 42,597,789				-	
Westmoreland	$ 518,298,502	8.22%	865,000	N/A	865,000	71,092
Town of	$ 27,058,179					
Marshall	$ 159,617,984	16.95%	-	N/A	-	-
Town of	$ 3,886,841					
Vernon	$ 646,852,610	0.60%	-	N/A	-	-
Town of	$ 1,539,742				-	
Paris	$ 335,313,160	0.46%	1,515,000	N/A	1,515,000	6,957
Town of	$ 98,379,623					
New Hartford	$ 2,088,615,273	4.71%	-	N/A	-	-
Town of	$ 2,103,564					
Whitestown	$ 1,294,472,172	0.16%	-	N/A	-	-
Village of	$ 130,863,469					
Clinton	$ 130,863,469	100.00%	4,453,183	N/A	4,453,183	4,453,183
Total						$ 43,519,943

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 sale.

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 May 30, 2025:

		Amount	Per Capita [a]	Percentage of Full Value [b]
Net Indebtedness	$	27,660,000	$ 2,399.79	2.815%
Net Indebtedness Plus Net Overlapping Indebtedness	$	71,179,943	$ 6,175.60	7.244%

(a) The District's estimated population is 11,526. (Source: 2023 U.S. Census Bureau estimate)

(b) The District's full valuation of taxable real estate for 2024-25 is $982,561,407.

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

SPECIAL PROVISIONS AFFECTING REMEDIES UPON DEFAULT

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

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

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

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

Execution/Attachment of Municipal Property. As a general rule, property and funds of a municipal corporation serving the public welfare and interest have not been judicially subjected to execution or attachment to satisfy a judgement, although judicial mandates have been issued to officials to appropriate and pay judgements our of certain funds or the District may not be enforced to levy and execution against property owned by the School District.

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

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

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

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

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

MARKET AND RISK FACTORS

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

The District relies in part on State aid to fund its operations. There can be no assurance that the State appropriations for State aid to school districts will be continued in futures years, either pursuant to existing formulas or in any form whatsoever. State aid appropriated and apportioned to the District can be paid only if the State has such monies available therefore. The availability of such monies and the timelines of such payments may also be affected by a delay in the adoption of the State budget and other circumstances, including state fiscal stress. In any event, State aid appropriated and apportioned to the District can be paid only if the State has such monies available therefore.

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 reduction in State aid, the District is authorized by the Local Finance Law to provide operating funds by borrowing on account of the uncollected State aid.

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

Current and future legislative proposals, if enacted into law, or clarification of the Code or court decisions may cause interest on the Bonds 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 Bonds 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 Bonds, or tax status of interest on the Notes.

Cyber Security

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

TAX EXEMPTION

The delivery of the Notes is subject to the opinion of Bond Counsel to the effect that, assuming continuing compliance by the District with its covenants relating to certain requirements contained in the Internal Revenue Code of 1986, as amended (the "Code"), interest on the Notes for federal income tax purposes (1) will be excludable from gross income, as defined in Section 61 of the Code, pursuant to Section 103 of the Code and existing regulations, published rulings, and court decisions, and (2) and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals; however, interest on the Notes that is included in the adjusted financial statement income of certain corporations is not excluded from the corporate alternative minimum tax imposed under the Code. The statutes, regulations, rulings, and court decisions on which such opinion is based are subject to change.

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

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

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

Except as described above, Bond Counsel expresses no opinion with respect to any federal, state, or local tax consequences under present law, or proposed legislation, resulting from the receipt or accrual of interest on, or the acquisition or disposition of, the Notes. Prospective purchasers of the Notes should be aware that the ownership of tax-exempt obligations such as the Notes may result in collateral federal tax consequences to, among others, financial institutions, life insurance companies, property and casualty insurance companies, certain foreign corporations doing business in the United States, S corporations with subchapter C earnings and profits, individual recipients of Social Security or Railroad Retirement benefits, individuals otherwise qualifying for the earned income tax credit, owners of an interest in a FASIT, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry, or who have paid or incurred certain expenses allocable to, tax-exempt obligations. Prospective purchasers should consult their own tax advisors as to the applicability of these consequences to their particular circumstances.

Existing law may change to reduce or eliminate the benefit to bondholders of the exclusion of interest on the Bonds from gross income for federal income tax purposes. Any proposed legislation or administrative action, whether or not taken, could also affect the value and marketability of the Bonds. Prospective purchasers of the Bonds should consult with their own tax advisors with respect to any proposed or future changes in tax law.

APPROVAL OF LEGAL PROCEEDINGS

The validity of the Notes will be covered by the unqualified legal opinion of Bond, Schoeneck & King, PLLC, Bond Counsel to the School District, such opinion to be delivered with the Notes.

Bond Counsel has not been engaged or undertaken to review the accuracy, completeness or sufficiency of the Official Statement (except to the extent, if any, stated in the Official Statement) or any other offering material relating to the Bonds, and Bond Counsel expresses no opinion relating thereto (except as may otherwise be stated in Bond Counsel's legal opinion.

CONTINUING DISCLOSURE COMPLIANCE

In accordance with the provisions of Rule 15c2-12, as the same may be amended or officially interpreted from time to time (the "Rule"), promulgated by the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, the School District will enter into an Undertaking to provide Material Event Notices, the description of which is attached hereto as "Appendix C".

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

LITIGATION

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

BOND RATING

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

The most recent underlying rating assigned to the School District by Standard & Poor's Rating Service, a division of the McGraw-Hill Companies, Inc., is an A+ rating with a stable outlook, which was assigned in connection with the issuance by the School District of $13,190,000 School District (Serial) Bonds dated June 11, 2020.

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

MUNICIPAL ADVISOR

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

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

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

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

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

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

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

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

The School District's contact information is as follows: Ethan Martin, School Business Administrator, phone: (315) 557-2286; email: emartin@ccs.edu.

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.

Clinton Central School District

Dated: June 2, 2025
Clinton, New York

Melinda Leising
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:	2020	2021		2022		2023	2024	Budget 2025	
Beginning Fund Balance - July 1	$9,283,698	$10,223,116	E	$11,951,817		$13,686,981	$12,444,584	$13,615,503	E
Revenues:									
Real Property Taxes	$13,598,845	$14,159,747		$14,087,102		$14,820,953	$15,262,682	$17,054,198	
Other Tax Items	2,108,704	2,033,474		1,962,322		1,574,714	1,496,400	64,338	
Charges for Services	8,814	4,675		13,509		16,068	9,283	2,500	
Use of Money & Property	222,942	79,666		78,690		404,474	937,425	445,583	
Sale of Property/Comp. for Loss	33,223	28,950		27,264		24,550	86,524	0	
Miscellaneous	979,264	930,645		1,166,456		1,312,367	1,017,346	649,779	
State Aid	11,603,396	11,655,832		12,361,531		12,361,881	12,577,627	13,395,825	
Federal Aid	20,665	220,385		64,197		319,675	17,084	15,000	
Interfund Transfer	22,493	20,000		20,000		20,000	20,000	128,000	
Total Revenues	$28,598,346	$29,133,374		$29,781,071		$30,854,682	$31,424,371	$31,755,223	
Expenditures:									
General Support	$2,385,919	$2,732,311		$2,708,629		$2,897,796	$3,068,900	$3,025,418	
Instruction	14,427,476	14,416,548		14,676,160		15,105,644	15,664,225	16,165,411	
Transportation	960,621	1,131,889		1,221,887		1,356,426	1,498,887	1,312,980	
Employee Benefits	6,384,185	6,605,764		6,834,293		7,037,808	7,553,317	8,719,940	
Debt Service	1,472,750	2,501,673		2,426,549		2,434,317	2,437,036	2,496,474	
Interfund Transfer	2,027,977	24,726		178,389		3,265,088	31,087	35,000	
Total Expenditures	$27,658,928	$27,412,911		$28,045,907		$32,097,079	$30,253,452	$31,755,223	
Adjustments	0	8,238		0		0	0	0	
Year End Fund Balance	$10,223,116	$11,951,817	E	$13,686,981	E	$12,444,584	$13,615,503	$13,615,503	E
Excess (Deficit) Revenues Over Expenditures	$939,418	$1,720,463	1	$1,735,164	1	($1,242,397)	$1,170,919	$0	1

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

Note:

1. Appropriated Fund Balance planned to be used.

E. Estimated

General Fund – Budget Summary

	2025-26 Adopted Budget
Revenues:	
Real Property Taxes & STAR	$17,502,327
Other Tax Items	47,865
Charges for Services	2,500
Use of Money & Property	600,000
Sale of Property	0
Miscellaneous	657,475
State Aid	14,106,645
Federal Aid	15,000
Interfund Transfers	20,000
Appropriated Fund Balance	920,000
Total Revenues	$33,871,812
Expenditures:	
General Support	$3,182,960
Instruction	16,320,320
Transportation	1,646,924
Employee Benefits	9,471,598
Debt Service	3,215,010
Interfund Transfers	35,000
Total Expenditures	$33,871,812

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

General Fund – Comparative Balance Sheet

Fiscal Year Ending June 30:	2020	2021	2022	2023	2024
Assets:					
Unrestricted Cash	$1,980,821	$1,364,455	$2,175,898	$1,322,399	$2,138,256
Restricted Cash	8,314,965	10,194,896	11,507,998	10,447,063	11,624,909
Other Receivables	13,276	6,720	5,105	6,596	13,305
Due from Other Funds	876,636	702,332	544,456	1,011,945	563,373
Leases Receivable	0	0	99,575	51,262	
Due from Other Governments	989,158	2,361,006	1,044,359	1,223,918	1,021,205
Total Assets	$12,174,856	$14,629,409	$15,377,391	$14,063,183	$15,361,048
Liabilities:					
Accounts Payable	$111,203	$876,551	$238,784	$225,031	$382,347
Accrued Liabilities	63,881	112,001	242,998	65,346	134,273
Accrued Interest	0	0	0	0	0
Notes Payable:					
Revenue Anticipation Notes	0	0	0	0	0
Due to Other Funds	57,998	58,295	0	48,897	40,371
Due to Other Governments	576,725	576,735	0		75
Due to State Teachers Retirement System	887,001	973,958	1,058,671	1,155,312	1,104,903
Due to Employees' Retirement System	57,100	61,676	43,252	53,886	66,076
Unearned Revenues	197832	26614	15450	24500	17500
Total Liabilities:	$1,951,740	$2,685,830	$1,599,155	$1,572,972	$1,745,545
Deferred Inflows of Resources - Leases	$0	$0	$91,255	$45,627	
Fund Balances:					
Restricted	8,314,965	10,194,896	11,507,998	10,447,063	11,624,909
Assigned:					
Encumbrances	196,733	0	0	0	0
Appropriated Fund Balance	550,000	582,801	967,260	739,076	739,786
Unassigned					
Unappropriated Fund Balance	1,161,418	1,165,882	1,211,723	1,258,445	1,250,808
Total Fund Balance	$10,223,116	$11,943,579	$13,686,981	$12,444,584	$13,615,503
Total Liabilities and Fund Balance	$12,174,856	$14,629,409	$15,377,391	$14,063,183	$15,361,048

Source: Audited Annual Financial Reports and Annual Budget. 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.

CLINTON CENTRAL
SCHOOL DISTRICT

MANAGEMENT'S
DISCUSSION AND
ANALYSIS

AND

BASIC FINANCIAL
STATEMENTS

For the Year Ended
June 30, 2024

CLINTON CENTRAL SCHOOL DISTRICT
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D'Arcangelo & Co., LLP
Certified Public Accountants & Consultants
200 East Garden Street, P.O. Box 4300, Rome, N.Y. 13442-4300
315-336-9220 Fax: 315-336-0836

Independent Auditor's Report

Board of Education
Clinton Central School District

Opinions

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Clinton Central School District, as of June 30, 2024, and the respective changes in financial position, for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

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 Clinton Central School District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Clinton Central School District's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Clinton Central School District's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

Supplementary and Other Information

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 24, 2024, on our consideration of the Clinton Central School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Clinton Central School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Clinton Central School District's internal control over financial reporting and compliance.

D'Arcangelo + Co., LLP

September 24, 2024

Rome, New York

The Clinton Central School District's discussion and analysis of financial performance provides an overall review of the District's financial activities for the fiscal years ended June 30, 2024 and 2023. The intent of this discussion and analysis is to look at the District's financial performance as a whole. This should be read in conjunction with the financial statements, which immediately follow this section.

1. FINANCIAL HIGHLIGHTS

Key financial highlights for fiscal year 2024, are as follows:

- The District's total liabilities and deferred inflows exceeded its assets and deferred outflows at the close of the fiscal year by $24,716,762 (total Net Position (Deficit)). This represents an increase of $5,101,083 from the prior year's Net Position.

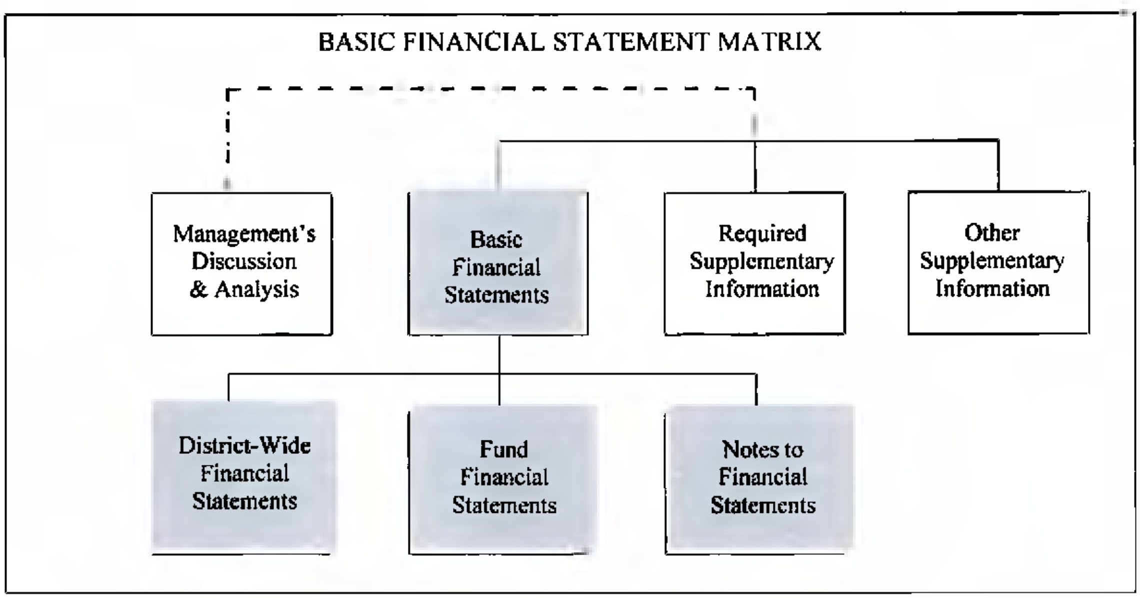
- The District's expenses for the year, as reflected in the District-wide financial statements, totaled $27,888,385. Of this amount, $9,283 was offset by program charges for services, and $1,304,361 was offset by operating grants, respectively. General revenues of $31,675,824 amount to 96.0% of total revenues.

- The General Fund's total fund balance, as reflected in the fund financial statements on pages 15 and 17, increased by $1,170,919 to $13,615,503. This was due to an excess of revenues over expenditures based on the modified accrual basis of accounting.

- State and federal revenue decreased by $86,845 to $12,594,711 in 2024 from $12,681,556 in 2023. The decrease was primarily due to increases in the District's basic state aid.

2. OVERVIEW OF THE FINANCIAL STATEMENTS

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



District-wide Financial Statements

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

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

The Statement of Net Position

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

The Statement of Activities

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

A. Fund Financial Statements

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

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

Governmental Funds

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

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

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

Fiduciary Funds

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

3. FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

A. Net Position

The District's total net position increased $5,101,083 between fiscal year 2024 and 2023. A summary of the District's Statement of Net Position for June 30, 2024 and 2023, is as follows:

	2024	2023	Increase (Decrease)	Percentage Change
Current and Other Assets	$ 18,263,800	$ 17,810,844	$ 452,956	2.5%
Leased and Subscription Assets, Net	316,697	552,717	(236,020)	(42.7%)
Capital Assets, Net	47,684,721	48,189,038	(504,317)	(1.0%)
Total Assets	66,265,218	66,552,599	(287,381)	(0.4%)
Deferred Outflows of Resources	9,375,618	8,421,938	953,680	11.3%
Current and Other Liabilities	1,789,982	1,562,014	227,968	14.6%
Net Pension Liability - Proportionate Share	1,346,207	2,167,953	(821,746)	(37.9%)
Non-Current Liabilities	75,005,908	73,519,634	1,486,274	2.0%
Total Liabilities	78,142,097	77,249,601	892,496	1.2%
Deferred Inflows of Resources	22,215,501	27,542,781	(5,327,280)	(19.3%)
Net Position				
Net Investment in Capital Assets	35,956,181	35,781,853	174,328	0.5%
Restricted	14,352,917	14,140,627	212,290	1.5%
Unrestricted (Deficit)	(75,025,860)	(79,740,325)	4,714,465	5.9%
Total Net Position (Deficit)	$ (24,716,762)	$ (29,817,845)	$ 5,101,083	17.1%

Current and other assets increased by $452,956, as compared to the prior year. The increase is primarily due to increases in cash offset by decreases in amounts due to other governments.

Leased and subscription assets decreased by $236,020, as compared to the prior year. The decrease is primarily due to amortization exceeding additions in the current year. Notes 7 and 8 to the Financial Statements provides additional information.

Capital assets decreased by $504,317, as compared to the prior year. This decrease is primarily due to depreciation expense exceeding capital outlays in the current year. Note 8 to the Financial Statements provides additional information.

Deferred outflows of resources, provided by the retirement systems and OPEB, increased by $953,680, as compared to the prior year based on changes included in the actuary reports.

Current and other liabilities increased by $227,968, as compared to the prior year primarily due to increases in accounts payable and accrued liabilities at year end due to the timing of payments.

The District's net pension liability – proportionate share decreased by $821,746 as compared to the prior year, as reported to the District by the NYS Employees' and Teachers' Retirement Systems.

Non-Current liabilities increased by $1,486,274, as compared to the prior year. This is primarily the result of the net increase in the liability for other postemployment benefits in the amount of $3,469,659, offset by the principal payments on the serial bonds payable and energy performance contract obligation totaling $1,898,921.

Deferred inflows of resources relating to pensions and OPEB decreased by $5,327,280, as compared to the prior year. The decrease is primarily due to the decreases in the deferred inflows of resources relating to OPEB of $5,404,736, as a result of changes in actuarial assumptions used.

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

The restricted portion of the net position at June 30, 2024 was $14,352,917 which represents the amount of the District's restricted funds in the General, Miscellaneous Special Revenue, Capital, and Debt Service Funds. See the chart on page 9 for additional details.

The unrestricted (deficit) portion of the net position at June 30, 2024, was $75,025,860, and represents the amount by which the District's total liabilities and deferred inflows of resources exceeded assets and deferred outflows of resources, excluding restricted assets, capital assets, right to use leased assets, and debt related to capital construction. This deficit is primarily a result of the requirement to accrue other postemployment benefits. The accumulated accrued liability for the obligation was $60,869,732 at June 30, 2024.

B. Changes in Net Position

The results of this year's operations as a whole are reported in the Statement of Activities in a programmatic format in the accompanying financial statements. A summary of this statement for the years ended June 30, 2024 and 2023 is as follows:

Revenues	2024	2023	Increase (Decrease)	Percentage Change
Program Revenues				
Charges for Services	$ 9,283	$ 16,068	$ (6,785)	(42.2%)
Operating Grants	1,304,361	1,903,418	(599,057)	(31.5%)
General Revenues				
Property Taxes and STAR	16,759,082	16,395,667	363,415	2.2%
State and Federal Sources	12,594,711	12,681,556	(86,845)	(0.7%)
Other	2,322,031	1,829,556	492,475	26.9%
Total Revenues	32,989,468	32,826,265	163,203	0.5%
Expenses				
General Support	3,201,067	3,234,412	(33,345)	(1.0%)
Instruction	22,869,416	20,362,242	2,507,174	12.3%
Pupil Transportation	1,393,021	1,228,349	164,672	13.4%
Debt Service-Unallocated Interest	356,363	393,498	(37,135)	(9.4%)
Food Service Program	68,518	70,757	(2,239)	(3.2%)
Total Expenses	27,888,385	25,289,258	2,599,127	10.3%
Total Change in Net Position	$ 5,101,083	$ 7,537,007	$ (2,435,924)	

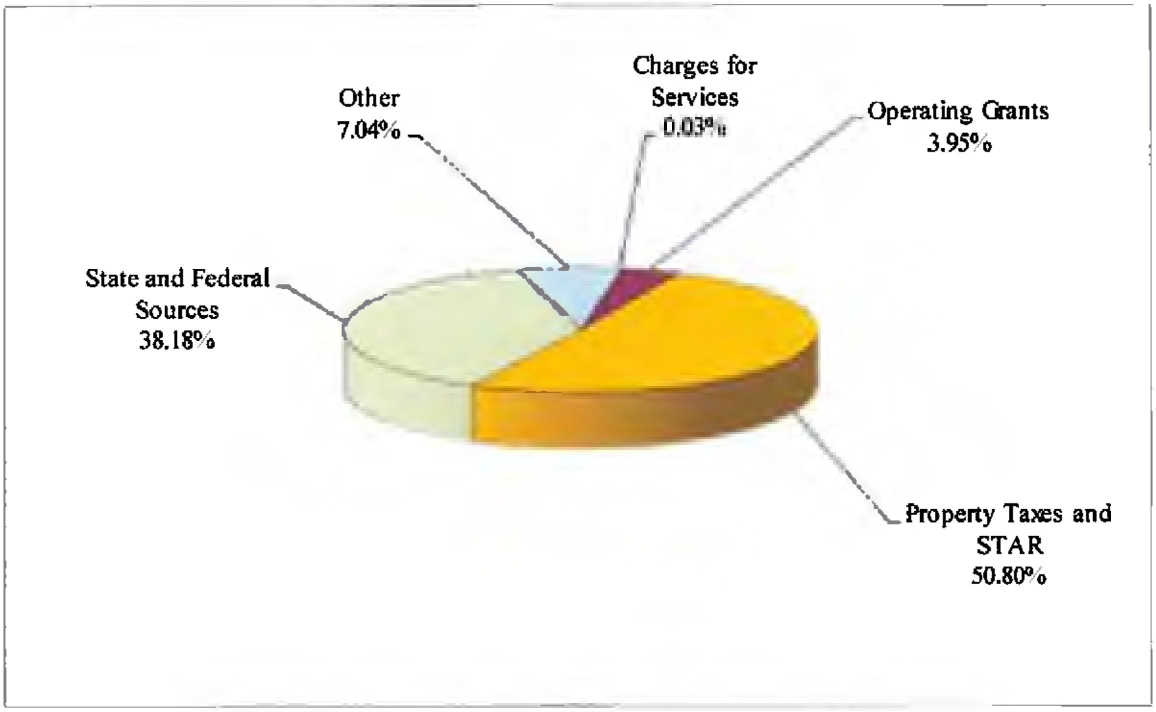
The District's revenues increased by $163,203 in 2024, or 0.5%. The major factors that contributed to the increase were as follows:

- The 2023-2024 tax levy increased by 2.2%, resulting in a $363,415 increase in property taxes and STAR.
- Other revenues increased by $492,475, primarily due increases in interest and earnings over the prior year due to higher interest rates during 2023-2024.
- Operating grants decreased by $599,057, primarily due to decreases in the COVID-19 stimulus funding in the current year.

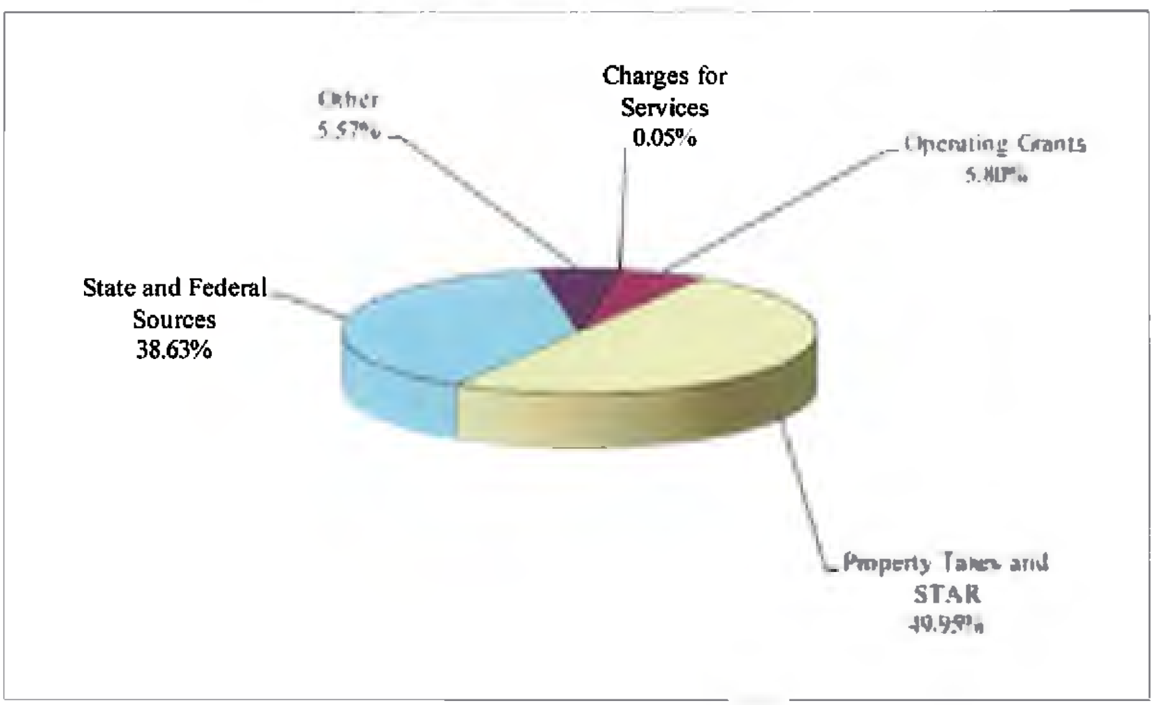
The District's expenses for the year increased by $2,599,127, or 10.3%. This increase reflects the increase in employee benefits expense caused by the recording the increase in the District's OPEB liability.

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

For the Year Ended June 30, 2024

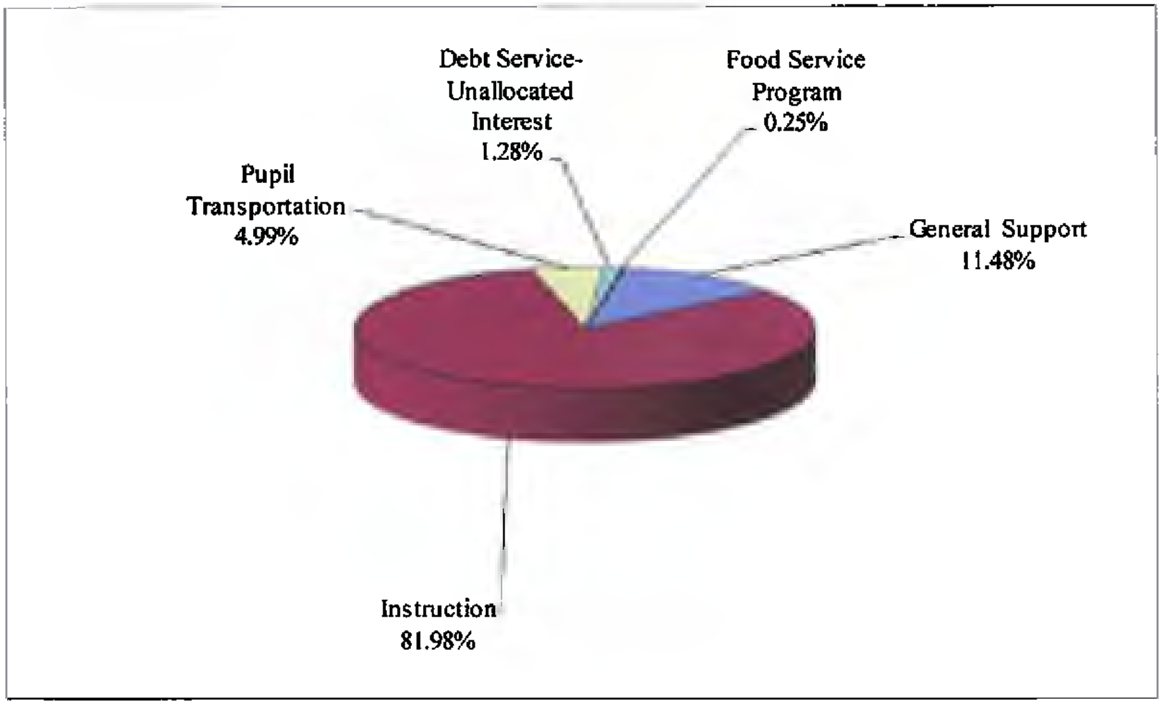


For the Year Ended June 30, 2023

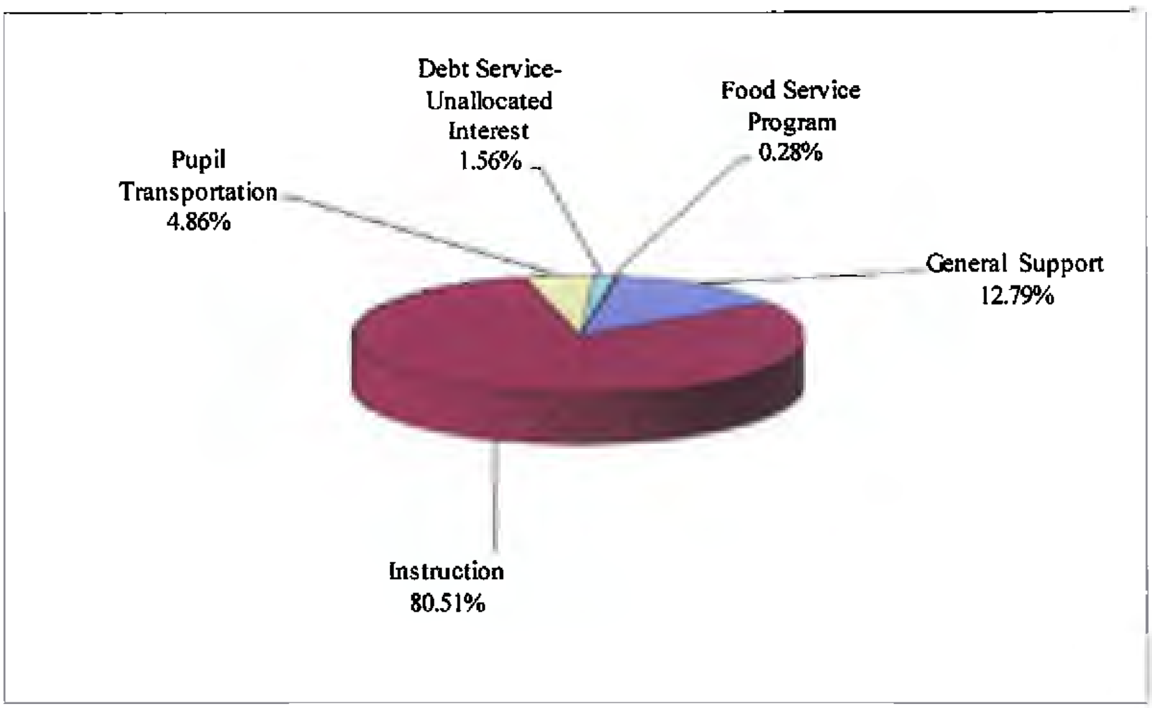


A graphic display of the distribution of expenses for the two years follows:

For the Year Ended June 30, 2024



For the Year Ended June 30, 2023



4. FINANCIAL ANALYSIS OF THE DISTRICT'S FUND BALANCES

At June 30, 2024, the District's governmental funds reported a combined fund balance of $16,505,330 which is an increase of $288,928 from the prior year. This increase is due to an excess of revenues over expenditures for the year. A summary of the change in fund balance by fund is as follows:

	2024	2023	Increase (Decrease)
General Fund			
Restricted			
Unemployment Insurance Reserve	$ 55,694	$ 53,048	$ 2,646
Retirement Contribution			
Employee Retirement System	1,286,492	1,225,377	61,115
Teacher's Retirement System	1,058,779	1,027,460	31,319
Capital	8,985,191	7,625,357	1,359,834
Tax Certiorari Reserve		240,178	(240,178)
Employee Benefit Accrued Liability	238,753	275,643	(36,890)
Total Restricted	11,624,909	10,447,063	1,177,846
Assigned			
General Support	59,696	114,872	(55,176)
Instruction	30,005	74,204	(44,199)
Pupil Transportation	85		85
Appropriated for Subsequent Year's Budget	650,000	550,000	100,000
Total Assigned	739,786	739,076	710
Unassigned	1,250,808	1,258,445	(7,637)
Total General Fund	13,615,503	12,444,584	1,170,919
School Lunch Fund			
Assigned	161,819	78,254	83,565
Total School Lunch Fund	161,819	78,254	83,565
Miscellaneous Special Revenue Fund			
Restricted	148,833	140,891	7,942
Total Miscellaneous Special Revenue	148,833	140,891	7,942
Debt Service Fund			
Restricted	689,214	583,848	105,366
Total Debt Service Fund	689,214	583,848	105,366
Capital Projects Fund			
Restricted	1,889,961	2,968,825	(1,078,864)
Total Capital Projects Fund	1,889,961	2,968,825	(1,078,864)
Total Fund Balance - All Funds	$ 16,505,330	$ 16,216,402	$ 288,928

GENERAL FUND BUDGETARY HIGHLIGHTS

A. 2023-2024 Budget

The District's General Fund adopted budget for the year ended June 30, 2024, was $30,777,153. This is an increase of $976,203 from the prior year's adopted budget.

The budget was funded through a combination of revenues and assigned fund balance. The majority of this funding source was $16,747,939 in estimated property taxes and STAR, and State Aid in the amount of $12,439,780.

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

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

Opening, Unassigned Fund Balance	$ 1,258,445
Appropriated Reserves	(250,000)
Revenues over Budget	1,253,896
Expenditures and Encumbrances under Budget	816,313
Net Increase to Restricted Funds	(1,177,846)
Appropriated for June 30, 2025 Budget	(650,000)
Closing, Unassigned Fund Balance	$ 1,250,808

Opening, Unassigned Fund Balance

The $1,258,445 shown in the table is the portion of the District's June 30, 2023, fund balance that was retained as unassigned. This was approximately 4.09% of the District's 2023-2024 approved operating budget.

Appropriated Reserves

During 2023-2024, the School District appropriated $250,000 of reserves to use towards the budget.

Revenues Over Budget

The 2023-2024 final budget for revenues and transfers was $30,170,475. The actual revenues and transfers received for the year were $31,424,371. The actual revenue over estimated or budgeted revenue was $1,253,896. This variance contributes directly to the change to the unassigned portion of the General Fund, fund balance from June 30, 2023 to June 30, 2024.

Expenditures and Encumbrances Under Budget

The 2023-2024 amended budget for expenditures and other uses was $31,159,551. The actual expenditures and other uses, and encumbrances were $30,343,238. The final budget was under expended by $816,313, after encumbrances. This under expenditure contributes to the change to the unassigned portion of the General Fund, fund balance from June 30, 2023 to June 30, 2024.

Net Increase to Restricted Funds

During 2023-2024, the School District increased its General Fund reserves by $1,177,846. This increase was due to an increase in the Unemployment Insurance Reserve of $2,646, Reserve for Retirement Contributions – ERS of $61,115, Reserve for Retirement Contributions – TRS of $31,319, and an increase in the Capital reserve of $1,359,834. In addition, the District decreased its Employee Benefit Accrued Liability Reserve by $36,890, and dissolved it's Reserve for Tax Certiorari in the current year causing a decrease of $240,178.

Appropriated Fund Balance

The District has chosen to use $650,000 of its available June 30, 2024 fund balance to partially fund its 2024-2025 approved operating budget.

Closing, Unassigned Fund Balance

Based upon the summary changes shown in the above table, the District will begin the 2024-2025 fiscal year with an unassigned fund balance of $1,250,808 in the General Fund. This is an increase of $7,637 from the unassigned balance from the prior year. This was 4.02% of the District's 2024-2025 approved operating budget.

5. CAPITAL AND RIGHT TO USE ASSETS AND DEBT ADMINISTRATION

A. Capital and Right to Use Assets

At June 30, 2024, the District had invested in a broad range of capital assets, including land, construction in progress, buildings and improvements and equipment. The net decrease in capital assets is due to depreciation expense exceeding capital additions for the year ended June 30, 2024. A summary of the District's capital assets, net of accumulated depreciation at June 30, 2024 and 2023, is as follows:

	2024	2023	Increase (Decrease)
Land	$ 114,500	$ 114,500	$
Construction in Progress	1,110,039	238,941	871,098
Buildings and Improvements	44,043,845	45,270,367	(1,226,522)
Furniture, Equipment, and Vehicles	2,416,337	2,565,230	(148,893)
Capital Assets, Net	$ 47,684,721	$ 48,189,038	$ (504,317)

At June 30, 2024, the District had intangible right to use leased assets, net of accumulated amortization, as follows:

	2024	2023	Increase (Decrease)
Leased Equipment, Net	$ 259,982	$ 467,908	$ (207,926)

B. Debt Administration

At June 30, 2024, the District had total bonds payable of $12,705,000 and an Energy Performance Contract of $829,821. A summary of the outstanding debt at June 30, 2024 and 2023, is as follows:

Issue Date	Interest Rate	2024	2023	Increase (Decrease)
Serial Bonds				
2010	3.25% - 4.20%	$ 190,000	$ 375,000	$ (185,000)
2015	2.00% - 3.00%	3,285,000	3,780,000	(495,000)
2020	2.00%	9,230,000	10,200,000	(970,000)
		$ 12,705,000	$ 14,355,000	$ (1,650,000)
Energy Performance Contract				
2011	0.88%	$ 829,821	$ 1,078,742	$ (248,921)

6. ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

In the 2024-2025 budget year, the District delivered a budget focused on enhancing our educational programming for our students. Despite a decrease in foundation aid of -0.5% and the end of Covid-19 relief funds, the district balanced the budget through right sizing efforts and efficiencies that include decreased expenditures within elementary teacher salaries through attrition, student tuition, insurance, and miscellaneous supplies. Overall the 2024 – 2025 budget increased spending from the prior year by $978,071 or 3.18%.

For the past ten years, the New York State Tax Cap has determined, to a large degree, the amount of revenue that can be requested from taxpayers. It is a complex, eight step calculation process based on several local economic factors including the local Consumer Price Index and a tax base growth factor. For 2024 – 2025 Clinton's calculated tax levy was $17,054,198 which was an increase of $368,921 or 2.21% compared to prior year. The tax levy calculation met the requirements of the tax levy cap law and required a "simple majority" of voters to approve.

On May 14, 2024, the Clinton Central School District Board of Education adopted a proposed 2024 – 2025 school budget of $31,755,223. On May 21, 2024 the voters approved the budget by a margin of 387 (yes) – 57 (no).

During the fiscal year the Board of Education revised their long-range financial plan and reserve plan. At the end of the fiscal year the District was able to increase the Teachers Retirement Contribution and the 2019 Capital Reserve.

The $18,045,000 capital project approved in 2022 is underway and focusing on addressing roof repair, elementary cafeteria reconstruction, library upgrades, installation of a multipurpose turf field, and infrastructure upgrades. This project will have no additional impact on local taxes due to estimated 83.6% state building aid, utilization of $3,000,000 from a capital reserve fund and the retiring of an existing debt service payment. It is anticipated that the capital project will be completed by December 31, 2025.

7. CONTACTING THE DISTRICT

This financial report is designed to provide the School District's citizens, taxpayers, customers, investors, and creditors with a general overview of the School District's finances and to demonstrate the School District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Business Office, at Clinton Central School District, 75 Chenango Ave., Clinton, NY 13323.

CLINTON CENTRAL SCHOOL DISTRICT
STATEMENT OF NET POSITION
June 30, 2024

Assets	
Cash and Cash Equivalents	$ 2,172,327
Restricted Cash and Cash Equivalents	14,381,363
Investments - Restricted	22,733
Receivables	
Other Governments	1,560,559
Other Receivables	126,818
Right to Use Leased Assets, Net of Amortization	259,982
Software Subscription Assets, Net of Amortization	56,715
Capital Assets (Net of Accumulated Depreciation)	47,684,721
Total Assets	66,265,218
Deferred Outflows of Resources	
Pensions	5,020,140
Other Postemployment Benefits	4,355,478
Total Deferred Outflows of Resources	9,375,618
Total Assets and Deferred Outflows of Resources	$ 75,640,836
Liabilities	
Accounts Payable	$ 435,143
Accrued Liabilities	146,435
Retained Percentages Payable	19,850
Due To	
Other Governments	75
Teachers' Retirement System	1,104,903
Employees' Retirement System	66,076
Unearned Revenue	17,500
Net Pension Liability - Proportionate Share	1,346,207
Noncurrent Liabilities	
Due Within One Year	
Bonds Payable	1,525,000
Bond Premium	12,820
Energy Performance Contract	262,290
Lease Liability	107,265
Due in More Than One Year	
Bonds Payable	11,180,000
Bond Premium	128,200
Energy Performance Contract	567,531
Lease Liability	95,377
Other Postemployment Benefits	60,869,732
Compensated Absences	257,693
Total Liabilities	78,142,097
Deferred Inflows of Resources	
Leases	
Pensions	766,497
Other Postemployment Benefits	21,449,004
Total Deferred Inflows of Resources	22,215,501
Total Liabilities and Deferred Inflows of Resources	100,357,598
Net Position	
Net Investment in Capital Assets	35,956,181
Restricted	14,352,917
Unrestricted (Deficit)	(75,025,860)
Total Net Position (Deficit)	(24,716,762)
Total Liabilities, Deferred Inflows of Resources and Net Position	$ 75,640,836

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

CLINTON CENTRAL SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2024

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Net (Expense) Revenue and Changes in Net Position
General Support	$ 3,201,067	$	$	$ (3,201,067)
Instruction	22,869,416	9,283	1,265,791	(21,594,342)
Pupil Transportation	1,393,021			(1,393,021)
Debt Service - Unallocated Interest	356,363			(356,363)
Food Service	68,518		38,570	(29,948)
Total Functions/Programs	$ 27,888,385	$ 9,283	$ 1,304,361	(26,574,741)
General Revenues				
Real Property Taxes				15,262,682
STAR and Other Real Property Tax Items				1,496,400
Use of Money and Property				1,073,766
Sales of Property and Compensation for Loss				86,524
State and Federal Sources				12,594,711
Miscellaneous				1,161,741
Total General Revenues				31,675,824
Change in Net Position				5,101,083
Net Position (Deficit), Beginning of Year				(29,817,845)
Net Position (Deficit), End of Year				$ (24,716,762)

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

CLINTON CENTRAL SCHOOL DISTRICT
BALANCE SHEET - GOVERNMENTAL FUNDS
June 30, 2024

		Special Revenue					
	General	School Lunch	Special Aid	Miscellaneous	Debt Service	Capital	Total
Assets							
Cash and Cash Equivalents	$ 2,138,256	$ 7,935	$ 26,136	$	$	$	$ 2,172,327
Restricted Cash and Cash Equivalents	11,624,909			126,550	563,959	2,065,945	14,381,363
Investments - Restricted				22,733			22,733
Receivables							
Other Governments	1,021,205		539,354				1,560,559
Due from Other Funds	563,373	40,371			125,255		728,999
Other Receivables	13,305	113,513					126,818
Total Assets	$ 15,361,048	$ 161,819	$ 565,490	$ 149,283	$ 689,214	$ 2,065,945	$ 18,992,799
Liabilities							
Payables							
Accounts Payable	$ 382,347	$	$ 1,617	$ 450	$	$ 50,729	$ 435,143
Accrued Liabilities	134,273		500				134,773
Due To							
Other Governments	75						75
Other Funds	40,371		563,373			125,255	728,999
Teachers' Retirement System	1,104,903						1,104,903
Employees' Retirement System	66,076						66,076
Unearned Revenue	17,500						17,500
Total Liabilities	1,745,545		565,490	450		175,984	2,487,469
Fund Balance							
Restricted	11,624,909			148,833	689,214	1,889,961	14,352,917
Assigned	739,786	161,819					901,605
Unassigned	1,250,808						1,250,808
Total Fund Balance	13,615,503	161,819		148,833	689,214	1,889,961	16,505,330
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	$ 15,361,048	$ 161,819	$ 565,490	$ 149,283	$ 689,214	$ 2,065,945	$ 18,992,799

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

CLINTON CENTRAL SCHOOL DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUND BALANCES
TO THE STATEMENT OF NET POSITION
June 30, 2024

Total Governmental Fund Balances	$ 16,505,330
Amounts reported for governmental activities in the Statement of Net Position are different because:	
The cost of building and acquiring capital assets (land, buildings, equipment) and information technolgy subscription-based software financed from the governmental funds are reported as expenditures in the year they are incurred, and the assets do not appear on the balance sheet. However, the Statement of Net Position includes those capital and right to use assets among the assets of the School District as a whole, and their original costs are expensed annually over their useful lives.	
Original Cost of Right to Use Assets	1,395,863
Accumulated Amortization	(1,135,881)
Original Cost of Software Subscription Assets	159,629
Accumulated Amortization	(102,914)
Original Cost of Capital Assets	72,079,706
Accumulated Depreciation	(24,394,985)
	48,001,418
The District's proportion of the collective net pension liability is reported as a liability on the Statement of Net Position, but is not reported on the fund statements as the amount is not available for use in the current period. The difference between the District's contributions and its proportionate share of the net pension liability is recorded on the District-wide Statement of Net Position as a deferred outflow.	
Deferred Outflows - Pensions	5,020,140
Net Pension Liability - Proportionate Share	(1,346,207)
Deferred Inflows - Pensions	(766,497)
	2,907,436
Long-term liabilities, including bonds payable and the related deferred outflows and inflows, are not due and payable in the current period and, therefore, are not reported as liabilities in the funds. Long-term liabilities at year end consist of:	
Retainage Payable	(19,850)
Bonds Payable	(12,705,000)
Energy Performance Contract	(829,821)
Bond Premium	(141,020)
Accrued Interest Payable	(11,662)
Lease Liability	(202,642)
Other Postemployment Benefits	(60,869,732)
Deferred Inflows - Other Post Employment Benefits	(21,449,004)
Deferred Outflows - Other Post Employment Benefits	4,355,478
Compensated Absences Payable	(257,693)
	(92,130,946)
Total Net Position (Deficit)	$ (24,716,762)

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

CLINTON CENTRAL SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended June 30, 2024

		Special Revenue					
	General	School Lunch	Special Aid	Miscellaneous	Debt Service	Capital	Total
Revenues							
Real Property Taxes	$ 15,262,682	$	$	$	$	$	$ 15,262,682
Other Real Property Tax Items	1,496,400						1,496,400
Charges for Services	9,283						9,283
Use of Money and Property	937,425			11,686	125,366		1,074,477
Sale of Property and Compensation for Loss	86,524						86,524
Forfeitures							
Miscellaneous	1,017,346	113,513		30,882			1,161,741
Interfund Revenues							
State Aid	12,577,627	38,570	163,435				12,779,632
Federal Aid	17,084		1,102,356				1,119,440
Total Revenues	31,404,371	152,083	1,265,791	42,568	125,366		32,990,179
Expenditures							
General Support	3,068,900					390,442	3,459,342
Instruction	15,664,225		1,136,717	34,626		802,123	17,637,691
Pupil Transportation	1,498,887						1,498,887
Food Service Program		68,518					68,518
Employee Benefits	7,553,317		160,161				7,713,478
Debt Service - Principal	2,066,316						2,066,316
Debt Service - Interest	370,720						370,720
Total Expenditures	30,222,365	68,518	1,296,878	34,626		1,192,565	32,814,952
Excess (Deficit) Revenues Over Expenditures	1,182,006	83,565	(31,087)	7,942	125,366	(1,192,565)	175,227
Other Financing Sources (Uses)							
Proceeds of Leases						113,701	113,701
Transfers from Other Funds	20,000		31,087				51,087
Transfers to Other Funds	(31,087)				(20,000)		(51,087)
Total Other Financing Sources (Uses)	(11,087)		31,087		(20,000)	113,701	113,701
Excess (Deficit) Revenues Over Expenditures and Other Financing Sources (Uses)	1,170,919	83,565		7,942	105,366	(1,078,864)	288,928
Fund Balance, Beginning of Year	12,444,584	78,254		140,891	583,848	2,968,825	16,216,402
Fund Balance, End of Year	$ 13,615,503	$ 161,819	$	$ 148,833	$ 689,214	$ 1,889,961	$ 16,505,330

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

CLINTON CENTRAL SCHOOL DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES AND EXPENDITURES OF THE GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2024

Net Changes in Fund Balance - Total Governmental Funds		$ 288,928
Capital Outlays to purchase, build, or lease capital assets are reported in governmental funds as expenditures. However, for governmental activities, those costs are shown in the statement of net position and allocated over their useful lives as depreciation or amortization expense in the statement of activities. This is the amount by which the depreciation and amortization expenses exceeded capital outlays in the period.		
Right to Use Leased Asset Additions	93,851	
Loss on Disposal	(711)	
Amortization Expense	(349,721)	
Depreciation Expense	(1,843,541)	
Capital Outlays	1,359,785	(740,337)
Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. This is the net amount of repayments in the period.		
Bond Premium	12,820	
Repayment Energy Performance Contract	248,921	
Repayment Bond Principal	1,650,000	1,911,741
Certain expenses in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
Repayment Lease Prinicpal	167,395	
Proceeds of Leases	(113,701)	
Change In Accrued Interest on Debt	1,537	
Retainage Payable	(19,850)	
Change In Compensated Absences	17,950	
Change In Other Postemployment Benefits (including Deferred Inflows and Outflows)	4,475,353	4,528,684
Changes in the proportionate share of the net pension liability reported in the Statement of Activities do not provide for or require the use of current financial resources, and therefore, are not reported as revenues or expenditures in the governmental funds.		
Teachers' Retirement System	(798,561)	
Employees' Retirement System	(89,372)	(887,933)
Change in Net Position Governmental Activities		$ 5,101,083

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

CLINTON CENTRAL SCHOOL DISTRICT
STATEMENT OF FIDUCIARY NET POSITION
June 30, 2024

	Custodial Fund
Assets	
Cash and Cash Equivalents - Restricted	$ 77,156
Net Position	
Restricted for Extraclassroom Activities	$ 77,156

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

CLINTON CENTRAL SCHOOL DISTRICT
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
For the Year Ended June 30, 2024

	Custodial Fund
Additions	
Charges for Services, Sale of Property, and Miscellaneous	$ 103,198
Taxes Collected for Other Governments	337,905
Total Additions	441,103
Deductions	
Club Activities	106,881
Taxes Distributed to Other Governments	337,905
Total Deductions	444,786
Change in Net Position	(3,683)
Net Position, Beginning of Year	80,839
Net Position, End of Year	$ 77,156

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

Reporting Entity

The School District is governed by the laws of New York State. The School District is an independent entity governed by an elected Board of Education consisting of 7 members. The President of the Board serves as the chief fiscal officer and the Superintendent is the chief executive officer. The Board is responsible for, and controls all activities related to public school education within the School District. Board members have authority to make decisions, power to appoint management, and primary accountability for all fiscal matters.

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

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

(a) Extraclassroom Activity Funds

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

Joint Venture

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

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

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

During the year ended June 30, 2024, the District was billed $5,051,885 for BOCES administrative and program costs.

The District's share of BOCES aid amounted to $1,516,961. Financial statements for the BOCES are available from the OHM BOCES' office at 4747 Middle Settlement Road, New Hartford, NY 13413.

Basis of Presentation

(a) District-Wide Statements

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

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

(b) Fund Financial Statements

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

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

Special Revenue Funds:

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

School Lunch Fund: This fund is used to account for and report transactions of the School District's food service operations.

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

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

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

(c) Fiduciary Funds

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

Custodial Funds: These funds are strictly custodial in nature and do not involve the measurement of results of operations. Assets are held by the School District as agent for various student groups and tax collections for the independent library within the District.

Measurement Focus and Basis of Accounting

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

The governmental fund statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available.

The School District considers all revenues reported in the governmental funds to be available if the revenues are collected within 60 days after the end of the fiscal year.

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

Property Taxes

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

Interfund Transactions

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

The amounts reported on the Statement of Net Position for due to and due from other funds represents amounts due between different fund types (governmental activities and fiduciary funds). Eliminations have been made for amounts due to and due from within the same fund type. A detailed description of the interfund transactions at year end is shown in Note 13 to the financial statements.

Estimates

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

Cash and Cash Equivalents

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

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

Receivables

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

Investments

Investments held by the School District are stated at fair value. Changes in the fair value of the investments and interest in dividends are reported as investment income.

Capital Assets

Capital assets are reported at actual cost for acquisitions subsequent to June 30, 2003. For assets acquired prior to June 30, 2003, estimated historical costs are based on appraisals conducted by independent third-party professionals were used. Donated assets are reported at estimated fair market value at the time received.

The School District uses capitalization thresholds of $1,000, (the dollar value above which asset acquisitions are added to the capital asset accounts). The School District uses the straight-line method of depreciation over the following estimated useful lives of capital assets reported in the District-wide statements:

Land Improvements	20 Years
Buildings and Improvements	50 Years
Furniture, Equipment, and Vehicles	5-15 Years

Software Subscription Assets

The District has recorded intangible software subscription assets as a result of implementing GASB 96- *Subscription-Based Information Technology Arrangements*. The subscription assets are initially measured at an amount equal to the initial measurement of the subscription liability plus any payments made to the vendor at commencement of the term and any capitalizable implementation costs, less any vendor incentives received at the commencement of the term. The software subscription assets are amortized on a straight-line basis over the term of the subscription.

Right to Use Leased Assets

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

Deferred Outflows of Resources

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District has two item that qualifies for reporting in this category. The first item is related to pensions reported in the District-wide Statement of Net Position. This represents the effect of the net change in the District's proportion of the collective net pension asset and the difference during the measurement period between the District's contributions and its proportionate share of total contributions not included in pension expense. The second item is related to other postemployment benefits (OPEB) reported on the District-wide Statement of Net Position and represents the effect of differences between expected and actual experience and changes in assumptions during the year. These amounts are deferred and will be recognized in OPEB expense over the next several years.

Unearned Revenue

Unearned revenues are reported when potential revenues do not meet both the measurable and available criteria for recognition in the current period. Unearned revenues also arise when resources are received by the School District before it has legal claim to them, as when grant monies are received prior to the incidence of qualifying expenditures. In subsequent periods, when both recognition criteria are met, or when the School District has legal claim to the resources, the liability for unearned revenues is removed and revenues are recorded.

Statute provides the authority for the School District to levy taxes to be used to finance expenditures within the first 120 days of the succeeding fiscal year. Consequently, such amounts are recognized as revenue in the subsequent fiscal year, rather than when measurable and available.

Vested Employee Benefits - Compensated Absences

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

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

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

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

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

Other Benefits

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

In addition to providing pension benefits, the District provides post-employment health insurance coverage and survivor benefits for retired employees and their survivors. Collective bargaining agreements determine if District employees are eligible for these benefits if they reach normal retirement age while working for the District. Health care benefits are provided through plans whose premiums are based on the benefits paid during the year. The cost of providing postemployment benefits is shared between the District and the retired employee. Other postemployment benefit costs are measured and disclosed using the accrual basis of accounting (see Note 12).

Accrued Liabilities and Long-Term Obligations

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

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

Deferred Inflows of Resources

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

Equity classifications

(a) District-wide Financial Statements

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

Net investment in capital assets– consists of net capital and leased assets (cost less accumulated depreciation) reduced by outstanding balances of related debt obligations from the acquisition, lease, construction or improvements of those assets.

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

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

(b) Fund Statements

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

Non-spendable

This category includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. This category typically consists of the inventories in the School Lunch Fund and prepaids in the General Fund. The School District did not have any non-spendable fund balance at June 30, 2024.

Restricted Resources

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

The School District has established the following restricted fund balances:

- ***Reserve for Unemployment Insurance***

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

- ***Reserve for Retirement Contributions***

  The Retirement Contribution Reserve (GML §6-r) (Chapter 260 of the NYS Laws of 2004) is used to reserve funds for the payment of retirement contributions to the New York State and Local Employees' Retirement System. This reserve was established by a Board resolution and is funded by budgetary appropriation and such other reserves and funds that may be legally appropriated. The reserve is accounted for in the General Fund. Effective April 1, 2019, a Board may adopt a resolution establishing a sub-fund for contributions to New York State Teachers' Retirement System. The Board of Education adopted a resolution in April 2019 to establish a sub-fund for the District. During a fiscal year, the Board may authorize payment into the sub-fund of up to 2% of the total covered salaries paid during the preceding fiscal year, not to exceed a total of 10%. The sub-fund is separately administered, but must comply with all the existing provisions of General Municipal Law 6-r.

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

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

- ***Capital Reserve***

  The Capital Reserve is used to pay the cost of any object or purpose for which bonds may be issued. The creation of a capital reserve fund requires authorization by a majority of the people at any special or annual meeting. Such authorization is further required for payments from the capital reserve. The form of the required legal notice for the vote on establishing and funding the reserve and the form of the proposition to be placed on the ballot are set forth in Section 3651 of Education Law. This reserve is accounted for in the General Fund.

  - In May 2019, the Board and voters established a capital reserve fund to reserve up to $10 million for the purpose of capital improvements. The reserve was established with a probable term of ten years. The fund can be used to offset the local share of future capital project work. This proposition only establishes the capital reserve fund and does not obligate the district to fund it at any specific level at any time. The district will determine the level at which it is funded based on current and future financial conditions. As of June 30, 2024, the District has funded $8,823,982 into this reserve.

- ***Miscellaneous Special Revenue Fund***

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

- ***Capital Projects Fund***

  This fund is used to account for and report the financial resources that are restricted by a voter approved proposition for acquisition, construction or major repair of capital facilities.

- ***Debt Service Fund***

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

Unrestricted Resources

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

- ***Committed*** – Includes amounts that can only be used for the specific purposes pursuant to constraints imposed by formal action of the school districts highest level of decision making authority, i.e., the Board of Education. The School District has no committed fund balances as of June 30, 2024.

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

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

(c) Restricted for Extraclassroom Activities

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

(d) Order of Use of Fund Balance

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

Future Changes in Accounting Standards

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

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

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

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

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

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

Statement of Revenues, Expenditures, and Changes In Fund Balance Compared To Statement of Activities

Differences between the governmental funds Statement of Revenues, Expenditures, and Changes in Fund Balance and the Statement of Activities fall into one of six broad categories:

(a) Long-Term Revenue Differences

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

(b) Capital Related Differences

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

(c) Long-Term Debt Transaction Differences

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

(d) Employee Benefit Allocation

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

(e) Pension Differences

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

(f) OPEB Differences

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

3. STEWARDSHIP AND COMPLIANCE

Fund Balance Limitations

NYS Real Property Tax Law 1318 limits the amount of unexpended surplus funds a school district can retain to no more than 4% of the School District's budget for the General Fund for the ensuing fiscal year. Nonspendable and restricted fund balance of the General Fund are excluded from the 4% limitation. Amounts appropriated for the subsequent year and encumbrances are also excluded from the 4% limitation. At June 30, 2024, the District's unassigned fund balance was 3.94% of the 2024-2025 budget, which is in compliance with the state regulation.

Statutory Debt Limit

At June 30, 2024, the School District was in compliance with the statutory debt limit.

Budgetary Procedures and Budgetary Accounting

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

Appropriations are adopted at the program line item level.

Appropriations established by the adoption of the budget constitute a limitation on expenditures (and encumbrances) which may be incurred. Appropriations lapse at the end of the fiscal year unless expended or encumbered. Encumbrances will lapse if not expended in the subsequent year. Appropriations authorized for the current year are increased by the planned use of specific reserves, and budget amendments approved the Board of Education as a result of selected new revenue sources not included in the original budget (when permitted by law). These supplemental appropriations may occur subject to legal restrictions, if the Board approves them because of a need that exists which were not determined at the time the budget was adopted.

Change from Adopted Budget to Revised Budget

Adopted Budget		$ 30,777,153
Add:	Prior Year's Encumbrances	189,076
Original Budget		30,966,229
Add:	Donations	93,322
	Additional Appropriations from Tax Certiorari Reserve	100,000
Final Budget		$ 31,159,551

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

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.

Encumbrances

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

NYS Real Property Tax Cap

Chapter 97 of the Laws of 2011 established a property tax levy limit (generally referred to as the tax cap) that restricts the amount of property taxes local governments including school districts can levy. The tax levy for the 2023-2024 school year was in compliance with the NYS Tax Cap Limit.

4. CASH AND CASH EQUIVALENTS

Custodial Credit Risk

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

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

As of June 30, 2024, the School District's bank balances totaling $18,031,787, were fully collateralized by securities held by the pledging financial institution in the School District's name, and FDIC insurance and were not exposed to custodial credit risk.

Restricted Cash and Cash Equivalents

Restricted cash of $11,618,444 in the General Fund represents amounts in the following reserves: $55,694 for the Unemployment Insurance Reserve, $238,753 for the Employee Benefit Accrued Liability, $1,286,492 for the ERS Retirement Contribution Reserve, $1,058,779 for the TRS Retirement Contribution Reserve, and $8,985,191 for the Capital Reserve.

Restricted cash of $126,550 in the Miscellaneous Special Revenue Fund represents reserves for scholarships and endowments. Investments in the amount of $22,733 are also restricted.

Restricted cash of $563,959 in the Debt Service Fund represents reserves for future debt service. Amounts due from other funds in the amount of $125,255 are also restricted.

Restricted cash of $2,065,945 in the Capital Fund represents reserves for capital projects.

Restricted cash of $77,156 in the Custodial fund represent funds restricted for Extraclassroom activities.

5. INVESTMENTS – RESTRICTED

The District has few investments (primarily donated scholarship funds), and chooses to disclose its investments by specifically identifying each. The District's investment policy for these investments is also governed by New York State statutes. Investments are stated at fair value including the common stock held in the Miscellaneous Special Revenue Fund that were donated to the District.

Investments at June 30, 2024 are comprised of the following:

Corporate Equity Securities	Cost	Fair Value	Unrealized Gain
General Electric Company Common Stock, 1,159 shares	$ 0	$ 22,733	$ 22,733

Investments are stated at fair value. The School District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset.

- Level 1 inputs are quoted prices in active markets for identical assets.
- Level 2 inputs are significant other observable inputs.
- Level 3 inputs are significant unobservable inputs.

The following is a description of the valuation methodologies used for assets measured at fair value:

Corporate Equity Securities: Fair values of securities traded on a national securities exchange are based on the last reported sales price on the last business day of the year.

All assets have been valued using a market approach, unless otherwise noted.

The following tables sets forth by level, within the fair value hierarchy, the District's assets measured at fair value on a recurring basis as of June 30, 2024:

		Fair Value Measurements at Reporting Date Using the Above Criteria		
Investments	Total	Level 1	Level 2	Level 3
Corporate Equity Securities	$ 22,733	$ 22,733	$	$

6. DUE FROM OTHER GOVERNMENTS

Due from other governments at June 30, 2024 in the general fund consisted of:

General Fund		
New York State –Basic and Excess Cost Aid	$	318,637
BOCES Aid		702,568
Total General Fund		1,021,205
Special Aid Fund		
Grants		539,354
Total Due from Other Governments	$	1,560,559

7. SOFTWARE SUBSCRIPTION ASSETS

As of June 30, 2024, the District has entered into subscription-based information technology arrangements (SBITA) with various vendors for instructional software subscriptions. The District made lump sum payments at the beginning of each of the subscription arrangements and thus the District has recorded software subscription assets with a net book value of $56,715 at June 30, 2024 with no corresponding subscription liability. The following is a summary of the District's software subscription arrangements as of June 30, 2024:

Description	Commencement Date	Term (Years)	Net Asset Value
Reading 6-12 Instructional Software Subscription	7/1/2021	5	$ 18,400
Math K-5 Instructional Software Subscription	7/1/2021	7	38,315
			$ 56,715

Software subscription activity for the year ended June 30, 2024, is as follows:

	Beginnning Balance	Additions	Deletions	Ending Balance
Software Subscription Assets				
Instructional Software	$ 159,629	$	$	$ 159,629
Accumulated Amortization				
Instructional Software	74,820	28,094		102,914
Net Software Subscription Assets	$ 84,809	$ (28,094)	$	$ 56,715

8. **CAPITAL ASSETS AND RIGHT TO USE LEASED ASSETS**

Capital asset activity for the year ended June 30, 2024, is as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Capital Assets Not Being Depreciated				
Land	$ 114,500	$	$	$ 114,500
Construction in Progress	238,941	871,098		1,110,039
Total	353,441	871,098		1,224,539
Capital Assets Being Depreciated				
Buildings and Improvements	64,838,697			64,838,697
Furniture, Equipment and Vehicles	6,450,416	468,837	902,783	6,016,470
Total	71,289,113	468,837	902,783	70,855,167
Accumulated Depreciation				
Buildings and Improvements	19,568,330	1,226,522		20,794,852
Furniture, Equipment and Vehicles	3,885,186	617,019	902,072	3,600,133
Total	23,453,516	1,843,541	902,072	24,394,985
Net Capital Assets Being Depreciated	47,835,597	(1,374,704)	711	46,460,182
Net Capital Assets	$ 48,189,038	$ (503,606)	$ 711	$ 47,684,721

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

Function/Program	
General Support	$ 277,559
Instruction	1,430,419
Pupil Transportation	135,563
Total Depreciation	$ 1,843,541

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

	Beginnning Balance	Additions	Deletions	Ending Balance
Right to Use Leased Assets				
Leased Equipment	$ 1,420,524	$ 113,701	$ 138,362	$ 1,395,863
Total	1,420,524	113,701	138,362	1,395,863
Accumulated Amortization				
Leased Equipment	952,616	321,627	138,362	1,135,881
Total	952,616	321,627	138,362	1,135,881
Net Right to Use Leased Assets	$ 467,908	$ (207,926)	$	$ 259,982

Amortization expense of $291,871 was charged to Instruction.

9. LESSOR AGREEMENTS

The District has entered into an agreement with Clinton Early Learning Center to lease classroom space from the District. The lease agreement qualifies as an other than short-term leases under GASB 87 and, therefore, has been recorded as a receivable at the present value of the future minimum lease payments as of the date of the inception of the agreement. The lease agreement commenced on July 1, 2019 and is for a term of five years, ending on June 30, 2024. For the year ended June 30, 2024, the District recognized $51,262 in lease revenue and $1,538 in lease interest revenue.

10. NON-CURRENT LIABILITIES

Non-current liabilities balances and activity are as follows:

Description	Beginning Balance	Additions	Deletions	Ending Balance	Amounts Due Within One Year
Bonds Payable					
Serial Bonds	$ 14,355,000		$ (1,650,000)	$ 12,705,000	$ 1,525,000
Premium on Bond	153,840		(12,820)	141,020	12,820
Energy Performance Contract	1,078,742		(248,921)	829,821	262,290
Lease Liability	256,336	113,701	(167,395)	202,642	107,265
Other Postemployment Benefits	57,400,073	8,137,033	(4,667,374)	60,869,732	
Compensated Absences	275,643		(17,950)	257,693	
Total Non-Current Liabilities	$ 73,519,634	$ 8,250,734	$ (6,764,460)	$ 75,005,908	$ 1,907,375

Compensated Absences represents vacation and sick time that has been earned by the School District employees but not used as of June 30, 2024.

The following is a statement of the School District's serial bonds and energy performance contract with corresponding maturity schedules:

Payable From/Description	Original Issue	Original Amount	Final Maturity	Interest Rate (%)	Outstanding Amount
2020 Serial Bonds	06/20	$ 13,190,000	12/35	2.00	$ 9,230,000
2010 Serial Bonds	04/10	$ 2,256,866	06/25	3.25 - 4.20	190,000
2015 Serial Bonds	06/15	$ 7,395,000	06/30	2.00 - 3.00	3,285,000
Total					$ 12,705,000
Energy Performance Contract	06/11	$ 3,563,025	06/27	0.88	$ 829,821

Principal and interest payments due on serial bonds debt and the energy performance contract are as follows:

Fiscal Year Ending June 30,	Serial Bonds Principal	Serial Bonds Interest	Serial Bonds Total	Energy Performance Contract Principal	Energy Performance Contract Interest	Energy Performance Contract Total
2025	$ 1,525,000	$ 279,899	$ 1,804,899	$ 262,290	$ 36,791	$ 299,081
2026	1,355,000	243,944	1,598,944	276,204	22,877	299,081
2027	1,300,000	214,219	1,514,219	291,327	8,225	299,081
2028	1,335,000	185,519	1,520,519			
2029	1,375,000	155,350	1,530,350			
2030-2034	4,905,000	371,350	5,276,350			
2035	910,000	18,200	928,200			
Total	$ 12,705,000	$ 1,468,481	$ 14,173,481	$ 829,821	$ 67,893	$ 897,714

Other Debt – Energy Performance Contract

The Clinton Central School District entered into an energy performance contract during the year ended June 30, 2012. The contract is defined in Section 9-102(4) of the New York State Energy Law as: "an agreement for the provision of energy services, including but not limited to electricity, heating, ventilation, cooling, steam, or hot water, in which a person agrees to install, maintain, or manage energy systems or equipment to improve the energy efficiency of, or produce energy in connection with a building or facility in exchange for a portion of the energy savings or revenues." The contract is accounted for as a capital lease. The total net present value of the lease at June 30, 2024, is $829,821.

Serial Bonds

The School District borrows money in order to acquire land or equipment, construct buildings, or make improvements. This enables the cost of these capital assets to be borne by the present and future taxpayers receiving the benefit of the capital assets. The provision to be made in future budgets for capital indebtedness represents the amount exclusive of interest, authorized to be collected in future years from taxpayers and others for liquidation of the long-term liabilities. In the event of a default in the payment of the principal and/or interest on the Bonds, the State Comptroller is required to withhold, under certain conditions prescribed by Section 99-b of the State Finance Law, state aid and assistance to the District and to apply the amount thereof so withheld to the payment of such defaulted principal and/or interest, which requirement constitutes a covenant by the State with the holders from time to time of the Bonds.

Unamortized Premium

The original issue premium on the 2020 serial bond of $192,300 has been deferred and recorded as an addition to long-term liabilities on the District-wide financial statements. The premium is being amortized using the straight-line method over 15 years, the remaining time to maturity of the respective bond issue. The current year amortization is $12,820 and is included as a reduction to interest expense on the statement of activities. The unamortized premium at June 30, 2024 is $141,020.

Total interest for the year was as follows:		
Interest Paid	$	370,720
Less: Interest Accrued in the Prior Year		(13,199)
Plus: Interest Accrued in the Current Year		11,662
Less: Amortization of Bond Premium		(12,820)
Total Interest Expense on Long-Term Debt	$	356,363

Lease Liability

The District has entered into agreements with BOCES to lease certain equipment such as printers, instructional, and other technology equipment. The lease agreements qualify as other than short-term leases under GASB 87 and, therefore, have been recorded at the present value of the future minimum lease payments as of the date of the inception of the agreements. The agreements were executed on various dates ranging from August 15, 2018 to July 7, 2023 and are for a term of 4-5 years. Annual lease payments for these agreements range from $25,225 to $40,157. The lease liability is measured using discount rates ranging from .46% to 4.18%. As a result of these leases, the District has recorded a right to use asset with a net book value of $259,982 at June 30, 2024.

Future lease payments are as follows:

For the Year Ending June 30,	Principal	Interest	Total
2025	107,265	3,231	110,496
2026	47,783	3,210	50,993
2027	23,310	1,989	25,299
2028	24,284	1,015	25,299
Total	$ 202,642	$ 9,445	$ 212,087

11. PENSION PLANS

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

(a) Plan Description

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

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

(b) Contributions

The System is noncontributory for employees who joined prior to July 28, 1976. For employees who joined after July 27, 1976, and prior to January 1, 2010, employees contribute 3% of their salary for the first ten years of membership. Employees who joined on or after January 1, 2010, but before April 1, 2012, are required to contribute 3% of their annual salary for their entire working career. Those who joined on or after April 1, 2012 contribute at a rate ranging from 3% to 6% based on their total annualized salary. Under the authority of the RSSL, the Comptroller certifies the actuarially determined rates expressly used in computing the employers' contributions based on salaries paid during the Systems' fiscal year ending March 31. All required contributions for the NYSERS fiscal year ended March 31, 2024, were paid. The required contributions for the current year and two preceding years were:

	Amount
2022	$ 233,899
2023	$ 184,330
2024	$ 215,470

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

At June 30, 2024, the District reported a liability of $690,625 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 an actuarial valuation as of that date. 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 and 2023, the District's proportion was .0046905% and .0049199% respectively.

For the year ended June 30, 2024, the District recognized a pension expense of $89,372. At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	$ 222,450	$ 18,832
Change of Assumptions	261,110	
Net Difference Between Projected and Actual Earnings on Pensions Plan Investments		337,367
Changes in Proportion and Differences Between Contributions and Proportionate Share of Contributions	67,684	25,064
Contributions Subsequent to the Measurement Date	66,076	
Total	$ 617,320	$ 381,263

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

2025	$ (112,309)
2026	$ 145,370
2027	$ 209,385
2028	$ (72,465)

(d) Actuarial Assumptions

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

Significant actuarial assumptions used in the April 1, 2023 valuation were as follows:

Investment Rate of Return (Net of Investment Expense, Including Inflation)	5.90%
Decrement Tables	April 1, 2015 - March 31, 2020 System's Experience
Salary Scale	4.40%
Inflation Rate	2.90%

Annuitant mortality rates are based on April 1, 2015 - March 31, 2020 System's experience with adjustments for mortality improvements based on MP-2021.

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

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

Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of March 31, 2024 are summarized below.

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic equity	32.00%	4.00%
International equity	15.00%	6.65%
Private equity	10.00%	7.25%
Real estate	9.00%	4.60%
Opportunistic/ARS portfolio	3.00%	5.25%
Credit	4.00%	5.40%
Real assets	3.00%	5.79%
Fixed income	23.00%	1.50%
Cash	1.00%	0.25%
	100.00%	

** Real rates of return are net of the long-term inflation assumption of 2.90%*

(e) Discount Rate

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

(f) Sensitivity of the Proportionate Share of the Net Pension (Asset)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 5.9 percent, 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-percentage point lower (4.9 percent) or 1-percentage-point higher (6.9 percent) than the current rate:

	1% Decrease (4.9%)	Current Discount (5.9%)	1% Increase (6.9%)
Proportionate Share of the Net Pension Liability (Asset)	$ 2,171,397	$ 690,625	$ (546,126)

(g) Pension Plan Fiduciary Net Position

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

(h) Payables to the Pension Plan

The District has recorded an amount due to ERS in amount of $66,076 at June 30, 2024. This amount represents the three months of the District's fiscal year that will be covered in the ERS 2024-2025 billing cycle and has been accrued as an expenditure in the current year.

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

(a) Plan Description

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

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

(b) Contributions

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

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

	Amount
2022	$ 1,006,911
2023	$ 1,089,483
2024	$ 1,033,760

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

At June 30, 2024, the District reported a liability of $655,582 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2022. The 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 .0573270%, which was a decrease of .000672% from its proportion measured as of June 30, 2023.

For the year ended June 30, 2024, the District recognized a pension expense of $798,561. At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	$ 1,589,613	$ 3,929
Changes of assumptions	1,411,449	307,618
Net Difference Between Projected and Actual Earnings on Pensions Plan Investments	335,121	
Changes in Proportion and Differences Between Contributions and Proportionate Share of Contributions	32,876	73,687
Contributions Subsequent to the Measurement Date	1,033,760	
Total	$ 4,402,819	$ 385,234

Amounts reported as deferred outflows/inflows of resources related to pensions resulting from District contributions subsequent to the measurement date, if any, will be recognized as a reduction of the net pension liabilty in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30:		
2024	$	250,616
2025	$	(352,411)
2026	$	2,628,222
2027	$	194,760
2028	$	160,812
Thereafter	$	101,827

(d) Actuarial Assumptions

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

Investment Rate of Return	6.95% compounded annually, net of pension plan investment expense, including inflation.
Salary Scale	Rates of increase differ based on service. They have been calculated based upon recent NYSTRS member experience.

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

Projected COLAs	1.3% Compounded Annually.
Inflation Rate	2.4%

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.

The actuarial assumptions were based on the results of an actuarial experience study for the period of July 1, 2015 and June 30, 2021.

The long-term expected rate of return on pension plan investments was determined in accordance with Actuarial Standard of Practice (ASOP) No. 27, *Selection of Economic Assumptions for Measuring Pension Obligations.* ASOP

No. 27 provides guidance on the selection of an appropriate assumed investment rate of return. Consideration was given to expected future real rates of return (expected returns, net of pension plan investment expense and inflation) for each major asset class as well as historical investment data and plan performance.

Best estimates of arithmetic real rates of return for each major asset class included in the System's target asset allocation as of the valuation date of June 30, 2023 is summarized in the following table:

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

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

(e) Discount Rate

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

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

The following presents District's proportionate share of the net pension asset calculated using the discount rate of 6.95 percent, as well as what the District's proportionate share of the net pension asset would be if it were calculated using a discount rate that is 1-percentage-point lower (5.95 percent) or 1-percentage-point higher (7.95 percent) than the current rate:

	1% Decrease (5.95%)	Current Discount Rate (6.95%)	1% Increase (7.95%)
Proportionate Share of the Net Pension (Asset)	$ 9,984,852	$ 655,582	$ (7,190,737)

(g) Pension Plan Fiduciary Net Position

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

(h) Payables to the Pension Plan

The District has recorded an amount due to TRS in amount of $1,033,760 (excluding employees' share) in the General Fund at June 30, 2024. This amount represents contribution for the 2023-2024 fiscal year that will be made in 2024-2025 and has been accrued as an expenditure in the current year.

12. OTHER POSTEMPLOYMENT HEALTH CARE BENEFITS

(a) Plan Description

The School District provides postretirement medical and Medicare Part B benefits to retired employees and their spouses for the lifetime of the retired employee in accordance with the provisions of various employment contracts. The benefit levels, employee contributions and employer contributions are governed by the School District's contractual agreements.

The School District acquires health insurance through a consortium known as the Oneida, Herkimer, and Madison BOCES Health Consortium. Benefits provided by the OHM Consortium are administered by BlueCross Blue Shield and Pharmacare. The OHM Health Plan covers medical and pharmaceutical costs. Refer to the plan documents for specifics and limitations of the coverage offered to retirees.

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

(b) Benefits Provided

All employees must have at least 10 years of continuous service and have reached age 55 to be eligible for postemployment benefits. Depending on the employee group, contributions range from 2%-6% for individual coverage and are 50% for family coverage.

(c) Employees Covered by Benefit Terms

	Total
Inactive employees currently receiving benefit payments	251
Active employees	184
Total	435

(d) Total OPEB Liability

The District's total OPEB liability of $60,869,732 was measured as of June 30, 2024 and was determined by an actuarial valuation as of July 1, 2023.

(e) Changes in the Net OPEB Liability

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

	Total OPEB Liability
Balances, June 30, 2023	$ 57,400,073
Changes recognized for the year:	
Service cost	1,875,189
Interest on Total OPEB Liability	2,123,252
Effect of demographic gains and losses	4,138,592
Effect of assumption changes or inputs	(2,439,474)
Benefit payments	(2,227,900)
Net changes	3,469,659
Balances, June 30, 2024	$ 60,869,732

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

The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.93 percent) or 1 percentage point higher (4.93 percent) than the current discount rate:

	1% Decrease (2.93%)	Current Assumption (3.93%)	1% Increase (4.93%)
Total OPEB liability	$ 70,301,255	$ 60,869,732	$ 53,233,068

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

The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower (4.1 declining to 3.1 percent) or 1 percentage point higher (6.1 declining to 5.1 percent) than the current healthcare cost trend rate:

	1% Decrease (4.1%-3.1%)	Current Assumption (5.1% to 4.1%)	1% Increase (6.1%-5.1%)
Total OPEB liability	$ 52,794,771	$ 60,869,732	$ 71,127,857

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

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

For the year ended June 30, 2024, the District recognized OPEB expense of $4,475,353. At June 30, 2024, the District reported deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	$ 3,412,523	$ 14,157,250
Changes of assumptions or other inputs	942,955	7,291,754
Total	$ 4,355,478	$ 21,449,004

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

Year ended June 30:	Amount
2025	$ (5,723,661)
2026	$ (6,472,815)
2027	$ (5,266,641)
2028	$ 160,928
2029	$ 208,663

(i) Actuarial Methods and Assumptions

The total OPEB liability was determined by an actuarial valuation as of July 1, 2023 rolled forward to June 30, 2024, the measurement date. The following actuarial assumptions applied to all periods in the measurement, unless otherwise specified:

Actuarial Assumptions

Valuation Date	July 1, 2023
Measurement Date	June 30, 2024
Reporting Date	June 30, 2024
Actuarial Cost Method	Entry Age Normal - Level Percentage of Salary
Plan Type	Single Employer Defined Benefit Plan
Inflation rate	2.40%
Healthcare Cost Trend Rates	5.1% in 2023, decreasing to 4.1% over 51 years
Discount Rate	3.93%
Rate of Compensation Increase	2.40%

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

- Changes of assumptions and other inputs reflect a change in the discount rate from 3.65 % for the June 30, 2023 reporting date to 3.93% percent for the June 30, 2024 reporting date.

13. INTERFUND TRANSACTIONS

Fund	Interfund Receivables	Interfund Payables	Interfund Revenues	Interfund Expenditures
General	$ 563,373	$ 40,371	$ 20,000	$ 31,087
School Lunch	40,371			
Special Aid		563,373	31,087	
Debt Service	125,255			20,000
Capital Fund		125,255		
Total	$ 728,999	$ 728,999	$ 51,087	$ 51,087

- The District made a transfer of $31,087 from the General Fund to the Special Aid Fund, which represents the local share of tuition and transportation of the Summer School Program.
- The District transferred $20,000 from Debt Service to the General Fund to pay the principal on bond payments.
- Interfund receivables and payables are typically liquidated within 1 year.

14. FUND BALANCE

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

Restricted	Beginning Balance	Additions	Deductions	Ending Balance
General Fund				
Unemployment Insurance	$ 53,048	$ 2,646	$	$ 55,694
Employee Benefit Accrued Liability	275,643	13,475	(50,365)	238,753
Retirement Contribution - ERS	1,225,377	61,115		1,286,492
Retirement Contribution - TRS	1,027,460	51,245	(19,926)	1,058,779
Tax Certiorari	240,178		(240,178)	
Capital	7,625,357	1,359,834		8,985,191
Total	$ 10,447,063	$ 1,488,315	$ (310,469)	$ 11,624,909

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

	General	School Lunch	Special Aid	Miscellaneous Special Revenue	Debt Service	Capital	Total
Restricted							
Unemployment Insurance	$ 55,694	$	$	$	$	$	$ 55,694
Employee Benefit Accrued Liability	238,753						238,753
Retirement Contribution - ERS	1,286,492						1,286,492
Retirement Contribution - TRS	1,058,779						1,058,779
Capital	8,985,191						8,985,191
Scholarships				148,833			148,833
Debt Service - Principal and Interest					689,214		689,214
Capital Project						1,889,961	1,889,961
Total Restricted	11,624,909			148,833	689,214	1,889,961	14,352,917
Assigned							
Encumbrances	89,786						89,786
Food Service Program		161,819					161,819
Appropriated for Subsequent Year's Budget	650,000						650,000
Total Assigned	739,786	161,819					901,605
Unassigned	1,250,808						1,250,808
Total Fund Balance (Deficit)	$ 13,615,503	$ 161,819	$	$ 148,833	$ 689,214	$ 1,889,961	$ 16,505,330

15. RISK MANAGEMENT

General Information

Clinton Central School District is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, injuries to employees, errors and omissions, 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.

Health Insurance

The District participates in OHM BOCES Consortium Health Plan, a non-risk retained public entity risk pool for its employee health and accident insurance coverage. The pool is operated for the benefit of 13 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 $1,000,000 per insured event. The pool obtains independent coverage for insured events in excess of the $1,000,000 limit, and the District has essentially transferred all related risk to the pool.

Workers' Compensation Insurance

The District participates with 11 other school districts and BOCES in the Central New York Workers' Compensation Consortium administered by the Oneida-Herkimer-Madison BOCES for its workers' compensation insurance coverage. Voluntary withdrawal from the Plan is effective only once annually on the last day of the Plan year. Notice of intent to withdraw must be submitted in writing no later than March 30 of the plan year. Additional members may be admitted by a majority vote of the Plan's Board of Directors. Membership is effective on the first day of the month following the Board's resolution to accept a new participant. The plan uses a reinsurance agreement to reduce its exposure to large losses on insured events. Reinsurance permits recovery of a portion of losses from the reinsurer, although it does not discharge the liability of the plan as direct insurer of the risks reinsured. The Plan insures against catastrophic losses for amounts over $600,000 up to $1,000,000 for claims during the lifetime of an eligible member. The Plan does not insure amounts in excess of $1,000,000 per lifetime. The plan establishes a liability for both reported and unreported insured events, which includes estimates of both future payments of losses and related claim adjustment expenses. However, because actual claims' costs depend on complex factors, the process used in computing claims' liabilities does not necessarily result in an exact amount. Such claims are based on the ultimate cost of claims (including future claim adjustment expenses) that have been reported but not settled and claims that have been incurred but not reported. Adjustments to claims' liabilities are charged or credited to expense in the periods in which they are made. The Consortium is a shared-risk public entity risk pool, whereby each district pays annual premiums based on the expected aggregate claims for all enrollees. Paid claims are also accounted for in the aggregate with individual district activity not being traced separately. Due to this arrangement, a possible contingent liability exists for the District as a result of the possibility that any participating school district may have actual claims less than the annual premium and try to recover its portion due to it through the Consortium participants. During the current year, the School District paid $68,103 in net fees.

16. COMMITMENTS AND CONTINGENCIES

Potential Grantor Liabilities

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

Construction Commitments

At June 30, 2024, the School District had an ongoing capital project. The total voter and Board of Education authorizations for this project is $18,045,000. The School District has entered into various construction contracts for the project amount. At June 30, 2024, the School District has expensed $1,110,039 (including incidental costs) of the authorizations.

17. NET POSITION DEFICIT- DISTRICT-WIDE

The District-wide Net Position had an unrestricted deficit at June 30, 2024 of $75,025,860 and a total net position deficit of $24,716,762. The deficit is primarily the result of the recognition of an unfunded liability of $60,869,732 at June 30, 2024, required by GASB Statement 75. Since New York State Laws provide no mechanism for funding the liability, any additional subsequent accruals are expected to increase the deficit.

CLINTON CENTRAL SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
For the Year Ended June 30, 2024

	Original Budget	Final Budget	Actual		Final Budget Variance With Actual
Revenues					
Local Sources					
Real Property Taxes	$ 16,685,277	$ 15,263,094	$ 15,262,682		$ (412)
Other Real Property Tax Items	62,662	1,484,845	1,496,400		11,555
Charges for Services	11,400	11,400	9,283		(2,117)
Use of Money and Property	200,800	200,800	937,425		736,625
Sale of Property and Compensation for Loss			86,524		86,524
Miscellaneous	642,234	735,556	1,017,346		281,790
State Aid	12,439,780	12,439,780	12,577,627		137,847
Federal Aid	15,000	15,000	17,084		2,084
Total Revenues	30,057,153	30,150,475	31,404,371		1,253,896
Other Financing Sources					
Transfers from Other Funds	20,000	20,000	20,000		
Appropriated Reserves	150,000	250,000			(250,000)
Appropriated Fund Balance	739,076	739,076			(739,076)
Total Revenues and Other Financing Sources	$ 30,966,229	$ 31,159,551	31,424,371		$ 264,820

	Original Budget	Final Budget	Actual	Year-End Encumbrances	Final Budget Variance With Actual And Encumbrances
Expenditures					
General Support					
Board of Education	$ 30,978	$ 32,681	30,754	$	$ 1,927
Central Administration	243,396	246,493	244,885	408	1,200
Finance	545,025	531,425	464,183		67,242
Staff	115,719	249,819	243,184		6,635
Central Services	1,653,620	1,687,321	1,599,896	59,288	28,137
Special Items	479,787	489,187	485,998		3,189
Total General Support	3,068,525	3,236,926	3,068,900	59,696	108,330
Instruction					
Instruction, Administration, and Improvement	963,243	932,713	910,714		21,999
Teaching - Regular School	9,015,976	8,971,979	8,800,584	14,607	156,788
Programs for Children With Special Needs	3,127,289	3,129,089	3,065,566		63,523
Occupational Education	522,242	522,242	469,496		52,746
Instructional Media	759,724	868,571	676,766	15,398	176,407
Pupil Services	1,690,527	1,790,187	1,741,099		49,088
Total Instruction	16,079,001	16,214,781	15,664,225	30,005	520,551
Pupil Transportation	1,358,410	1,511,176	1,498,887	85	12,204
Employee Benefits	8,159,309	7,895,684	7,553,317		342,367
Debt Service - Principal	1,899,100	1,899,100	2,066,316		(167,216)
Debt Service - Interest	366,884	367,184	370,720		(3,536)
Total Expenditures	30,931,229	31,124,851	30,222,365	89,786	812,700
Other Financing Uses					
Transfers to Other Funds	35,000	34,700	31,087		3,613
Total Expenditures and Other Financing Uses	$ 30,966,229	$ 31,159,551	30,253,452	$ 89,786	$ 816,313
Net Change in Fund Balance			1,170,919		
Fund Balance - Beginning of Year			12,444,584		
Fund Balance - End of Year			$ 13,615,503		

Notes to Required Supplementary Information:

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

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

CLINTON CENTRAL SCHOOL DISTRICT
SCHEDULES OF CHANGES IN THE DISTRICT'S TOTAL OPEB LIABILITY AND RELATED RATIOS
For the Year Ended June 30, 2024

Measurement Date	2024	2023	2022	2021*	2020*	2019*	2018*
Total OPEB Liability							
Service cost	$ 1,875,189	$ 1,884,243	$ 2,338,241	$ 3,196,017	$ 2,619,327	$ 2,824,424	$ 2,742,159
Interest on Total OPEB Liability	2,123,252	2,077,862	2,023,186	2,003,590	2,899,769	2,603,410	2,514,994
Change in assumptions and other inputs	(2,439,474)	(2,423,203)	(7,812,333)	777,820	4,384,948	(6,819,145)	
Effect of demographic gains and losses	4,138,592		(29,217,231)				
Differences between expected and actual experience in the measurement of the total OPEB liability					(314,296)		(145,459)
Benefit payments	(2,227,900)	(1,886,120)	(1,815,036)	(2,409,149)	(2,297,852)	(2,371,130)	(2,124,148)
Net change in total OPEB Liability	3,469,659	(347,218)	(34,483,173)	3,568,278	7,291,896	(3,762,441)	2,987,546
Total OPEB Liability - Beginning	57,400,073	57,747,291	92,230,464	88,662,186	81,370,290	85,132,731	82,145,185
Total OPEB Liability - Ending	$ 60,869,732	$ 57,400,073	$ 57,747,291	$ 92,230,464	$ 88,662,186	$ 81,370,290	$ 85,132,731
Covered payroll	$ 11,411,257	$ 10,882,129	$ 10,882,129	$ 9,975,648	$ 9,975,648	$ 9,581,106	$ 9,581,106
Total OPEB Liability as a percentage of covered payroll	533%	527%	531%	925%	889%	849%	889%

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

Notes to Required Supplementary Information:

The District does not currently maintain assets in an OPEB trust.

The District currently contributes enough money to the plan to satisfy current obligations on a pay-as-you-go basis.

Actuarial Assumptions

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

Changes to Assumptions

The discount rate changed from 3 65% to 3 93%, which is a prescribed discount rate under GASB 75, and is based on the Bond Buyer General Obligation 20-Bond Municipal Index.

CLINTON CENTRAL SCHOOL DISTRICT
SCHEDULES OF DISTRICT CONTRIBUTIONS
For the Year Ended June 30, 2024

ERS Pension Plan
Last 10 Fiscal Years

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually Required Contribution	$ 215,470	$ 184,330	$ 233,899	$ 220,183	$ 220,382	$ 230,775	$ 231,323	$ 226,804	$ 230,959	$ 272,559
Contributions in Relation to the Contractually Required Contribution	215,470	184,330	233,899	220,183	220,382	230,775	231,323	226,804	230,959	272,559
Contribution Deficiency (Excess)	$	$	$	$	$	$	$	$	$	$
School District's Covered-ERS Employee Payroll	$ 1,802,678	$ 1,706,635	$ 1,562,222	$ 1,587,359	$ 1,556,330	$ 1,609,510	$ 1,597,355	$ 1,554,942	$ 1,393,910	$ 1,451,704
Contributions as a Percentage of Covered-Employee Payroll	11.95%	10.80%	14.97%	13.87%	14.16%	14.34%	14.48%	14.59%	16.57%	18.78%

TRS Pension Plan
Last 10 Fiscal Years

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually Required Contribution	$ 1,033,760	$ 1,089,483	$ 1,006,911	$ 934,072	$ 849,609	$ 983,804	$ 1,016,180	$ 1,082,555	$ 1,393,730	$ 1,450,875
Contributions in Relation to the Contractually Required Contribution	1,033,760	1,089,483	1,006,911	934,072	849,609	983,804	1,016,180	1,082,555	1,393,730	1,450,875
Contribution Deficiency (Excess)	$	$	$	$	$	$	$	$	$	$
School District's Covered-TRS Employee Payroll	$ 10,740,437	$ 10,587,784	$ 10,274,602	$ 9,801,385	$ 9,546,169	$ 9,263,691	$ 10,369,184	$ 9,236,817	$ 10,510,784	$ 8,276,523
Contributions as a Percentage of Covered-Employee Payroll	9.62%	10.29%	9.80%	9.53%	8.90%	10.62%	9.80%	11.72%	13.26%	17.53%

See Independent Auditor's Report.

CLINTON CENTRAL SCHOOL DISTRICT
SCHEDULES OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY/ASSET
For the Year Ended June 30, 2024

ERS Pension Plan

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
District's Proportion of the Net Pension Liability	0.0046905%	0.0049199%	0.0045661%	0.0046252%	0.0048564%	0.0050646%	0.0049325%	0.0051453%	0.0054835%	0.0052518%
District's Proportionate Share of the Net Pension (Asset) Liability	$ 690,625	$ 1,055,024	$ (373,258)	$ 4,605	$ 1,285,990	$ 358,842	$ 159,194	$ 483,461	$ 880,118	$ 177,418
District's Covered-Employee Payroll	$ 1,802,678	$ 1,706,635	$ 1,562,222	$ 1,587,359	$ 1,556,330	$ 1,609,510	$ 1,597,355	$ 1,554,942	$ 1,393,910	$ 1,451,704
District's Proportionate Share of the Net Pension Liability as a percentage of its Covered-Employee Payroll	38.31%	61.82%	23.89%	0.29%	82.63%	22.30%	9.97%	31.09%	63.14%	12.22%
Plan Fiduciary Net Position as a percentage of Total Pension Liability	93.88%	90.78%	103.65%	99.95%	86.40%	96.27%	98.24%	94.70%	90.70%	97.90%

TRS Pension Plan

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
District's Proportion of the Net Pension (Asset)/Liability	0.0573270%	0.0579990%	0.0577460%	0.0558770%	0.0554990%	0.0549640%	0.0547150%	0.0529070%	0.0529280%	0.0539720%
District's Porportionate Share of the Net Pension (Asset)/Liability	$ 655,582	$ 1,112,929	$ (10,006,863)	$ 1,544,024	$ (1,441,869)	$ (993,889)	$ (415,886)	$ 566,655	$ (5,497,559)	$ (6,012,182)
District's Covered-Employee Payroll	$ 10,587,784	$ 10,274,602	$ 9,801,385	$ 9,546,169	$ 9,263,691	$ 10,369,184	$ 9,236,817	$ 10,510,784	$ 8,276,523	$ 8,315,287
District's Proportionate Share of the Net Pension (Asset)/Liability as a percentage of its Covered-Employee Payroll	06.19%	10.83%	102.10%	16.17%	15.56%	09.59%	04.50%	05.39%	66.42%	72.30%
Plan Fiduciary Net Position as a percentage of Total Pension (Asset)/Liability	99.20%	98.60%	113.20%	97.80%	102.20%	101.53%	100.66%	99.01%	110.46%	111.48%

CLINTON CENTRAL SCHOOL DISTRICT
SCHEDULES OF CHANGE FROM ADOPTED BUDGET TO FINAL BUDGET
AND SECTION 1318 OF REAL PROPERTY TAX LAW LIMIT CALCULATION
For the Year Ended June 30, 2024

Change from Adopted Budget to Final Budget

Adopted Budget	$ 30,777,153
Add: Prior Year's Encumbrances	189,076
Original Budget	30,966,229
Add: Donations and Gifts	93,322
Additional Appropriations from Tax Certiorari Reserve	100,000
Final Budget	$ 31,159,551

Section 1318 of Real Property Tax Law Limit Calculation

2024-25 voter-approved expenditure budget		$ 31,755,223
Maximum allowed (4% of 2024-25 budget)		$ 1,270,209
General Fund Fund Balance Subject to Section 1318 of Real Property Tax Law :		
Unrestricted fund balance:		
Assigned fund balance	$ 739,786	
Unassigned fund balance	1,250,808	
Total unrestricted fund balance	1,990,594	
Less:		
Appropriated fund balance	650,000	
Encumbrances included in committed and assigned fund balance	89,786	
Total adjustments	739,786	
General Fund Fund Balance Subject to Section 1318 of Real Property Tax Law		$ 1,250,808
Actual Percentage		3.94%

See Independent Auditor's Report.

CLINTON CENTRAL SCHOOL DISTRICT
SCHEDULE OF PROJECT EXPENDITURES - CAPITAL PROJECTS FUND
For the Year Ended June 30, 2024

			Expenditures				Methods of Financing				
	Original Authorization	Revised Authorization	Prior Years	Current Year	Total	Unexpended Balance	Proceeds of Obligations	Federal and State Aid	Local Sources	Total	Fund Balance June 30, 2024
PROJECT TITLE											
2025 Capital Project	$ 18,045,000	$ 18,045,000	$ 31,175	$ 1,078,864	$ 1,110,039	$ 16,934,961	$	$	$ 3,000,000	$ 3,000,000	$ 1,889,961

See Independent Auditor's Report.

CLINTON CENTRAL SCHOOL DISTRICT
NET INVESTMENT IN CAPITAL ASSETS
For the Year Ended June 30, 2024

Capital Assets, Net	$ 47,684,721
Add:	
Unspent Monies in Capital Fund	1,889,961
Right to Use Leased Asset, Net of Amortization	259,982
Total Additions	2,149,943
Deduct:	
Premium on Bonds Payable	141,020
Serial Bonds Payable	12,705,000
Energy Performance Contract	829,821
Lease Liability	202,642
Total Deductions	13,878,483
Net Investment in Capital Assets	$ 35,956,181

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

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

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

Board of Education
Clinton Central School District

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Clinton Central School District, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise Clinton Central School District's basic financial statements, and have issued our report thereon dated September 24, 2024.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

D'Arcangelo + Co., LLP

September 24, 2024

Rome, New York

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

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

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

Board of Education
Clinton Central School District, New York

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Clinton Central School District's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of Clinton Central School District's major federal programs for the year ended June 30, 2024. Clinton Central School District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

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

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control Over Compliance

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

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

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

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

D'Arcangelo + Co., LLP

September 24, 2024

Rome, New York

CLINTON 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	Agency or Pass-through Number	Current Year Expenditures	Subrecipient
U.S. Department of Education				
(Passed Through the State Education Department of the State of New York - Pass-Through Grantor's No. 420701060000)				
Title I School Improvement Grant	84.010A	0011-23-3028	$ 18,929	$
Title I Grants to Local Educational Agencies	84.010A	0021-24-2010	184,702	
Total			203,631	
Special Education Cluster				
Special Education - Grants to States	84.027A	0032-24-0618	333,470	
Special Education - Preschool Grants (IDEA Preschool)	84.173A	0033-24-0618	10,763	
Total Special Education Cluster			344,233	
Title IV- SSAE Allocation	84.424A	0204-24-2010	14,709	
Title IIA Improving Teacher Quality State Grants	84.367A	0147-24-2010	8,911	
Education Stabilization Fund under the Coronavirus Aid, Relief, and Economic Security Act				
COVID 19 American Rescue Plan - Elementary and Secondary School Emergency Relief – Homeless Children and Youth	84.425W	5219-21-2010	705	
COVID 19 American Rescue Plan - Elementary and Secondary School Emergency Relief – Homeless Children and Youth	84.425W	5218-21-2010	1,931	
COVID-19 American Rescue Plan-Elementary and Secondary School Emergency Relief (ARP ESSR)	84.425U	5880-21-2010	528,236	
Total			530,872	
Total U.S. Department of Education			1,102,356	
Total Federal Financial Assistance			$ 1,102,356	$

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

CLINTON CENTRAL SCHOOL DISTRICT
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2024

1. SIGNIFICANT ACCOUNTING POLICIES

Organization

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

Basis of Accounting

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

Cluster Programs

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

U.S. Department of Education
Special Education Cluster

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

Indirect Cost Rate

The School District has not elected to use the 10% de minimis indirect cost rate.

Donated Personal Protective Equipment (Unaudited)

During the emergency period of COVID-19, federal agencies and recipients of federal assistance funds donated personal protective equipment (PPE) to non-federal entities. In connection with that donation, the recipient must disclose the estimated value of donated PPE, but such amounts are not included in the Schedule of Expenditures of Federal Awards. The School District did not receive any donated PPE during the reporting year.

Summary of Auditor's Results

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

(Continued)

Findings – Financial Statement Audit

No findings noted in the current year.

Findings and Questioned Costs – Major Federal Award Program Audit

No findings noted in the current year.

CLINTON CENTRAL SCHOOL DISTRICT
STATUS OF PRIOR YEAR'S FINDINGS AND QUESTIONED COSTS – FEDERAL COMPLIANCE REQUIREMENTS
For the Year Ended June 30, 2024

Findings – Financial Statement Audit

No findings were noted in the prior year.

Findings and Questioned Costs – Major Federal Award Program Audit

No findings were noted in the prior year.

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

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

Communication With Those Charged With Governance

To the Board of Education
Clinton Central School District

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Clinton Central School 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, *Government Auditing Standards,* and the Uniform Guidance, 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 May 22, 2024. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practice

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Clinton Central School District are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2024. We noted no transactions entered into by Clinton Central School 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 financial statements were:

1. The District, in accordance with GASB No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions,* requires significant actuarial estimates to calculate the District's postemployment benefits liability.

2. Estimates involving depreciable lives of the District's capital assets and the related depreciation.

3. In accordance with GASB No. 87, *Leases*, estimates are required relating to the interest rates used for discounting the lease receivables and liabilities.

4. The District, in accordance with GASB No. 68, *Accounting and Financial Reporting for Pensions* (as amended by GASB Statement 71), requires significant actuarial estimates to calculate the net pension assets and liabilities, deferred inflows and outflows of resources – pensions, and pension expense.

We evaluated the key factors and assumptions used to develop the estimates in determining that it is reasonable in relation to the financial statements taken as a whole.

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. Management has corrected all such misstatements. The attached schedule summarizes the corrected misstatements of the financial statements.

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 September 24, 2024.

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 School 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 Schedule of Revenues, Expenditures, and Changes in Fund Balance Budget and Actual – General Fund, the Schedules of Changes in the District's Total OPEB Liability and Related Ratios, the Schedules of District Contributions, and the Schedules of the District's Proportionate Share of the Net Pension Liability/Asset, 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 Schedules of Change from Original Budget to Revised Budget and Section 1318 of Real Property Tax Law Limit Calculation, Schedule of Project Expenditures – Capital Projects Fund, Net Investment in Capital Assets, and the Schedule of Expenditures of Federal Awards, 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 accounting principles generally accepted in the United States of America, 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.

Restriction on Use

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

Findings and Recommendations

In addition, we have enclosed a memorandum summarizing matters involving the internal control structure and its operations that we feel can be improved and strengthened. These matters are not considered to be significant deficiencies or material weaknesses.

D'Arcangelo + Co., LLP

September 24, 2024

Rome, New York

CLINTON CENTRAL SCHOOL DISTRICT
FINDINGS AND RECOMMENDATIONS
For the Year Ended June 30, 2024

See Status of Prior Year Findings and Recommendations.

CLINTON CENTRAL SCHOOL DISTRICT
STATUS OF PRIOR YEAR FINDINGS AND RECOMMENDATIONS
For the Year Ended June 30, 2024

1. OTHER MATTERS

A. Journal Entries

Although BOCES has overall responsibility of journal entry posting, it was noted that the District's Assistant Superintendent for Business also has the ability. As a result, the Assistant Superintendent for Business can propose and post journal entries. Appropriate controls over journal entries include the segregation of proposing, posting and monitoring procedures.

We recommend that the Assistant Superintendent's rights to post journal entries be removed. All journal entries should be posted by BOCES. The Assistant Superintendent should propose journal entries and send them to BOCES along with the supporting documentation. BOCES will then post the entries and send them back to the District for final review. This process will strengthen controls over adjustments made to the general ledger. If it is necessary for the Assistant Superintendent to post journal entries, a mitigating control procedure should be implemented to monitor and approve all entries to the general ledger.

Status: Same finding was noted in the current year.

Client: *17433 - Clinton Central School District*
Engagement: *2024 FS - Clinton Central School District*
Period Ending: *6/30/2024*
Trial Balance: *TB*
Workpaper: *3400.00 - Adjusting Journal Entries Report*

Account	Description	Debit	Credit
Adjusting Journal Entries			
Adjusting Journal Entries JE # 13			
Client Entry 329 to record BOCES accrual			
A 2110.490-00-0000	REG SCH BOCES	8,004.00	
A600	ACCOUNTS PAYABLE		8,004.00
Total		**8,004.00**	**8,004.00**
Adjusting Journal Entries JE # 14			
Client Entry 334 - To adjust TRS liability			
A632	DUE TO TEACHERS RETIREMENT	14,469.00	
A 9020.800-00-0000	TEACHER RETIREMENT		14,469.00
Total		**14,469.00**	**14,469.00**
Adjusting Journal Entries JE # 16			
To reclass lottery aid payment recorded in basic formula aid			
A 3102	LOTTERY AID	21,688.00	
A 3101	BASIC FORMULA STATE AID		21,688.00
Total		**21,688.00**	**21,688.00**
Adjusting Journal Entries JE # 17			
To adjust value of GE stock at YE			
CM455	ANWAY STOCK	6,818.00	
CM 2401. AN.WA.Y	ANWAY INTEREST		6,818.00
Total		**6,818.00**	**6,818.00**

Client:	*17433 - Clinton Central School District*
Engagement:	*2024 FS - Clinton Central School District*
Period Ending:	*6/30/2024*
Trial Balance:	*TB*
Workpaper:	*3400.01 - Reclassifying Journal Entries Report*

Account	Description	Debit	Credit
Reclassifying Journal Entries JE # 1			
GW Entry - Employee Benefits Allocation			
GW 1999-900	GENERAL SUPPORT - EMPLOYEE BENEFIT ALLOCATION	354,314.00	
GW 2999-900	INSTRUCTION - EMPLOYEE BENEFIT ALLOCATION	3,553,829.00	
GW 5999-900	TRANSPORTATION - EMPLOYEE BENEFIT ALLOCATION	199,965.00	
GW 9098-900	EMPLOYEE BENEFITS		4,108,108.00
Total		**4,108,108.00**	**4,108,108.00**
Reclassifying Journal Entries JE # 2			
GW Entry - To record CY fixed asset additions			
GW 0104	EQUIPMENT	468,837.00	
GW 0105	CONSTRUCTION IN PROGRESS	871,098.00	
GW 1999-200	General Support-Equip		19,050.00
GW 2000	Capital Outlay		871,098.00
GW 2999-200	Instruction-Equip		8,393.00
GW 5999-200	TRANSPORTATION - EQUIPMENT		441,394.00
Total		**1,339,935.00**	**1,339,935.00**
Reclassifying Journal Entries JE # 3			
GW Entry - To record CY fixed asset deletions			
GW 0114	EQUIPMENT - ACC DEPR	902,072.00	
GW 2655	Gain/Loss on Disposal	711.00	
GW 0104	EQUIPMENT		902,783.00
Total		**902,783.00**	**902,783.00**
Reclassifying Journal Entries JE # 4			
GW Entry - To record CY depreciation expense			
GW 1999-300	General Support-Depr	277,559.00	
GW 2999-300	INSTRUCTION - DEPRECIATION	1,430,419.00	
GW 5999-300	TRANSPORTATION - DEPRECIATION	135,563.00	
GW 0112	BUILDINGS - ACC DEPR		1,226,522.00
GW 0114	EQUIPMENT - ACC DEPR		617,019.00
Total		**1,843,541.00**	**1,843,541.00**
Reclassifying Journal Entries JE # 5			
GW Entry - To adjust compensated absences			
GW 0687	COMPENSATED ABSENCES	17,950.00	
GW 9089-000	OTHER, OPEB EXP		17,950.00
Total		**17,950.00**	**17,950.00**
Reclassifying Journal Entries JE # 6			
GW Entry - Adjust accrued interest at 6/30			
GW 0651	ACCRUED INTEREST PAYABLE	1,537.00	
GW 9711-700	SERIAL BONDS INTEREST - SCH CONST		1,537.00
Total		**1,537.00**	**1,537.00**
Reclassifying Journal Entries JE # 7			
GW Entry - To record CY Long Term Debt Activity			
GW 0625	ENERGY PERFORMANCE CONTRACT	248,921.00	
GW 0628	BONDS PAYABLE	1,650,000.00	
GW 0629	Premium on bonds	12,820.00	
GW 9711-600	SERIAL BONDS PRINCIPAL - SCH CONST		1,898,921.00
GW 9711-700	SERIAL BONDS INTEREST - SCH CONST		12,820.00
Total		**1,911,741.00**	**1,911,741.00**
Reclassifying Journal Entries JE # 8			
GW Entry - To record GASB 75 activi			
GW 0498	Deferred Outflow of Resources - OPEB	4,138,592.00	
GW 0698	Deferred Inflows of Resources-OPEB	7,844,210.00	

GW 9089-000	OTHER, OPEB EXP	1,770,541.00	
GW 0498	Deferred Outflow of Resources - OPEB		1,598,316.00
GW 0689	OTHER LONG TERM DEBT - OPEB		1,699,118.00
GW 0689	OTHER LONG TERM DEBT - OPEB		1,770,541.00
GW 0698	Deferred Inflows of Resources-OPEB		2,439,474.00
GW 9089-000	OTHER, OPEB EXP		6,245,894.00
Total		13,753,343.00	13,753,343.00
Reclassifying Journal Entries JE # 9			
GW Entry - To post ERS GASB 68 activity			
GW 0495	Deferred Outflow of Resources - ERS	12,190.00	
GW 0638	Net Pension Liability- Proportionate Share	364,399.00	
GW 9010-800	Pension Expense - ERS	89,372.00	
GW 0108	Net Pension Asset- Proportionate Share		
GW 0495	Deferred Outflow of Resources - ERS		142,574.00
GW 0696	Deferred Inflow of Resources - ERS		323,387.00
Total		465,961.00	465,961.00
Reclassifying Journal Entries JE # 10			
GW Entry - To record TRS GASB 68 activity			
GW 0638	Net Pension Liability- Proportionate Share	457,347.00	
GW 0697	Deferred Inflow of Resources - TRS	200,304.00	
GW 9020-800	Pension Expense - TRS	798,561.00	
GW 0108	Net Pension Asset- Proportionate Share		
GW 0496	Deferred Outflow of Resources - TRS		55,723.00
GW 0496	Deferred Outflow of Resources - TRS		1,400,489.00
Total		1,456,212.00	1,456,212.00
Reclassifying Journal Entries JE # 11			
GW Entry - To record CY lease additions/deletions			
GW 0124	Intangible Lease Asset - Machinery and Equipment	113,701.00	
GW 0134	Accumulated Amortization - Intangible Lease Asset - Machinery and Equ	138,362.00	
GW 5788	PROCEEDS OF LEASES	113,701.00	
GW 0124	Intangible Lease Asset - Machinery and Equipment		138,362.00
GW 0682	LEASE LIABILITY		113,701.00
GW 2999-250	Teach Reg School-Equipment		113,701.00
Total		365,764.00	365,764.00
Reclassifying Journal Entries JE # 12			
GW Entry- To record CY lease amortization			
GW 2999-350	Instruction - Amortization	321,627.00	
GW 0134	Accumulated Amortization - Intangible Lease Asset - Machinery and Equ		321,627.00
Total		321,627.00	321,627.00
Reclassifying Journal Entries JE # 15			
GW Entry - To record retainage payable on the GW			
GW 2999-250	Teach Reg School-Equipment	19,850.00	
GW 0650	Retainage Payable		19,850.00
Total		19,850.00	19,850.00
Reclassifying Journal Entries JE # 18			
GW Entry - to record lease payments			
GW 0682	LEASE LIABILITY	167,395.00	
GW 9788-600	LEASES - PRINCIPAL		167,395.00
Total		167,395.00	167,395.00
Reclassifying Journal Entries JE # 19			
To reclassify the lease debt service for 23/24			
A 9788.600-00-000	LEASE PRINCIPAL	167,395.00	
A 9788.700-00-000	LEASE INTEREST	3,569.00	
A 2630.490-00-0000	BOCES SERVICES		170,964.00
Total		170,964.00	170,964.00
Reclassifying Journal Entries JE # 20			
To record the new IPA lease in 23/24			
H 2110.200.LEASE	LEASES	113,701.00	
H 5788	PROCEEDS OF LEASES		113,701.00

Total		**113,701.00**	**113,701.00**

Reclassifying Journal Entries JE # 22			
GW Entry- To record current year amortization of SBITA			
GW 2999-350	Instruction - Amortization	28,094.00	
GW 0138	ACCUMULATED AMORTIZATION - SBITA		28,094.00
Total		**28,094.00**	**28,094.00**

APPENDIX C

Material Event Notices

Material Event Notices

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

(a) principal and interest payment delinquencies

(b) non-payment related defaults, if material

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

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

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

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

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

(h) note calls, if material and tender offers

(i) Defeasances

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

(k) rating changes

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

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

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

(o) Incurrence of a financial obligation of the District, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the District, any of which affect security holders, if material: and

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

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

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

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

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

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

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

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

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