PRELIMINARY OFFICIAL STATEMENT

RENEWAL ISSUE **BOND ANTICIPATION NOTES**

In the opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel, based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the Notes is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"). In the further opinion of Bond Counsel, interest on the Notes is not a specific preference item for purposes of the federal individual alternative minimum tax. Interest on the Notes included in adjusted financial statement income of certain corporations is not excluded from the federal corporate alternative minimum tax. Bond Counsel is also of the opinion that 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). Bond Counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of, or the amount, accrual or receipt of interest on, the Notes. See "TAX MATTERS" herein.

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

$3,930,000
TIOGA CENTRAL SCHOOL DISTRICT
TIOGA COUNTY, NEW YORK
GENERAL OBLIGATIONS
CUSIP BASE: 887739
$3,930,000 Bond Anticipation Notes, 2025 (Renewals)
(the "Notes")

Dated: June 26, 2025 **Due: June 26, 2026**

The Notes are general obligations of the Tioga Central School District, Tioga County, New York (the "District"), all the taxable real property within which is subject to the levy of ad valorem taxes to pay the Notes and interest thereon, without limitation as to rate or amount. See "NATURE OF OBLIGATION" and "TAX LEVY LIMITATION LAW" herein.

The Notes are not subject to redemption prior to maturity.

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

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

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

The Notes are offered when, as and if issued and received by the purchaser(s) and subject to the receipt of the respective approving legal opinion as to the validity of the Notes of Orrick, Herrington & Sutcliffe LLP, Bond Counsel, of New York City. It is anticipated that the Notes will be available for delivery through the facilities of DTC in Jersey City, New Jersey, or at such place as may be agreed upon with the Purchaser(s) on or about June 26, 2025.

ELECTRONIC BIDS for the Notes must be submitted on Fiscal Advisors Auction website ("Fiscal Advisors Auction") accessible via www.fiscaladvisorsauction.com, on June 5, 2025 by no later than 10:45 A.M. Prevailing Time. Bids may also be submitted by facsimile at (315) 930-2354. No other form of electronic bidding services will be accepted. No phone bids will be accepted. Once the bids are communicated electronically via Fiscal Advisors Auction or via facsimile to the District, each bid will constitute an irrevocable offer to purchase the Notes pursuant to the terms provided in the respective Notice of Sale for the Notes.

May 22, 2025

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

TIOGA CENTRAL SCHOOL DISTRICT
TIOGA COUNTY, NEW YORK

SCHOOL DISTRICT OFFICIALS

2024-2025 BOARD OF EDUCATION

CATHI ROOT
President

PAMELA ZWIERLEIN
Vice President

AARON LOUNSBURY
GREGORY SCHWEIGER
SCOT TAYLOR
ROBERT SEYMOUR
LEE WOOD

* * * * *

ADMINISTRATION

JOSH ROE
Superintendent of Schools

KENDRA SEAVER
School Business Executive

FISCAL ADVISORS AND MARKETING, INC.
Municipal Advisor

ORRICK, HERRINGTON & SUTCLIFFE LLP
Bond Counsel

TABLE OF CONTENTS

PREPARED WITH THE ASSISTANCE OF

Fiscal Advisors & Marketing, Inc.
250 South Clinton Street, Suite 502
Syracuse, New York 13202
(315) 752-0051

http://www.fiscaladvisors.com

OFFICIAL STATEMENT

OF THE

TIOGA CENTRAL SCHOOL DISTRICT
TIOGA COUNTY, NEW YORK

RELATING TO

$3,930,000 Bond Anticipation Notes, 2025 (Renewals)

This Official Statement, which includes the cover page, has been prepared by the Tioga Central School District, Tioga County, New York (the "School District" or "District", "County", and "State", respectively) in connection with the sale by the District of $3,930,000 principal amount of Bond Anticipation Notes, 2025 (Renewals) (the "Notes").

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

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

NATURE OF OBLIGATION

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

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

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

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

Under the Constitution of the State, the District is required to pledge its faith and credit for the payment of the principal of and interest on the Notes and is required to raise real estate taxes, and without specification, other revenues, if such levy is necessary to repay such indebtedness. While the Tax Levy Limitation Law imposes a statutory limitation on the District's power to increase its annual tax levy, with the amount of such increase limited by the formulas set forth in the Tax Levy Limitation Law, it also provides the procedural method to surmount that limitation. See "TAX INFORMATION - 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, ensuring the availability of the levy of property tax revenues to pay debt service. As the *Flushing National Bank* (1976) Court noted, the term "faith and credit" in its context is "not qualified in any way". Indeed, in *Flushing National Bank v. Municipal Assistance Corp.*, 40 N.Y.2d 1088 (1977) the Court of Appeals described the pledge as a direct constitutional mandate. In *Quirk v. Municipal Assistance Corp.*, 41 N.Y.2d 644 (1977), the Court of Appeals stated that, while holders of general obligation debt did not have a right to particular revenues such as sales tax, "with respect to traditional real estate tax levies, the bondholders are constitutionally protected against an attempt by the State to deprive the city of those revenues to meet its obligations." According to the Court in Quirk, the State Constitution "requires the city to raise real estate taxes, and without specification other revenues, if such a levy be necessary to repay indebtedness."

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

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

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

THE NOTES

Description of the Notes

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

The Notes will be dated June 26, 2025 and will mature June 26, 2026. The Notes are not subject to redemption prior to maturity. Interest will be calculated on a 30-day month and 360-day year basis, payable at maturity.

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

No Optional Redemption

The Notes are not subject to redemption prior to maturity.

Purpose of Issue

The Notes are issued pursuant to the Constitution and statutes of the State of New York, including the Education Law and the Local Finance Law, pursuant to a bond resolution duly adopted by the Board of Education on January 23, 2023 authorizing the issuance of up to $4,100,000 serial bonds and the use of $400,000 available monies to pay the cost of construction of and improvements to and reconstruction of various School District buildings and facilities, including athletic facilities, at a maximum estimated cost of $4,500,000.

The District currently has $4,100,000 bond anticipation notes outstanding for this purpose, which was issued as a portion of a $22,293,575 bond anticipation notes issuance maturing on June 27, 2025. The proceeds of the Notes, along with $170,000 available District funds, will redeem and partially renew the $4,100,000 bond anticipation notes referenced above. The remainder of the bond anticipation notes issuance maturing on June 27, 2025 will be redeemed and permanently financed with available District funds and the issuance of serial bonds through the Dormitory Authority of the State of New York.

BOOK-ENTRY-ONLY SYSTEM

In the event that 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. The Notes will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered note certificate will be issued for the Notes bearing the same CUSIP, and will be deposited with DTC.

DTC, a limited-purpose trust company organized under the New York Banking Law, is a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC, is the holding company for DTC, 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 Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Notes are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Notes, except in the event that use of the book-entry system for the Notes is discontinued.

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

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

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

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

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

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

Source: The Depository Trust Company.

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

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

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

Certificated Notes in Certain Circumstances

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

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

THE SCHOOL DISTRICT

General Information

The District encompasses the Town of Tioga and parts of the Towns of Barton, Candor and Nichols; all located within the County of Tioga. The District is rural and encompasses 94 square miles.

Employment for residents is quite diverse and not tied to one particular industry or type of occupation. In addition, the natural gas industry, primarily in Bradford County, PA, provides employment opportunities. Within the district boundaries, Tioga Downs Racetrack, LLC and their recently opened Hotel and Convention Center serve as a primary employer.

The District is located adjacent to New York Route 17 (interstate 86) and the Conrail Railroad system. Air service is provided at the Elmira Corning Regional Airport. New York State Electric and Gas is the primary provider of utility services.

Source: District officials.

Population

The current estimated population of the District is 5,150. (Source: U.S. Census Bureau, 2019-2023 American Community Survey 5-Year Estimates.)

Selected Wealth and Income Indicators

Per capita income statistics are not available for the District as such. The smallest areas for which such statistics are available, which include the District, are the Towns and the County listed below. The figures set below with respect to such Towns and County are included for information only. It should not be inferred from the inclusion of such data in the Official Statement that the Towns or the County is 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
Towns of:						
Barton	$ 22,096	$ 26,958	$ 39,515	$ 48,657	$ 56,273	$ 76,556
Candor	22,957	31,331	34,327	58,333	75,227	65,333
Nichols	20,216	31,682	36,224	53,933	74,231	82,750
Tioga	20,524	25,794	37,924	56,523	64,886	79,946
County of:						
Tioga	24,596	32,298	41,155	59,907	75,656	86,598
State of:						
New York	30,948	40,898	49,520	67,405	87,270	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 5-Year American Community Survey data.

THE REMAINDER OF THIS PAGE IS LEFT INTENTIONALLY BLANK

Larger Employers

The following are the larger employers located within or in close proximity to the District.

Name	Type	Employees
Lockheed Martin	Gov't Contractor	2,459
Tioga County Government	Local Government	600
Tioga Downs [(1)]	Racing/Restaurant/Golf	648
Owego Apalachin Central School District	Public Education	361
Waverly Central School District	Public Education	335
Crown Cork & Seal	Manufacturing	277
Best Buy	Retail Distribution	233
Leprino Foods	Manufacturing	228
Upstate Shredding	Recycling	217
Elderwood	Senior Housing/Assisted Living	184

(1) The District currently receives PILOT revenue from Tioga Downs, and has budgeted $464,043 PILOT revenue from Tioga Downs for the 2024-2025 fiscal year.

Source: Tioga County IDA and District officials.

Unemployment Rate Statistics

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

	Annual Averages								
	2016	2017	2018	2019	2020	2021	2022	2023	2024
Tioga County	5.3%	5.1%	4.4%	4.0%	7.7%	4.6%	3.3%	3.3%	3.5%
New York State	4.9%	4.6%	4.1%	3.9%	9.8%	7.1%	4.3%	4.1%	4.3%

	2025 Monthly Figures				
	Jan	Feb	Mar	Apr	May
Tioga County	4.5%	4.8%	4.1%	2.9%	N/A
New York State	4.6%	4.3%	4.1%	3.6%	N/A

Note: Unemployment rates for May of 2025 are unavailable as of the date of this Official Statement.

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

Form of School Government

The Board of Education (the "Board"), which is the policy-making body of the District, consists of seven members with overlapping five-year terms so that as nearly an equal number as possible is elected to the Board each year. Each Board member must be a qualified voter of the School District. The President and the Vice President are selected by the Board members.

Budgetary Procedures

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

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

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

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

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

Recent Budget Vote Results

The District's 2024-2025 adopted budget was approved by the qualified voters of the District on May 21, 2024 by a vote of 110 yes to 19 no. The District's budget for 2024-2025 fiscal year remained within the Tax Cap imposed by Chapter 97 of the Laws of 2011. The budget called for a tax levy increase of 1.64%, which was below the District's allowable Tax Cap of 2.00%.

The District's 2025-2026 adopted budget was approved by the qualified voters of the District on May 20, 2025 by a vote of 115 yes to 25 no. The District's budget for 2025-2026 fiscal year remained within the Tax Cap imposed by Chapter 97 of the Laws of 2011. The budget called for a total tax levy increase of 0.23%, which was equal to the District's tax levy limit of 0.23%.

Investment Policy

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

Consistent with the above statutory limitations, it is the District's current policy to invest in: (1) savings accounts or money market accounts of designated banks; (2) certificates of deposit issued by a bank or trust company located in and authorized to do business in the State; (3) demand deposit accounts in a bank or trust company located in and authorized to do business in the State; (4) obligations of New York State; and (5) obligations of the United States Government (U.S. Treasury Bills and Notes).

The District does not invest in reverse repurchase agreements or other derivative type investments.

State Aid

The District receives financial assistance from the State in the form of State aid for operating, building and other purposes at various times throughout its fiscal year, pursuant to formulas and payment schedules set forth by statute. In its adopted budget for the 2025-26 fiscal year, approximately 77.34% of the revenues of the District are estimated to be received in the form of State aid. While the State has a constitutional duty to maintain and support a system of free common schools that provides a "sound basic education" to children of the State, there can be no assurance that the State appropriation for State aid to school districts will be continued in future years, either pursuant to existing formulas or in any form whatsoever.

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

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

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

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

The amount of State aid to school districts can vary from year to year and is dependent in part upon the financial condition of the State. During the 2011 to 2019 fiscal years of the State, State aid to school districts was paid in a timely manner; however, during the State's 2010 and 2020 fiscal years, State budgetary restrictions resulted in delayed payments of State aid to school districts in the State. In addition, the availability of State aid and the timeliness of payment of State aid to school districts could be affected by a delay in the adoption of the State budget, which is due at the start of the State's fiscal year of April 1. With the exception of the State's fiscal year 2025-26 Enacted Budget (which was adopted on May 9, 2025, twenty-eight (28) days after the April 1 deadline, the State's fiscal year 2024-25 Enacted Budget (which was adopted on April 22, 2024, twenty-one (21) days after the April 1 deadline) and the State's fiscal year 2023-24 Enacted Budget (which was adopted on May 2, 2023, thirty-one (31) days after the April 1 deadline), the State's budget has been adopted by April 1 or shortly thereafter for over ten (10) years. No assurance can be given that the State will not experience delays in the adoption of the budget in future fiscal years. Significant delays in the adoption of the State budget could result in delayed payment of State aid to school districts in the State which could adversely affect the financial condition of school districts in the State.

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

Federal Aid Received by the State

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

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

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

THE REMAINDER OF THIS PAGE IS LEFT INTENTIONALLY BLANK

Building Aid

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

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

Pursuant to the provisions of Chapter 760 of the Laws of 1963, the District is eligible to receive a Building Aid Estimate from the New York State Department of Education. Since the gross indebtedness of the District is within the debt limit, the District is not required to apply for a Building Aid Estimate. Based on 2024-25 preliminary building aid ratios, the District expects to receive State building aid of approximately 94.3% of debt service on State Education Department approved expenditures from July 1, 2004 to the present.

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

State Aid History

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

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

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

School district fiscal year (2024-2025): The State's 2024-25 Enacted Budget provides $35.9 billion in State funding to school districts for the 2024-25 school year, the highest level of State aid ever. This represents an increase of $1.3 billion compared to the 2023-24 school year and includes a $934 million or 3.89 percent Foundation Aid increase. The State's 2024-25 Enacted Budget maintains the "save harmless" provision, which currently ensures a school district receives at least the same amount of Foundation Aid as it received in the prior year. The State's 2024-25 Enacted Budget also authorizes a comprehensive study by the Rockefeller Institute and the State Department of Education to develop a modernized school funding formula.

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

State Aid Litigation

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

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

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

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

A breakdown of currently anticipated Foundation Aid funding is available below

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

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

State Aid Revenues

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

Fiscal Year	Total Revenues	Total State Aid	Percentage of Total Revenues Consisting of State Aid
2019-2020	$ 19,598,128	$ 15,327,754	78.21%
2020-2021	18,676,197	14,054,417	75.25
2021-2022	19,884,390	15,144,728	76.18
2022-2023	20,852,925	16,063,938	77.03
2023-2024	22,865,606	17,724,697	77.52
2024-2025 (Budgeted)	23,993,367[1]	18,653,871	77.75
2024-2025 (Unaudited)	24,424,935	19,156,476	78.43
2025-2026 (Budgeted)	25,069,385[1]	19,388,549	77.34

[1] Includes appropriated fund balance.

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

District Facilities

Name	Grades	Capacity	Year(s) Built
Universal Pre-K	Pre-K	90	1969, '09, '18
Bus Garage (old)	---	90	1940, '87
Tioga K-12 Building	K-12	1,325	1939, '58, '73, '02, '09
Bus Garage (new)	---	164	2009

Note: In November of 2020, the District closed on the purchase of a small parcel of vacant land, adjacent to the current campus, for use for general District purposes. This purchase was voter approved as a separate proposition in the 2020-2021 budget vote.

Source: District officials.

Enrollment Trends

School Year	Total Enrollment	School Year	Total Projected Enrollment
2020-21	932	2025-26	900
2021-22	926	2026-27	900
2022-23	894	2027-28	900
2023-24	879	2028-29	900
2024-25	897	2029-30	900

Source: District officials.

Employees

The District currently employs approximately 179 persons. The following employees are represented by the following bargaining agents:

Employees	Union	Contract Expiration Date
92	Tioga Central Teachers' Association	June 30, 2027
82	Tioga Central Support Staff	June 30, 2027
5	Administrators	June 30, 2027
1	Superintendent	June 30, 2028

Source: District officials

Status and Financing of Employee Pension Benefits

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

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

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

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

The District is required to contribute at an actuarially determined rate. The actual contributions for the fiscal years 2020-2021 through and including 2024-2025, and budgeted figures for the 2025-2026 fiscal year, are as follows:

Fiscal Year	ERS	TRS
2020-21	$ 246,058	$ 548,232
2021-22	237,780	577,283
2022-23	224,829	612,596
2023-24	283,365	658,165
2024-25	335,857	656,678
2025-26 (Budgeted)	416,758	689,567

Source: District officials.

The annual required pension contribution is due February 1 annually with the ability to pre-pay on December 15 at a discount. The District pre-pays this cost annually.

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

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

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

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

*Estimated.

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

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

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

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

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

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

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

Other Post-Employment Benefits

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

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

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

GASB 75. In 2015, the Governmental Accounting Standards Board ("GASB") released new accounting standards for public Other Post-Employment Benefits ("OPEB") plans and participating employers. These standards, GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* ("GASB 75"), have substantially revised the valuation and accounting requirements previously mandated under GASB Statements No. 43 and 45. The District implemented GASB 75 for the fiscal year ended June 30, 2018. The implementation of this statement requires school districts to report OPEB liabilities, OPEB expenses, deferred outflow of resources and deferred inflow of resources related to OPEB. GASB Statement No. 75 replaced GASB Statement 45, which also required the District to calculate and report a net OPEB obligation. However, under GASB 45, school districts could amortize the OPEB liability over a period of years, whereas GASB 75 requires districts to report the entire OPEB liability on the statement of net position.

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

	2022	2023
Balance beginning at June 30:	$ 56,969,945	$ 50,374,262
Changes for the year:		
Service cost	2,147,575	1,934,969
Interest	1,249,867	1,825,724
Changes of Benefit Terms	-	-
Differences between expected and actual experience	(3,195,119)	-
Changes in assumptions or other inputs	(5,372,963)	(898,039)
Benefit payments	(1,425,043)	(1,470,212)
Net Changes	$ (6,595,683)	$ 1,392,442
Balance ending at June 30:	2023	2024
	$ 50,374,262	$ 51,766,704

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

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

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

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

Other Information

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

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

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

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

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

Financial Statements

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

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

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

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

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

Based on preliminary estimates, the District expects to end the fiscal year ending June 30, 2025 with an unappropriated unreserved fund balance of $994,842.

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

Revenues:	$ 24,424,935
Expenditures:	23,714,282
Excess (Deficit) Revenues Over Expenditures:	$ 710,653
Beginning Fund Balance at June 30, 2024:	$ 11,096,369
Total Projected Fund Balance at June 30, 2025:	$ 11,807,022

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

New York State Comptroller Report of Examination

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

The State Comptroller's office released an audit report of the District on November 13, 2020. The purpose of the audit was to determine whether District officials maximized interest earnings for the period July 1, 2018 through December 31, 2019.

Key Findings:

- District officials did not develop and manage a comprehensive investment program or comply with the District's investment policy.
- Had officials invested available funds in a financial institution with higher interest rates, the District's interest earnings could have increased by $215,120.

Key Recommendations:

- Prepare monthly cash flow forecasts that estimate available funds for investment.
- Ensure excess funds are invested in a manner, within legal limits, to maximize interest earnings.

A copy of the complete reports and respective responses can be found via the website of the Office of the New York State Comptroller.

The State Comptroller's office released an additional audit report of the District on November 13, 2020. The purpose of the audit was to determine whether District officials could achieve cost savings by offering health insurance buyout incentives and providing select special education services in-house for the period July 1, 2018 through December 31, 2019.

Key Findings:

District officials could achieve cost savings by:

- Offering an acceptable health insurance buyout incentive in lieu of health insurance coverage.
  - Savings could range between approximately $10,000 and $251,000.
- Providing select special education programs in-house.
  - Savings could be approximately $39,700.

Key Recommendations:

- Consider offering a health insurance buyout incentive to help reduce costs.
- Consider providing select special education services in-house to help reduce costs.

There have been no other State Comptroller's audits of the District released within the past five years, nor are there any others that are currently in progress or pending release.

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

The State Comptroller's Fiscal Stress Monitoring System

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

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

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

Fiscal Year Ending In	Stress Designation	Fiscal Score
2024	No Designation	0.0
2023	No Designation	3.3
2022	No Designation	0.0

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

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

TAX INFORMATION

Taxable Assessed Valuation

Fiscal Year Ending June 30:	2021	2022	2023	2024	2025
Towns of:					
Barton	$ 38,895,552	$ 39,161,456	$ 39,391,944	$ 40,016,752	$ 39,905,719
Candor	17,343,359	17,457,146	18,010,172	17,916,414	17,877,299
Nichols	27,343,729	27,646,913	27,877,958	28,145,095	28,267,068
Tioga	9,626,424	9,633,751	9,679,961	9,872,544	9,835,750
Total Assessed Values	$ 93,209,064	$ 93,899,266	$ 94,960,035	$ 95,950,805	$ 95,885,836
State Equalization Rates					
Towns of:					
Barton	78.00%	80.00%	73.40%	60.00%	60.50%
Candor	93.00%	92.00%	85.50%	72.50%	66.70%
Nichols	26.00%	25.80%	24.40%	21.00%	18.40%
Tioga	5.90%	6.00%	5.50%	4.50%	4.50%
Total Taxable Full Valuation	$ 336,842,783	$ 335,648,073	$ 364,985,244	$ 444,821,010	$ 464,960,005

Source: District officials.

Tax Rates Per $1,000 (Assessed)

Fiscal Year Ending June 30:	2021	2022	2023	2024	2025
Towns of:					
Barton	$ 14.71	$ 14.39	$ 14.48	$ 14.68	$ 14.16
Candor	12.35	12.51	12.43	12.16	12.83
Nichols	44.13	44.64	43.57	41.95	46.55
Tioga	194.50	191.95	193.23	195.77	190.37

Source: District officials.

Tax Collection Procedure

Taxes are payable to the District Tax Collector beginning September 15th and ending October 15th without penalty. Payments made October 15th through November 15th carry a penalty of 2%. After November 15th, all unpaid taxes are returned to the County Treasurer for collection. Thus, the District is assured 100% collection of its tax levy each year.

Tax Levy and Collection Record

Fiscal Year Ending June 30:	2021	2022	2023	2024	2025
Total Tax Levy	$ 3,865,315	$ 3,865,315	$ 3,878,978	$ 3,918,873	$ 3,983,053
Amount Uncollected (1)	307,473	292,506	336,402	267,142	285,378
% Uncollected	7.95%	7.57%	8.67%	6.82%	7.16%

(1) See "Tax Collection Procedure".

Source: District officials.

Real Property Tax Revenues

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

Fiscal Year	Total Revenues	Total Real Property Taxes & Tax Items	Percentage of Total Revenues Consisting of Real Property Tax
2019-2020	$ 19,598,128	$ 3,992,900	20.37%
2020-2021	18,676,197	4,085,389	21.87
2021-2022	19,884,390	4,155,365	20.90
2022-2023	20,852,925	4,228,843	20.28
2023-2024	22,865,606	4,307,659	18.84
2024-2025 (Budgeted)	23,993,367(1)	4,443,496	18.52
2024-2025 (Unaudited)	24,424,935	4,491,090	18.39
2025-2026 (Budgeted)	25,069,385(1)	4,579,836	18.27

(1) Includes appropriated fund balance.

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

THE REMAINDER OF THIS PAGE IS LEFT INTENTIONALLY BLANK

Larger Taxpayers 2024 for 2024-25 Tax Roll

Name	Type	Taxable Assessed Valuation
NYSEG	Utility	$ 9,521,153
GLP Capital, LP	Leisure	7,414,069
Norfolk Southern Corporation	Utility	549,029
Empire State Properties	Housing	484,480
United Water Management Serv.	Utility	468,404
Millennium Pipeline	Utility	449,363
On Track Enterprises	Commercial	322,200
JMF River Rd. Property, LLC	Commercial	230,000
Stronghaven Farm	Agricultural	97,656
Glden Oval International LLC	Leisure/Entertainment	58,500

The ten larger taxpayers listed above have an approximate taxable assessed valuation of $19,594,854, which represents 20.44% of the tax base of the School District for the 2024-2025 fiscal year.

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

Source: District Tax Rolls.

STAR – School Tax Exemption

The STAR (School Tax Relief) program provides State-funded exemptions from school property taxes to homeowners for their primary residences. School districts are reimbursed by the State for real property taxes exempted pursuant to the STAR Program. Homeowners over 65 years of age with household adjusted gross incomes, less the taxable amount of total distributions from individual retirement accounts and individual retirement annuities (“STAR Adjusted Gross Income”) of $107,300 or less in the 2025-2026 school year, increased annually according to a cost of living adjustment, are eligible for a “full value” exemption of the first $86,100 of the full value of a home for the 2025-2026 school year (adjusted annually). Other homeowners with household STAR Adjusted Gross income not in excess of $250,000 ($500,000 in the case of a STAR credit, as discussed below) are eligible for a $30,000 “full value” exemption on their primary residence.

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

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

The 2022-2023 State Budget provided $2.2 billion in State funding for a new one-year property tax relief credit, the Homeowner Tax Rebate Credit, for eligible low- and middle-income households, as well as eligible senior households. Under this program, basic STAR exemption and credit beneficiaries with incomes below $250,000 and Enhanced STAR recipients are eligible for the property tax rebate where the benefit is a percentage of the homeowners’ existing STAR benefit.

The below table lists the basic and enhanced exemption amounts for the 2025-26 District tax roll for the municipalities applicable to the District:

Towns of:	Enhanced Exemption	Basic Exemption	Date Certified
Barton	$ 52,090	$ 18,150	4/10/2025
Candor	57,430	20,320	4/10/2025
Nichols	15,840	5,790	4/10/2025
Tioga	3,870	1,350	4/10/2025

$416,217 of the District's $3,983,053 school tax levy for the 2024-2025 fiscal year was exempted by the STAR Program. The District received full reimbursement of such exempt taxes from the State by January 2025.

Approximately $420,000 of the District's $3,992,274 school tax levy for the 2025-2026 fiscal year is expected to be exempt by the STAR Program. The District anticipates receiving full reimbursement of such exempt taxes from the State by January 2026.

Additional Tax Information

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

Senior citizens' exemptions are offered to those who qualify.

Total assessed valuation of the District is estimated to be categorized as follows: Residential - 85%; Commercial - 10%; and Agricultural - 5%.

The estimated total annual property tax bill of a $75,000 market value residential property located in the District is approximately $1,900 including County, Village, Town and School District taxes.

TAX LEVY LIMITATION LAW

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

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

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

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

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

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

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

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

STATUS OF INDEBTEDNESS

Constitutional Requirements

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

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

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

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

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

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

Statutory Procedure

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

Debt Limit. The School District has the power to contract indebtedness for any School District purpose authorized by the Legislature of the State provided the aggregate principal amount thereof shall not exceed ten per centum of the full valuation of the taxable real estate of the School District and subject to certain enumerated deductions such as State aid for building purposes. The statutory method for determining full valuation is by taking assessed valuation of taxable real estate for the last completed assessment roll and applying thereto the ratio (equalization rate) which such assessed valuation bears to the full valuation; such ratio is determined by the State Office of Real Property Services. The Legislature prescribes the manner by which such ratio shall be determined.

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

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

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

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

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

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

The District complied with this estoppel procedure. It is a procedure that is recommended by Bond Counsel, but it is not an absolute legal requirement.

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.

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

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. See "THE NOTES – Nature of the Obligation" and "TAX INFORMATION - Tax Levy Limitation Law" herein.

In general, the Local Finance Law contains provisions providing the District with power to issue certain other short-term general obligation indebtedness including revenue and tax anticipation notes and budget notes (see "Details of Outstanding Indebtedness" herein).

Debt Outstanding End of Fiscal Year

Fiscal Years Ending June 30th:	2020	2021	2022	2023	2024
Bonds	$ 14,239,014	$ 14,587,880	$ 13,307,696	$ 11,674,402	$ 10,058,741
Bond Anticipation Notes	7,150,000	1,580,000	2,500,000	5,110,000	35,472,775 (1)
Other Debt (2)	0	0	5,640	3,962	2,234
Total Debt Outstanding	$ 21,389,014	$ 16,167,880	$ 15,813,336	$ 16,788,364	$ 45.533.750

(1) A portion of the District's $22,293,575 bond anticipation notes that were issued on June 27, 2024 and mature on June 27, 2025 redeemed and partially renewed $12,600,000 bond anticipation notes that were outstanding and matured on July 3, 2024. Therefore, as of the June 30, 2024 fiscal year end, both issuances were outstanding.

(2) Not general obligation debt. In 2022, the District implemented GASB Statement No. 87 for accounting and reporting leases. GASB Statement No. 87 requires the recognition of certain lease assets and liabilities for leases previously classified as operating leases along with the recognition of inflows and outflows of resources, as applicable.

Note: Apart from as noted above and with the exception of statutory installment bonds issued for the purchase of buses, the figures above do not include any energy performance contract, capital lease, or installment purchase indebtedness, to the extent that any such indebtedness may be applicable to the District.

Details of Outstanding Indebtedness

The following table sets forth the indebtedness of the District as of May 22, 2025.

Type of Indebtedness	Maturity	Amount	
Bonds	2025-2039	$ 10,058,741	
Bond Anticipation Notes			
Capital Project	June 27, 2025	22,293,575	(1)
Buses	December 19, 2025	826,600	
	Total Indebtedness	$ 33,178,916	

(1) To be redeemed, partially renewed, and partially permanently financed with available District funds, a portion of the proceeds of the Notes, and the issuance of serial bonds through the Dormitory Authority of the State of New York. The issuance of said bonds is in progress and as anticipated to close on June 17, 2025. See "Capital Project Plans" herein.

Note: With the exception of statutory installment bonds issued for the purchase of buses, the figures above do not include any energy performance contract, capital lease, or installment purchase indebtedness, to the extent that any such indebtedness may be applicable to the District.

Debt Statement Summary

Summary of Indebtedness, Debt Limit and Net Debt-Contracting Margin as of May 22, 2025:

Full Valuation of Taxable Real Property			$ 464,960,005
Debt Limit 10% thereof			46,496,000
Inclusions:			
Bonds [1]	$ 10,058,741		
Bond Anticipation Notes (BANs) [1]	23,120,175		
Total Inclusions prior to issuance of the Notes	33,178,916		
Less: BANs being redeemed from appropriations [1]	843,575		
Add: New money proceeds of the Notes	0		
Total Net Inclusions after issuance of the Notes		$ 32,335,341	
Exclusions:			
State Building Aid [2]	$ 0		
Total Exclusions		$ 0	
Total Net Indebtedness			$ 32,335,341
Net Debt-Contracting Margin			$ 14,160,659
The percent of debt contracting power exhausted is			69.54%

(1) As of the date of this Official Statement, the District is in the process of permanently financing a portion of its outstanding $22,293,575 bond anticipation notes issuance, which matures on June 27, 2025, with an issuance of serial bonds through the Dormitory Authority of the State of New York. Said bonds are anticipated to be in the approximate amount of up to $17,520,000, and are anticipated to close on June 17, 2025. This Debt Statement Summary is as of the date thereof, and therefore does not include said bonds. The "BANs being redeemed from appropriations" figure above consists of the total of appropriations in connection with the permanent financing ($673,575) and the appropriations made in connection with the Notes ($170,000). See "Capital Project Plans" herein.

(2) Based on preliminary 2024-2025 building aid estimates, the District anticipates State Building aid of 94.3% for debt service on State Education Department approved expenditures from July 1, 2004 to the present. The District has no reason to believe that it will not ultimately receive all of the building aid it anticipates, however, no assurance can be given as to when and how much building aid the District will receive in relation to the outstanding bonds.

Notes: The State Constitution does not provide for the inclusion of tax anticipation or revenue anticipation notes in the computation of the net indebtedness of the District. With the exception of statutory installment bonds issued for the purchase of buses, the figures above do not include any energy performance contract, capital lease, or installment purchase indebtedness, to the extent that any such indebtedness may be applicable to the District.

Bonded Debt Service

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

Cash Flow Borrowings

The District has not issued tax and/or revenue anticipation notes in the past five fiscal years, and does not plan on issuing any such notes, or budget or deficiency notes, in the foreseeable future.

Capital Project Plans

On November 2, 2021, District voters approved a $18,607,575 million capital project for the construction of improvements to and reconstruction of various School District buildings and facilities (including the sewage treatment facility at the High School). The District issued $2,500,000 bond anticipation notes on June 29, 2022 as the first borrowing for the capital project. On June 28, 2023, the District issued Series A bond anticipation notes, which, along with available funds of the District, partially redeemed and renewed the then-outstanding bond anticipation notes. On July 6, 2023, the District issued Series B bond anticipation notes that provided $11,000,000 in new money against this authorization. A portion of the proceeds of the $22,293,575 bond anticipation notes issued on June 27, 2024 redeemed and renewed said bond anticipation notes and provided new money for this purpose. The District is in the process of permanently financing the bond anticipation notes that are currently outstanding for this purpose with the issuance of serial bonds through the Dormitory Authority of the State of New York. It is anticipated that the serial bonds will be in the approximate amount of up to $17,520,000. Said serial bonds are anticipated to close on June 17, 2025.

Additionally, On December 14, 2022, District voters approved a $4,500,000 capital project for the construction of improvements to, and reconstruction of, various District buildings and facilities, including athletic facilities to be financed with the issuance of up to $4,100,000 serial bonds and the use of $400,000 available District funds. On June 28, 2023, the District issued Series A bond anticipation notes that provided $2,500,000 of new money for this purpose. On July 6, 2023 the District issued Series B bond anticipation notes that provided $1,600,000 new money against this authorization. A $4,100,000 portion of the proceeds of the $22,293,575 bond anticipation notes issued on June 27, 2024 partially redeemed and renewed said bond anticipation notes. The proceeds of the Notes, along with available District funds, will redeem and partially renew the bond anticipation notes currently outstanding and maturing on June 27, 2025 for this purpose.

The District annually finances the purchase of school buses. On May 20, 2025, District voters approved a proposition for the purchase of buses in the amount of $380,000.

The District is in the planning stages of a capital project. The vote date, along with the ultimate size and scope of the project, are not known as of the date of this Official Statement. Borrowings would occur pending voter and State Education Department approval, and as the project’s cash flow needs warrant.

As of June 30, 2024, the District has $5.8 million in its capital reserve to help offset the cost of a future project.

There are presently no other capital projects authorized and unissued by the District, nor are any contemplated.

THE REMAINDER OF THIS PAGE IS LEFT INTENTIONALLY BLANK

Estimated Overlapping Indebtedness

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

Municipality	Status of Debt as of		Gross Indebtedness [1]	Exclusions [2]		Net Indebtedness	District Share	Applicable Indebtedness
County of:								
Tioga	6/28/2024	(3)	$ 3,675,000	$ -		$ 3,675,000	11.73%	$ 431,078
Town of:								
Barton	12/31/2023	(4)	573,559	-	(5)	573,559	11.62%	66,648
Candor	12/31/2023	(4)	-	-	(5)	-	6.70%	-
Nichols	12/31/2023	(4)	-	-	(5)	-	75.63%	-
Tioga	12/31/2023	(4)	34,241	-	(5)	34,241	59.52%	20,380
Village of:								
Nichols	5/31/2023	(4)	152,000	-	(5)	152,000	100.00%	152,000
							Total:	$ 670,105

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

Debt Ratios

The following table sets forth certain ratios relating to the District's indebtedness as of May 22, 2025:

	Amount	Per Capita [a]	Percentage of Full Value [b]
Net Indebtedness [c]	$ 32,335,341	$ 6,278.71	6.95%
Net Indebtedness Plus Net Overlapping Indebtedness [d]	33,005,446	6,408.82	7.10

(a) The 2023 estimated population of the District is 5,150. (See "THE SCHOOL DISTRICT – Population" herein.)
(b) The District's full value of taxable real estate for the 2024-25 fiscal year is $464,960,005. (See "TAX INFORMATION – Taxable Assessed Valuations" herein.)
(c) See "Debt Statement Summary" herein for the calculation of Net Direct Indebtedness.
(d) Estimated net overlapping indebtedness is $670,105. (See "Estimated Overlapping Indebtedness" herein.)

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

SPECIAL PROVISIONS AFFECTING REMEDIES UPON DEFAULT

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

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

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

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

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

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

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

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

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

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

MARKET AND RISK FACTORS

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

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

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

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

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

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

TAX MATTERS

In the opinion of Orrick, Herrington & Sutcliffe LLP ("Bond Counsel"), based upon an analysis of existing laws, regulations, rulings, and court decisions, and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the Notes is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 (the "Code") and is exempt from personal income taxes imposed by the State of New York or any political subdivision thereof (including The City of New York). Bond Counsel is of the further opinion that interest on the Notes is not a specific preference item for purposes of the federal individual alternative minimum tax. Interest on the Notes included in adjusted financial statement income of certain corporations is not excluded from the federal corporate alternative minimum tax. A complete copy of the proposed form of opinion of Bond Counsel is set forth in "APPENDIX – E".

To the extent the issue price of any maturity of the Notes is less than the amount to be paid at maturity of such Notes (excluding amounts stated to be interest and payable at least annually over the term of such Notes), the difference constitutes "original issue discount," the accrual of which, to the extent properly allocable to each owner thereof, is treated as interest on the Notes which is excluded from gross income for federal income tax purposes and exempt from State of New York personal income taxes. For this purpose, the issue price of a particular maturity of the Notes is the first price at which a substantial amount of such maturity of the Notes is sold to the public (excluding bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers). The original issue discount with respect to any maturity of the Notes accrues daily over the term to maturity of such Notes on the basis of a constant interest rate compounded semiannually (with straight-line interpolations between compounding dates). The accruing original issue discount is added to the adjusted basis of such Notes to determine taxable gain or loss upon disposition (including sale, redemption, or payment on maturity) of such Notes. Owners of the Notes should consult their own tax advisors with respect to the tax consequences of ownership of Notes with original issue discount, including the treatment of owners who do not purchase such Notes in the original offering to the public at the first price at which a substantial amount of such Notes is sold to the public.

Notes purchased, whether at original issuance or otherwise, for an amount higher than their principal amount payable at maturity (or, in some cases, at their earlier call date) ("Premium Notes") will be treated as having amortizable bond premium. No deduction is allowable for the amortizable bond premium in the case of bonds, like the Premium Notes, the interest on which is excluded from gross income for federal income tax purposes. However, the amount of tax-exempt interest received, and an owner's basis in a Premium Note, will be reduced by the amount of amortizable bond premium properly allocable to such owner. Owners of Premium Notes should consult their own tax advisors with respect to the proper treatment of amortizable bond premium in their particular circumstances.

Bond Counsel is of the further opinion that the amount treated as interest on the Notes and excluded from gross income will depend upon the taxpayer's election under Internal Revenue Notice 94-84. Notice 94-84, 1994-2 C.B. 559, states that the Internal Revenue Service (the "IRS") is studying whether the amount of the stated interest payable at maturity on short-term debt obligations (i.e., debt obligations with a stated fixed rate of interest which mature not more than one year from the date of issue) that is excluded from gross income for federal income tax purposes should be treated (i) as qualified stated interest or (ii) as part of the stated redemption price at maturity of the short-term debt obligation, resulting in treatment as accrued original issue discount (the "original issue discount"). The Notes will be issued as short-term debt obligations. Until the IRS provides further guidance with respect to tax-exempt short-term debt obligations, taxpayers may treat the stated interest payable at maturity either as qualified stated interest or as includable in the stated redemption price at maturity, resulting in original issue discount as interest that is excluded from gross income for federal income tax purposes. However, taxpayers must treat the amount to be paid at maturity on all tax-exempt short-term debt obligations in a consistent manner. Taxpayers should consult their own tax advisors with respect to the tax consequences of ownership of Notes if the taxpayer elects original issue discount treatment.

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

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

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

Future legislative proposals, if enacted into law, clarification of the Code or court decisions may cause interest on the Notes to be subject, directly or indirectly, to federal income taxation or to be subject to or exempted from state income taxation, or otherwise prevent owners from realizing the full current benefit of the tax status of such interest. The introduction or enactment of any such legislative proposals, clarification of the Code or court decisions may also affect the market price for, or marketability of, the Notes. Prospective purchasers of the Notes should consult their own tax advisors regarding any pending or proposed federal or state tax legislation, regulations or litigation, as to which Bond Counsel expresses no opinion.

The opinion of Bond Counsel is based on current legal authority, covers certain matters not directly addressed by such authorities, and represents Bond Counsel's judgment as to the proper treatment of the Notes for federal income tax purposes. It is not binding on the Internal Revenue Service ("IRS") or the courts. Furthermore, Bond Counsel cannot give and has not given any opinion or assurance about the future activities of the District, or about the effect of future changes in the Code, the applicable regulations, the interpretation thereof or the enforcement thereof by the IRS. The District has covenanted, however, to comply with the requirements of the Code.

Bond Counsel's engagement with respect to the Notes ends with the issuance of the Notes, and, unless separately engaged, Bond Counsel is not obligated to defend the District or the owners regarding the tax-exempt status of the Notes in the event of an audit examination by the IRS. Under current procedures, owners would have little, if any, right to participate in the audit examination process. Moreover, because achieving judicial review in connection with an audit examination of tax-exempt bonds is difficult, obtaining an independent review of IRS positions with which the District legitimately disagrees, may not be practicable. Any action of the IRS, including but not limited to selection of the Notes for audit, or the course or result of such audit, or an audit of bonds presenting similar tax issues may affect the market price for, or the marketability of, the Notes, and may cause the District or the owners to incur significant expense.

Payments on the Notes generally will be subject to U.S. information reporting and possibly to "backup withholding." Under Section 3406 of the Code and applicable U.S. Treasury Regulations issued thereunder, a non-corporate owner of Notes may be subject to backup withholding with respect to "reportable payments," which include interest paid on the Notes and the gross proceeds of a sale, exchange, redemption, retirement or other disposition of the Notes. The payor will be required to deduct and withhold the prescribed amounts if (i) the payee fails to furnish a U.S. taxpayer identification number ("TIN") to the payor in the manner required, (ii) the IRS notifies the payor that the TIN furnished by the payee is incorrect, (iii) there has been a "notified payee underreporting" described in Section 3406(c) of the Code or (iv) the payee fails to certify under penalty of perjury that the payee is not subject to withholding under Section 3406(a)(1)(C) of the Code. Amounts withheld under the backup withholding rules may be refunded or credited against an owner's federal income tax liability, if any, provided that the required information is timely furnished to the IRS. Certain owners (including among others, corporations and certain tax-exempt organizations) are not subject to backup withholding. The failure to comply with the backup withholding rules may result in the imposition of penalties by the IRS.

LEGAL MATTERS

Legal matters incident to the authorization, issuance and sale of the Notes are subject to the respective approving legal opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel. Bond Counsel's opinion will be in substantially the form attached hereto as "APPENDIX – E".

LITIGATION

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

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

CONTINUING DISCLOSURE

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

Historical Compliance

Other than as described below, 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.

The District failed to timely file notice of the incurrence of a financial obligation upon entering into a Statutory Installment Bond for the purchase of buses on December 28, 2021. A failure to file notice was filed to EMMA on May 6, 2025.

MUNICIPAL ADVISOR

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

CUSIP IDENTIFICATION NUMBERS

It is anticipated that CUSIP (an acronym that refers to Committee on Uniform Security Identification Procedures) identification numbers will be printed on the Notes. The District assumes no responsibility for any CUSIP Service Bureau charge or other charge that may be imposed for the assignment of such numbers.

RATING

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

The District does not have an underlying rating assigned to any outstanding bonds.

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

MISCELLANEOUS

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

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

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

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

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

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

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

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

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

The District's contact information is as follows: Kendra Seaver, School Business Executive, 27 Fifth Avenue, Tioga Center, New York 13845, Phone: (607) 687-8001, Fax: (607) 687-8007, Email: kseaver@tiogacentral.org.

Additional copies of the Notice of Sale and the Official Statement may be obtained upon request from the offices of Fiscal Advisors & Marketing, Inc., Phone: (315) 752-0051, or at www.fiscaladvisors.com.

TIOGA CENTRAL SCHOOL DISTRICT

Dated: May 22, 2025

CATHI ROOT
PRESIDENT OF THE BOARD OF EDUCATION AND
CHIEF FISCAL OFFICER

GENERAL FUND

Balance Sheets

Fiscal Years Ending June 30:	2020	2021	2022	2023	2024
ASSETS					
Unrestricted Cash	$ 3,255,059	$ 1,085,103	$ 1,596,431	$ 1,270,671	$ 1,125,367
Restricted Cash	2,819,093	5,819,907	6,727,530	2,370,894	1,449,994
Restricted Investments	-	-	-	4,749,029	7,252,811
Unrestricted Investments	-	-	-	-	628,919
State and Federal Aid Receivable	142,279	485,569	213,996	119,924	437,864
Due from Other Governments	311,790	323,430	306,886	315,113	450,476
Other Receivables	4,860	1,630	24,607	45,523	51,790
Due from Fiduciary Funds	5	4	-	-	-
Due from Other Funds	367,139	540,567	273,517	929,423	618,838
Taxes	-	-	-	-	-
Prepaid Items	439,906	434,915	467,379	524,163	531,548
TOTAL ASSETS	$ 7,340,131	$ 8,691,125	$ 9,610,346	$ 10,324,740	$ 12,547,607
LIABILITIES AND FUND EQUITY					
Accounts Payable	$ 54,754	$ 209,292	$ 69,076	$ 253,414	$ 248,323
Accrued Liabilities	1,893	38,733	47,687	39,623	73,410
Bond Interest and Matured Bonds	3,535	3,535	2,626	-	-
Due to Other Funds	9,461	361,496	106,506	49	494
Due to Teachers' Retirement System	575,436	623,146	685,204	762,703	781,863
Due to Employees' Retirement System	56,502	72,732	50,627	69,113	84,731
Compensated Absences	210,267	219,021	225,618	224,538	247,289
Deferred Revenues	784	1,620	-	20,000	15,128
TOTAL LIABILITIES	912,632	1,529,575	1,187,344	1,369,440	1,451,238
FUND EQUITY					
Nonspendable	$ 439,906	$ 434,915	$ 467,379	$ 524,163	$ 531,548
Restricted	2,815,558	5,467,521	6,727,530	7,119,923	8,702,805
Assigned	653,999	487,377	407,845	447,272	903,513
Unassigned	2,518,036	771,737	820,248	863,942	958,503
TOTAL FUND EQUITY	6,427,499	7,161,550	8,423,002	8,955,300	11,096,369
TOTAL LIABILITIES and FUND EQUITY	$ 7,340,131	$ 8,691,125	$ 9,610,346	$ 10,324,740	$ 12,547,607

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

GENERAL FUND

Revenues, Expenditures and Changes in Fund Balance

Fiscal Years Ending June 30:	2019	2020	2021	2022	2023
REVENUES					
Real Property Taxes	$ 3,282,785	$ 3,307,352	$ 3,361,915	$ 3,377,873	$ 3,411,989
Real Property Tax Items	627,253	685,548	723,474	777,492	816,854
Charges for Services	31,064	32,971	22,585	35,114	33,551
Use of Money & Property	26,571	25,162	13,024	21,917	268,493
Sale of Property and Compensation for Loss	364,546	7,998	9,132	69,683	782
Miscellaneous	182,996	165,453	140,409	416,675	188,534
Revenues from State Sources	14,614,049	15,327,754	14,054,417	15,144,728	16,063,938
Revenues from Federal Sources	38,183	45,890	351,241	37,217	58,505
Total Revenues	$ 19,167,447	$ 19,598,128	$ 18,676,197	$ 19,880,699	$ 20,842,646
Other Sources:					
Interfund Transfers	-	-	-	3,691	10,279
Total Revenues and Other Sources	19,167,447	19,598,128	18,676,197	19,884,390	20,852,925
EXPENDITURES					
General Support	$ 1,996,991	$ 2,048,552	$ 2,183,021	$ 2,266,229	$ 2,673,576
Instruction	7,496,632	8,288,036	7,741,003	8,078,174	8,298,963
Pupil Transportation	758,077	844,250	836,747	976,292	1,040,860
Community Services	15,664	20,964	9,720	11,314	276
Employee Benefits	4,752,728	4,749,191	4,842,561	4,853,939	4,974,722
Debt Service	300,883	319,888	304,423	310,461	328,564
Total Expenditures	$ 15,320,975	$ 16,270,881	$ 15,917,475	$ 16,496,409	$ 17,316,961
Other Uses:					
Interfund Transfers	2,621,981	2,496,381	2,024,671	2,126,529	3,003,666
Total Expenditures and Other Uses	17,942,956	18,767,262	17,942,146	18,622,938	20,320,627
Excess (Deficit) Revenues Over Expenditures	1,224,491	830,866	734,051	1,261,452	532,298
FUND BALANCE					
Fund Balance - Beginning of Year	4,372,142	5,596,633	6,427,499	7,161,550	8,423,002
Prior Period Adjustments (net)	-	-	-	-	-
Fund Balance - End of Year	$ 5,596,633	$ 6,427,499	$ 7,161,550	$ 8,423,002	$ 8,955,300

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

GENERAL FUND

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

Fiscal Years Ending June 30:	2024 Original Budget	2024 Final Budget	2024 Actual	2025 Adopted Budget	2026 Adopted Budget
REVENUES					
Real Property Taxes	$ 3,918,873	$ 3,473,123	$ 3,461,936	$ 3,983,053	$ 3,992,274
Real Property Tax Items	412,028	857,779	845,723	460,443	587,562
Charges for Services	9,500	9,500	38,146	9,500	9,500
Use of Money & Property	2,500	2,500	517,594	2,500	2,500
Sale of Property and Compensation for Loss	-	-	18,337	-	-
Miscellaneous	223,251	223,250	218,726	134,000	139,000
Revenues from State Sources	16,944,523	16,944,523	17,724,697	18,653,871	19,388,549
Revenues from Federal Sources	-	-	34,323	-	-
Total Revenues	$ 21,510,675	$ 21,510,675	$ 22,859,482	$ 23,243,367	$ 24,119,385
Other Sources:					
Appropriated Fund Balance	400,000	400,000	-	750,000	950,000
Designated Fund Balance	47,272	47,272	-	-	-
Interfund Transfers	-	-	6,124	-	-
Total Revenues and Other Sources	21,957,947	21,957,947	22,865,606	23,993,367	25,069,385
EXPENDITURES					
General Support	$ 2,827,110	$ 2,970,769	$ 2,690,609	$ 3,096,401	$ 3,206,614
Instruction	9,468,388	9,334,881	8,807,809	9,879,412	10,084,939
Pupil Transportation	1,172,235	1,278,828	1,141,770	1,236,951	1,274,834
Community Services	3,000	3,000	616	13,000	3,000
Employee Benefits	5,778,695	5,594,039	5,311,888	6,094,742	6,745,330
Debt Service	235,930	301,841	301,841	268,209	289,568
Total Expenditures	$ 19,485,358	$ 19,483,358	$ 18,254,533	$ 20,588,715	$ 21,604,285
Other Uses:					
Interfund Transfers	2,472,589	2,474,589	2,470,004	3,404,652	3,465,100
Total Expenditures and Other Uses	21,957,947	21,957,947	20,724,537	23,993,367	25,069,385
Excess (Deficit) Revenues Over Expenditures	-	-	2,141,069	-	-
FUND BALANCE					
Fund Balance - Beginning of Year	-	-	8,955,300	-	-
Prior Period Adjustments (net)	-	-	-	-	-
Fund Balance - End of Year	$ -	$ -	$ 11,096,369	$ -	$ -

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

BONDED DEBT SERVICE

Fiscal Year Ending June 30th	Principal	Interest	Total
2025	$ 778,653	$ 459,682.32	$ 1,238,335.70
2026	750,087	424,818.90	1,174,906.04
2027	725,000	389,987.50	1,114,987.50
2028	760,000	353,737.50	1,113,737.50
2029	800,000	315,737.50	1,115,737.50
2030	835,000	275,737.50	1,110,737.50
2031	775,000	235,112.50	1,010,112.50
2032	825,000	196,362.50	1,021,362.50
2033	865,000	155,075.00	1,020,075.00
2034	910,000	111,787.50	1,021,787.50
2035	455,000	70,393.75	525,393.75
2036	475,000	54,800.00	529,800.00
2037	355,000	38,162.50	393,162.50
2038	370,000	25,875.00	395,875.00
2039	380,000	13,100.00	393,100.00
TOTALS	$ 10,058,741	$ 3,120,369.97	$ 13,179,110.49

With the exception of statutory installment bonds issued by the District for the purchase of buses, the table above does not include any energy performance contract, capital lease, or installment purchase contract indebtedness, to the extent any such indebtedness may be applicable to the District.

CURRENT BONDS OUTSTANDING

Fiscal Year Ending June 30th	2009 Capital Project - DASNY			2015 Capital Project - DASNY		
	Principal	Interest	Total	Principal	Interest	Total
2025	$ 20,000	$ 23,356.25	$ 43,356.25	$ 80,000	$ 25,125.00	$ 105,125.00
2026	25,000	22,356.25	47,356.25	80,000	21,125.00	101,125.00
2027	25,000	21,106.25	46,106.25	85,000	17,125.00	102,125.00
2028	25,000	19,856.25	44,856.25	90,000	12,875.00	102,875.00
2029	25,000	18,606.25	43,606.25	95,000	8,375.00	103,375.00
2030	25,000	17,356.25	42,356.25	95,000	3,625.00	98,625.00
2031	30,000	16,106.25	46,106.25	-	-	-
2032	30,000	14,606.25	44,606.25	-	-	-
2033	30,000	13,068.75	43,068.75	-	-	-
2034	35,000	11,531.25	46,531.25	-	-	-
2035	35,000	9,737.50	44,737.50	-	-	-
2036	35,000	7,943.75	42,943.75	-	-	-
2037	40,000	6,150.00	46,150.00	-	-	-
2038	40,000	4,100.00	44,100.00	-	-	-
2039	40,000	2,050.00	42,050.00	-	-	-
TOTALS	$ 460,000	$ 207,931.25	$ 667,931.25	$ 525,000	$ 88,250.00	$ 613,250.00

Fiscal Year Ending June 30th	2016 DASNY Refunding Bonds			2020 Capital Project - DASNY		
	Principal	Interest	Total	Principal	Interest	Total
2025	$ 190,000	$ 164,556.25	$ 354,556.25	$ 305,000	$ 189,000.00	$ 494,000.00
2026	195,000	155,056.25	350,056.25	315,000	173,750.00	488,750.00
2027	205,000	146,106.25	351,106.25	330,000	158,000.00	488,000.00
2028	215,000	135,856.25	350,856.25	345,000	141,500.00	486,500.00
2029	225,000	125,106.25	350,106.25	365,000	124,250.00	489,250.00
2030	240,000	113,856.25	353,856.25	380,000	106,000.00	486,000.00
2031	245,000	101,856.25	346,856.25	400,000	87,000.00	487,000.00
2032	265,000	89,606.25	354,606.25	425,000	67,000.00	492,000.00
2033	280,000	76,356.25	356,356.25	445,000	45,750.00	490,750.00
2034	290,000	62,356.25	352,356.25	470,000	23,500.00	493,500.00
2035	300,000	50,856.25	350,856.25	-	-	-
2036	315,000	41,856.25	356,856.25	-	-	-
2037	315,000	32,012.50	347,012.50	-	-	-
2038	330,000	21,775.00	351,775.00	-	-	-
2039	340,000	11,050.00	351,050.00	-	-	-
TOTALS	$ 3,950,000	$ 1,328,262.50	$ 5,278,262.50	$ 3,780,000	$ 1,115,750.00	$ 4,895,750.00

CURRENT BONDS OUTSTANDING

Fiscal Year Ending June 30th	2021 Capital Project - DASNY			2020 Buses-178		
	Principal	Interest	Total	Principal	Interest	Total
2025	$ 75,000	$ 54,650.00	$ 129,650.00	$ 26,783	$ 616.02	$ 27,399.16
2026	80,000	51,650.00	131,650.00	-	-	-
2027	80,000	47,650.00	127,650.00	-	-	-
2028	85,000	43,650.00	128,650.00	-	-	-
2029	90,000	39,400.00	129,400.00	-	-	-
2030	95,000	34,900.00	129,900.00	-	-	-
2031	100,000	30,150.00	130,150.00	-	-	-
2032	105,000	25,150.00	130,150.00	-	-	-
2033	110,000	19,900.00	129,900.00	-	-	-
2034	115,000	14,400.00	129,400.00	-	-	-
2035	120,000	9,800.00	129,800.00	-	-	-
2036	125,000	5,000.00	130,000.00	-	-	-
TOTALS	$ 1,180,000	$ 376,300.00	$ 1,556,300.00	$ 26,783	$ 616.02	$ 27,399.16

Fiscal Year Ending June 30th	2020 Buses-179			2021 Buses-180/181		
	Principal	Interest	Total	Principal	Interest	Total
2025	$ 26,783	$ 616.02	$ 27,399.16	$ 55,087	$ 1,762.78	$ 56,849.92
2026	-	-	-	55,087	881.40	55,968.54
TOTALS	$ 26,783	$ 616.02	$ 27,399.16	$ 110,174	$ 2,644.18	$ 112,818.46

MATERIAL EVENT NOTICES

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

(a) principal and interest payment delinquencies

(b) non-payment related defaults, if material

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

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

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

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

(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 Notes

(k) rating changes

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

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

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

(o) incurrence of a “financial obligation” (as defined by the Rule) of the District, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the District, any of which affect noteholders, if material; and

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

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

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

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

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

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

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

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

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

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

THE REMAINDER OF THIS PAGE IS LEFT INTENTIONALLY BLANK

TIOGA CENTRAL SCHOOL DISTRICT
TIOGA COUNTY, NEW YORK

AUDITED FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED

JUNE 30, 2024

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

TIOGA CENTRAL SCHOOL DISTRICT

Tioga Center, New York

FINANCIAL REPORT

For the Year Ended June 30, 2024

insero&co

Certified Public Accountants | Business Advisors

TIOGA CENTRAL SCHOOL DISTRICT

TABLE OF CONTENTS

TIOGA CENTRAL SCHOOL DISTRICT

TABLE OF CONTENTS (CONTINUED)

INDEPENDENT AUDITORS' REPORT

Board of Education
Tioga Central School District
Tioga Center, New York

Report on the Audit of the Financial Statements

Opinions

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

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

Basis for Opinions

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

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

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

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

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

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

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

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis; budgetary comparison schedules; the Schedules of School District's Contributions - NYSLRS and NYSTRS Pension Plans; the Schedules of the School District's Proportionate Share of the Net Pension (Asset)/Liability; Schedule of Changes in the District's Total OPEB Liability and Related Ratios; and related notes be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 19, 2024, on our consideration of the School District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School District's internal control over financial reporting and compliance.

Respectfully submitted,

Insero & Co. CPAs, LLP

Insero & Co. CPAs, LLP
Certified Public Accountants

Ithaca, New York
September 19, 2024

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

OVERVIEW OF THE FINANCIAL STATEMENTS

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

- The first two statements are District-wide financial statements that provide both short-term and long-term information about the School District's overall financial status.

- The remaining statements are Fund financial statements that focus on individual parts of the School District, reporting the School District's operations in greater detail than the District-wide financial statements. The Fund financial statements concentrate on the School District's most significant funds with all other Non-Major Funds listed in total in one column.

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

District-Wide Financial Statements

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

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

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

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

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

- Governmental Funds: Most of the School District's basic services are included in Governmental Funds, which generally focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out; and (2) the balances left at year end that are available for spending. Consequently, the Governmental Funds statements provide a detailed short-term view that helps one determine whether there are more or fewer financial resources that can be spent in the near future to finance the School District's programs. Because this information does not encompass the additional long-term focus of the District-wide financial statements, additional information following the Governmental Fund financial statements explains the relationship (or differences) between them.

- Fiduciary Funds: The School District is the trustee, or fiduciary, for assets that belong to others, such as the Student Activities Funds. The School District is responsible for ensuring that the assets reported in these funds are used only for their intended purposes and by those to whom the assets belong. The School District excludes these activities from the District-wide financial statements because it cannot use these assets to finance its operations.

FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT AS A WHOLE
Our analysis below focuses on the net position (*Figure 1*) and changes in net position *(Figure 2)* of the School District's Governmental Activities.

Figure 1

Condensed Statement of Net Position	Governmental Activities and Total School District		Total Dollar Change
	2024	2023	
Current Assets	$ 26,146,166	$ 5,765,838	$ 20,380,328
Noncurrent Assets	10,195,750	8,222,911	1,972,839
Capital Assets, Net	42,509,419	33,140,958	9,368,461
Total Assets	78,851,335	47,129,707	31,721,628
Total Deferred Outflows of Resources	9,377,958	12,069,607	(2,691,649)
Current Liabilities	39,043,368	9,300,597	29,742,771
Noncurrent Liabilities	64,316,919	64,394,674	(77,755)
Total Liabilities	103,360,287	73,695,271	29,665,016
Total Deferred Inflows of Resources	9,412,000	12,233,105	(2,821,105)
Net Investment in Capital Assets	15,664,228	15,644,536	19,692
Restricted	10,587,391	8,527,781	2,059,610
Unrestricted	(50,794,613)	(50,901,379)	106,766
Total Net Position (Deficit)	$ (24,542,994)	$ (26,729,062)	$ 2,186,068

Significant changes from prior year are as follows:

- The issuance of the School District's Bond Anticipation Notes (BAN) caused an increase in both current assets as well as current liabilities. Based on the timing of the subsequent BAN issuance, both BANs overlapped at year-end, with the current year BAN maturing shortly after year-end.
- Changes in deferred inflows and outflows of resources are the result of changes in actuarial assumptions for the NYSTRS and NYSLRS pension plans, as well as changes in actuarial assumptions for other postemployment benefits (OPEB).
- Capital assets increased due to capital outlay in excess of depreciation/amortization expense.
- Noncurrent assets and restricted net position increased due to Board approved funding of General Fund reserves.

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

Figure 2

Changes in Net Position	Governmental Activities and Total School District 2024	Governmental Activities and Total School District 2023	Total Dollar Change
REVENUES			
Program Revenues:			
Charges for Services	**$ 122,668**	$ 148,222	$ (25,554)
Operating Grants	**4,051,848**	3,884,627	167,221
Capital Grants	**48,228**	1,338,318	(1,290,090)
General Revenues:			
Real Property Taxes	**3,461,936**	3,411,989	49,947
Real Property Tax Items	**845,723**	816,854	28,869
State Sources	**16,693,768**	15,147,216	1,546,552
Use of Money and Property	**531,487**	274,588	256,899
Other General Revenues	**505,029**	221,610	283,419
Total Revenues	**$ 26,260,687**	**$ 25,243,424**	**$ 1,017,263**
PROGRAM EXPENSES			
General Support	**$ 3,387,934**	$ 3,189,225	$ 198,709
Instruction	**16,614,423**	14,833,767	1,780,656
Pupil Transportation	**2,090,862**	1,907,391	183,471
Community Services	**9,788**	417	9,371
School Lunch Program	**941,400**	843,572	97,828
Interest on Debt	**1,030,212**	522,571	507,641
Total Expenses	**$ 24,074,619**	**$ 21,296,943**	**$ 2,777,676**
CHANGE IN NET POSITION	**$ 2,186,068**	**$ 3,946,481**	**$ (1,760,413)**

Significant changes from prior year are as follows:

- Mobile sports betting and cannabis sales contributed to the increase in State sources.
- The nearing of the end of the Education Stabilization Fund life cycle caused a decrease in both operating grants as well as capital grants.
- Use of money and property increased substantially due to overall increases with interest rates, as well as the School District's use of U.S. Treasuries.
- The increase in total expenses is primarily due to an increase in OPEB and pension expense in comparison to the amount expended in the prior year.

FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT'S FUNDS

Figure 3 shows the change in fund balances for the year for the School District's funds. Total fund balance decreased 118.0%, primarily due to increases in capital outlay expenses in the Capital Project Funds due to the $18.6M project, as well as the timing of the issuance of short-term debt, partially offset by revenue in the General Fund from State aid.

Figure 3

Governmental Fund Balances	*2024*	*2023*	*Total Dollar Change*
Major Funds:			
General Fund	**$ 11,096,369**	$ 8,955,300	$ 2,141,069
Capital Project Fund - Renovation	**(13,732,973)**	(3,689,146)	(10,043,827)
Non-Major Governmental Funds	**1,465,869**	1,246,208	219,661
Total Governmental Funds	**$ (1,170,735)**	**$ 6,512,362**	**$ (7,683,097)**

GENERAL FUND BUDGETARY HIGHLIGHTS

Over the course of the year, the Superintendent approves budgetary transfers that revise the School District budget line items and the Board reviews the transfers. Typically, these budget amendments consist of budget transfers between functions, which do not increase the overall budget. During the current year, the budget was amended for prior year encumbrances.

The School District received $1,354,931 more in General Fund revenues and other financing sources due to higher than anticipated state aid and interest and earnings. Expenditures and other financing uses were lower than the revised budget (with carryover encumbrances) by $1,079,897. This is primarily due to lower than expected costs related to general support and instructional programs, as well as employee benefits.

Figure 4

Condensed Budgetary Comparison General Fund - 2024	Original Budget	Revised Budget	Actual w/ Encumbrances	Favorable (Unfavorable) Variance
REVENUES				
Real Property Taxes	$ 3,918,873	$ 3,473,123	$ 3,461,936	$ (11,187)
Other Tax Items	412,028	857,779	845,723	(12,056)
State Sources	16,944,523	16,944,523	17,724,697	780,174
Other, Including Financing Sources	235,251	235,250	833,250	598,000
Total Revenues and Other Financing Sources	**$ 21,510,675**	**$ 21,510,675**	**$ 22,865,606**	**$ 1,354,931**
Appropriated Fund Balances and Reserves	**$ 400,000**	**$ 400,000**		
Encumbrances	**$ 47,272**	**$ 47,272**		
EXPENDITURES				
General Support	$ 2,827,110	$ 2,970,769	$ 2,785,988	$ 184,781
Instruction	9,468,388	9,334,881	8,863,457	471,424
Pupil Transportation	1,172,235	1,278,828	1,144,256	134,572
Community Service	3,000	3,000	616	2,384
Employee Benefits	5,778,695	5,594,039	5,311,888	282,151
Debt Service	235,930	301,841	301,841	-
Other Financing Uses	2,472,589	2,474,589	2,470,004	4,585
Total Expenditures and Other Financing (Uses)	**$ 21,957,947**	**$ 21,957,947**	**$ 20,878,050**	**$ 1,079,897**

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of June 30, 2024, the School District had invested in a broad range of capital assets totaling $68,832,043, offset by accumulated depreciation of $26,449,737. In addition, the School District reported intangible lease assets of $359,954 offset by accumulated amortization of $232,841. *Figure 5* shows the changes in the School District's capital assets.

Figure 5

Changes in Capital Assets	Governmental Activities and Total School District		Total Dollar Change
	2024	2023	
Land	**$ 308,479**	$ 308,479	$ -
Construction in Progress	**13,769,505**	5,589,436	8,180,069
Buildings and Improvements, Net	**26,295,910**	25,168,790	1,127,120
Equipment, Net	**2,008,412**	1,920,083	88,329
Intangible Lease Assets, Net	**127,113**	154,170	(27,057)
Total	**$ 42,509,419**	**$ 33,140,958**	**$ 9,368,461**

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

Construction in Progress	$ 10,418,701
Buses	308,626
Equipment	157,563
Intangible Lease Asset	64,082
Total Additions	10,948,972
(Less): Depreciation Expense	(1,489,372)
(Less): Amortization Expense	(91,139)
Net Increase in Capital Assets	**$ 9,368,461**

Debt Administration
Figure 6 shows the changes in the School District's outstanding debt, including its lease liabilities. Total indebtedness represented 102.4% of the constitutional debt limit, exclusive of building aid estimates. This was due to the timing of the issuance of the School District's BANs, with the maturing issuance and new issuance overlapping at year end.

Figure 6

Outstanding Debt	*Governmental Activities and Total School District*		*Total Dollar Change*
	2024	*2023*	
Bond Anticipation Notes	**$ 35,472,775**	$ 5,110,000	$ 30,362,775
Serial Bonds	**9,895,000**	11,350,000	(1,455,000)
Statutory Installment Bonds	**163,741**	324,402	(160,661)
Premium on Obligations	**1,401,981**	1,580,914	(178,933)
Lease Liabilities	**2,234**	3,962	(1,728)
Total	**$ 46,935,731**	**$ 18,369,278**	**$ 28,566,453**

Moody's Rating Committee assigned an A1 rating on the Tioga Central School District New York State Section 99-B Intercept School District Credit Enhancement Program General Obligation Bonds. In addition, an A2 underlying rating was assigned on Tioga Central School District General Obligation Bonds. This has been a solid rating for the past several years. More detailed information about the School District's long-term liabilities is presented in the notes to the financial statements.

FACTORS BEARING ON THE SCHOOL DISTRICT'S FUTURE

- The School District does not currently have, nor anticipate, financial obligations due to litigation.

- The enrollment of the Tioga Central School District has been steadily decreasing. Since New York State Aid is directly tied to the number of students we serve, we may see a reduction in State aid that is not balanced with the possible reduction in expenses associated with serving fewer students.

- The School District could be impacted should Tioga Downs ever close in the future. The impact of the PILOT program has negatively impacted the yearly Tax Cap which has made the Tioga Central School District even further reliant on State funding to maintain its annual budget. In the event of a closure, the loss of the Tioga Downs Pilot is an exposure that would not reasonably be filled by the local tax levy.

- In addition to the PILOT with Tioga Downs, the School District has seen an increase in smaller PILOT's with Solar Fields being built on land within the borders of the School District. See above for PILOT impacts to the tax levy limit.

- The Rockefeller Institute is currently investigating the Foundation Aid formula and is expected to submit a report to the NYS Legislature December 1 to offer alternate calculation methods of computing State Aid. Since Foundation Aid is the greatest portion of our operating budget, a decrease in aid will result in a large financial impact.

- The School District has been directly affected by the current economy, and specifically inflation. The School District will need to continue to be diligent in managing its expenditures to consider such cost impacts and their long-term impacts at a local level.

CONTACTING THE SCHOOL DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide the Tioga Central 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, Tioga Central School District, Fifth Avenue, Tioga Center, New York 13845.

TIOGA CENTRAL SCHOOL DISTRICT

STATEMENT OF NET POSITION
JUNE 30, 2024

ASSETS	
Current Assets	
Cash and Cash Equivalents - Unrestricted	$ 2,744,507
Cash and Cash Equivalents - Restricted	20,593,811
Investments - Unrestricted	628,919
Due From State and Federal Governments	1,110,849
Due From Other Governments	450,476
Other Receivables	51,794
Inventories	34,262
Prepaid Expenses	531,548
Total Current Assets	26,146,166
Noncurrent Assets	
Cash and Cash Equivalents - Restricted	1,803,683
Investments - Restricted	8,392,067
Capital Assets, Net:	
Nondepreciable	14,077,984
Depreciable Capital Assets, Net	28,304,322
Intangible Lease Assets, Net	127,113
Total Noncurrent Assets	52,705,169
Total Assets	78,851,335
DEFERRED OUTFLOWS OF RESOURCES	
Pensions	3,694,266
OPEB	5,297,663
Deferred Charges on Defeased Debt	386,029
Total Deferred Outflows of Resources	9,377,958
LIABILITIES	
Current Liabilities	
Accounts Payable	829,020
Accrued Liabilities	75,358
Due to Other Governments	320
Bond Interest and Matured Bonds	601,443
Bond Anticipation Notes Payable	35,472,775
Due to Teachers' Retirement System	781,863
Due to Employees' Retirement System	84,731
Unearned Revenues - Other	21,295
Current Portion of Long-Term Obligations:	
Compensated Absences	247,289
Bonds Payable	927,493
Lease Liabilities	1,781
Total Current Liabilities	39,043,368

See Notes to Basic Financial Statements

TIOGA CENTRAL SCHOOL DISTRICT

STATEMENT OF NET POSITION (CONTINUED)
JUNE 30, 2024

Noncurrent Liabilities	
Bonds Payable	$ 10,533,229
Lease Liabilities	453
Compensated Absences Payable	549,583
Other Postemployment Benefits Liability	51,766,704
Net Pension Liability - Proportionate Share	1,466,950
Total Noncurrent Liabilities	64,316,919
Total Liabilities	103,360,287
DEFERRED INFLOWS OF RESOURCES	
Pensions	851,462
OPEB	8,560,538
Total Deferred Inflows of Resources	9,412,000
NET POSITION	
Net Investment in Capital Assets	15,664,228
Restricted	10,587,391
Unrestricted Net (Deficit)	(50,794,613)
Total Net (Deficit)	**$ (24,542,994)**

See Notes to Basic Financial Statements

TIOGA CENTRAL SCHOOL DISTRICT

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2024

	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants	Program Revenues: Capital Grants	Net (Expense) Revenue and Changes in Net Position
FUNCTIONS/PROGRAMS					
General Support	$ 3,387,934	$ -	$ -	$ -	$ (3,387,934)
Instruction	16,614,423	71,469	3,133,323	48,228	(13,361,403)
Pupil Transportation	2,090,862	-	-	-	(2,090,862)
Community Services	9,788	1,000	-	-	(8,788)
School Lunch Program	941,400	50,199	918,525	-	27,324
Interest on Debt	1,030,212	-	-	-	(1,030,212)
Total Functions and Programs	**$ 24,074,619**	**$ 122,668**	**$ 4,051,848**	**$ 48,228**	(19,851,875)
GENERAL REVENUES					
Real Property Taxes					3,461,936
Real Property Tax Items					845,723
Use of Money and Property					531,487
Unrestricted State Sources					16,693,768
Sale of Property and Compensation for Loss					279,144
Miscellaneous					225,885
Total General Revenues					22,037,943
Change in Net Position					2,186,068
Total Net (Deficit) - Beginning of Year					(26,729,062)
Total Net (Deficit) - End of Year					**$ (24,542,994)**

See Notes to Basic Financial Statements

TIOGA CENTRAL SCHOOL DISTRICT

BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2024

	Major Funds			
	General Fund	Capital Project Renovation Fund	Non-Major Governmental Funds	Total Governmental Funds
ASSETS				
Cash and Cash Equivalents - Unrestricted	$ 1,125,367	$ 1,594,108	$ 25,032	$ 2,744,507
Cash and Cash Equivalents - Restricted	1,449,994	20,125,302	822,198	22,397,494
Investments - Unrestricted	628,919	-	-	628,919
Investments - Restricted	7,252,811	-	1,139,256	8,392,067
Due From Other Funds	618,838	-	4,917	623,755
Due From State and Federal Governments	437,864	-	672,985	1,110,849
Due From Other Governments	450,476	-	-	450,476
Other Receivables	51,790	-	4	51,794
Inventories	-	-	34,262	34,262
Prepaid Expenses	531,548	-	-	531,548
Total Assets	**$ 12,547,607**	**$ 21,719,410**	**$ 2,698,654**	**$ 36,965,671**
LIABILITIES				
Accounts Payable	$ 248,323	$ 534,301	$ 46,396	$ 829,020
Accrued Liabilities	73,410	-	1,948	75,358
Due to Other Funds	494	24,507	598,754	623,755
Due to Other Governments	-	-	320	320
Bond Anticipation Notes Payable	-	34,893,575	579,200	35,472,775
Due to Teachers' Retirement System	781,863	-	-	781,863
Due to Employees' Retirement System	84,731	-	-	84,731
Compensated Absences Payable	247,289	-	-	247,289
Unearned Revenues	15,128	-	6,167	21,295
Total Liabilities	1,451,238	35,452,383	1,232,785	38,136,406
FUND BALANCES				
Nonspendable	531,548	-	34,262	565,810
Restricted	8,702,805	-	1,884,586	10,587,391
Assigned	903,513	-	-	903,513
Unassigned	958,503	(13,732,973)	(452,979)	(13,227,449)
Total Fund Balances	11,096,369	(13,732,973)	1,465,869	(1,170,735)
Total Liabilities and Fund Balances	**$ 12,547,607**	**$ 21,719,410**	**$ 2,698,654**	**$ 36,965,671**

See Notes to Basic Financial Statements

TIOGA CENTRAL SCHOOL DISTRICT

RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
JUNE 30, 2024

Fund Balances (Deficit) - Total Governmental Funds		**$ (1,170,735)**
Amounts reported for Governmental Activities in the Statement of Net Position are different because:		
Capital assets, net of accumulated depreciation and amortization, used in Governmental Activities are not financial resources and, therefore, are not reported in the funds.		
Total Historical Cost	$ 69,191,997	
(Less) Accumulated Depreciation	(26,449,737)	
(Less) Accumulated Amortization	(232,841)	42,509,419
Long-term liabilities, including bonds payable, bond premium, lease liabilities, and deferred charges on defeased debt, are not due and payable in the current period and, therefore, are not reported in the funds.		
Bonds Payable	$ (10,058,741)	
Lease Liabilities	(2,234)	
Bond Premium	(1,401,981)	(11,462,956)
The School District's proportion of the collective net pension (asset)/liability is not reported in the funds.		
TRS Net Pension Liability - Proportionate Share	$ (401,513)	
ERS Net Pension Liability - Proportionate Share	(1,065,437)	(1,466,950)
Deferred outflows of resources, including deferred charges on defeased debt, OPEB, and pensions, represents a consumption of net position that applies to future periods and, therefore, is not reported in the funds. Deferred inflows of resources, including OPEB, and pensions, represents an acquisition of net position that applies to future periods and, therefore, is not reported in the funds.		
Deferred Charges on Defeased Debt	$ 386,029	
Deferred Outflows - OPEB	5,297,663	
Deferred Inflows - OPEB	(8,560,538)	
TRS Deferred Inflows - Pension	(295,057)	
ERS Deferred Inflows - Pension	(556,405)	
TRS Deferred Outflows - Pension	2,750,743	
ERS Deferred Outflows - Pension	943,523	(34,042)
Certain accrued obligations and expenses reported in the Statement of Net Position do not require the use of current financial resources and, therefore, are not reported as liabilities in the funds.		
Accrued Interest on Long-Term Debt	$ (601,443)	
Long Term Portion of Compensated Absences	(549,583)	
Other Postemployment Benefits Liability	(51,766,704)	(52,917,730)
Net (Deficit) of Governmental Activities		**$ (24,542,994)**

See Notes to Basic Financial Statements

TIOGA CENTRAL SCHOOL DISTRICT

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

	Major Funds		Formerly Major Fund		
	General Fund	Capital Projects Fund - Renovations	Special Aid Fund	Non-Major Governmental Funds	Total Governmental Funds
REVENUES					
Real Property Taxes	$ 3,461,936	$ -	$ -	$ -	$ 3,461,936
Real Property Tax Items	845,723	-	-	-	845,723
Charges for Services	38,146	-	-	-	38,146
Use of Money and Property	517,594	-	-	274,700	792,294
Sale of Property and Compensation for Loss	18,337	-	-	-	18,337
Other Revenue	218,726	-	-	27,477	246,203
State Sources	17,724,697	-	-	765,149	18,489,846
Medicaid Reimbursement	34,323	-	-	-	34,323
Federal Sources	-	-	-	2,283,680	2,283,680
Sales - School Lunch	-	-	-	50,199	50,199
Total Revenues	22,859,482	-	-	3,401,205	26,260,687
EXPENDITURES					
General Support	2,690,609	-	-	27,893	2,718,502
Instruction	8,807,809	-	-	2,090,275	10,898,084
Pupil Transportation	1,141,770	-	-	39,492	1,181,262
Community Services	616	-	-	-	616
Employee Benefits	5,311,888	-	-	410,206	5,722,094
Debt Service:					
Principal	285,271	-	-	1,685,000	1,970,271
Interest	16,570	-	-	755,585	772,155
Cost of Sales	-	-	-	439,033	439,033
Capital Outlay	-	10,482,780	-	308,626	10,791,406
Total Expenditures	18,254,533	10,482,780	-	5,756,110	34,493,423
Excess (Deficiency) of Revenues Over Expenditures	4,604,949	(10,482,780)	-	(2,354,905)	(8,232,736)
OTHER FINANCING SOURCES AND (USES)					
Redeemed From Appropriations	-	288,800	-	-	288,800
Premium on Obligations	-	-	-	196,757	196,757
Proceeds of Obligations	-	64,082	-	-	64,082
Operating Transfers In	6,124	100,000	-	2,377,809	2,483,933
Operating Transfers (Out)	(2,470,004)	(13,929)	-	-	(2,483,933)
Total Other Financing Sources and (Uses)	(2,463,880)	438,953	-	2,574,566	549,639
Net Change in Fund Balances	2,141,069	(10,043,827)		219,661	(7,683,097)
Fund Balances - Beginning of Year, as Previously Presented	8,955,300	(3,689,146)	(48,228)	1,294,436	6,512,362
Change Within Financial Reporting Entity (Major to Non-Major Fund)	-	-	48,228	(48,228)	-
Fund Balances - Beginning of Year, as Adjusted	8,955,300	(3,689,146)	-	1,246,208	6,512,362
Fund Balances - End of Year	**$ 11,096,369**	**$ (13,732,973)**	**$ -**	**$ 1,465,869**	**$ (1,170,735)**

See Notes to Basic Financial Statements

TIOGA CENTRAL SCHOOL DISTRICT

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

Net Change in Fund Balances - Total Governmental Funds		**$ (7,683,097)**
Amounts reported for Governmental Activities in the Statement of Activities are different because:		
Governmental Funds report capital outlay as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation/amortization expense. This is the change in capital assets.		
Capital Additions	$ 10,948,972	
Depreciation Expense	(1,489,372)	
Amortization Expense	(91,139)	9,368,461
Long-term debt proceeds, and related issue costs and deferred amounts on refunding, provide current financial resources to Governmental Funds, but issuing debt and the related premiums increase 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.		
Principal Payments - Leases	$ 65,810	
Proceeds of Debt	(64,082)	
Repayment of Bond Principal	1,455,000	
Repayment of Statutory Installment Bond Debt	160,661	1,617,389
Long-term liabilities, such as those associated with employee benefits, are reported in the Statement of Net Position. Therefore, expenses which result in an (increase) or decrease in these long-term liabilities are not reflected in the Governmental Fund financial statements. In addition, changes in the School District's deferred outflows and deferred inflows of resources related to other postemployment benefits do not affect current financial resources and are, also, not reported in the Governmental Funds.		
Other Postemployment Benefits	$ 111,719	
Compensated Absences	(113,828)	(2,109)
Certain expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in Governmental Funds. These include the change in accrued interest, amortization of bond premiums, and deferred amounts from refunding bonds.		
Deferred Amounts from Refunding Bonds	$ (60,194)	
Amortization of Premiums on Obligations and New Premiums	178,933	
Change in Accrued Interest	(573,553)	(454,814)
Changes in the School District's proportionate share of net pension (assets) and liabilities have no effect on current financial resources and, therefore, are not reported as revenues or expenditures in the governmental funds. In addition, changes in the School District's deferred outflows of resources and deferred inflows of resources related to pensions do not affect current financial resources and are also not reported in the Governmental Funds.		
TRS	$ (440,322)	
ERS	(219,440)	(659,762)
Net Change in Net Position of Governmental Activities		**$ 2,186,068**

See Notes to Basic Financial Statements

TIOGA CENTRAL SCHOOL DISTRICT

STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2024

	Custodial Fund
ASSETS	
Cash and Cash Equivalents	$ 75,496
Total Assets	75,496
NET POSITION	
Unrestricted	**$ 75,496**

See Notes to Basic Financial Statements

TIOGA CENTRAL SCHOOL DISTRICT

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

	Custodial Fund
ADDITIONS	
Extraclassroom Activity Funds Receipts	$ 71,582
DEDUCTIONS	
Extraclassroom Activity Funds Disbursements	74,625
Change in Net Position	(3,043)
Net Position - Beginning of Year	78,539
Net Position - End of Year	**$ 75,496**

See Notes to Basic Financial Statements

Note 1 **Summary of Significant Accounting Policies**

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

Reporting Entity

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

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

- The primary government, which is the School District;

- Organizations for which the primary government is financially accountable; and

- Other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's basic financial statements to be misleading or incomplete.

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

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

The Extraclassroom Activity Funds of the School District represent funds of the students of the School District. The Board of Education exercises general oversight of these funds. The Extraclassroom Activity Funds are independent of the School District with respect to its financial transactions and the designation of student management. Separate audited financial statements (cash basis) of the Extraclassroom Activity Funds can be obtained from the School District's business office, located at Fifth Avenue, Tioga Center, NY. The School District accounts for assets held as an agent for various student organizations in an agency fund.

Note 1 Summary of Significant Accounting Policies - Continued

Joint Venture

The Tioga Central School District is one of 15 component School Districts in the Broome-Tioga Board of Cooperative Educational Services (BOCES). A BOCES is a voluntary, cooperative association of School Districts in a geographic area that share 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 (GML).

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

Separate financial statement of Broome-Tioga BOCES may be obtained by contacting the Business Office, Broome Tioga BOCES, 435 Upper Glenwood Road, Binghamton, NY 13905-1699.

Basis of Presentation - District-Wide Financial Statements

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

The Statement of Net Position presents the financial position of the School District at fiscal yearend. 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 specifically associated with and clearly identifiable to a particular function. Indirect expenses, principally employee benefits, are allocated to functional areas in proportion to the payroll expended for those areas. Program revenues include charges paid by the recipients of goods or services offered by the programs, and grants and contributions restricted to meeting the operational or capital requirements of a particular program. Revenues not classified as program revenues, including all taxes, are presented as general revenues.

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

Basis of Presentation - Governmental Fund Financial Statements
The Governmental Fund financial statements provide information about the School District's funds, including Fiduciary Funds. Separate statements for each fund category (Governmental and Fiduciary) are presented. The emphasis of Governmental Fund financial statements is on major Governmental Funds, each displayed in a separate column. The following are the School District's Governmental Funds.

Major Funds

- General Fund: The School District's primary operating fund. It accounts for all financial transactions not required to be accounted for in another fund.

- Capital Projects Fund - Renovation: Accounts for financial resources used for renovation of School District buildings.

Non-Major Funds

- Debt Service Fund: Accounts for accumulation of resources and payment of principal and interest of long-term general obligation debt of governmental activities.

- Special Revenue Funds: Account for proceeds of specific revenue sources (other than capital projects) legally restricted to expenditures for specified purposes. Non-major special revenue funds include the following:

    - Miscellaneous Special Revenue Fund: Used to account for student scholarships whose funds are restricted as to use.

    - School Lunch Fund: Used to account for child nutrition activities whose funds are restricted as to use.

    - Special Aid Fund: Used to account for proceeds received from state and federal grants restricted for special educational programs.

- Capital Projects Fund - Buses: Accounts for the purchase of buses for the School District.

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

Basis of Presentation - Governmental Fund Financial Statements - Continued
Fiduciary Activities are those in which the School District acts as trustee or agent for resources that belong to others. These activities are not included in the District-wide financial statements, because their resources do not belong to the School District and are not available to be used.

The School District reports the following Fiduciary Funds:

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

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 state aid is recognized in the fiscal year it is apportioned by the state. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

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

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

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

Cash and Investments

The School District's cash, and cash equivalents consist of cash on hand, demand deposits, and short-term investments with original maturities of three months or less from date of acquisition. New York State law governs the School District's investment policies. Resources must be deposited in Federal Deposit Insurance Corporation (FDIC) insured commercial banks or trust companies located within the state. Permissible investments include obligations of the United States Treasury, United States Agencies, repurchase agreements and obligations of New York State or its localities. Collateral is required for demand and time deposits and certificates of deposit not covered by FDIC insurance. Obligations that may be pledged as collateral are obligations of the United States and its agencies and obligations of the state and its municipalities and school districts. Investments are stated at fair value.

Accounts Receivable

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

Inventories and Prepaid Items

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

A portion of fund balance equal to inventories and prepaid amounts is reported as nonspendable, as these assets are not in spendable form in the current period.

Due To/From Other Funds

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

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

Capital Assets

Capital assets with a historical cost greater than $5,000 and a useful life of at least one year are reported at actual cost for acquisitions subsequent to July 1, 2002, including the right to use assets acquired through financed lease arrangements. For assets acquired prior to July 1, 2002, historical costs have been estimated based on appraisals conducted by independent third-party professionals. Donated assets are reported at estimated fair market value at the time received.

Capital assets are depreciated and amortized using the straight-line method over the following estimated useful lives:

	Estimated Useful Life
Buildings	20 - 40 Years
Building Improvements	20 Years
Furniture and Equipment	1 - 20 Years

Deferred Outflows and Inflows of Resources

In addition to assets, the Statement of Net Position reports a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. The School District reports a deferred charge on defeased debt resulting from the difference in the carrying value of refunded debt and its reacquisition price, which is amortized over the shorter of the life of the refunded or refunding debt, as described in Note 8. The School District also reports deferred outflows of resources related to pensions and OPEB plans in the District-wide Statement of Net Position. The types of deferred outflows of resources related to pensions and OPEB plans are described in Notes 11 and 12, respectively.

In addition to liabilities, the Statement of Net Position reports a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period(s) and will not be recognized as an inflow of resources (revenue) until that time. The School District reports deferred inflows of resources related to pensions and OPEB plans which are further described in Notes 11 and 12, respectively.

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

Leases

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

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

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

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

Vested Employee Benefits - Compensated Absences

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

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

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

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

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

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

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

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

The School District follows GASB Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other than Pensions." The School District's liability for other postemployment benefits has been recorded in the Statement of Net Position, in accordance with the statement. See Note 12 for additional information.

Unearned and Unavailable Revenues
Unearned revenues arise when resources are received by the School District before it has legal claim to them, as when grant monies are received prior to the incidence of qualifying expenditures. In subsequent periods, when the School District has legal claim to the resources, the liability for unearned revenues is removed and revenues are recorded.

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

Overpayments and Collections in Advance
Overpayments and collections in advance arise when resources are received by the School District before it has legal claim to them, as when grant monies are received prior to the incidence of qualifying expenditures. In subsequent periods, when the School District has legal claim to the resources, the liability is removed, and revenues are recorded.

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

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

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 judgements, other postemployment benefits payable, and compensated absences that will be paid from governmental funds, are reported as a liability in the fund's 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 School District's future obligations or future economic outflows. Liabilities are reported as current (due in one year) or noncurrent (due later than one year) in the Statement of Net Position.

Equity Classifications - District-Wide Financial Statements
Equity is classified as net position and displayed in three components:

- Net Investment in Capital Assets - Consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

- Restricted - Consists of resources with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or 2) law through constitutional provisions or enabling legislation.

- Unrestricted - Consists of all other resources that do not meet the definition of "restricted" or "net investment in capital assets."

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

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

Equity Classifications - Governmental Fund Financial Statements - Continued
Fund balances are allocated into five classifications: nonspendable, restricted, committed, assigned, and unassigned. These classifications serve to inform readers of the financial statements of the extent to which the School District is bound to honor any constraints on specific purposes for which resources in a fund can be spent.

- Nonspendable - Consists of assets inherently nonspendable in the current period either because of their form or because they must be maintained intact; including prepaid items, inventories, long-term portions of loans receivable, financial assets held for resale, and endowments principal.

- Restricted - Consists of amounts subject to legal purpose restrictions imposed by creditors, grantors, contributors, or laws and regulations of other governments and enforced externally; or through constitutional provisions or enabling legislation. Most of the School District's legally adopted reserves are reported here.

- Committed - Consists of amounts subject to a purpose constraint imposed by formal action of the School District's highest level of decision-making authority prior to the end of the fiscal year, and requires the same level of formal action to remove said constraint.

- Assigned - Consists of amounts subject to a purpose constraint representing an intended use established by the School District's highest level of decision-making authority, or their designated body or official. The purpose of the assignment must be narrower than the purpose of the General Fund. In funds other than the General Fund, assigned fund balance represents the residual amount of fund balance.

- Unassigned - Represents the residual classification of the School District's General Fund, and could report a surplus or deficit. In funds other than the General Fund, the unassigned classification should only be used to report a deficit balance resulting from overspending amounts restricted, committed, or assigned for specific purposes.

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

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

Equity Classifications - Governmental Fund Financial Statements - Continued
The Board of Education of the School District may adopt resolutions to commit or assign fund balance. By resolution, fund balance of the School District may be committed for a specific source by formal action of the Board of Education. Furthermore, the Board of Education delegates authority to assign fund balance for a specific purpose to the Business Official of the School District. The Board of Education, by resolution, approves fund balance appropriations for next year's budget. The School District applies expenditures against nonspendable fund balance, restricted fund balance, committed fund balance, assigned fund balance, and unassigned fund balance.

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

- Capital Reserve (Education Law §3651) - Used to pay the cost of any object or purpose for which bonds may be issued. The creation of a Capital Reserve Fund requires authorization by a majority of the voters establishing the purpose of the reserve; the ultimate amount, its probable term and the source of the funds. Expenditure may be made from the reserve only for a specific purpose further authorized by the voters. The form for the required legal notice for the vote on establishing and funding the reserve and the form of the proposition to be placed on the ballot are set forth in §3651 of the Education Law. This reserve is accounted for in the General Fund.

- Mandatory Debt Service Reserve (GML §6-l) - Used to establish a reserve for the purpose of retiring the outstanding obligations upon the sale of School District property or capital improvement financed by obligations which remain outstanding at the time of sale. The funding of the reserve is from the proceeds of the sale of School District property or capital improvement. This reserve is accounted for in the Debt Service Fund.

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

Note 1 Summary of Significant Accounting Policies - Continued

Legally Adopted Reserves - Continued

- Retirement Contribution Reserve (GML §6-r) - Used for the purpose of financing retirement contributions. The reserve must be accounted for separate and apart from all other funds and a detailed report of the operation and condition of the fund must be provided to the Board. Effective April 1, 2019, a Board may adopt a resolution establishing a sub-fund for contributions to the New York State Teachers' Retirement System. During a fiscal year, the Board may authorize payment into the sub-fund of up to 2% of the total covered salaries paid during the preceding fiscal year, with the total amount funded not to exceed 10% of the total covered salaries during the preceding fiscal year. The sub-fund is separately administered, but must comply with all the existing provisions of GML §6-r. These reserves are accounted for in the General Fund.

Property Taxes
Real property taxes are levied annually by the Board of Education no later than September 1 and became a lien on August 9, 2023. Taxes were collected during the period September 15, 2023 to November 15, 2023.

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

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

Use of Estimates
The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amount of assets, deferred outflows of resources, liabilities, deferred inflows of resources, 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 benefits payable, potential contingent liabilities and useful lives of long-lived assets.

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

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

- GASB Statement No. 100, "Accounting Changes and Error Corrections"

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

Note 2 **Participation in BOCES**
During the year ended June 30, 2024, the School District's share of BOCES income amounted to $917,059. The School District was billed $2,384,419 for BOCES administration and program costs. Financial statements for the Broome-Tioga BOCES are available from the BOCES administrative office at 435 Upper Glenwood Road, Binghamton, New York 13905.

Note 3 **Cash and Cash Equivalents and Investments**
Custodial credit risk is the risk that in the event of a bank failure, the School District's deposits may not be returned to it. While the School District does not have a specific policy for custodial credit risk, New York State statutes govern the School District's investment policies, as discussed previously in these notes. GASB Statement No. 40 directs that deposits be disclosed as exposed to custodial credit risk if they are not covered by depository insurance, and the deposits are either uncollateralized or collateralized with securities held by the pledging financial institution's trust department or agent, but not in the School District's name.

The School District's aggregate bank balances of $34,614,616, including investments, were either insured or collateralized with securities held by the pledging financial institution in the School District's name as required.

Note 3 **Cash and Cash Equivalents and Investments - Continued**

Restricted cash and investments at June 30, 2024 consisted of the following:

Restricted for Debt Service	$ 1,248,347
Restricted for Capital Unspent Debt	20,238,812
Restricted for School Lunch	354,999
Restricted for General Fund Reserves	8,702,805
Restricted for Scholarships	244,598
Total	**$ 30,789,561**

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. Investments are stated at fair value.

The School District has few investments (United States Treasury obligations) and chooses to disclose its investments by specifically identifying each. The School District's investment policy for these investments is also governed by New York State statutes. 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 investments are held by the School District:

Fund	**Cost**	**Fair Value**	**Type of Investment**	**Level**
General Fund	$ 1,888,661	$ 1,895,610	Treasury Bill	(1)
General Fund	5,971,373	5,986,120	Treasury Bill	(1)
Debt Service Fund	927,434	931,780	Treasury Bill	(1)
Miscellaneous Special Revenue Fund	207,476	207,476	Treasury Bill	(1)
Total	**$ 8,994,944**	**$ 9,020,986**		

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

Due from State and Federal Governments consisted of the following, which are stated at net realizable value.

Description	Amount
Title I	$ 64,206
IDEA	71,090
ESF	222,915
School Lunch	50,788
Excess Cost Aid	437,864
Other	263,986
Total	**$ 1,110,849**

Note 5 **Interfund Balances and Activity**

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

	Interfund Receivable	Interfund Payable	Interfund Revenues	Interfund Expenditures
Major Funds				
General Fund	$ 618,838	$ 494	$ 6,124	$ 2,470,004
Capital Projects Renovation Fund	-	24,507	100,000	13,929
Non-Major Governmental Funds	4,917	598,754	2,377,809	-
Total	**$ 623,755**	**$ 623,755**	**$ 2,483,933**	**$ 2,483,933**

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

The School District typically transfers from the General Fund to the Special Aid Fund the School District's share of the cost to accommodate the mandated accounting for the School District's share of expenditures of a Special Aid Fund project and to and from the Debt Service Fund for the payment of long-term debt. The School District also transfers funds from the Capital Reserve in the General Fund to Capital Funds, as needed, to fund capital projects. Periodically, the School District transfers funds as needed to subsidize the School Lunch Fund.

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

Note 6 **Capital Assets**

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

Governmental Activities	Beginning Balance	Additions	Reclassifications, and Disposals	Ending Balance
Capital Assets That Are Not Depreciated				
Land	$ 308,479	$ -	$ -	$ 308,479
Construction in Progress	5,589,436	10,418,701	(2,238,632)	13,769,505
Total Nondepreciable Historical Cost	5,897,915	10,418,701	(2,238,632)	14,077,984
Capital Assets That Are Depreciated				
Buildings and Improvements	46,475,846	-	2,238,632	48,714,478
Furniture and Equipment	5,573,392	466,189	-	6,039,581
Total Depreciable Historical Cost	52,049,238	466,189	2,238,632	54,754,059
Intangible Lease Assets				
Equipment	295,872	64,082	-	359,954
Total Historical Cost	58,243,025	10,948,972	-	69,191,997
(Less) Accumulated Depreciation				
Buildings and Improvements	(21,307,056)	(1,111,512)	-	(22,418,568)
Furniture and Equipment	(3,653,309)	(377,860)	-	(4,031,169)
Total Accumulated Depreciation	(24,960,365)	(1,489,372)	-	(26,449,737)
(Less) Accumulated Amortization				
Equipment	(141,702)	(91,139)		(232,841)
Total Historical Cost, Net	**$ 33,140,958**	**$ 9,368,461**	**$ -**	**$ 42,509,419**

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

General Support	$ 68,496
Instruction	1,042,348
Pupil Transportation	460,495
School Lunch Program	9,172
Total	**$ 1,580,511**

Note 7 **Short-Term Debt**

The School District may issue revenue anticipation notes (RANs) and tax anticipation notes (TANs), in anticipation of the receipt of revenues. These notes are recorded as a liability of the fund that will actually receive the proceeds from the issuance of the notes. The RANs and TANs represent a liability that will be extinguished by the use of expendable, available resources of the fund. The School District did not issue or redeem any RANs or TANs during the year.

The School District may issue budget notes up to an amount not to exceed 5% of the amount of the annual budget during any fiscal year for expenditures for which an insufficient or no provision is made in the annual budget. The budget note must be repaid no later than the close of the second fiscal year succeeding the year in which the note was issued. The School District did not issue or redeem any budget notes during the year.

The School District may issue deficiency notes up to an amount not to exceed 5% of the amount of that same year's annual budget in any fund or funds arising from revenues being less than the amount estimated in the budget for that fiscal year. The deficiency notes may mature no later than the close of the second fiscal year after the fiscal year in which they were issued, if the notes were authorized and issued after the adoption of the budget for the fiscal year following the year in which they were issued. The School District did not issue or redeem any deficiency notes during the year.

The School District may issue bond anticipation notes (BANs), in anticipation of proceeds from the subsequent sale of bonds. These notes are recorded as current liabilities of the funds that will actually receive the proceeds from the issuance of bonds. State law requires that BANs issued for capital purposes be converted to long-term financing within five years after the original issue date. Such notes may be classified as long-term when (1) the intention is to refinance the debt on a long-term basis; and (2) the intention can be substantiated through a post balance sheet issuance of long-term debt or by an acceptable financing agreement. BAN activity for the year is summarized below:

	Beginning Balance	Issued	Redeemed	Ending Balance
BAN Maturing 12/21/2023 at 4.11%	$ 294,000	$ -	$ (294,000)	$ -
BAN Maturing 12/21/2024 at 3.65%	-	579,200	-	579,200
BAN Maturing 6/28/2024 at 4.75%	4,816,000	-	(4,816,000)	-
BAN Maturing 7/3/2024 at 4.50%	-	12,600,000	-	12,600,000
BAN Maturing 6/27/2025 at 4.50%	-	22,293,575	-	22,293,575
Total Short-Term Debt	**$ 5,110,000**	**$35,472,775**	**$ (5,110,000)**	**$ 35,472,775**

Note 7 **Short-Term Debt - Continued**

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

Interest Paid	$ 238,896
Premium on BAN Obligations	(196,757)
(Less) Interest Accrued in the Prior Year	(5,567)
Interest Accrued in the Current Year	581,195
Total	**$ 617,767**

Note 8 **Long-Term Debt**

At June 30, 2024, the total outstanding indebtedness of the School District represented 102.4% of its statutory debt limit, exclusive of building aids. This was due to the timing of the issuance of the School District's BANs, with the maturing issuance and new issuance overlapping at year end. The School District was under the debt limit on 7/3/2024. Long-term debt is classified as follows:

- Serial Bonds and Statutory Installment Bonds - The School District borrows money in order to acquire land or equipment or construct buildings and improvements. This enables the cost of these capital assets to be borne by the present and future taxpayers receiving the benefit of the capital assets. Statutory Installment Bonds are sometimes issued directly with a financial institution or investor and are not offered for public sale. There are no terms that present additional risk to the School District associated with these direct borrowings or placements.

The following is a summary of the School District’s bonds payable for the year ended June 30, 2024:

	Issue Date	Final Maturity	Interest Rate	Outstanding June 30, 2024
Serial Bonds				
Building	05/27/2016	06/15/2039	5.00%-5.125%	$ 460,000
Building	05/27/2016	06/15/2034	5.00%	3,780,000
Building	06/10/2015	06/15/2030	3.00%-5.00%	525,000
Building	06/16/2021	06/15/2036	4.00%-5.00%	1,180,000
Refunding	05/27/2016	06/15/2039	2.00%-5.00%	3,950,000
Total Serial Bonds				9,895,000
Statutory Installment Bonds				
Bus #177	12/30/2020	06/15/2025	2.30%	26,783
Bus #178	12/30/2020	06/15/2025	2.30%	26,783
Bus #179	12/28/2021	06/15/2026	1.60%	110,175
Total Statutory Installment Bonds				163,741
Total				**$ 10,058,741**

Note 8 **Long-Term Debt - Continued**

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

Interest Paid	$ 533,259
(Less) Interest Accrued in the Prior Year	(22,323)
Interest Accrued in the Current Year	20,248
Amortization of Deferred Charges on Defeased Debt	60,194
(Less) Amortization of Bond Premium	(178,933)
Total	**$ 412,445**

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

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

Governmental Activities	Beginning Balance	Issued	Redeemed	Ending Balance	Amounts Due Within One Year
Serial Bonds	$ 11,350,000	$ -	$ (1,455,000)	$ 9,895,000	$ 670,000
Statutory Installment Bonds	324,402	-	(160,661)	163,741	108,653
Subtotal	11,674,402	-	(1,615,661)	10,058,741	778,653
Premium on Obligations	1,580,914	-	(178,933)	1,401,981	148,840
Total	**$ 13,255,316**	**$ -**	**$ (1,794,594)**	**$ 11,460,722**	**$ 927,493**

Deferred charges on defeased debt related to the 2016 bond refunding are amortized over the life of the bonds. Bond activity for the year is summarized below:

Governmental Activities	Beginning Balance	Issued	Redeemed	Ending Balance	Amounts Due Within One Year
Deferred Charges on Defeased Debt	$446,223	$ -	$ (60,194)	$386,029	$ 47,824
Total	**$446,223**	**$ -**	**$ (60,194)**	**$386,029**	**$ 47,824**

Note 8 **Long-Term Debt - Continued**

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

Year	Principal	Interest	Total
2025	$ 778,653	$ 459,680	$ 1,238,333
2026	750,088	424,819	1,174,907
2027	725,000	389,986	1,114,986
2028	760,000	353,738	1,113,738
2029	800,000	315,736	1,115,736
2030-2034	4,210,000	974,074	5,184,074
2035-2039	2,035,000	202,332	2,237,332
Total	**$ 10,058,741**	**$ 3,120,365**	**$ 13,179,106**

On May 27, 2016, $7,940,000 in general obligation bonds with variable interest rates ranging from 2.0% to 5.0% were issued to advance refund $7,925,000 of outstanding bonds, with interest rates ranging from 3.0% to 5.125%. The net proceeds of $9,054,326 (after payment of fiscal agent fees, original bond premium, insurance, and other issuance costs) were used to purchase U.S. government securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the bonds. As a result, the bonds are considered to be defeased and the liability for those bonds has been removed from the financial statements. The outstanding principal on the defeased bonds was $460,000 at June 30, 2024.

Note 9 **Compensated Absences**

Compensated absences represent the value of the earned and unused portion of the liability for compensated absences. This liability is liquidated from the General and School Lunch Funds.

Current year activity consists of the following:

	Beginning Balance	Additions	Deletions	Ending Balance	Amounts Due Within One Year
Compensated Absences	$ 660,293	$136,579	$ -	$ 796,872	$ 247,289
Total	**$ 660,293**	**$136,579**	**$ -**	**$ 796,872**	**$ 247,289**

Change to long-term compensated absences are reported net, as it is impractical to individually determine the amount of additions and deletions during the fiscal year.

Note 10 **Lease Liabilities**

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

At June 30, 2024, the School District reported $351,085, offset by the accumulated amortization of $226,206, in intangible lease assets that were not included in the lease liability below.

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

Description of Lease	Issue Date	Final Maturity	Discount Rate	Outstanding June 30, 2024
Postage Machine	8/7/2020	8/1/2025	3%	$ 2,234
Total				**$ 2,234**

Interest paid on lease liabilities totaled $100.

The following is a summary of maturity of lease liabilities.

Year	Principal	Interest	Total
2025	$ 1,781	$ 47	$ 1,828
2026	453	3	456
Total	**$ 2,234**	**$ 50**	**$ 2,284**

Note 11 **Pension Obligations - New York State and Local Employees' Retirement System (ERS) and the New York State Teachers' Retirement (TRS) (the Systems)**

Plan Descriptions and Benefits Provided

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

Tier 3 and Tier 4 members are required by law to contribute 3% of salary to the System. Effective October 2000, contributions were eliminated for Tier 3 and 4 members with 10 or more years of service or membership. Effective January 1, 2010, Tier 5 members are required by law to contribute 3.5% of salary throughout their active membership. Effective April 1, 2012, Tier 6 members are required by law to contribute between 3% and 6% of salary throughout their active membership in accordance with a salary based upon salary earned. Pursuant to Article 14 and Article 15 of the New York State Retirement and Social Security Law (RSSL), those member contributions are used to help fund the benefits provided by the System. However, if a member dies or leaves covered employment with less than 5 years of credited service for Tiers 3 and 4, or 10 years of credited service for Tiers 5 and 6, the member contributions with interest calculated at 5% per annum are refunded to the employee or designated beneficiary. Eligible Tier 1 and Tier 2 members may make member contributions under certain conditions pursuant to the provisions of Article 11 of the Education Law and Article 11 of the RSSL. Upon termination of membership, such accumulated member contributions are refunded. At retirement, such accumulated member contributions can be withdrawn or are paid as a life annuity.

Note 11 **Pension Obligations - New York State and Local Employees' Retirement System (ERS) and the New York State Teachers' Retirement (TRS) (the Systems) - Continued**

Plan Descriptions and Benefits Provided - Continued

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

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

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

Note 11 **Pension Obligations - New York State and Local Employees' Retirement System (ERS) and the New York State Teachers' Retirement (TRS) (the Systems) - Continued**

Plan Descriptions and Benefits Provided - Continued

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

	ERS	TRS
2024	**$ 275,408**	**$ 667,669**
2023	237,360	608,366
2022	291,362	561,140

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

	ERS	TRS
Actuarial Valuation Date	April 1, 2023	June 30, 2022
Net Pension (Asset)/ Liability	$ 14,724,050,185	$ 1,143,585,019
School District's Proportionate Share of the Plan's Total Net Pension (Asset)/Liability	1,065,437	401,513
School District's Share of the Net Pension (Asset)/ Liability	0.0072360%	0.035110%

Note 11 **Pension Obligations - New York State and Local Employees' Retirement System (ERS) and the New York State Teachers' Retirement (TRS) (the Systems) - Continued**

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

For the year ended June 30, 2024, the School District recognized pension expense of $509,142 for ERS and $1,111,973 for TRS in the District-wide financial statements. At June 30, 2024, the School District's reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources		Deferred Inflows of Resources	
	ERS	TRS	ERS	TRS
Differences Between Expected and Actual Experience	$ 343,176	$ 973,562	$ 29,052	$ 2,406
Changes of Assumptions	402,818	864,445	-	188,401
Net Differences Between Projected and Actual Earnings on Pension Plan Investments	-	205,245	520,460	-
Changes in Proportion and Differences Between the School District's Contributions and Proportionate Share of Contributions	112,798	35,221	6,893	104,250
School District's Contributions Subsequent to the Measurement Date	84,731	672,270	-	-
Total	**$ 943,523**	**$ 2,750,743**	**$ 556,405**	**$ 295,057**

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

Year Ended	ERS	TRS
2025	$ (152,458)	$ 137,397
2026	234,929	(223,888)
2027	326,968	1,603,428
2028	(107,052)	116,952
2029	-	89,266
Thereafter	-	60,261

Note 11 **Pension Obligations - New York State and Local Employees' Retirement System (ERS) and the New York State Teachers' Retirement (TRS) (the Systems) - Continued**

Actuarial Assumptions
The total pension liability as of the measurement date was determined by using an actuarial valuation as noted in the table below, with updated procedures used to roll forward the total pension liability to the measurement date.

Significant actuarial assumptions used in the valuations were as follows:

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

For ERS, annuitant mortality rates are based on April 1, 2015 - March 31, 2020 System experience with adjustments for mortality improvements based on the Society of Actuaries' Scale MP-2022. For TRS, annuitant mortality rates are based on plan member experience with adjustments for mortality improvements based on Society of Actuaries Scale MP-2022, applied on a generational basis.

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

Note 11 **Pension Obligations - New York State and Local Employees' Retirement System (ERS) and the New York State Teachers' Retirement (TRS) (the Systems) - Continued**

Actuarial Assumptions - Continued

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

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

Note 11 **Pension Obligations - New York State and Local Employees' Retirement System (ERS) and the New York State Teachers' Retirement (TRS) (the Systems) - Continued**

Discount Rate

The discount rate used to calculate the total pension liability was 5.9% for ERS and 6.95% for TRS. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and contributions from employers will be made at statutorily required rates, actuarially determined. Based on the assumptions, the Systems' fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

ERS	1% Decrease (4.9%)	Current Assumption (5.9%)	1% Increase (6.9%)
School District's Proportionate Share of the Net Pension (Asset)/Liability	$ 3,349,841	$ 1,065,437	$ (842,515)

TRS	1% Decrease (5.95%)	Current Assumption (6.95%)	1% Increase (7.95%)
School District's Proportionate Share of the Net Pension (Asset)/Liability	$ 6,115,243	$ 401,513	$ (4,403,982)

Pension Plan Fiduciary Net Position

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

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

Note 11 **Pension Obligations - New York State and Local Employees' Retirement System (ERS) and the New York State Teachers' Retirement (TRS) (the Systems) - Continued**

Payables to the Pension Plan

For ERS, employer contributions are paid annually based on the System's fiscal year which ends on March 31. Accrued retirement contributions as of June 30, 2024 represent the projected employer contribution for the period of April 1, 2023 through June 30, 2024 based on estimated ERS wages multiplied by the employer's contribution rate, by tier. Accrued retirement contributions as of June 30, 2024 amounted to $84,731.

For TRS, employer and employee contributions for the fiscal year ended June 30, 2024, are paid to the System in September, October, and November 2023 through a state aid intercept. Accrued retirement contributions as of June 30, 2024, represent employee and employer contributions for the fiscal year ended June 30, 2024 based on paid TRS wages multiplied by the employer's contribution rate, by tier and employee contributions for the fiscal year as reported to the TRS System. Accrued retirement contributions as of June 30, 2024 amounted to $781,863.

Current Year Activity

The following is a summary of current year activity:

	Beginning Balance	Change	Ending Balance
ERS			
Net Pension (Asset)/Liability	$ 1,447,129	$ (381,692)	$ 1,065,437
Deferred Outflows of Resources	(1,045,160)	101,637	(943,523)
Deferred Inflows of Resources	56,910	499,495	556,405
Subtotal	458,879	219,440	678,319
TRS			
Net Pension (Asset)/Liability	674,570	(273,057)	401,513
Deferred Outflows of Resources	(3,596,649)	845,906	(2,750,743)
Deferred Inflows of Resources	427,584	(132,527)	295,057
Subtotal	(2,494,495)	440,322	(2,054,173)
Total	**$ (2,035,616)**	**$ 659,762**	**$ (1,375,854)**

Note 12 Postemployment Benefits Other Than Pensions (OPEB)

General Information about the OPEB Plan

Plan Description
The School District's defined OPEB plan provides medical benefits to eligible retirees and their spouses in accordance with various employment contracts. The plan is a single-employer defined benefit healthcare plan administered by the School District. Article 11 of the State Compiled Statutes grants the authority to establish and amend the benefit terms and financing requirements to the School District Board. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75. The Plan does not issue separate financial statements, because there are no assets legally segregated for the sole purpose of paying benefits under the plan.

Benefits Provided
The School District provides medical and prescription drug benefits for eligible retirees, spouses, and their covered dependents while contributing a portion of the expenses. Benefit terms are dependent of which contract each employee falls under. The specifics of each contract are on file at the School District offices and are available upon request.

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

Retirees and Survivors	131
Terminated Vested Employees	-
Active Employees	176
Total	**307**

Total OPEB Liability
The School District's total OPEB liability of $51,766,704 was measured as of July 1, 2023 and was determined by an actuarial valuation as of July 1, 2022.

Actuarial Assumptions and Other Inputs
The total OPEB liability as of June 30, 2024 was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Long-Term Bond Rate	3.65%	
Single Discount Rate	3.65%	
Salary Scale	4.25%	
Rate of Inflation	2.50%	
Dental Trend	4.00%	
Vision Trend	2.00%	
Marital Assumption	70.00%	
Participation Rate	100.00%	for Retirees 80.00% for Spouses
Healthcare Cost Trend Rates	7.80%	for 2025, decreasing to an ultimate rate of 3.94% for 2093 and later years

Note 12 **Postemployment Benefits Other Than Pensions (OPEB) - Continued**

Total OPEB Liability - Continued

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

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

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

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

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

The annual rate of increase in healthcare costs were developed using the baseline projection of the SOA Long-Run Medical Cost Trend Model (v2022_f4). The short term (first 4 years) trend rates were based on the recent premium rate history for the School District. The long-term (after 4 years) trend rates were based on various assumptions.

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

Note 12 **Postemployment Benefits Other Than Pensions (OPEB) - Continued**

Changes in the Total OPEB Liability

	Total OPEB Liability
Balance at June 30, 2023	$ 50,374,262
Changes for the Year	
Service Cost	1,934,969
Interest Cost	1,825,724
Changes of Benefit Terms	-
Differences Between Expected and Actual Experience	-
Changes in Assumptions or Other Inputs	(898,039)
Benefit Payments	(1,470,212)
Net Change	1,392,442
Balance at June 30, 2024	**$ 51,766,704**

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

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

	1% Decrease (2.65%)	Discount Rate (3.65%)	1% Increase (4.65%)
Total OPEB Liability	$ 60,818,557	$ 51,766,704	$ 44,530,471

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rate
The following presents the total OPEB liability of the School District, as well as what the School District's total OPEB liability would be if it were calculated using a healthcare cost trend rate that is 1 percentage point lower or higher than the current healthcare cost trend rate:

	1% Decrease	Healthcare Cost Trend Rate	1% Increase
Total OPEB Liability	$ 43,212,067	$ 51,766,704	$ 62,986,577

Note 12 **Postemployment Benefits Other Than Pensions (OPEB) - Continued**

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB
For the year ended June 30, 2024, the School District recognized OPEB expense of $1,501,040.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	$ -	$ 4,053,773
Changes in Assumptions or Other Inputs	3,684,904	4,506,765
Contributions Subsequent to Measurement Date	1,612,759	-
Total	**$ 5,297,663**	**$ 8,560,538**

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

Fiscal Year Ending June 30,	Amount
2025	$ (531,757)
2026	(605,348)
2027	(1,309,848)
2028	(1,432,059)
2029	(914,985)
2030 and Thereafter	(81,637)

Current Year Activity
The following is a summary of current year activity:

	Beginning Balance	Change	Ending Balance
OPEB			
Other Postemployment Benefits Liability	$ 50,374,262	$ 1,392,442	$ 51,766,704
Deferred Outflows of Resources	(6,981,575)	1,683,912	(5,297,663)
Deferred Inflows of Resources	11,748,611	(3,188,073)	8,560,538
Total Effect on Net Position	**$ 55,141,298**	**$ (111,719)**	**$ 55,029,579**

Note 13 **Commitments and Contingencies**

Risk Financing and Related Insurance

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

Health Insurance
The School District incurs costs related to an employee health insurance plan (Plan) sponsored by the Broome-Tioga health insurance consortium. The Plan's objectives are to formulate, develop, and administer a program of insurance to obtain lower costs for that coverage, and to develop a comprehensive loss control program. Plan members include 18 school districts, with the School District bearing a proportionate share of the Plan's assets and claims liabilities. Plan members are subject to a supplemental assessment in the event of deficiencies. If the Plan's assets were to be exhausted, members would be responsible for the Plan's liabilities. Plan financial statements may be obtained from BOCES administrative office at 435 Glenwood Rd., Binghamton, NY 13905.

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

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

During the year ended June 30, 2024, the Tioga Central School District incurred premiums or contribution expenditures totaling $3,832,933.

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

Note 14 Stewardship, Compliance, and Accountability

Deficit Net Position
At June 30, 2024, the District-wide Statement of Net Position had an unrestricted net deficit of ($50,794,613). This is the result of the requirement to record other postemployment benefit liability with no requirement or mechanism to fund this liability (see Note 12). This deficit is not expected to be eliminated during the normal course of operations.

Deficit Fund Balance
The Capital Project Renovation has a deficit fund balance of ($13,732,973) at year end. This deficit will be eliminated as short-term debt is redeemed or converted to permanent financing.

Note 15 Fund Balance Detail

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

	General Fund	Capital Project Renovation Fund	Non-Major Governmental Funds
Nonspendable			
Prepaid Expenses	$ 531,548	$ -	$ -
Inventory	-	-	34,262
Total Nonspendable Fund Balance	**$ 531,548**	**$ -**	**$ 34,262**
Restricted			
Reserve for ERS Contributions	$ 2,081,551	$ -	$ -
Reserve for TRS Contributions	511,023	-	-
Employee Benefit Accrued Liability Reserve	261,420	-	-
Capital Reserve	5,848,811	-	-
School Lunch	-	-	391,641
Scholarships	-	-	244,598
Debt	-	-	1,248,347
Total Restricted Fund Balance	**$ 8,702,805**	**$ -**	**$ 1,884,586**
Assigned			
Appropriated for Next Year's Budget	$ 750,000	$ -	$ -
Encumbered for:			
General Support	95,379	-	-
Instruction	55,648	-	-
Pupil Transportation	2,486	-	-
Total Assigned Fund Balance	**$ 903,513**	**$ -**	**$ -**

Note 16 **General Fund Restricted Fund Balances**

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

General Fund	Beginning Balance	Additions	Interest Earned	Appropriated	Ending Balance
Reserve for ERS Contributions	$1,236,497	$ 790,000	$ 55,054	$ -	$2,081,551
Reserve for TRS Contributions	365,476	129,690	15,857	-	511,023
Employee Benefit Accrued Liability Reserve	250,660	-	10,760	-	261,420
Capital Reserve	5,267,290	347,000	234,521	-	5,848,811
Total Restricted Fund Balance	**$7,119,923**	**$1,266,690**	**$316,192**	**$ -**	**$8,702,805**

Note 17 **Tax Abatements**

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

TCIDA enters into PILOT agreements with businesses within Tioga County under New York State GML §858. Economic development agreements entered into by TCIDA can include the abatement of county, local, and school district taxes. In this case, negotiated abatements have resulted in reductions of property taxes, which TCIDA administers as a temporary reduction in the assessed value of the property involved. The abatement agreements generally stipulate a percentage reduction of property taxes, but sometimes stipulate a dollar value reduction in lieu of a percentage reduction.

Information relevant to disclosure of the programs for the year ended June 30, 2024 is as follows:

	Taxable Assessed Value	Combined Tax Rates Per $1,000	Tax Value	PILOT Received	Taxes Abated
Tioga County Industrial Development Agency					
Tioga Downs	$ 30,255,835	$ 42	$1,269,307	$ 391,479	$ 877,828
Total PILOT Agreements	**$ 30,255,835**		**$1,269,307**	**$ 391,479**	**$ 877,828**

Note 18 **Reclassification of Major Fund to Non-Major Fund**

During the current year, the Special Revenue Fund, which was reported as a major fund in the prior year, has been reclassified as a non-major fund. This change is due to a reduction in the fund’s revenues and expenditures. According to the criteria established by GASB Statement No. 34, the fund no longer meets the quantitative thresholds required for classification as a major fund.

TIOGA CENTRAL SCHOOL DISTRICT

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

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES				
Local Sources				
Real Property Taxes	$ 3,918,873	$ 3,473,123	$ 3,461,936	$ (11,187)
Other Tax Items	412,028	857,779	845,723	(12,056)
Charges for Services	9,500	9,500	38,146	28,646
Use of Money and Property	2,500	2,500	517,594	515,094
Sale of Property and Compensation for Loss	-	-	18,337	18,337
Miscellaneous	223,251	223,250	218,726	(4,524)
Total Local Sources	4,566,152	4,566,152	5,100,462	534,310
State Sources	16,944,523	16,944,523	17,724,697	780,174
Medicaid Reimbursement	-	-	34,323	34,323
Total Revenues	21,510,675	21,510,675	22,859,482	1,348,807
OTHER FINANCING SOURCES				
Operating Transfers In	-	-	6,124	6,124
Total Revenues and Other Financing Sources	21,510,675	21,510,675	**$ 22,865,606**	**$ 1,354,931**
Appropriated Fund Balance	400,000	400,000		
Appropriated Reserves	-	-		
Designated Fund Balance and Encumbrances Carried Forward from Prior Year	47,272	47,272		
Total Revenues, Appropriated Reserves, and Designated Fund Balance	**$ 21,957,947**	**$ 21,957,947**		

See Notes to Required Supplementary Information

TIOGA CENTRAL SCHOOL DISTRICT

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

	Original Budget	Final Budget	Actual	Encumbrances	Variance Favorable (Unfavorable)
EXPENDITURES					
General Support					
Board of Education	$ 19,368	$ 19,417	$ 15,343	$ -	$ 4,074
Central Administration	190,028	190,028	186,898	-	3,130
Finance	486,254	528,774	525,392	850	2,532
Staff	18,150	40,150	37,044	-	3,106
Central Services	1,957,215	2,038,405	1,773,829	94,529	170,047
Special Items	156,095	153,995	152,103	-	1,892
Total General Support	2,827,110	2,970,769	2,690,609	95,379	184,781
Instruction					
Instruction, Administration, and Improvement	536,383	558,281	553,184	-	5,097
Teaching - Regular School	5,163,890	5,160,141	5,004,574	25,913	129,654
Programs for Students With Disabilities	2,181,685	1,910,179	1,645,676	1,080	263,423
Occupational Education	416,201	416,201	416,201	-	-
Teaching - Special School	8,050	-	-	-	-
Instructional Media	221,230	261,552	229,811	17,670	14,071
Pupil Services	940,949	1,028,527	958,363	10,985	59,179
Total Instruction	9,468,388	9,334,881	8,807,809	55,648	471,424
Pupil Transportation	1,172,235	1,278,828	1,141,770	2,486	134,572
Community Services	3,000	3,000	616	-	2,384
Employee Benefits	5,778,695	5,594,039	5,311,888	-	282,151
Debt Service					
Principal	219,459	285,271	285,271	-	-
Interest	16,471	16,570	16,570	-	-
Total Debt Service	235,930	301,841	301,841	-	-
Total Expenditures	19,485,358	19,483,358	18,254,533	153,513	1,075,312
OTHER FINANCING USES					
Operating Transfers Out	2,472,589	2,474,589	2,470,004	-	4,585
Total Expenditures and Other Financing Uses	**$ 21,957,947**	**$ 21,957,947**	20,724,537	**$ 153,513**	**$ 1,079,897**
Net Change in Fund Balance			2,141,069		
Fund Balance - Beginning of Year			8,955,300		
Fund Balance - End of Year			**$ 11,096,369**		

See Notes to Required Supplementary Information

TIOGA CENTRAL SCHOOL DISTRICT

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

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually Required Contribution	**$ 275,408**	$ 237,360	$ 291,362	$ 248,090	$ 221,829	$ 224,217	$ 223,617	$ 234,420	$ 257,975	$ 281,863
Contributions in Relation to the Contractually Required Contribution	**(275,408)**	(237,360)	(291,362)	(248,090)	(221,829)	(224,217)	(223,617)	(234,420)	(257,975)	(281,863)
Contribution Deficiency (Excess)	**-**	-	-	-	-	-	-	-	-	-
School District's Covered Payroll	**2,269,920**	2,182,470	1,828,053	1,791,679	1,629,661	1,578,420	1,537,150	1,550,455	1,506,778	1,510,236
Contributions as a Percentage of Covered Payroll	**12.1%**	10.9%	15.9%	13.8%	13.6%	14.2%	14.5%	15.1%	17.1%	18.7%

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

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually Required Contribution	**672,270**	$ 667,669	$ 608,366	$ 561,140	$ 532,846	$ 628,824	$ 539,877	$ 609,729	$ 670,185	$ 860,426
Contributions in Relation to the Contractually Required Contribution	**(672,270)**	(667,669)	(608,366)	(561,140)	(532,846)	(628,824)	(539,877)	(609,729)	(670,185)	(860,426)
Contribution Deficiency (Excess)	-	-	-	-	-	-	-	-	-	-
School District's Covered Payroll	**6,888,012**	6,488,523	6,207,816	5,888,143	6,014,063	5,921,130	5,508,949	5,202,466	5,054,186	4,908,306
Contributions as a Percentage of Covered Payroll	**9.8%**	10.3%	9.8%	9.5%	8.9%	10.6%	9.8%	11.7%	13.3%	17.5%

See Notes to Required Supplementary Information

TIOGA CENTRAL SCHOOL DISTRICT

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

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
School District's Proportion of the Net Pension (Asset)/Liability	**0.0072360%**	0.0067484%	0.0058823%	0.0054203%	0.0051149%	0.0050910%	0.0053390%	0.0052690%	0.0056690%	0.0032710%
School District's Proportionate Share of the Net Pension (Asset)/Liability	**$ 1,065,437**	$ 1,447,129	$ (480,855)	$ 5,397	$ 1,354,446	$ 360,703	$ 172,322	$ 495,081	$ 909,893	$ 199,537
School District's Covered Payroll During the Measurement Period	**2,235,109**	2,159,149	1,812,895	1,791,679	1,614,725	1,571,293	1,525,400	1,542,119	1,494,997	1,515,316
School District's Proportionate Share of the Net Pension (Asset)/Liability as a Percentage of its Covered Payroll	**47.67%**	67.02%	(26.52%)	0.3%	83.9%	23.0%	11.3%	32.1%	60.9%	13.2%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	**93.9%**	90.8%	103.7%	99.9%	86.4%	96.3%	98.2%	94.7%	90.7%	97.9%
The Following is a Summary of Changes of Assumptions										
Inflation	**2.90%**	2.90%	2.70%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.70%
Salary Increases	**4.40%**	4.40%	4.40%	4.50%	4.20%	3.80%	3.80%	3.80%	3.80%	4.90%
Cost of Living Adjustments	**1.50%**	1.50%	1.40%	1.30%	1.30%	1.30%	1.30%	1.30%	1.30%	1.40%
Investment Rate of Return	**5.90%**	5.90%	5.90%	6.80%	6.80%	7.00%	7.00%	7.00%	7.00%	7.50%
Discount Rate	**5.90%**	5.90%	5.90%	6.80%	6.80%	7.00%	7.00%	7.00%	7.00%	7.50%
Society of Actuaries' Mortality Scale	**MP-2021**	MP-2021	MP-2020	MP-2019	MP-2018	MP-2014	MP-2014	MP-2014	MP-2014	MP-2014

See Notes to Required Supplementary Information

TIOGA CENTRAL SCHOOL DISTRICT

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

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
School District's Proportion of the Net Pension (Asset)/Liability	**0.035110%**	0.035154%	0.033893%	0.035555%	0.034405%	0.033974%	0.032939%	0.032776%	0.032676%	0.016891%
School District's Proportionate Share of the Net Pension (Asset)/Liability	**$ 401,513**	$ 674,570	$ (5,873,303)	$ 982,483	$ (893,850)	$ (614,340)	$ (250,372)	$ 351,035	$ (3,393,946)	$ (3,627,338)
School District's Covered Payroll During the Measurement Period	**6,488,523**	6,207,816	5,888,143	6,014,063	5,921,130	5,508,949	5,202,466	5,054,186	4,908,306	4,810,093
School District's Proportionate Share of the Net Pension (Asset)/Liability as a Percentage of its Covered Payroll	**6.2%**	10.9%	(99.7)%	16.3%	(15.1)%	(11.2)%	(4.8)%	6.9%	(69.1)%	(75.4)%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	**99.2%**	98.6%	113.2%	97.8%	(102.2)%	(101.5)%	(100.7)%	99.0%	(110.5)%	(111.5)%
The Following is a Summary of Changes of Assumptions										
Inflation	**2.40%**	2.40%	2.20%	2.20%	2.25%	2.50%	2.50%	3.00%	3.00%	3.00%
Salary Increases	**1.95% - 5.18%**	1.95% - 5.18%	1.90% - 4.72%	1.90% - 4.72%	1.90% - 4.72%	1.90% - 4.72%	1.90% - 4.72%	4.0% - 10.9%	4.0% - 10.9%	4.0% - 10.9%
Cost of Living Adjustments	**1.30%**	1.30%	1.30%	1.30%	1.50%	1.50%	1.50%	1.63%	1.63%	1.63%
Investment Rate of Return	**6.95%**	6.95%	7.10%	7.10%	7.25%	7.25%	7.50%	8.00%	8.00%	8.00%
Discount Rate	**6.95%**	6.95%	7.10%	7.10%	7.25%	7.25%	7.50%	8.00%	8.00%	8.00%
Society of Actuaries' Mortality Scale	**MP-2021**	MP-2020	MP-2019	MP-2018	MP-2014	MP-2014	MP-2014	AA	AA	AA

See Notes to Required Supplementary Information

TIOGA CENTRAL SCHOOL DISTRICT

SCHEDULE OF CHANGES IN THE SCHOOL DISTRICT'S TOTAL OPEB LIABILITY AND RELATED RATIOS FOR THE LAST 10 FISCAL YEARS

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Service Cost	**$ 1,934,969**	$ 2,147,575	$ 2,162,680	$ 1,495,577	$ 1,503,600	$ 1,627,269	$ 2,060,542	$ *	$ *	$ *
Interest Cost	**1,825,724**	1,249,867	1,232,387	1,713,574	1,800,092	2,061,381	1,794,107	*	*	*
Changes of Benefit Terms	**-**	-	-	-	-	(141,080)	-	*	*	*
Differences Between Expected and Actual Experience	**-**	(3,195,119)	-	(5,444,440)	-	(9,501,223)	-	*	*	*
Changes in Assumptions or Other Inputs	**(898,039)**	(5,372,963)	662,406	9,772,094	539,361	(3,306,101)	(7,792,746)	*	*	*
Benefit Payments	**(1,470,212)**	(1,425,043)	(1,377,917)	(1,420,208)	(1,359,375)	(1,366,889)	(1,271,079)	*	*	*
	1,392,442	(6,595,683)	2,679,556	6,116,597	2,483,678	(10,626,643)	(5,209,176)	*	*	*
Total OPEB Liability - Beginning of Year	**50,374,262**	56,969,945	54,290,389	48,173,792	45,690,114	56,316,757	61,526,133	*	*	*
Total OPEB Liability - End of Year	**$ 51,766,704**	$ 50,374,262	$ 56,969,945	$ 54,290,389	$ 48,173,792	$ 45,690,114	$56,316,957	$61,526,133	$ *	$ *
Covered Employee Payroll	**$ 9,064,582**	$ 8,900,000	$ 8,043,000	$ 8,300,000	$ 7,800,000	$ 7,500,000	$ 6,450,000	$ *	$ *	$ *
Total OPEB Liability as a Percentage of Covered Payroll	**571%**	566%	708%	654%	618%	609%	873%	*	*	*

The Following is a Summary of Changes of Assumptions

	2024	2023	2022	2021	2020	2019	2018
Healthcare Cost Trend Rates	**7.80% - 3.94%**	7.80% - 3.94%	6.50% - 4.04%	6.50% - 4.04%	7.00% - 4.13%	7.00% - 4.13%	7.20% - 3.94%
Salary Increases	**4.25%**	4.25%	4.25%	4.25%	3.50%	4.25%	4.25%
Discount Rate	**3.65%**	3.54%	2.14%	2.21%	3.50%	3.87%	3.60%
Society of Actuaries' Mortality Scale	**MP-2021**	MP-2021	MP-2020	MP-2020	MP-2018	MP-2018	MP-2017

* *Information for Periods Prior to Implementation of GASB Statement No. 75 is Unavailable and Will be Completed for Each Year Going Forward as it Becomes Available.*

See Notes to Required Supplementary Information

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2024

Note 1 **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 a legal (appropriated) budget is adopted. The voters of the School District approved the proposed appropriation budget for the General Fund.

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

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

Annual legal budgets are not adopted for the Special Revenue Funds (Special Aid, School Lunch, and Miscellaneous Special Revenue). Budgetary controls for the Special Aid Fund are established in accordance with the applicable grant agreements. Special Aid grants may also cover a period other than the School District's fiscal year. Budgetary controls for School Lunch Fund are established internally.

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

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

Note 3 **Schedules of School District Contributions - NYSLRS and NYSTRS Pension Plan and Schedules of the School District's Proportionate Share of the Net Pension (Asset)/Liability**

NYSLRS

Changes in Benefit Terms

None.

NYSTRS

Changes in Benefit Terms

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

TIOGA CENTRAL SCHOOL DISTRICT

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

	Debt Service Fund	Special Revenue Funds: School Lunch Fund	Special Revenue Funds: Miscellaneous Special Revenue Fund	Special Revenue Funds: Special Aid Fund	Capital Projects Fund Buses	Total Non-Major Governmental Funds
ASSETS						
Cash and Cash Equivalents - Unrestricted	$ -	$ -	$ -	$ 17,228	$ 7,804	$ 25,032
Cash and Cash Equivalents - Restricted	311,660	354,999	37,122	-	118,417	822,198
Investments - Restricted	931,780	-	207,476	-	-	1,139,256
Due From Other Funds	4,907	10	-	-	-	4,917
Due From State and Federal Governments	-	50,788	-	622,197	-	672,985
Other Receivables	-	4	-	-	-	4
Inventories	-	34,262	-	-	-	34,262
Total Assets	**$ 1,248,347**	**$ 440,063**	**$ 244,598**	**$ 639,425**	**$ 126,221**	**$ 2,698,654**
LIABILITIES						
Accounts Payable	$ -	$ 6,325	$ -	$ 40,071	$ -	$ 46,396
Accrued Liabilities	-	1,948	-	-	-	1,948
Due to Other Funds	-	-	-	598,754	-	598,754
Due to Other Governments	-	320	-	-	-	320
Bond Anticipation Notes Payable	-	-	-	-	579,200	579,200
Unearned Revenues	-	5,567	-	600	-	6,167
Total Liabilities	-	14,160	-	639,425	579,200	1,232,785
FUND BALANCES						
Nonspendable	-	34,262	-	-	-	34,262
Restricted	1,248,347	391,641	244,598	-	-	1,884,586
Unassigned	-	-	-	-	(452,979)	(452,979)
Total Fund Balances	1,248,347	425,903	244,598	-	(452,979)	1,465,869
Total Liabilities and Fund Balances	**$ 1,248,347**	**$ 440,063**	**$ 244,598**	**$ 639,425**	**$ 126,221**	**$ 2,698,654**

TIOGA CENTRAL SCHOOL DISTRICT

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

		Special Revenue Funds				Total
	Debt Service Fund	School Lunch Fund	Miscellaneous Special Revenue Fund	Special Aid Fund	Capital Projects Fund Buses	Non-Major Governmental Funds
REVENUES						
Use of Money and Property	$ 260,807	$ 6,315	$ 7,578	$ -	$ -	$ 274,700
Miscellaneous	-	-	25,277	2,200	-	27,477
State Sources	-	282,441	-	482,708	-	765,149
Federal Sources	-	687,350	-	1,596,330	-	2,283,680
Sales - School Lunch	-	50,199	-	-	-	50,199
Total Revenues	260,807	1,026,305	32,855	2,081,238	-	3,401,205
EXPENDITURES						
General Support	-	-	-	27,893	-	27,893
Instruction	-	409,785	30,271	1,650,219	-	2,090,275
Pupil transportation	-	-	-	39,492	-	39,492
Employee Benefits	-	87,395	-	322,811	-	410,206
Debt Service						
Principal	1,685,000	-	-	-	-	1,685,000
Interest	755,585	-	-	-	-	755,585
Cost of Sales	-	439,033	-	-	-	439,033
Capital Outlay	-	-	-	-	308,626	308,626
Total Expenditures	2,440,585	936,213	30,271	2,040,415	308,626	5,756,110
Excess (Deficiency) of Revenues Over Expenditures	(2,179,778)	90,092	2,584	40,823	(308,626)	(2,354,905)
OTHER FINANCING SOURCES AND (USES)						
Premium on Obligations	196,757	-	-	-	-	196,757
Operating Transfers In	2,370,394	10	-	7,405	-	2,377,809
Total Other Sources (Uses)	2,567,151	10	-	7,405	-	2,574,566
Net Change in Fund Balances	387,373	90,102	2,584	48,228	(308,626)	219,661
Fund Balances (Deficit) - Beginning of Year, as Previously Presented	860,974	335,801	242,014	-	(144,353)	1,294,436
Change Within Financial Reporting Entity (Major to Non-Major Fund)	-	-	-	(48,228)	-	(48,228)
Fund Balances (Deficit) - Beginning of Year, as Adjusted	860,974	335,801	242,014	(48,228)	(144,353)	1,246,208
Fund Balances (Deficit) - End of Year	**$ 1,248,347**	**$ 425,903**	**$ 244,598**	**$ -**	**$ (452,979)**	**$ 1,465,869**

TIOGA CENTRAL SCHOOL DISTRICT

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

CHANGE FROM ADOPTED BUDGET TO FINAL BUDGET

Adopted Budget	$ 21,910,675
Prior Year's Encumbrances	47,272
Original Budget	21,957,947
Final Budget	**$ 21,957,947**

§1318 OF REAL PROPERTY TAX LAW LIMIT CALCULATION

Next Year's Budget is a Voter Approved Budget	**$ 23,993,367**	
Maximum Allowed (4% of the 2024-2025 Budget)		**$ 959,735**
General Fund Fund Balance Subject to §1318 of Real Property Tax Law		
Unrestricted Fund Balance		
Assigned Fund Balance	$ 903,513	
Unassigned Fund Balance	958,503	
Total Unrestricted Fund Balance	1,862,016	
(Less):		
Appropriated Fund Balance	$ 750,000	
Encumbrances Included in Committed and Assigned Fund Balance	153,513	
Total Adjustments	903,513	
General Fund Fund Balance Subject to §1318 of Real Property Tax Law		**$ 958,503**
Actual Percentage		3.99%

TIOGA CENTRAL SCHOOL DISTRICT

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

			Expenditures					Methods of Financing				Fund Balance
PROJECT TITLE	Original Budget	Revised Budget	Prior Years	Current Year	Transfer to General Fund	Total	Unexpended Balance	Proceeds of Obligations	Federal/State Aid	Local Sources	Total	(Deficit) June 30, 2024
SMART Schools Investment Plan	$ 150,000	$ 150,000	$ 152,040	$ -	$ -	$ 152,040	$ (2,040)	$ -	$ 142,440	$ -	$ 142,440	$ (9,600) *
$100K Project J0007-028	100,000	94,548	-	94,548	5,452	100,000	(5,452)	-	-	100,000	100,000	-
2021 $18.6M Project A0007	-	18,390,911	1,427,224	7,445,254	-	8,872,478	9,518,433	27,345,264	-	602,360	27,947,624	19,075,146 *
2021 $18.6M Project A0007-022	-	2,116,664	1,868,422	22,540	-	1,890,962	225,702	1,890,962	-	-	1,890,962	- *
Emergency Cap Project K-12 C0007	460,000	460,000	346,998	-	672	347,670	112,330	-	-	347,670	347,670	- *
ARP Project HVAC E0007-023	964,559	964,559	916,331	48,228	-	964,559	-	-	964,559	-	964,559	- *
Turf Track Project K-12 I0007-027	580,590	3,182,190	1,247,812	2,804,579	-	4,052,391	(870,201)	5,700,000	-	400,000	6,100,000	2,047,609 *
2024 Capital Project 0007-029	-	-	-	3,549	-	3,549	(3,549)	-	-	-	-	(3,549) *
Bus Purchases	351,805	485,843	144,352	308,626	7,805	460,783	25,060	579,200	-	58,800	638,000	177,217
GASB 87 -Leases	64,082	64,082	-	64,082	-	64,082	-	64,082	-	-	64,082	-
Subtotal	2,671,036	25,908,797	6,103,179	10,791,406	13,929	16,908,514	9,000,283	35,579,508	1,106,999	1,508,830	38,195,337	21,286,823
Unredeemed BANs - Buses	-	-	-	-	-	-	-	(579,200)	-	-	(579,200)	(579,200)
Unredeemed BANs - Capital Projects	-	-	-	-	-	-	-	(34,893,575)	-	-	(34,893,575)	(34,893,575)
Total	**$2,671,036**	**$25,908,797**	**$6,103,179**	**$ 10,791,406**	**$ 13,929**	**$ 16,908,514**	**$ 9,000,283**	**$ 106,733**	**$ 1,106,999**	**$ 1,508,830**	**$ 2,722,562**	**$ (14,185,952)**

**Architectural and State Approved Budget Modifications for Subproject Reallocations*
Not Yet Finalized and Were Available at this Report Date.

TIOGA CENTRAL SCHOOL DISTRICT

SCHEDULE OF NET INVESTMENT IN CAPITAL ASSETS
JUNE 30, 2024

Capital Assets, Net	**$ 42,509,419**
Add:	
Amounts Deferred on Refunding	386,029
Unspent Bond Proceeds	20,238,812
(Deduct):	
Bond Anticipation Notes	(35,472,775)
Payables for Capital Projects	(534,301)
Premium on Bonds	(1,401,981)
Short-Term Portion of Lease Liabilities	(1,781)
Long-Term Portion of Lease Liabilities	(453)
Short-Term Portion of Bonds Payable, Before Deferred Amounts	(778,653)
Long-Term Portion of Bonds Payable, Before Deferred Amounts	(9,280,088)
Net Investment in Capital Assets	**$ 15,664,228**

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Board of Education
Tioga Central School District
Tioga Center, New York

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Tioga Central School District (the School District), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements, and have issued our report thereon dated September 19, 2024.

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

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

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

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

Respectfully submitted,

Insero & Co. CPAs, LLP

Insero & Co. CPAs, LLP
Certified Public Accountants

Ithaca, New York
September 19, 2024

Certified Public Accountants | Business Advisors

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

Board of Education
Tioga Central School District
Tioga Center, New York

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

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

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

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

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

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

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

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

- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the School District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- Obtain an understanding of the School District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the School District's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control Over Compliance

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

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

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

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

Respectfully submitted,

Insero & Co. CPAs, LLP

Insero & Co. CPAs, LLP
Certified Public Accountants

Ithaca, New York
September 19, 2024

TIOGA CENTRAL SCHOOL DISTRICT

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
JUNE 30, 2024

Federal Grantor/Pass - Through Grantor Program Title	Federal ALN #	Pass - Through Grantor #	Expenditures to Subrecipients	Expenditures
U.S. Department of Education				
Passed Through NYS Department of Education:				
Title I Grants to Local Educational Agencies	84.010	0021243355	$ -	$ 312,946
Rural and Low-Income School Program	84.358B	0006243355	-	26,871
Supporting Effective Instruction State Grants	84.367	0147224355	-	34,971
Student Support and Academic Enrichment Grants	84.424	0204224355	-	19,851
Education Stabilization Fund (ESF)				
(COVID-19) American Rescue Plan - Elementary and Secondary School Emergency Relief	84.425U	5880213355	-	413,201
(COVID-19) American Rescue Plan - Elementary and Secondary School Emergency Relief	84.425U	5882213355	-	85,233
(COVID-19) American Rescue Plan - Elementary and Secondary School Emergency Relief	84.425U	5883213355	-	59,886
(COVID-19) American Rescue Plan - Elementary and Secondary School Emergency Relief	84.425U	5884213355	-	339,928
(COVID-19) Elementary and Secondary School Emergency Relief Fund	84.425D	5891213355	-	37,423
Total ESF			-	935,671
Special Education Cluster:				
Special Education - Grants to States	84.027	0032240979	-	254,468
(COVID-19) ARP - Special Education - Grants to States	84.027X	5532220979	-	2,071
Special Education - Preschool Grants	84.173	0033240979	-	9,481
Total Special Education Cluster			-	266,020
Total U.S. Department of Education			-	1,596,330
U.S. Department of Agriculture				
Passed Through NYS Department of Education:				
Child Nutrition Cluster:				
National School Lunch	10.555	(1)	-	457,231
School Breakfast Program	10.553	(1)	-	173,127
Summer Food Service Program	10.559	(1)	-	17,005
Total Child Nutrition Cluster			-	647,363
(COVID-19) Supply Chain Assistance	10.649	(1)	-	28,177
Local Food for Schools Cooperative Agreement Program	10.185	(1)	-	11,810
Total U.S. Department of Agriculture			-	687,350
Total Expenditures of Federal Awards			**$ -**	**$ 2,283,680**

(1) Unknown

See Notes to Schedule of Expenditures of Federal Awards

TIOGA CENTRAL SCHOOL DISTRICT

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2024

Note 1 **Basis of Presentation**

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

Note 2 **Basis of Accounting**

The basis of accounting varies by federal program consistent with the underlying regulations pertaining to each program. The information is presented in accordance with the requirements of Uniform Guidance, *Audits of State and Local Governments, and Non-Profit Organizations.* Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in, preparation of the financial statements.

Note 3 **Indirect Costs**

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

Note 4 **Matching Costs**

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

Note 5 **Non-Monetary Federal Program**

The School District is the recipient of a federal award program that does not result in cash receipts or disbursements termed a “non-monetary program.” During the year ended June 30, 2024, the Tioga Central School District received $48,185 worth of commodities under the National School Lunch Program (ALN #10.555).

Note 6 **Other Disclosures**

No insurance is carried specifically to cover equipment purchased with federal funds. Any equipment purchased with federal funds has only a nominal value and is covered by the School District’s casualty insurance policies. There were no loans or loan guarantees outstanding at year end. No amounts were provided to subrecipients.

TIOGA CENTRAL SCHOOL DISTRICT

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

Section I　Summary of Auditors' Results

Financial Statements

Type of Auditors' Report Issued: Unmodified

Internal Control Over Financial Reporting:

Material Weakness(es) Identified?	___ Yes	_X_ No
Significant Deficiency(ies) Identified that are not Considered to be Material Weakness(es)?	___ Yes	_X_ None Reported
Noncompliance Material to Financial Statements Noted?	___ Yes	_X_ No

Federal Awards

Internal Control Over Major Programs:

Material Weakness(es) Identified?	___ Yes	_X_ No
Significant Deficiency(ies) Identified that are not Considered to be Material Weakness(es)?	___ Yes	_X_ None Reported

Type of Auditors' Report Issued on Compliance for Major Programs: Unmodified

Any Audit Findings Disclosed that are Required to be Reported in Accordance with 2 CFR §200.516(a)?	___ Yes	_X_ No

Identification of Major Programs:

ALN Numbers	Name of Federal Program or Cluster
84.425	Education Stabilization Fund

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

Auditee qualified as low-risk?	___ Yes	_X_ No

Section II　Financial Statement Findings　None.

Section III　Federal Award Findings and Questioned Costs　None.

FORM OF BOND COUNSEL'S OPINION

June 26, 2025

Tioga Central School District,
County of Tioga,
State of New York

Re: Tioga Central School District, Tioga County, New York
$3,930,000 Bond Anticipation Notes, 2025

Ladies and Gentlemen:

We have been requested to render our opinion as to the validity of a $3,930,000 Bond Anticipation Notes, 2025 (the "Obligation"), of the Tioga Central School District, Tioga County, New York (the "Obligor"), dated June 26, 2025, numbered 1, of the denomination of $3,930,000, bearing interest at the rate of ___% per annum, payable at maturity, and maturing June 26, 2026.

We have examined:

(1) the Constitution and statutes of the State of New York;

(2) the Internal Revenue Code of 1986, including particularly Sections 103 and 141 through 150 thereof, and the applicable regulations of the United States Treasury Department promulgated thereunder (collectively, the "Code");

(3) an arbitrage certificate executed on behalf of the Obligor which includes, among other things, covenants, relating to compliance with the Code, with the owners of the Obligation that the Obligor will, among other things, (i) take all actions on its part necessary to cause interest on the Obligation not to be includable in the gross income of the owners thereof for Federal income tax purposes, including, without limitation, restricting, to the extent necessary, the yield on investments made with the proceeds of the Obligation and investment earnings thereon, making required payments to the Federal government, if any, and maintaining books and records in a specified manner, where appropriate, and (ii) refrain from taking any action which would cause interest on the Obligation to be includable in the gross income of the owners thereof for Federal income tax purposes, including, without limitation, refraining from spending the proceeds of the Obligation and investment earnings thereon on certain specified purposes (the "Arbitrage Certificate"); and

(4) a certificate executed on behalf of the Obligor which includes, among other things, a statement that compliance with such covenants is not prohibited by, or violative of, any provision of local or special law, regulation or resolution applicable to the Obligor.

We also have examined a certified copy of proceedings of the finance board of the Obligor and other proofs authorizing and relating to the issuance of the Obligation, including the form of the Obligation. In rendering the opinions expressed herein we have assumed (i) the accuracy and truthfulness of all public records, documents and proceedings, including factual information, expectations and statements contained therein, examined by us which have been executed or certified by public officials acting within the scope of their official capacities, and have not verified the accuracy or truthfulness thereof, and (ii) compliance by the Obligor with the covenants contained in the Arbitrage Certificate. We also have assumed the genuineness of the signatures appearing upon such public records, documents and proceedings and the certifications thereof.

In our opinion:

(a) The Obligation has been authorized and issued in accordance with the Constitution and statutes of the State of New York and constitutes a valid and legally binding general obligation of the Obligor, all the taxable real property within which is subject to the levy of ad valorem taxes to pay the Obligation and interest thereon, without limitation as to rate or amount; provided, however, that the enforceability (but not the validity) of the Obligation: (i) may be limited by any applicable bankruptcy, insolvency or other law now existing or hereafter enacted by said State or the Federal government affecting the enforcement of creditors' rights, and (ii) may be subject to the exercise of judicial discretion in appropriate cases.

(b) The Obligor has the power to comply with its covenants with respect to compliance with the Code as such covenants relate to the Obligation; provided, however, that the enforceability (but not the validity) of such covenants may be limited by any applicable bankruptcy, insolvency or other law now existing or hereafter enacted by said State or the Federal government affecting the enforcement of creditors' rights.

(c) Interest on the Obligation is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, and is exempt from personal income taxes imposed by the State of New York and any political subdivision thereof (including The City of New York). Interest on the Obligation is not a specific preference item for purposes of the federal individual alternative minimum tax. Interest on the Obligation included in adjusted financial statement income of certain corporations is not excluded from the federal corporate alternative minimum tax. We express no opinion regarding other tax consequences related to the ownership or disposition of, or the amount, accrual or receipt of interest on, the Obligation.

Certain agreements, requirements and procedures contained or referred to in the Arbitrage Certificate and other relevant documents may be changed and certain actions (including, without limitation, economic defeasance of the Obligation) may be taken or omitted under the circumstances and subject to the terms and conditions set forth in such documents.

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

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

Very truly yours,

/s/ ORRICK, HERRINGTON & SUTCLIFFE LLP