PRELIMINARY OFFICIAL STATEMENT

NEW/RENEWAL ISSUE **BOND ANTICIPATION NOTES**

In the opinion of Orrick, Herrington & Sutcliffe, LLP, Bond Counsel to the District, based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming, among other matters, compliance by the City 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. In the further opinion of Bond Counsel, interest on the Notes is not a specific preference item for purposes of the federal alternative minimum tax on individuals. 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 excluded from adjusted gross income for purposes of personal income taxes imposed by the State of New York and the City of New York. Bond Counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of, or the accrual of interest on the Notes. See "TAX MATTERS" herein.

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

$63,870,198

CITY OF ONEIDA

MADISON COUNTY, NEW YORK

GENERAL OBLIGATIONS

$63,870,198 Bond Anticipation Notes, 2025

(referred to herein as the "Notes")

Dated: March 27, 2025 **Due: March 27, 2026**

The Notes are general obligations of the City of Oneida, Madison County, New York (the "City") all the taxable real property within which is subject to the levy of ad valorem taxes to pay the Notes and interest thereon, subject to applicable statutory limitations. See "NATURE OF OBLIGATION" and "TAX LEVY LIMITATION LAW" herein.

The Notes will not be subject to redemption prior to maturity

The Notes may be issued in registered certificated form, in the denominations of $5,000 each or multiples thereof, except for one necessary odd denomination which is or includes $5,198 as determined by the successful bidder(s) or as stated below. If issued in registered certificated form, principal and interest will be payable at maturity in Federal Funds 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 such successful bidder(s). Paying agent fees, if any, will be paid by the successful bidder(s).

At the option of the purchaser(s), the Notes will be issued as book-entry registered notes, and, when issued, will be registered in the name of Cede & Co. as nominee of The Depository Trust Company ("DTC"), New York, New York, which will act as the securities depository for the Notes. The Notes will be issued in the denominations of $5,000 each or multiples thereof, except for one necessary odd denomination which is or includes $5,198. If so issued, Noteholders will not receive certificates representing their ownership interest in the Notes purchased. Under this option, payment of the principal of and interest on the Notes to the Beneficial Owner of the Notes will be made by DTC Participants and Indirect Participants in accordance with standing instructions and customary practices. Payment will be the responsibility of DTC, subject to any statutory and regulatory requirements as may be in effect from time to time. See "BOOK-ENTRY-ONLY SYSTEM" herein.

The Notes are offered when, as and if issued and received by the purchaser(s) and subject to the receipt of the 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 located in Jersey City, New Jersey, or at such place as may be agreed upon with the purchaser(s), on or about March 27, 2025.

ELECTRONIC BIDS for the Notes must be submitted on Fiscal Advisors Auction website ("Fiscal Advisors Auction") accessible via www.fiscaladvisorsauction.com, on March 12, 2025 by no later than 11:00 o'clock 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 City, each bid will constitute an irrevocable offer to purchase the Notes pursuant to the terms provided in the Notice of Sale.

March 7, 2025

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

MADISON COUNTY, NEW YORK

CITY OFFICIALS

RICK ROSSI
Mayor

CITY COUNCIL

STEVE LAURETI
BILL PAGANO
JIM SZCZERBA
TOM SIMCHIK
ANDREA HITCHINGS
ROB WINCHELL

* * * * * * * *

KYLE LOVELL
City Manager

JESSICA KAISER
Deputy City Comptroller

SANDRA LAPERA
City Clerk

NADINE C. BELL, ESQ.
City Attorney

MUNICIPAL ADVISOR

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

BOND COUNSEL

Orrick, Herrington & Sutcliffe LLP
51 West 52nd Street
New York, New York 10019
Telephone: (212) 506-5000

No dealer, broker, salesman or other person has been authorized by the City of Oneida to give any information or to make any representations other than those contained in this Official Statement; and if given or made, such other information or representations must not be relied upon as having been authorized by the City of Oneida. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Notes by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information set forth herein has been obtained by the City of Oneida from sources which are believed to be reliable but is not guaranteed as to accuracy or completeness. The information and expressions of opinion herein are subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the City of Oneida since the date thereof.

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PREPARED WITH THE ASSISTANCE OF

Fiscal Advisors & Marketing, Inc.
250 South Clinton Street, Suite 502
Syracuse, New York 13202
Phone: (315) 752-0051
http://www.fiscaladvisors.com

OFFICIAL STATEMENT

of the

CITY OF ONEIDA
MADISON COUNTY, NEW YORK

Relating to

$63,870,198 Bond Anticipation Notes, 2025

This Official Statement, which includes the cover page and appendices, has been prepared by the City of Oneida, Madison County, New York (the "City", "County", and "State", respectively), in connection with the sale by the City of its aggregate principal amount of $63,870,198 Bond Anticipation Notes, 2025 (referred to herein as the “Notes”).

The factors affecting the City'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 City's tax base, revenues, and expenditures, this Official Statement should be read in its entirety.

All quotations from and summaries and explanations of provisions of the Constitution and laws of the State and acts and proceedings of the City 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 City 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 City and the holder thereof.

Holders of any series of notes or bonds of the City 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 City and will contain a pledge of the faith and credit of the City 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 City has power and statutory authorization to levy ad valorem taxes on all real property within the City subject to such taxation by the City, subject to applicable statutory limitations.

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”). 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 City 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 City’s power to increase its annual tax levy with the amount of such increase limited by the formulas set forth in the Tax Levy Limitation Law, it also provides the procedural method to surmount that limitation. See “TAX LEVY LIMITATION LAW” herein.

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

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

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

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

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

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

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

THE NOTES

Description of the Notes

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

The Notes are dated March 27, 2025 and mature on March 27, 2026 and are not subject to prior redemption as further described below. Interest will be calculated on a 30-day month and 360-day year basis, payable at maturity.

The Notes will be registered in either (i) the name of the purchaser(s), in denominations of $5,000 each or multiples thereof, except for one necessary odd denomination which is or includes $5,198, as may be determined by the successful bidder(s) with principal and interest payable in Federal Funds at such bank(s) or trust company(ies) located and authorized to do business in the State as may be selected by such successful bidder(s); or (ii) at the option of the purchaser(s), as registered notes, and, if so issued, registered in the name of Cede & Co. as nominee of DTC, which will act as the securities depository for the Notes. See "BOOK-ENTRY-ONLY SYSTEM" herein.

No Optional Redemption

The Notes will not be subject to redemption prior to maturity.

Purpose of Issue

The Notes are being issued pursuant to the Constitution and statutes of the State of New York, including among others, the City Charter, the General City Law, the Local Finance Law and various bond resolutions authorizing the issuance of serial bonds to finance the wastewater treatment plant improvements at a maximum cost of $53,769,890 and a bond resolution authorizing the issuance of serial bonds to finance the construction of improvements to the Glenmore Dam at a maximum cost of $20,560,000. The City currently has $52,153,598 bond anticipation notes outstanding which are scheduled to mature on March 28, 2025 for the wastewater treatment plant project.

The proceeds of the Notes, along with $843,400 available funds of the City will partially redeem and renew $52,153,598 bond anticipation notes maturing March 29, 2024 and provide $12,560,000 of new monies for the Glenmore Dam project.

BOOK-ENTRY-ONLY SYSTEM

DTC will act as securities depository for the Notes, if book-entry-only format is chosen by the successful bidder. 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. A fully-registered note certificate will be issued for each note bearing the same rate of interest and CUSIP number, and will be deposited with DTC.

DTC, the world's largest depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments from over 110 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, in turn, is owned by a number of Direct Participants of DTC and Members of the National Securities Clearing Corporation, Government Securities Clearing Corporation, MBS Clearing Corporation, and Emerging Markets Clearing Corporation, (NSCC, GSCC, MBSCC, and EMCC, also subsidiaries of DTCC), as well as by the New York Stock Exchange, Inc., the American Stock Exchange LLC, and the National Association of Securities Dealers, Inc. 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**.

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

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

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices shall be sent to DTC. If less than all of the Notes within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

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 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 or the City, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment, principal and interest to DTC is the responsibility of the City, 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 City. Under such circumstances, in the event that a successor depository is not obtained, note certificates are required to be printed and delivered.

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

Source: The Depository Trust Company.

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

THE CITY 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 OR ANY AMOUNT DUE TO ANY BENEFICIAL OWNER IN RESPECT OF THE PRINCIPAL AMOUNT OF OR INTEREST OR REDEMPTION PREMIUM ON THE NOTES, (3) THE DELIVERY BY DTC OR ANY DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS OF DTC OF ANY NOTICE TO ANY BENEFICIAL OWNER THAT IS REQUIRED OR PERMITTED TO BE GIVEN TO OWNERS; OR (4) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC AS THE REGISTERED HOLDER OF THE NOTES.

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

Certificated Notes

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

The Notes will be issued in bearer form in denominations of $5,000 or integral multiples thereof, except for one necessary odd denomination in the amount of $5,198. 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 Town. The Notes will remain not subject to redemption prior to their stated final maturity date.

THE CITY

General Information

The City, with a land area of 21.9 square miles and a current population of 10,140 (See "*Population Trends*" herein), is located in upstate New York in the geographical area known as Central New York. It is situated in the northeast sector of Madison County. The City of Syracuse is located approximately 25 miles to the west and the City of Utica 20 miles to the east.

Major highways serving the City include Interstate 90 (New York State Thruway), as well as Routes 5, 46 and 31. Air transportation is available from the Syracuse Hancock International Airport and the Oneida County Airport.

Higher educational opportunities are available at nearby Colgate University, Hamilton College, Syracuse University, Utica College, SUNY Morrisville and Cazenovia College.

The majority of the residents are engaged in industry, commerce and professions in the City as well as the cities of Syracuse, Utica and Rome metropolitan areas.

Source: City officials.

Economic Development within the City

Recent economic developments include:

- The City is in the final stages of the Wastewater Treatment Plant Expansion project. The facility has started contracting and issuing permits with vendors to receive in high strength organic waste. The Wastewater Treatment Plant Project has been awarded Wastewater Project of the year by the Central New York Chapter of the American Public Works Association.
- The City has been awarded a $10 million grant for Downtown Revitalization. New York State has approved the following projects as part of the award and the City has begun to move forward with these projects:
- Complete reimage of the vacant Hotel Oneida to become a multifunctional event space
- Restore and upgrade to the Devereaux building
- Improve downtown infrastructure and streetscape
- Redevelop the Lerman building for commercial and residential uses
- Upgrade to the facilities at Veteran's Memorial Park including adding a splash pad
- Develop Area Youth Soccer Organization (AYSO) soccer fields
- Establish a form-based zoning overlay district
- Develop a Downtown Business Assistance Fund
- The Police Department has implemented a Rural Crime Initiative program working with the City's Executive team as well as local business owners and residents to identify and implement economic improvements to reduce crime in the city.
- Jersey Mikes has opened Price Chopper Plaza.
- In 2024 Luso's Bakery opened up at 508 Lenox Ave.
- In 2020, All Seasoning Ingredients, Inc. completed construction on 2 new buildings, creating a combined 32,000 sq. ft. of new manufacturing and storage areas, as well as paving the way for additional jobs to be created. The company is now looking at further expansion onto property adjoining the Oneida Business Park, as they continue to grow their share of the spice market on a national level.
- Green Empire Farms has completed construction and is fully occupying 2 of their 3 32-acre greenhouses and has started construction of the third. Full buildout will see a fourth greenhouse of approximately 15,000 sq. ft., making it the largest hydroponic greenhouse facility in the United States. The site also encompasses 2 large housing facilities, complete with recreation fields, to house onsite employees. At full buildout, this will expand to 4 buildings. Green Empire Farms now employs over 300 people at this site.
- A number of new small businesses, both retail and service-oriented, have located in downtown storefronts in the last year, bringing additional jobs into the City Center. New retail buildings have also been constructed on the two main arteries of the City, NYS Routes 5 and 365A.
- Oneida Healthcare continues its growth with the addition of a cancer care center in partnership with Roswell Park. They also continue to open new clinics and urgent care offices in surrounding communities.
- The Oneida Public Library completed construction at the end of 2020 and is now open to the public. The new library serves not only the educational needs of the City and the surrounding towns but includes the capacity and features necessary to serve as a community meeting facility for area groups and organizations.
- Recent large-scale housing projects include a 33-unit townhouse development; a completed 40 unit apartment complex; and a 24 unit luxury apartment complex located in a redevelopment Harden Furniture factory.

Source: City officials.

Population Trends

Year	City of Oneida	Madison County	New York State
1960	11,677	54,365	16,782,304
1970	11,658	62,864	18,236,882
1980	10,810	65,150	17,558,072
1990	10,850	69,120	17,990,445
2000	10,987	69,441	18,976,457
2010	11,393	73,442	19,378,102
2020	10,329	68,016	20,201,249
2023 (Estimate)	10,140	67,097	19,673,200

Source: U.S. Census Bureau Quickfacts.

Banking Facilities

The following banks maintain offices within the City:

NBT Bank, N.A.
RBS Citizens Bank, N.A.
JPMorgan Chase Bank, N.A.
Community Bank, N.A.

Source: City officials.

Major Employers

Some of the major employers located within or in close proximity to the City are as follows:

Name of Employer	**Type of Business**	**Approximate Number of Employees**
Oneida Indian Nation	Casino/Business	4,900
Oneida Health Care Center	Hospital	850
Wal-Mart	Retail Sales	450
Oneida City School District	Public Education	230
HP Hood	Milk Products	200
Oneida Molded Plastics	Injection Molding	140
City of Oneida	Municipality	133
Alternatives Resources Choices	Clinical Services	125

Source: City officials.

Selected Wealth and Income Indicators

Per capita income statistics are available for the City, County and State. Listed below are select figures from the 2006-2010 Census reports and the U.S. Census Bureau 2016-2020 and 2019-2023 American Community Survey data.

	Per Capita Income			Median Family Income		
	2006-2010	2016-2020	2019-2023	2006-2010	2016-2020	2019-2023
City of: Oneida	$ 23,553	$ 29,279	$ 38,436	$ 58,078	$ 69,576	$ 87,070
County of: Madison	24,311	32,443	39,904	61,828	78,812	94,317
State of: New York	30,948	40,898	49,520	67,405	87,270	105,060

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

Unemployment Rate Statistics

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

Annual Average

	2018	2019	2020	2021	2022	2023	2024
Madison County	4.8%	4.5%	7.8%	4.5%	3.4%	3.7%	N/A
New York State	4.1	4.0	9.9	6.9	4.3	4.2	N/A

2024-2025 Monthly Figures

	Apr	May	Jun	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Madison County	3.8%	3.7%	3.7%	4.0%	3.8%	2.9%	3.0%	3.2%	3.6%	N/A	N/A	N/A
New York State	3.9	4.2	4.3	4.9	4.9	4.0	4.1	4.2	4.1	N/A	N/A	N/A

Note: Unemployment rates for January, February, and March 2025 and annual averages for 2024 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 City Government

The governing body (City Common Council) of the City is composed of an elected Mayor and six Councilpersons, each representing a ward within the City as prescribed by the City Charter. The Mayor is elected for a two-year term and the members of the Common Council are elected for two-year terms, with elections held in November of the odd numbered years. The positions of the City Manager, City Comptroller, City Clerk and the Department heads are all appointed. All serve under tenure. The position of City Chamberlain is elected. All elected officers may succeed themselves. The City Attorney is appointed by the City Manager, subject to the approval of the Common Council.

Budgetary Procedures of the City

The City Manager is the Budget Officer. The City Manager, based on estimates received from the various department heads, prepares a proposed budget each year and submits same, together with a budget message, to the Mayor and City Common Council on or before October 30. Immediately thereafter a copy is filed in the City Clerk's Office, where it is a public record. The Mayor and Common Council establishes the date, time and place of a public hearing on the budget and causes notice of same to be duly advertised. Upon conclusion of the public hearing, the Mayor and Common Council may increase or decrease the amount of appropriations, except those required by law, and must adopt the budget not later than December 15. The Mayor and Common Council may adjust the budget as necessary during the fiscal year. The budget is not subject to referendum.

The City exceeded its tax levy limit in fiscal years ending December 31, 2018 through and including December 31, 2021. The Common Council voted to override the tax levy limit in the 2018, 2019, 2020 and 2021 fiscal years, but voted not to override the tax levy limit for 2022, 2023, and 2024.

Tax Levy Override and Escrow

For fiscal year ending December 31, 2025, the City voted 4-3 (57.14%) to override its tax cap. The City inadvertently overrode their tax cap for fiscal year ending December 31, 2025 as the Common Council needs a 60% vote for approval. The City’s tax cap was a 2.5% increase, however the city increased the tax levy by 7.5%. The City has set aside the difference in the allowable tax levy ($266,442) to be held in escrow to be used to decrease the levy for the 2026 budget.

Investment Policy

Pursuant to the statutes of the State of New York, the City is permitted to invest only in the following investments: (1) special time deposits in, or certificates of deposits issued by a bank or trust company located and authorized to do business in the State of New York; (2) obligations of the United States of America; (3) obligations guaranteed by agencies of the United States of America where the payment of principal and interest is guaranteed by the United States of America; (4) obligations of the State of New York; (5) with the approval of the New York State Comptroller, tax anticipation notes and revenue anticipation notes issued by any New York municipality or district corporation, other than the City; (6) obligations of a New York public benefit corporations which are made lawful investments in which the City and Towns may invest pursuant to another provision of law; (7) certain certificates of participation issued on behalf of political subdivisions of the State of New York; and, (8) in the case of the City's moneys held in certain reserve funds established pursuant to law, obligations issued by the City and Towns. 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 City's current policy to invest only in: (1) certificates of deposit or time deposit accounts that are fully secured as required by statute, (2) obligations of the United States of America or (3) obligations guaranteed by agencies of the United States of America where the payment of principal and interest is guaranteed by the United States of America. In the case of obligations of the United States government, the City may purchase such obligations pursuant to a written repurchase agreement that requires the purchased securities to be delivered to a third party custodian.

State Aid

The City receives financial assistance from the State. In its budget for the 2025 fiscal year, approximately 12.68% of the operating revenues of the City are expected to be received from the State as State aid. The State is not constitutionally obligated to maintain or continue State aid to the City and no assurance can be given that present State aid levels will be maintained in the future. State budgetary restrictions which eliminate or substantially reduce State aid could have a material adverse effect upon the City, requiring either a counterbalancing increase in revenues from other sources to the extent available, or a curtailment of expenditures. Furthermore, if a significant default or other financial crisis should occur in the affairs of New York 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 City to arrange for additional borrowings, and the market for and market value of outstanding debt obligations, could be adversely affected.

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

Employees

The City provides services through approximately 123 full-time employees (excluding seasonal). The bargaining units, approximate number of members and contract expiration dates are as follows:

Bargaining Unit	Number of Members	Contract Expiration Date
Civil Service Employees' Association	67	December 31, 2025
Oneida Paid Firefighters' Association	24	December 31, 2024 (1)
Oneida Police Benevolent Association	28	December 31, 2027

(1) Currently under negotiation.

Source: City Officials.

Status and Financing of Employee Pension Benefits

Substantially all employees of the City are members of the New York State and Local Employees' Retirement System ("ERS") or the New York State and Local Police and Fire Retirement System ("PFRS"; with ERS, the "Retirement Systems"). The ERS and PFRS together are generally also known as the "Common Retirement Fund". The Retirement Systems are cost-sharing multiple public employer retirement systems. The obligation of employers and employees to contribute and the benefit to employees are governed by the New York State Retirement System 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 vest after five years of credited service. 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. The Retirement Systems are non-contributory with respect to members working ten or more years. Except as described below, all members working less than ten years must contribute 3% of gross annual salary towards the cost of retirement programs.

On December 10, 2009, then Governor Paterson signed into law pension reform legislation that is projected to provide (according to a Division of the Budget analysis) more than $35 billion in long-term savings to State taxpayers over a period of thirty years. The legislation created a new Tier V pension level. Key components of Tier V included:

- 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 employees to continue contributing 3% of their salaries toward pension costs so long as they accumulate additional pension credits.
- Increasing the minimum years of service required to draw a pension from 5 years to 10 years.
- Capping the amount of overtime that can be considered in the calculation of pension benefits for civilians at $15,000 per year, and for police and firefighters at 15% of non-overtime wages.

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 City's payments to the Retirement Systems for the past five complete fiscal years, including the budgeted amount for the current fiscal year, are as follows:

Year	ERS	PFRS
2020	$555,788	$849,838
2021	590,420	1,064,764
2022	562,654	1,117,353
2023	538,352	1,213,979
2024	609,092	1,433,962
2025 (Budgeted)	675,837	1,624,557

Note: The City has not found it necessary to amortize its ERS and PFRS contributions since the 2013 fiscal year. The City does not intend to do so in the foreseeable future.

Source: City officials.

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 City does not have any early retirement incentives outstanding.

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 PFRS rates (2021 to 2025) is shown below:

Year	ERS	PFRS
2021	14.6%	24.4%
2022	16.2	28.3
2023	11.6	27.0
2024	13.1	27.8
2025	15.2	31.2

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

Stable Rate Pension Contribution Option. The Enacted 2013-14 State Budget included a provision that provided local governments, including the City, 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 PFRS. For 2014 and 2015 the rate was 12.0% for ERS and 20% for PFRS; the rates applicable to 2016 and thereafter are subject to adjustment. The pension contribution rates under this "smoothing" program would reduce near-term payments for employers but will require higher than normal contributions in later years.

The City has not found it necessary to amortize its ERS and PFRS contributions since the 2013 fiscal year. The City does not intend to do so in the foreseeable future.

The investment of monies and assumptions underlying same, of the Retirement System covering the City's employees is not subject to the direction of the City. Thus, it is not possible to predict, control or prepare for future unfunded accrued actuarial liabilities of the Retirement System ("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 City which could affect other budgetary matters. Concerned investors should contact the Retirement System administrative staff for further information on the latest actuarial valuations of the Retirement System.

Other Post-Employment Benefits

Healthcare Costs. It should also be noted that the City provides post-retirement 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 City, to account for post-retirement healthcare benefits as it accounts for vested pension benefits. GASB Statement No. 45 ("GASB 45") of the Governmental Accounting Standards Board ("GASB"), described below, requires such accounting.

The City has taken steps to address escalating post-retirement health care costs. In 2009, the City reduced costs by requiring retirees over 65 to use Medicare as primary insurance before using City health insurance. Also, in 2009, the City went to a single insurance carrier, resulting in additional savings. Since late 2008, the City's vacancy review committee has monthly been reviewing all open positions to determine if the positions need to be filled. In addition, in 2012 the City implemented a retirement incentive program which 12 city staff took advantage of. Lastly, as part of the approved 2013 budget, the city left 25 positions unfunded. The combination of all of these items prevented layoffs through 2013. In 2014 only one layoff was realized and the 2015 through 2020 budgets did not include any layoffs. In all contract negotiations the City is looking for changes to the contribution rates at retirement.

OPEB. Other Post-Employment Benefits ("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 GASB released new accounting standards for public other postemployment benefits (OPEB) plans and participating employers. These standards, GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* ("GASB 75"), have substantially revised the valuation and accounting requirements previously mandated under GASB Statements No. 43 and 45. The implementation of this statement requires municipalities to report Other Post-Employment Benefits ("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 municipalities to calculate and report a net other postemployment benefit obligation. However, under GASB 45 municipalities could amortize the OPEB liability over a period of years, whereas GASB 75 requires municipalities to report the entire OPEB liability on the statement of net position.

The City contracted with the Aquarius Capital, an actuarial firm, to calculate its first actuarial valuation under GASB 75 for the fiscal years ending December 31, 2022 and 2023.

Balance beginning at January 1:	2022	2023
Changes for the year:	$ 49,683,853	$ 33,702,446
Service cost	400,070	447,779
Interest	2,040,441	1,273,767
Changes of benefit terms	-	-
Differences between expected and actual experience	-	-
Changes in assumptions or other inputs	(16,682,966)	1,557,022
Benefit payments	(1,738,952)	(1,746,791)
Net Changes	$ (15,981,407)	$ 1,531,777
Balance ending at December 31:	2022	2023
	$ 33,702,446	$ 35,234,223

Source: GASB 75 actuarial valuations. The actuarial valuation for fiscal year ending December 31, 2024 is unavailable as of the date of this Official Statement. The above table is not audited.

Note: The changes in assumptions or other inputs for 2022 is driven by an increase in discount rate from 2.05% to 4.18 %, and reductions in starting claims cost and trend offset by increases in headcount.

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

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

Actuarial Valuation will be required every 2 years for OPEB plans with more than 200 members, every 3 years if there are less than 200 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 City Charter and the Local Finance Law.

The City is in compliance with the procedure for validation 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 this City is past due. The fiscal year of the City is the calendar year.

Except for as shown under "STATUS OF INDEBTEDNESS – Estimated Overlapping Indebtedness", the Continuing Disclosure Statement does not include the financial data of any political subdivision having power to levy taxes within the City.

Independent Audit

The City retains an independent certified public accountant firm for a continuous independent audit of all financial transactions of the City. The financial affairs of the City are also subject to annual audits by the State Comptroller. The City's Audited Financial Report for the period ending December 31, 2023 and may be found as "APPENDIX – D". Certain financial information may be found in the appendices to this Official Statement. The City's Audited Financial Report for the period ending December 31, 2024 is expected to be available within 12 months of the fiscal year end. The annual financial report for the period ending December 31, 2024 will be filed with the OSC before April 30, 2025.

The City complies with the Uniform System of Accounts as prescribed for cities in New York State by the Office of the State Comptroller. Except for the accounting for fixed assets, this System conforms to 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 December 31, 2003 the City is required to issue 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. The City is currently in compliance with Statement No. 34.

New York State Comptroller Reports of Examinations

The State Comptroller's office, i.e., the Department of Audit and Control, periodically performs a compliance review to ascertain whether the City 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.

At the request of the City, the State Comptroller's Office is currently investigating possible fraud within the City Chamberlain's office. The results of such investigation are not available as of the date this Official Statement. See "Litigation and Investigations" herein.

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

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 ("OSC") 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 City are as follows:

Fiscal Year Ending In	Stress Designation	Fiscal Score
2023	No Designation	17.5%
2022	No Designation	5.0%
2021	No Designation	0.0%

Note: Fiscal Stress Scores for the fiscal year ending in 2024 are unavailable as of the date of this Official Statement.

Source: Website of the Office of the New York State Comptroller. References to website addresses presented herein are for informational purposes only. Unless specified otherwise, such websites and the information or links contained therein are not incorporated into, and are not part of, this Official Statement.

TAX INFORMATION

Taxable Assessed Valuations

Fiscal Year Ending December 31:	2021	2022	2023	2024	2025
Assessed Valuation	$ 476,555,806	$ 485,495,691	$ 485,081,206	$ 485,895,861	$ 489,733,807
New York State Equalization Rate	97.00%	93.00%	83.00%	76.00%	71.00%
Total Taxable Full Valuation	$ 491,294,645	$ 522,038,377	$ 584,435,188	$ 639,336,659	$ 689,765,925

Source: City officials.

Tax Rate Per $1,000 (Assessed)

Fiscal Year Ending December 31:	2021	2022	2023	2024	2025
Inside	$ 10.95	$ 10.95	$ 11.17	$ 11.43	$ 12.29
Outside	5.53	5.53	5.65	5.78	6.21

Source: City officials.

Tax Collection Procedure

Taxes are payable during the month of January without penalty. Late payments carry a penalty of 1% during February, 5% during March, and an additional 1% for each month thereafter up to a maximum of 10%. The City holds a tax sale each December.

The City also collects Madison County taxes levied on properties within the City, under the same terms and conditions outlined above. The City pays the County its levy in full, whereupon unpaid County taxes become the responsibility of the City. The City is also the collection agent for the Oneida Public Library taxes and delinquent Oneida City School District taxes, and is responsible for making both the Library and School District whole. The uncollected library school tax is re-levied in December and paid to the Library and School District in December each year.

Tax Levy and Tax Collection Record

Fiscal Year Ending December 31:	2021	2022	2023	2024	2025
Total Tax Levy	$ 4,433,520	$ 4,518,700	$ 4,605,855	$ 4,727,560	$ 5,113,401
Amount Uncollected [1]	847,689	312,853	838,498	654,389	1,715,349
% Uncollected	19.12%	6.92%	18.21%	13.84%	33.55% [2]

[1] See "Tax Collection Procedure" herein.
[2] As of February 19, 2025.

Source: City officials.

Sales Tax Revenues

The following chart displays the actual amount of Sales Tax Revenues received in the years 2020 through 2023, unaudited amount for 2024, and the budgeted amount for 2025.

Year	Total Revenue [1]	Sales Tax	Sales Tax as a % of Total Revenue
2020	$13,320,488	$5,475,842	41.10%
2021	15,116,933	6,210,707	41.08
2022	14,942,698	6,446,985	43.14
2023	16,422,891	7,019,638	42.74
2024 (Unaudited)	15,544,921	6,833,804	43.96
2025 (Budgeted)	16,755,536	7,300,424	43.57

(1) General fund. Does not include operating transfers.

Larger Taxpayers 2024 Assessment Roll for 2025

Name	Type	Taxable Assessed Valuation
Niagara Mohawk	Utility	$ 16,639,339
H P Hood [1]	Dairy Industry	14,051,400
Wal Mart	Shopping Center	9,750,000
Glenwood Plaza LLC	Shopping Center	9,637,275
SS Realty Northeast LLC [1]	Shopping Center	7,406,300
Oneida Any RE LLC	Automotive	7,027,400
WACH Oneida Development LLC [2]	Shopping Center	4,421,200
Oneida Any TRE LLC	Automotive	2,501,000
Myfun Properties LLC	Silvercity Labreck	1,677,800
East Coast Properties	Apartments	1,610,000
Oneida Company Ltd	Shopping Center	1,600,000
Serendip Management LLC	Dr. Office Complex	1,349,000
Community Bank NA	Bank	1,227,000
Axar Corp	Motel	1,200,000
NYE Commercial Properties LLC	Automotive	925,100

(1) Business improvement exemptions on these parcels.
(2) As of January 1, 2016, these parcels are no longer receiving business improvement exemptions.

The largest taxpayers listed above have a total estimated assessed valuation of $81,022,814 which represents approximately 11.75% of the City's tax base for the 2025 fiscal year.

The City has two pending certioraris, Oneida Any RE LLC and Oneida Company Ltd. As of the date of this Official Statement. the outcome is still unpredictable**.** The City does not have any other pending or outstanding tax certioraris that are known or reasonably expected to have a material impact on the City.

Source: City tax rolls.

Constitutional Tax Margin

The Computation of Constitutional Tax Margin for the current and past two fiscal years ending December 31st are as follows:

Fiscal Year Ending December 31:		2025		2024		2023
Five Year Average Full Valuation……………...…..	$	585,374,159	$	544,917,117	$	510,527,041
Tax Limit - (2%)……………………………………...		11,707,483		10,898,342		10,210,541
Add: Exclusions from Tax Limit…………....……………...		1,059,954		1,060,924		1,372,039
Total Taking Power………………...………………..	$	12,767,437	$	11,959,266	$	11,582,580
Less: Total Levy………………………..………………....…..		5,762,961		5,332,376		5,196,386
Constitutional Tax Margin…………………………....…..	$	7,004,476	$	6,626,890	$	6,386,194

Source: City officials.

Additional Tax Information

Real property located in the City is assessed by the City.

Veterans and senior citizens' exemptions are offered to those who qualify.

The City assessment roll is estimated to be constituted as follows: 74% residential; 23% commercial and 3% industrial.

The estimated total annual property tax bill of a $75,000 market value residential property located in the City is approximately $3,519 including County, City and City 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 (the "Tax Levy Limitation Law"). The Tax Levy Limitation Law applies to virtually all local governments, including school districts (with the exception of New York City, Yonkers, Syracuse, Rochester and Buffalo, the latter four of which are indirectly affected by applicability to their respective city). It also applies to independent special districts and to town and county improvement districts as part of their parent municipalities tax levies.

The Tax Levy Limitation Law restricts, among other things, the amount of real property taxes (including assessments of certain special improvement districts) that may be levied by or on behalf of a municipality in a particular year, beginning with fiscal years commencing on or after January 1, 2012. It was set to expire June 15, 2020 unless extended; recent legislation has made it permanent. Pursuant to the Tax Levy Limitation Law, the tax levy of a municipality cannot increase by more than the lesser of (i) two percent (2%) or (ii) the annual increase in the consumer price index ("CPI"), over the amount of the prior year's tax levy. Certain adjustments are required 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 town may exceed the tax levy limitation for the coming fiscal year only if the governing body of such town first enacts, by at least a sixty percent vote of the total voting strength of the board, a local law, to override such limitation for such coming fiscal year only. There are exceptions to the tax levy limitation provided in the Tax Levy Limitation Law, including expenditures made on account of certain tort settlements and certain increases in the average actuarial contribution rates of the New York State and Local Employees' Retirement System, the Police and Fire Retirement System, and the Teachers' Retirement System. Municipalities are also permitted to carry forward a certain portion of their unused levy limitation from a prior year. Each municipality, prior to adoption of each fiscal year budget must submit for review to the State Comptroller any information that is necessary in the calculation of its tax levy for each fiscal year.

The Tax Levy Limitation Law does not contain an exception from the levy limitation for the payment of debt service on either outstanding general obligation debt of municipalities or such debt incurred after the effective date of the tax levy limitation provisions.

While the Tax Levy Limitation Law may constrict an issuer's power to levy real property taxes for the payment of debt service on debt contracted after the effective date of said Tax Levy Limitation Law, it is clear that no statute is able (1) to limit an issuer's pledge of its faith and credit to the payment of any of its general obligation indebtedness or (2) to limit an issuer's levy of real property taxes to pay debt service on general obligation debt contracted prior to the effective date of the Tax Levy Limitation Law. Whether the Constitution grants a municipality authority to treat debt service payments as a constitutional exception to such statutory tax levy limitation outside of any statutorily determined tax levy amount is not clear.

Real Property Tax Rebate. Chapter 59 of the Laws of 2014 ("Chapter 59"), a newly adopted State budget bill includes provisions which provide a refundable personal income tax credit to real property taxpayers in school districts and certain municipal units of government. Real property owners in school districts are eligible for this credit in the 2014 and 2015 taxable years of those property owners. Real property taxpayers in certain other municipal units of government are eligible for this credit in the 2015 and 2016 taxable years of those real property taxpayers. The eligibility of real property taxpayers for the tax credit in each year depends on such jurisdiction's compliance with the provisions of the Tax Levy Limitation Law. School districts budgets must comply in their2014-2015 and 2015-2016 fiscal years. Other municipal units of government must have their budgets in compliance for their 2015 and 2016 fiscal years. Such budgets must be within the tax cap limits set by the Tax Levy Limitation Law for the real property taxpayers to be eligible for this personal income tax credit. The affected jurisdictions include counties, cities (other than any city with a population of one million or more and its counties), towns, villages, school districts (other than the dependent school districts of New York City, Buffalo, Rochester, Syracuse and Yonkers, the latter four of which are indirectly affected by applicability to their respective city) and independent special districts.

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

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

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

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

STATUS OF INDEBTEDNESS

Constitutional Requirements

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

Purpose and Pledge. Subject to certain enumerated exceptions, the City shall not give or loan any money or property to or in aid of any individual, private corporation or private undertaking or give or loan its credit to or in aid of any foreign or public corporation. The City may contract indebtedness only for a City purpose and shall pledge its faith and credit for the payment of the principal of any 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; no installment may be more than fifty per centum in excess of the smallest prior installment, unless substantially level or declining debt service is utilized. The City 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 bonds.

Debt Limit. The City has the power to contract indebtedness for any City purpose so long as the principal amount thereof, subject to certain limited exceptions, shall not exceed seven per centum of the average full valuation of taxable real property of the City and subject to certain enumerated exclusions and deductions such as water and certain sewer facilities and cash or appropriations for current debt service. The constitutional method for determining full valuation is by taking the assessed valuation of taxable real estate as shown upon the latest completed assessment roll and dividing the same by the equalization rate as determined by the State Office of Real Property Services. The State Legislature is required to prescribe the manner by which such ratio shall be determined. Average full valuation is determined by taking the sum of the full valuation of the last completed assessment roll and the four preceding assessment rolls and dividing such sum by five.

Pursuant to Article VIII of the State Constitution and Title 9 of Article 2 of the Local Finance Law, the debt limit of the City is calculated by taking 7% of the latest five-year average of the full valuation of all taxable real property.

Statutory Procedure

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

Pursuant to the Local Finance Law and its Charter, the City authorizes the issuance of bonds by the adoption of a bond ordinance approved by at least two-thirds of the members of the Common Council, the finance board of the City. Customarily, the Common Council has delegated to the City Controller, as chief fiscal officer of the City, the power to authorize and sell bond anticipation notes in anticipation of authorized bonds.

The Local Finance Law also provides that when 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 City is not authorized to expend money, or

(2) There has not been substantial compliance with the provisions of law which should have been complied with in the authorization of such obligations, and

(3) An action contesting such validity, is commenced within twenty days after the date of such publication, or,

Such obligations are authorized in violation of the provisions of the Constitution.

The City generally issues its obligations after the time period specified in 3, above has expired with no action filed that has contested validity. It is a procedure that is recommended by Bond Counsel and followed by the City, but it is not an absolute legal requirement.

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 City has authorized bonds for a variety of City objects or purposes.

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 bonds outstanding, commencing no later than two years from the date of the first of such bonds and provided that such renewals do not exceed five years beyond the original date of borrowing. (See “Payment and Maturity” under “Constitutional Requirements” herein.)

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

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Debt Outstanding End of Fiscal Year

Fiscal Years Ending December 31:	2020	2021	2022	2023	2024
Bonds	$ 21,843,556	$ 20,444,422	$ 19,060,288	$ 17,651,154	$16,522,020
Bond Anticipation Notes	2,959,510	35,129,325	47,681,282	46,913,900	52,153,598
Library Bond Anticipation Notes	2,612,864	0	0	0	0
Library Bond (1)	0	4,055,000	3,950,000	3,840,000	3,730,000
Installment Purchase Obligations	471,964	568,048	0	0	0
Totals	$ 27,887,894	$ 60,196,795	$ 70,691,570	$ 68,405,054	$ 72,405,618

(1) See “Joint Indebtedness” herein.

Details of Outstanding Indebtedness

The following table sets forth the indebtedness of the City evidenced by bond and notes as of March 7, 2025:

Type of Obligation	Maturity		Amount
Bonds	2025-2050		$ 20,525,020 (1)
Bond Anticipation Notes			
Wastewater Treatment Plant	March 28, 2025		52,153,598 (2)
		Total Indebtedness	$ 72,405,618

(1) See “Joint Indebtedness” herein.

(2) To be partially redeemed and renewed with the proceeds of the Notes and $843,400 available funds of the City.

Debt Statement Summary

Summary of Indebtedness, Debt Limit and Net Debt-Contracting Margin prepared and shown as of March 7, 2025:

Average Full Valuation of Taxable Real Property			$ 585,374,159
Debt Limit - 7% thereof			40,976,191
Inclusions:			
Bonds	$ 20,525,020		
Bond Anticipation Notes (BANs):	52,153,598		
Total Inclusions prior to issuance of the Notes	72,405,618		
Less: BANs being redeemed from appropriations	(843,400)		
Add: New money proceeds of the Notes	12,560,000		
Total Net Inclusions after issuance of the Notes		$ 84,122,218	
Exclusions:			
Appropriations (1)	$ 970,000		
Sewer Debt (2)	56,490,618		
Water Debt (3)	0		
Total Exclusions		$ 57,460,618	
Total Net Indebtedness Subject to Debt Limit			$ 26,661,600
Net Debt-Contracting Margin			$ 14,314,591
The percent of debt contracting power exhausted is			65.07%

(1) Sewer Debt is excluded pursuant to Section 124.10 of the Local Finance Law.
(2) Water Debt is excluded pursuant to Article VIII, Section 5B of the New York State Constitution.

Bonded Debt Service

A schedule of Bonded Debt Service may be found attached hereto as "APPENDIX – B" of this Official Statement.

Cash Flow Borrowings

The City has not historically issued tax or revenue anticipation notes, nor budget or deficiency notes and the City does not reasonably expect to issue such notes in the foreseeable future.

Capital Project Plans

In an effort to minimize the City's borrowing, it has partnered with Enterprise Fleet Management. The City has been leasing and selling their vehicles through Enterprise to maintain lower repair and maintenance costs. See audited financial statements attached hereto as "APPENDIX – D".

A DEC Consent Order was issued for the Wastewater Treatment Plant to increase their aeration and to make long term improvements. This project upgraded the diffuser and piping to increase the aeration to the biological environment necessary for the plant to operate. On October 9, 2018, the City along with $380,000 available funds permanently financed $1,520,000 of the $3,628,433 bond anticipation notes that matured October 10, 2018 for the aforementioned purpose. The City renewed the remaining portion of the maturing bond anticipation notes to October 9, 2019. The City has contracted with Energy Service Group to design an Energy Performance Contract with $8,325,000 guaranteed revenue over 20 years for the long-term improvements to the Wastewater Treatment Plant. The City approved a bond resolution in the amount of $54,000,000 as an estimated cost for the total expansion. Applications have been submitted for both the Water Infrastructure Improvement Act (WIIA) grant of $5,000,000 and the Empire State Development grant of $2,000,000. The City currently has $52,153,598 bond anticipation notes outstanding and issued for this project. The Notes, along with $843,400 available funds of the City partially redeemed and renewed the $52,153,598 bond anticipation notes maturing March 28, 2025.

Due to the 2013 flood, the City is approved by Dormitory Authority of the State of New York (DASNY) for $1,900,000 in grant funds to move the current DPW/Water garage out of the flood zone. It is projected to cost approximately $7,000,000. The City is working on a preliminary design for the garage and does not intend to borrow until 2026 or 2027.

The City has been awarded a $10 million grant for Downtown Revitalization. New York State has approved the following projects as part of the award and the City has begun to move forward with these projects:

- Complete reimage of the vacant Hotel Oneida to become a multifunctional event space
- Restore and upgrade to the Devereaux building
- Improve downtown infrastructure and streetscape
- Redevelop the Lerman building for commercial and residential uses
- Upgrade to the facilities at Veteran's Memorial Park including adding a splash pad
- Develop Area Youth Soccer Organization (AYSO) soccer fields
- Establish a form-based zoning overlay district
- Develop a Downtown Business Assistance Fund

A public referendum vote approved the expenditure for much needed repairs to the Glenmore Dam located in Taberg, NY. The Glenmore Dam serves as the main source of water for the City of Oneida and surrounding areas. Improvements are needed to stabilize and upgrade the dam. In late 2024 the DEC issued a Consent Order on the dam. The City held a sealed bid opening and has awarded the repair of the dam to Harrison & Burrowes Bridge Constructors, Inc. The total amount authorized to borrow is $20,560,000. The City has also been awarded $5,000,000 by The New York State Environmental Facilities Corporation under the Water and Infrastructure Improvement Act Grant for the dam repairs. The Notes will provide $12,560,000 new money for the Glenmore Dam project.

The City of Oneida Water Department will also be making upgrades to the Lake Street Pump Station. The Project consists of the installation of three (3) new vertical turbine pumps in the Lake Street Pump Station, including installation of incidental piping, valving, and electrical work.

2025 Summary of Capital Projects

Project Type	Estimated Project Cost	Funding Source
Annual Street Paving Program 2025	675,000	Aid/Grant
Lake Street Pump Station Controls Upgrade	2,000,000	Water Fund
Glenmore Dam Rehab-additional repairs	20,560,000	Serial Bond
DPW Relocation Design phase	7,000,000	Serial Bond
Higinbotham Brook Final Design Phase	850,000	Serial Bond
Fleet Fueling Tank Replacement	975,000	Serial Bond
Water Treatment Plant Second Clearwell	4,000,000	Serial Bond
DPW Equipment Replacement	534,000	Serial Bond

Source: City officials.

Joint Indebtedness

Title 1-A of the Local Finance Law authorizes the issuance of joint indebtedness relative to municipal cooperative activities. The basis of this statute is section 1 of Article VIII of the Constitution which provide for indebtedness to be contracted, either jointly or severally.

The City of Oneida, on behalf of said City, and the Towns of Vernon, Verona and Vienna, New York and the Towns of Lincoln and Lenox, New York (together, the "Joint Obligors") determined to undertake the cost of the construction of a new public library facility for the Oneida Public Library and the Oneida Public Library District (the "Library Project") authorized at a maximum estimated cost of $6,117,000, for which there has heretofore been authorized to be issued not to exceed $6,117,000 joint bonds of the Joint Obligors.

Pursuant to the above authorizations, the Joint Obligors issued $4,159,321 Oneida Public Library Joint (Serial) Bonds, 2021 dated March 26, 2021 and issued through United States Department of Agriculture Rural Development Office (USDA-RD).

In accordance with the provisions of Section 15.10 of the New York State Local Finance Law, solely for purposes of determining the debt-contracting power of each of the Joint Obligors, each of the Joint Obligors has been allocated and apportioned joint indebtedness evidenced by joint bonds for the Library Project as follows:

$4,159,321 Oneida Public Library Joint (Serial) Bonds, 2021

City of Oneida		$ 3,184,985	62.8574%
Town of Verona		685,050	13.5198%
Town of Vernon		483,764	9.5473%
Town of Vienna		341,460	6.7389%
Town of Lenox		252,798	4.9891%
Town of Lincoln		118,943	2.3474%
	Total:	$ 4,159,321	100.0000%

The bonds are general obligations of the Joint Obligors, and contain a pledge of the joint faith and credit of each of the Joint Obligors for the payment of the principal of and interest on the bonds as required by the Constitution and laws of the State (State Constitution, Art. VIII, Section 1, 2 and 2-a; Local Finance Law, Title 1-A and Section 100.00). All the taxable real property within the Joint Obligors is subject to the levy of ad valorem taxes to pay the Bonds and interest thereon, subject to applicable statutory limitations. The City is acting as fiscal agent on the bonds, on behalf of the Joint Obligors.

Under the Constitution of the State, the Joint Obligors are required to jointly pledge their faith and credit for the payment of the principal of and interest on the bonds. The State is specifically precluded from restricting the power of the Joint Obligors as with any municipal unit of government in the State to levy taxes on real property therefor for debt issued prior to the effective date of any such restricting legislation. However, the Tax Levy Limitation Law imposes a statutory limitation on each of the Joint Obligors' power to increase its tax levy in certain contexts. See "TAX LEVY LIMITATION LAW" herein.

The Ciy expects to pay only its pro-rata share of the debt service on the joint bonds; however, it is legally liable to contribute additional monies should any Joint Obligor fail to pay its own share of debt service of the joint bonds.

Estimated Overlapping Indebtedness

In addition to the City, the following political subdivisions have the power to issue bonds and to levy taxes or cause taxes to be levied on taxable real property in the City. Estimated bonds and bond anticipation notes are listed as of the close of the dates listed below.

Municipality	Status of Debt as of	Gross Indebtedness [1]		Estimated Exclusions	[2]	Net Indebtedness	City Share	Applicable Net Indebtedness
County of:								
Madison	10/31/2024	$ 41,157,000	[3]	$ 925,000	[2]	$ 40,232,000	11.38%	$ 4,578,402
School District:								
Oneida City SD	12/19/2024	27,705,000	[3]	24,214,170	[4]	3,490,830	61.30%	2,139,879
Stockbridge Valley CSD	6/18/2024	6,300,000	[3]	6,174,000	[4]	126,000	6.34%	7,988
Sherrill City SD	12/27/2024	22,067,000	[3]	19,529,295	[4]	2,537,705	3.55%	90,089
							Total:	$ 6,816,357

[1] Bonds and bond anticipation notes. Not adjusted to include subsequent bond sales, if any.

[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 annual financial information & operating data filings and/or official statements of the respective municipality.

[4] Estimated State Building aid.

Debt Ratios

The following table sets forth certain ratios related to the City's indebtedness as of March 7, 2025:

	Amount	Per Capita [a]	Percentage of Full Value [b]
Net Indebtedness [c]	$ 26,661,600	$ 2,629.35	3.87%
Net Indebtedness Plus Net Overlapping Indebtedness [d]	33,477,957	3,301.57	4.85

[a] The current estimated population of the City is 10,140. (See "THE CITY – Population Trends" herein.)

[b] The City's total full value of taxable real estate for the 2025 fiscal year is $689,765,925. (See "TAX INFORMATION - Taxable Valuations" herein.)

[c] See "Debt Statement Summary", for the calculation of Net Indebtedness, herein.

[d] The City's share of net overlapping indebtedness is estimated to be $6,816,357. (See "Estimated Overlapping Indebtedness" herein.)

SPECIAL PROVISIONS AFFECTING REMEDIES UPON DEFAULT

General Municipal Law Contract Creditors' Provision. Each Note when duly issued and paid for will constitute a contract between the City and the holder thereof. Under current law, provision is made for contract creditors of the City 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 City 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 City may not be enforced by levy and execution against property owned by the City.

Authority to File For Municipal Bankruptcy. The Federal Bankruptcy Code allows public bodies, such as the City, 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.

The State has consented that any municipality in the State may file a petition with the United States District Court or court of bankruptcy under any provision of the laws of the United States, now or hereafter in effect, for the composition or adjustment of municipal indebtedness. Subject to such State consent, under the United States Constitution, Congress has jurisdiction over such matters and has enacted amendments to the existing federal bankruptcy statute, being Chapter 9 thereof, generally to the effect and with the purpose of affording municipal corporations, under certain circumstances, with easier access to judicially approved adjustment of debt including judicial control over identifiable and unidentifiable creditors.

No current state law purports to create any priority for holders of the Notes should the City be under the jurisdiction of any court, pursuant to the laws of the United States, now or hereafter in effect, for the composition or adjustment of municipal indebtedness.

The rights of the owners of Notes to receive interest and principal from the City could be adversely affected by the restructuring of the City's debt under Chapter 9 of the Federal Bankruptcy Code. No assurance can be given that any priority of holders of debt obligations issued by the City (including the Notes) to payment from monies retained in any debt service fund or from other cash resources would be recognized if a petition were filed by or on behalf of the City under the Federal Bankruptcy Code or pursuant to other subsequently enacted laws relating to creditors' rights; such monies might, under such circumstances, be paid to satisfy the claims of all creditors generally.

Under the Federal Bankruptcy Code, a petition may be filed in the Federal Bankruptcy court by a municipality which is insolvent or unable to meet its debts as they mature. Generally, the filing of such a petition operates as a stay of any proceeding to enforce a claim against the municipality. The Federal Bankruptcy Code also requires that a plan be filed for the adjustment of the municipality's debt, which may modify or alter the rights of creditors and which could be secured. Any plan of adjustment confirmed by the court must be approved by the requisite number of creditors. If confirmed by the bankruptcy court, the plan would be binding upon all creditors affected by it.

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

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

As a result of the Court of Appeals decision in <u>Flushing National Bank v. Municipal Assistance Corporation for the City of New York</u>, 40 N.Y.2d 731 (1976), the constitutionality of that portion of Title 6-A of Article 2 of the Local Finance Law, described below, enacted at the 1975 Extraordinary Session of the State legislature authorizing any county, city, town or village with respect to which the State has declared a financial emergency to petition the State Supreme Court to stay the enforcement against such municipality of any claim for payment relating to any contract, debt or obligation of the municipality during the emergency period, is subject to doubt. In any event, no such emergency has been declared with respect to the City.

<u>*Right of Municipality or State to Declare a Municipal Financial Emergency and Stay Claims Under State Debt Moratorium Law.*</u> The State Legislature is authorized to declare by special act that a state of financial emergency exists in any county, city, town or village. (The provision does not by its terms apply to school districts or fire districts.) In addition, the State Legislature may authorize by special act establishment of an "emergency financial control board" for any county, city, town or village upon determination that such a state of financial emergency exists. Thereafter, unless such special act provides otherwise, a voluntary petition to stay claims may be filed by any such municipality (or by its emergency financial control board in the event said board requests the municipality to petition and the municipality fails to do so within five days thereafter). A petition filed in supreme court in county in which the municipality is located in accordance with the requirements of Title 6-A of the Local Finance Law ("Title 6-A") effectively prohibits the doing of any act for ninety days in the payment of claims, against the municipality including payment of debt service on outstanding indebtedness.

This includes staying the commencement or continuation of any court proceedings seeking payment of debt service due, the assessment, levy or collection of taxes by or for the municipality or the application of any funds, property, receivables or revenues of the municipality to the payment of debt service. The stay can be vacated under certain circumstances with provisions for the payment of amounts due or overdue upon a demand for payment in accordance with the statutory provisions set forth therein. The filing of a petition may be accompanied with a proposed repayment plan which upon court order approving the plan, may extend any stay in the payment of claims against the municipality for such "additional period of time as is required to carry out fully all the terms and provisions of the plan with respect to those creditors who accept the plan or any benefits thereunder." Court approval is conditioned, after a hearing, upon certain findings as provided in Title 6-A.

A proposed plan can be modified prior to court approval or disapproval. After approval, modification is not permissible without court order after a hearing. If not approved, the proposed plan must be amended within ten days or else the stay is vacated and claims including debt service due or overdue must be paid. It is at the discretion of the court to permit additional filings of amended plans and continuation of any stay during such time. A stay may be vacated or modified by the court upon motion of any creditor if the court finds after a hearing, that the municipality has failed to comply with a material provision of an accepted repayment plan or that due to a "material change in circumstances" the repayment plan is no longer in compliance with statutory requirements.

Once an approved repayment plan has been completed, the court, after a hearing upon motion of any creditor, or a motion of the municipality or its emergency financial control board, will enter an order vacating any stay then in effect and enjoining of creditors who accepted the plan or any benefits thereunder from commencing or continuing any court action, proceeding or other act described in Title 6-A relating to any debt included in the plan.

Title 6-A requires notice to all creditors of each material step in the proceedings. Court determinations adverse to the municipality or its financial emergency control board are appealable as of right to the appellate division in the judicial department in which the court is located and thereafter, if necessary, to the Court of Appeals. Such appeals stay the judgment or appealed from and all other actions, special proceedings or acts within the scope of Section 85.30 of Title 6-A pending the hearing and determination of the appeals.

Whether Title 6-A is valid under the Constitutional provisions regarding the payment of debt service is not known. However, based upon the decision in the Flushing National Bank case described above, its validity is subject to doubt.

While the State Legislature has from time to time adopted legislation in response to a municipal fiscal emergency and established public benefit corporations with a broad range of financial control and oversight powers to oversee such municipalities, generally such legislation has provided that the provisions of Title 6-A are not applicable during any period of time that such a public benefit corporation has outstanding indebtedness issued on behalf of such municipality.

Fiscal Stress and State Emergency Financial Control Boards. Pursuant to Article IX Section 2(b)(2) of the State Constitution, any local government in the State may request the intervention of the State in its "property, affairs and government" by a two-thirds vote of the total membership of its legislative body or on request of its chief executive officer concurred in by a majority of such membership. This has resulted in the adoption of special acts for the establishment of public benefit corporations with varying degrees of authority to control the finances (including debt issuance) of the cities of Buffalo, Troy and Yonkers and the County of Nassau. The specific authority, powers and composition of the financial control boards established by these acts varies based upon circumstances and needs. Generally, the State legislature has granted such boards the power to approve or disapprove budget and financial plans and to issue debt on behalf of the municipality, as well as to impose wage and/or hiring freezes and approve collective bargaining agreements in certain cases. Implementation is left to the discretion of the board of the public benefit corporation. Such a State financial control board was first established for New York City in 1975. In addition, on a certificate of necessity of the governor reciting facts which in the judgment of governor constitute an emergency requiring enactment of such laws, with the concurrences of two-thirds of the members elected in each house of the State legislature the State is authorized to intervene in the "property, affairs and governments" of local government units. This occurred in the case of the County of Erie in 2005. The authority of the State to intervene in the financial affairs of local government is further supported by Article VIII, Section 12 of the Constitution which declares it to be the duty of the State legislature to restrict , subject to other provisions of the Constitution, the power of taxation, assessment, borrowing money and contracting indebtedness and loaning the credit of counties, cities, towns and villages so as to prevent abuses in taxation and assessment and in contracting indebtedness by them.

In 2013, the State established a new state advisory board to assist counties, cities, towns and villages in financial distress. The Financial Restructuring Board for Local Governments (the "FRB"), is authorized to conduct a comprehensive review of the finances and operations of any such municipality deemed by the FRB to be fiscally eligible for its services upon request by resolution of the municipal legislative body and concurrence of its chief executive. The FRB is authorized to make recommendations for, but cannot compel improvement of fiscal stability, management and delivery of municipal services, including shared services opportunities and is authorized to offer grants and/or loans of up to $5,000,000 through a Local Government Performance and Efficiency Program to undertake certain recommendations. If a municipality agrees to undertake the FRB recommendations, it will be automatically bound to fulfill the terms in order to receive the aid.

The FRB is also authorized to serve as an alternative arbitration panel for binding arbitration.

Although from time to time, there have been proposals for the creation of a statewide financial control board with broad authority over local governments in the State, the FRB does not have emergency financial control board powers to intervene such as the public benefit corporations established by special acts as described above.

Several municipalities in the State are presently working with the FRB. The City has not requested FRB assistance nor does it reasonably expect to do so in the foreseeable future. School districts and fire districts are not eligible for FRB assistance.

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, such as the 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 crisises 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. See "NATURE OF OBLIGATION" and "State Debt Moratorium Law" herein.

No Past Due Debt. No principal of or interest on City indebtedness is past due. The City 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 investment risk.

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

The City 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 and revenues in order to pay State aid to municipalities and school districts in the State, including the City, in any year, the City may be affected by a delay, until sufficient taxes have been received by the State to make State aid payments to the City. In some years, the City 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 "State Aid".)

There are a number of general factors which could have a detrimental effect on the ability of the City to continue to generate revenues, particularly property taxes. For instance, the termination of a major commercial enterprise or an unexpected increase in tax certiorari proceedings could result in a significant reduction in the assessed valuation of taxable real property in the City. Unforeseen developments could also result in substantial increases in Town expenditures, thus placing strain on the City's financial condition. These factors may have an effect on the market price of the Notes.

If a holder elects to sell his investment prior to its scheduled maturity date, market access or price risk may be incurred. If and when a holder of any of the Notes should elect to sell a Note prior to its maturity, there can be no assurance that a market shall have been established, maintained and be in existence for the purchase and sale of any of the Notes. Recent global financial crises have included limited periods of significant disruption. In addition, the price and principal value of the Notes is dependent on the prevailing level of interest rates; if interest rates rise, the price of a bond or note will decline, causing the bondholder or noteholder to incur a potential capital loss if such bond or note is sold prior to its maturity.

Amendments to U.S. Internal Revenue Code could reduce or eliminate the favorable tax treatment granted to municipal debt, including the Notes and other debt issued by the City. Any such future legislation would have an adverse effect on the market value of the Notes (See "TAX MATTERS" herein).

The Tax Levy Limitation Law, which imposes a tax levy limitation upon municipalities, school districts and fire districts in the State, including the City and continuing technical and constitutional issues raised by its enactment and implementation could have an impact upon the finances and operations of the Town and hence upon the market price of the Notes. See "TAX LEVY LIMITATION LAW" herein.

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 and 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 Bond, 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 City 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.

Current and 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 City, or about the effect of future changes in the Code, the applicable regulations, the interpretation thereof or the enforcement thereof by the IRS. The City 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 City 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 City 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 City 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 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 AND INVESTIGATIONS

The City is subject to a number of lawsuits in the ordinary conduct of its affairs. The City Attorney 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 City.

The former City Chamberlain in charge of tax collections was arrested and charged last year in connection with the theft of tax payments during the years 2006 through 2021. The total amount involved $550,590.81. $132,138.07 has been recovered from insurance. The City has discharged back taxes from impacted residents using proceeds from the auction of City acquired property and fund balance. The City has discharged $251,405.15 to date and plans to discharge the remaining $299,185.66 over the next three years. The City has implemented new tax collection and financial software to provide the City with more checks and balances as well as detailed reporting. At any point, the City can review the collections for any given day and see what accounts each payment was applied to, this was not an option prior to the new financial software was implemented. Also, the City Chamberlain now provides a journal register report along with checks collected that are submitted to the City Comptroller.

Other than stated above, 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 City, threatened against or affecting the City 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 City taken with respect to the authorization, issuance or sale of the Notes or contesting the corporate existence or boundaries of the City.

ONEIDA INDIAN NATION

In 1974, the Supreme Court ruled that the Oneida Indian Nation (the "Nation") could assert their land claim against Oneida and Madison Counties in Federal Court. In 1986 the Supreme Court ruled that the Treaty of 1795 between the Nation and New York State had not been approved by Congress and awarded the Nation damages for parcels located in the Counties, including most of the property in the City of Oneida.

In 1993, the Nation opened the Turning Stone Casino in Verona and has been purchasing land within its land claim area. Because the Nation considered itself sovereign, it refused to pay taxes on the land it so acquired, including property located within the City.

Two significant legal developments have recently occurred which have had an impact on Indian land claims. The first development being the Supreme Court decision in the case of the City of Sherrill in which the City of Sherrill claimed they were owed taxes on property which the Nation had acquired within its jurisdiction. In upholding the City of Sherrill's claim for property taxes, the Supreme Court, even though acknowledging that the transaction by which the State acquired property from the Nation was illegal, agreed that the Nation had waited too long to seek possession and monetary damages and that the impact of such a delay on the "justifiable expectations" of non-Indian communities was significant. A subsequent decision by the Second Circuit Court of Appeals dismissing a Cayuga land claim action for waiting too long to reclaim their original reservation cited the City of Sherrill decision indicating that it has "dramatically altered the legal landscape" of Indian land claims.

Although these decisions do not, in and of themselves, overrule the 1986 Supreme Court decision involving the Nation, it is unclear at this time what the impact of such recent decisions will have on the negotiations which are still ongoing between the counties, the State of New York and the Nation over its land claim. The one clear result, however, is that the land purchased by the Nation in the City is subject to taxation. All back taxes been paid to the City.

On May 30, 2013, pursuant to a negotiated and structured settlement agreement among the Oneida Indian Nation, the State of New York and the County of Madison & County of Oneida, the City’s previous agreement with the Oneida Indian Nation wherein the Nation was paying taxes to the City, became null. The annual financial loss of revenue to the City is over $160,000.

INDIAN LAND CLAIMS

1. **The Oneida Indian Nation of New York State, et al. v. The County of Oneida New York and the County of Madison, New York**

Civil Action No. 74-CV-187

The County of Oneida was a defendant in another Indian land claim entitled, The Oneida Indian Nation of New York State, The Oneidas of the Thames, and the Oneida Tribe of Indians of Wisconsin, Inc. vs. The County of Oneida, New York, and the County of Madison, New York, which was brought in the United States District Court for the Northern District of New York in 1974. This action asserted possessory rights by three Oneida tribes to approximately 250,000 acres acquired by the State from the Oneida Indian Nation between 1795 and 1846. In June, 1998, the United States intervened in the action on behalf of the Oneidas against the Counties. In December, 1998, both the Oneidas and the U. S. sought permission to amend their complaints by adding, as a plaintiff, the Oneida of the Thames, and as defendants, the State and a class of 20,000 private landowners to the action, seeking damages plus interest computed from the dates of multiple treaties entered into between 1795 and 1846, and seeking possession of the land. On September

25, 2000, Judge McCurn denied the applications to add the private landowners and to seek possession but granted the applications to add the Oneida of the Thames as a plaintiff and the State as a defendant. The case was thereafter transferred to U. S. District Court Judge Lawrence E. Kahn. The plaintiffs filed amended complaints adding the State and seeking (1) a declaration that the plaintiff tribes had possessory rights to the land claim area; (2) damages under multiple theories regarding the subject lands which were allegedly wrongfully acquired from the Oneidas. The defendants filed responsive pleadings on January 12, 2001, which asserted various defenses and counterclaims. The New York Brothertown Indian Nation moved to intervene in the case as a plaintiff, and its motion was granted. The plaintiffs and plaintiff-intervenors moved to strike and dismiss the defenses and counterclaims, and those motions were granted in part and denied in part. Discovery was had. In August 2006, defendants moved for summary judgment to dismiss the action. In May 2007, Judge Kahn granted dismissal of all claims against the County, leaving only a monetary claim against the State. Both the plaintiffs and the State have filed appeals, which were argued on June 3, 2008. In August 2010, the Second Circuit reversed Judge Kahn in part, and completely dismissed all of plaintiff's claims. The Supreme Court refused certiorari in October 2011. Therefore the case is now dismissed, with no liability against the County. The case is included here only for historical information.

2. Stockbridge-Munsee Community, et al. v. New York State, et al.
Civil Action No. 86-CV-1140

In addition to the litigation noted above, the County is also a defendant in another Indian claim entitled Stockbridge-Munsee Community, et al. v. New York State, et al. This case was filed in October of 1986 in the United States District Court for the Northern District of New York. It involves a claim by the Stockbridge-Munsee Indian Community to land located in parts of the Towns of Augusta and Vernon in Oneida County but not within the area claimed in The Oneida Indian Nation of New York State, et al. v. The County of Oneida, New York and the County of Madison, New York. The issues, in many respects, are similar to those in the Oneida cases described above. The Oneida Indian Nation of New York has intervened in this action, and the Court has pending before it cross-motions to dismiss the complaint and for summary judgment. Although the claim differs in some respects from the Oneida Indian Nation claim, the County is optimistic that this claim will also be resolved in the County's favor.

3. Oneida Indian Nation v. Madison and Oneida Counties
Civil Action No. 05-6408-CV(L)

The County is currently litigating its right to foreclose upon Oneida Indian Nation properties in the above case. Judge David Hurd ruled against the County in June 2006; an appeal was argued in November 2007 in the Second Circuit Court of Appeals. Judge Hurd was upheld in April 2010 by the Second Circuit; the Supreme Court granted the County's request to hear an appeal but, after the Nation waived one of its defenses, that Court sent the case back to the Second Circuit for further consideration. In October 2011, the Second Circuit reversed Judge Hurd and held in favor of the County on 3 of the 4 grounds his decision was based on and referred the 4th ground to State Courts. Before state court action can proceed, however, the County wishes to resolve the related issue regarding current status of the Oneida Indian reservation, and is currently seeking certiorari on that issue.

4. State of New York v. Salazar
Civil Action No. 6:08-CV-00644 (LEK) (GJD)

On May 20, 2008, the Department of the Interior issued its decision to take 8,833 acres of land in Oneida County as well as some land in Madison County, into trust for the Oneida Indian Nation. New York State and both Counties filed the above entitled suit to overturn that decision. In September 2009, Judge Kahn dismissed some of the Counties causes of action; however, most remain and can be appealed. Additional summary judgment motions have been filed by both parties, and they are now pending. Currently, the issue is whether the Department of Interior (DOI) is entitled to take land into trust on behalf of the Oneida Indian Nation (OIN). The State of New York and Counties rely upon Carcieri v. Salazar, 555 US 379 (2009) in their opposition. In Carcieri, the Court held: "That the term "now under federal jurisdiction in 479 unambiguously refers to those tribes that were under the federal jurisdiction of the United States when the IRA was enacted in 1934" (Carcieri v. Salazar, 555 US 379 @395 (2009)). The State and the Counties allege that because the Oneida's did not ratify the Indian Reorganization Act of 1934, they are not "now under Federal Jurisdiction" as referred to in 25 U.S.C. 479 of the Act and therefore the DOI is not entitled to take land into trust on behalf of the OIN. It is alleged that ratification of the Indian Reorganization Act of 1934 is necessary to determine eligibility for land into trust. The case has been remanded to the Bureau of Indian Affairs by Judge Kahn in 2012. Members of Congress however have asserted that any alterations to the Carcieri, decision must be made through Congressional legislation not agency action. The case is still in its early stages and at this time it is not possible to predict the outcome of this litigation.

It is noted that the trust application may have indirect implications for the Counties with regard to future tax revenues, if the tribes succeed and therefore remove this and/or any additional land from the tax rolls (taxes have not been paid on these land for many years.) However, the State has for years made impact payments to the County for such loss, such impact payments may be a part of any eventual outcome of these matters, whether they are terminated by litigation or settlement. It is not possible to predict whether the County will ultimately lose tax revenues as a result of the trust application. For these reasons stated above, it is very possible that this case will not have great financial impact on the County, but some impact is possible.

Comprehensive Agreement

On May 16, 2013, Governor Cuomo announced an agreement between the State, Oneida Nation, and Oneida and Madison Counties. The agreement settled multiple, long-standing disputes, paves the way to end years of litigation over property tax, land and reservation issues. The agreement is detailed below:

Tribal Revenue Sharing with State and Local Governments and Gaming Exclusivity:

Under the agreement, the Oneida Nation will receive exclusive rights to casino gaming in a ten-county region of Central New York (Cayuga, Chenango, Cortland, Herkimer, Lewis, Madison, Oneida, Onondaga, Oswego, and Otsego counties). Vernon Downs will be authorized to continue its existing harness racing and video lottery facility. In exchange, the Nation will devote 25% of its net gaming revenue from its slot machines to the State of New York. Based on current Oneida gaming revenues, that would be approximately $50 million annually to the State. From the State share there would be distributions as follows:

- **Oneida County**, as the host county, will receive 25% of the State's payment annually and in addition will receive a $2.5 million payment from the State share to settle back property tax claims. The County received approximately $12.9 million in 2014. The additional $2.5 million will be paid over the next 19 ¼ years to cover tax claims.
- **Madison County** will receive $3.5 million per year from the State share, and in addition will receive a one-time payment of $11 million from the Oneida Nation to settle past tax claims. The $11 million transfer took place on March 11, 2014.

Settling Land Claims:

Under the settlement, the Oneida Nation will agree to a permanent cap of approximately 25,000 acres of land which may be taken into trust by the Department of Interior as Nation land. Oneida and Madison Counties will drop their legal claims concerning land disputes against the Oneida Nation, currently pending in the courts, and the State will withdraw its support for those legal claims. The Nation expressly waives its rights of sovereignty over any land over the cap amount.

Ending Unfair Competition:

The settlement requires the Oneida Nation to impose a Nation sales tax that equals or exceeds the State's and counties' sales, use and occupancy taxes. Under the agreement:

- The Nation sales tax would apply to all cigarettes, motor fuel, and all other sales by Indian retailers to non-Indians.
- The Nation must adhere to minimum pricing standards for cigarette products.
- The Nation must use sales tax revenues only for the same types of governmental programs to which the State and Counties devote their tax revenues.

Source: http://www.governor.ny.gov/.

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 City will enter into an Undertaking to Provide Notice of Material Events Certificate, a description of which, is attached hereto as "APPENDIX – C".

Historical Compliance

Except as noted below, the City is in compliance in all material respects within the last five years with all previous undertakings made pursuant to the Rule 15c2-12.

The Audited Financial Statements for the fiscal year ended December 31, 2019 were not filed in a timely manner. The financial statements were dated June 22, 2020 but were not filed to the Municipal Security Regulatory Board's Electronic Municipal Market Access website ("EMMA") until September 14, 2020. A Failure to File notice was filed to EMMA on September 15, 2020.

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 City 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 City and other sources of information believed to be reliable. The Municipal Advisor has not audited, authenticated, or otherwise verified the information provided by the City or the information set forth in this Official Statement or any other information available to the City 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 City to Fiscal Advisors are partially contingent on the successful closing of the Notes.

CUSIP IDENTIFICATION NUMBERS

It is anticipated that CUSIP (an acronym that refers to Committee on Uniform Security Identification Procedures) identification numbers will be printed on the Notes. All expenses in relation to the printing of CUSIP numbers on the Notes will be paid for by the City provided, however; the City 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. Subject to the approval of the City, the purchaser(s) of the Notes may have a rating completed after the sale at the expense of the purchaser(s), including any fees to be incurred by the City, such as a rating action that may require the filing of a material event notification to EMMA and/or the provision of a supplement to the Final Official Statement.

S&P Global Ratings, a business unit of Standard & Poor’s Financial Services LLC (“S&P”) has assigned its underlying rating of “AA-” with a stable outlook to the City’s outstanding bonds. A rating reflects only the view of the rating agency assigning such rating any desired explanation of the significance of such rating should be obtained from S&P, Public Finance Ratings, 55 Water Street, 38th Floor, New York, New York 10041, Phone: (212) 553-0038, Fax: (212) 553-1390.

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

MISCELLANEOUS

So far as any statements made in this Official Statement involve matters of opinion or estimates in good faith, no assurance can be given that the facts will materialize as so opined or estimated. Neither this Official Statement nor any statement that 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 City management’s beliefs as well as assumptions made by, and information currently available to, the City’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 City’s files with the repositories. When used in City 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 City, expressed no opinions as to the accuracy or completeness of information in any documents prepared by or on behalf of the City 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 City 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 City.

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

The City 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 City nor Fiscal Advisors & Marketing, Inc. assumes any liability or responsibility for errors or omissions on such website. Further, Fiscal Advisors & Marketing, Inc. and the City 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 City also assumes no liability or responsibility for any errors or omissions or for any updates to dated website information.

The City contact information is as follows: Jessica Kaiser, Deputy City Comptroller, 109 North Main Street, Oneida, New York 13421, Phone: (315) 363-2022, Fax: (315) 363-2022, Email: jkaiser@oneidacity.com.

This Official Statement has been duly executed and delivered by the City Comptroller of the City of Oneida, Madison County, New York.

CITY OF ONEIDA

Dated: March 7, 2025

JESSICA KAISER
Deputy City Comptroller & Chief Fiscal Officer

GENERAL FUND

Balance Sheets

Fiscal Year Ending December 31:	2019	2020	2021	2022	2023
ASSETS					
Cash and Short-term Investments	$ 1,645,679	$ 1,950,649	$ 3,337,045	$ 2,462,285	$ 1,161,252
Restricted Cash	88,731	235,845	769,355	397,760	315,546
Receivable-Taxes	1,234,640	1,172,262	1,245,938	1,273,624	860,312
Receivable-Other	-	-	-		
Property aquired for taxes	463,992	490,143	-	68,205	68,248
Accounts receivable	364,327	389,662	303,400	323,432	303,515
State & Federal Aid Receivables	8,003	-	-		
Due from Other Funds	992,898	791,400	1,498,298	1,392,845	2,781,291
Due from Other Governments	320,194	695,287	369,114	468,999	530,320
Prepaid Expenditures	374,224	365,860	447,009	488,500	505,007
TOTAL ASSETS	5,492,688	6,091,108	7,970,159	6,875,650	6,525,491
LIABILITIES AND FUND EQUITY					
Accounts Payable	$ 402,504	$ 71,616	$ 76,807	$ 183,864	$ 208,794
Accrued Liabilities	158,365	316,374	181,812	136,278	236,819
Due to Other Governments	46,396	239,413	-	-	-
Due to Other Funds	-	-	992,624	-	-
Other Liabilities	-	-	-	-	99,515
Bond Interest and Long Term Liabilities	-	-	-	-	-
Deferred Revenue	1,191,953	1,532,128	1,689,505	1,596,688	925,353
TOTAL LIABILITIES	1,799,218	2,159,531	2,940,748	1,916,830	1,470,481
FUND EQUITY					
Nonspendable	$ 838,216	$ 856,003	$ 447,009	$ 488,500	$ 505,007
Restricted	88,731	235,845	769,355	397,760	315,546
Assigned	12,762	82,451	660,808	1,481,201	2,436,536
Unassigned	2,753,761	2,757,278	3,152,239	2,591,359	1,797,921
TOTAL FUND EQUITY	3,693,470	3,931,577	5,029,411	4,958,820	5,055,010
TOTAL LIABILITIES and FUND EQUITY	$ 5,492,688	$ 6,091,108	$ 7,970,159	$ 6,875,650	$ 6,525,491

Source: Audited financial reports of the City. This Appendix is not itself audited.

GENERAL FUND

Revenues, Expenditures and Changes in Fund Balance

Fiscal Years Ending December 31:	2019	2020	2021	2022	2023
REVENUES					
Real Property Taxes	$ 4,655,449	$ 4,684,133	$ 5,010,572	$ 4,972,654	$ 5,161,994
Real Property Tax Items	226,543	211,730	123,376	123,842	237,003
Non-Property Tax Items	5,051,939	5,720,360	6,458,319	6,747,732	7,242,096
Departmental Income	193,464	115,202	181,514	190,217	216,210
Intergovernmental Charges	13,099	22,466	98,663	20,794	20,994
Tribal Compact Moneys	210,184	203,326	205,165	206,673	204,102
Use of Money & Property	39,707	20,664	43,975	27,722	106,857
Licenses and Permits	82,338	56,404	109,830	63,776	56,352
Fines and Forfeitures	84,966	50,219	35,459	45,194	39,249
Sale of Property and Compensation for Loss	145,379	66,535	105,034	75,107	476,497
Miscellaneous	16,130	4,636	2,627	20,426	5,555
Interfund Revenues	-	-	2,439,025	-	-
Revenues from State Sources	1,997,741	1,691,992	4,457	2,172,659	2,127,607
Revenues from Federal Sources	-	-	-	806,275	265,598
Total Revenues	$ 12,716,939	$ 12,847,667	$ 14,818,016	$ 15,473,071	$ 16,160,114
EXPENDITURES					
General Government Support	$ 1,314,082	$ 1,454,022	$ 2,045,409	$ 1,779,337	$ 1,770,684
Education	-	-	-	-	-
Public Safety	4,523,834	4,611,438	4,732,797	5,403,185	5,819,041
Health	74,327	83,823	46,761	70,013	63,421
Transportation	1,523,458	1,263,243	1,361,334	1,736,201	1,484,613
Economic Assistance and Opportunity	1,000	-	-	-	-
Home and Community Services	225,579	263,041	347,218	447,691	388,374
Culture and Recreation	459,074	285,824	373,134	587,791	478,801
Employee Benefits	4,003,888	4,092,028	4,254,085	4,620,636	5,117,379
Miscellaneous Expenses	-	-	-	-	2,028
Debt Service	750,525	878,455	852,656	955,123	1,126,984
Total Expenditures	$ 12,875,767	$ 12,931,874	$ 14,013,394	$ 15,599,977	$ 16,251,325
Excess of Revenues Over (Under) Expenditures	$ (158,828)	$ (84,207)	$ 804,622	$ (126,906)	$ (91,211)
Other Financing Sources (Uses):					
Operating Transfers In	253,783	472,821	298,917	275,470	261,616
Operating Transfers Out	(215,325)	(150,507)	(5,705)	(219,155)	(74,215)
Total Other Financing	38,458	322,314	293,212	56,315	187,401
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	(120,370)	238,107	1,097,834	(70,591)	96,190
FUND BALANCE					
Fund Balance - Beginning of Year	3,813,840	3,693,470	3,931,577	5,029,411	4,958,820
Residual Equity Transfer	-	-	-	-	-
Prior Period Adjustments (net)	-	-	-	-	-
Fund Balance - End of Year	$ 3,693,470	$ 3,931,577	$ 5,029,411	$ 4,958,820	$ 5,055,010

Source: Audited financial reports of the City. This Appendix is not itself audited.

GENERAL FUND

Revenues, Expenditures and Changes in Fund Balance - Budget

Fiscal Years Ending December 31:	2021 Adopted Budget	2022 Adopted Budget	2023 Adopted Budget	2024 Adopted Budget	2025 Adopted Budget
REVENUES					
Real Property Taxes	$ 4,951,635	$ 5,065,226	$ 5,164,225	$ 5,298,376	$ 5,728,461
Real Property Tax Items	244,326	196,483	146,982	151,616	177,395
Non-Property Tax Items	5,451,941	5,923,019	6,832,349	7,082,804	7,548,424
Departmental Income	289,745	302,750	312,650	254,000	250,445
Intergovernmental Charges	14,200	14,000	13,500	13,500	54,025
Use of Money & Property	38,600	45,300	37,100	26,350	76,805
Licenses and Permits	88,540	93,530	99,530	50,780	57,230
Fines and Forfeitures	82,200	67,300	41,000	41,000	44,000
Sale of Property and Compensation for Loss	17,500	147,500	90,000	53,000	73,000
Miscellaneous	201,500	500	-	-	200,500
Interfund Revenues	-	-	-	-	-
Revenues from State Sources	1,953,832	2,013,352	2,061,376	2,094,876	2,124,326
Revenues from Federal Sources	-	-	-	4,500	150,000
Total Revenues	$ 13,334,019	$ 13,868,960	$ 14,798,712	$ 15,070,802	$ 16,484,611
Total Revenues & Other Sources	13,334,019	13,868,960	14,798,712	15,070,802	16,484,611
EXPENDITURES					
General Government Support	$ 1,455,673	$ 1,565,113	$ 1,718,647	$ 1,742,044	$ 1,847,789
Education	-	-	-	-	-
Public Safety	4,614,637	4,929,570	5,411,574	5,540,067	5,798,272
Health	60,158	73,164	79,459	74,410	59,824
Transportation	1,380,742	1,432,655	1,540,182	1,544,283	1,637,610
Economic Assistance and Opportunity	-	-	-	-	-
Culture and Recreation	455,734	522,025	461,618	445,743	497,357
Home and Community Services	372,223	388,399	393,601	399,112	333,215
Employee Benefits	4,336,246	4,621,105	5,096,831	5,585,803	6,183,423
Debt Service	952,586	1,054,809	1,081,386	779,287	786,523
Total Expenditures	$ 13,627,999	$ 14,586,840	$ 15,783,298	$ 16,110,749	$ 17,144,013
Excess of Revenues Over (Under) Expenditures	(293,980)	(717,880)	(984,586)	(1,039,947)	(659,402)
Other Financing Sources (Uses):					
Operating Transfers In	319,692	267,764	275,616	260,253	270,925
Operating Transfers Out	(25,712)	-	-	-	-
Total Other Financing	293,980	267,764	275,616	260,253	270,925
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	-	(450,116)	(708,970)	(779,694)	(388,477)
FUND BALANCE					
Fund Balance - Beginning of Year	-	450,116	708,970	779,694	388,477
Prior Period Adjustments (net)	-	-	-	-	-
Fund Balance - End of Year	$ -	$ -	$ -	$ -	$ -

Source: Audited financial reports and adopted budgets (unaudited) of the City. This Appendix is not itself audited.

CHANGES IN FUND EQUITY

Fiscal Year Ending December 31:	**2019**	**2020**	**2021**	**2022**	**2023**
WATER FUND					
Fund Equity - Beginning of Year	$ 3,989,515	$ 4,445,249	$ 5,370,661	$ 6,071,760	$ 4,605,651
Prior Period Adjustments (net)	-	-	-	-	1
Revenues & Other Sources	3,683,781	4,019,786	4,188,101	4,078,700	4,047,880
Expenditures & Other Uses	3,228,047	3,075,382	3,487,002	5,544,809	3,682,188
Fund Equity - End of Year	4,445,249	5,389,653	6,071,760	4,605,651	4,971,344
SEWER FUND					
Fund Equity - Beginning of Year	$ 1,527,668	$ 1,801,596	$ 1,716,132	$ 1,096,345	$ 1,818,605
Prior Period Adjustments (net)	-	-	-	-	(1)
Revenues & Other Sources	2,673,970	2,264,995	2,421,955	3,677,102	5,564,387
Expenditures & Other Uses	2,400,042	2,350,460	3,041,742	2,954,842	4,776,045
Fund Equity - End of Year	1,801,596	1,716,131	1,096,345	1,818,605	2,606,946

Source: Audited financial reports of the City. This Appendix is not itself audited.

Source: Audited Financial Reports of the City. This Appendix is not itself audited.

BONDED DEBT SERVICE

Fiscal Year Ending December 31st	Principal	Interest	Total
2025	$ 1,259,134	$ 378,106.37	$ 1,637,240.37
2026	1,274,134	353,962.62	1,628,096.62
2027	1,269,134	329,331.35	1,598,465.35
2028	1,284,134	304,400.11	1,588,534.11
2029	1,269,134	278,837.61	1,547,971.61
2030	1,029,135	253,556.35	1,282,691.35
2031	1,009,135	235,450.09	1,244,585.09
2032	959,135	217,843.83	1,176,978.83
2033	879,135	201,831.33	1,080,966.33
2034	739,135	188,356.31	927,491.31
2035	739,135	178,425.06	917,560.06
2036	764,135	168,425.06	932,560.06
2037	774,135	157,768.80	931,903.80
2038	784,135	146,906.30	931,041.30
2039	794,135	135,681.30	929,816.30
2040	510,000	124,250.04	634,250.04
2041	520,000	112,631.28	632,631.28
2042	525,000	100,443.78	625,443.78
2043	470,000	88,150.02	558,150.02
2044	480,000	78,162.52	558,162.52
2045	490,000	67,575.02	557,575.02
2046	505,000	56,768.76	561,768.76
2047	510,000	45,631.26	555,631.26
2048	525,000	33,968.76	558,968.76
2049	535,000	21,537.50	556,537.50
2050	355,000	8,875.00	363,875.00
TOTALS	$ 20,252,020	$ 4,266,876.43	$ 24,518,896.43

CURRENT BONDS OUTSTANDING

Fiscal Year Ending December 31st	2009 WWTP - EFC			2015 Fishing Creek & Municipal Roof		
	Principal	Interest	Total	Principal	Interest	Total
2025	$ 289,134	$ -	$ 289,134	$ 215,000	$ 34,050	$ 249,050
2026	289,134	-	289,134	220,000	27,600	247,600
2027	289,134	-	289,134	225,000	21,000	246,000
2028	289,134	-	289,134	235,000	14,250	249,250
2029	289,134	-	289,134	240,000	7,200	247,200
2030	289,135	-	289,135	-	-	-
2031	289,135	-	289,135	-	-	-
2032	289,135	-	289,135	-	-	-
2033	289,135	-	289,135	-	-	-
2034	289,135	-	289,135	-	-	-
2035	289,135	-	289,135	-	-	-
2036	289,135	-	289,135	-	-	-
2037	289,135	-	289,135	-	-	-
2038	289,135	-	289,135	-	-	-
2039	289,135	-	289,135	-	-	-
TOTALS	$ 4,337,020	$ -	$ 4,337,020	$ 1,135,000	$ 104,100	$ 1,239,100

CURRENT BONDS OUTSTANDING

Fiscal Year Ending December 31st	2016 Various Purposes			2018 Various Improvements & Equipment Purchases			2019 Various Improvements & Equipment Purchases		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2025	$ 105,000	$ 15,488	$ 120,488	$ 205,000	$ 74,956	$ 279,956	$ 115,000	$ 20,825	$ 135,825
2026	110,000	13,388	123,388	205,000	68,550	273,550	115,000	18,381	133,381
2027	90,000	11,050	101,050	205,000	62,144	267,144	115,000	15,938	130,938
2028	90,000	9,025	99,025	205,000	55,481	260,481	120,000	13,494	133,494
2029	90,000	6,775	96,775	195,000	48,819	243,819	100,000	10,944	110,944
2030	95,000	4,413	99,413	185,000	42,481	227,481	100,000	8,819	108,819
2031	60,000	1,800	61,800	185,000	36,469	221,469	105,000	6,694	111,694
2032	-	-	-	185,000	30,456	215,456	105,000	4,463	109,463
2033	-	-	-	100,000	24,444	124,444	105,000	2,231	107,231
2034	-	-	-	55,000	21,069	76,069	-	-	-
2035	-	-	-	55,000	19,213	74,213	-	-	-
2036	-	-	-	65,000	17,288	82,288	-	-	-
2037	-	-	-	65,000	15,013	80,013	-	-	-
2038	-	-	-	70,000	12,738	82,738	-	-	-
2039	-	-	-	70,000	10,200	80,200	-	-	-
2040	-	-	-	70,000	7,663	77,663	-	-	-
2041	-	-	-	65,000	5,038	70,038	-	-	-
2042	-	-	-	65,000	2,519	67,519	-	-	-
TOTALS	$ 640,000	$ 61,938	$ 701,938	$ 2,250,000	$ 554,538	$ 2,804,538	$ 980,000	$ 101,788	$ 1,081,788

CURRENT BONDS OUTSTANDING

Fiscal Year Ending December 31st	2020 Glenmore Dam Principal	2020 Glenmore Dam Interest	2020 Glenmore Dam Total	2021* Library Project - Joint Bond Issue Principal	2021* Library Project - Joint Bond Issue Interest	2021* Library Project - Joint Bond Issue Total
2025	$ 215,000	$ 153,525	$ 368,525	$ 115,000	$ 79,263	$ 194,263
2026	220,000	149,225	369,225	115,000	76,819	191,819
2027	225,000	144,825	369,825	120,000	74,375	194,375
2028	225,000	140,325	365,325	120,000	71,825	191,825
2029	230,000	135,825	365,825	125,000	69,275	194,275
2030	235,000	131,225	366,225	125,000	66,619	191,619
2031	240,000	126,525	366,525	130,000	63,963	193,963
2032	245,000	121,725	366,725	135,000	61,200	196,200
2033	250,000	116,825	366,825	135,000	58,331	193,331
2034	255,000	111,825	366,825	140,000	55,463	195,463
2035	255,000	106,725	361,725	140,000	52,488	192,488
2036	265,000	101,625	366,625	145,000	49,513	194,513
2037	270,000	96,325	366,325	150,000	46,431	196,431
2038	275,000	90,925	365,925	150,000	43,244	193,244
2039	280,000	85,425	365,425	155,000	40,056	195,056
2040	285,000	79,825	364,825	155,000	36,763	191,763
2041	295,000	74,125	369,125	160,000	33,469	193,469
2042	295,000	67,856	362,856	165,000	30,069	195,069
2043	300,000	61,588	361,588	170,000	26,563	196,563
2044	310,000	55,213	365,213	170,000	22,950	192,950
2045	315,000	48,238	363,238	175,000	19,338	194,338
2046	325,000	41,150	366,150	180,000	15,619	195,619
2047	330,000	33,838	363,838	180,000	11,794	191,794
2048	340,000	26,000	366,000	185,000	7,969	192,969
2049	345,000	17,500	362,500	190,000	4,038	194,038
2050	355,000	8,875	363,875	-	-	-
TOTALS	$ 7,180,000	$ 2,327,081	$ 9,507,081	$ 3,730,000	$ 1,117,433	$ 4,847,433

* The Ciy expects to pay only its pro-rata share of the debt service on the joint bonds apportioned at 62.86%

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 "Commission") pursuant to the Securities Exchange Act of 1934, the City 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 Commission to receive reports pursuant to the Rule, notice of the occurrence of any of the following events with respect to the Notes:

(a) principal and interest payment delinquencies

(b) non-payment related defaults, if material

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

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

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

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

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

(h) note calls, if material and tender offers

(i) defeasances

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

(k) rating changes

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

(m) the consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of the assets of the City, 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 in the Rule) of the City, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the City, 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 City, any of which reflect financial difficulties.

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

With respect to event (d) the City 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 City 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 City, 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 City.

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

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

The City 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 City; provided that the City agrees that any such modification will be done in a manner consistent with the Rule, with the approving opinion of nationally recognized bond counsel.

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

See “CONTINUING DISCLOSURE – Historical Compliance” for an overview of the City’s past historical compliance, and “Municipal Continuing Disclosure Cooperation Initiative,” herein.

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CITY OF ONEIDA, NEW YORK

AUDITED FINANCIAL STATEMENTS

For the Fiscal Year Ending December 31, 2023

Such Financial Report and opinions 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.

CITY OF ONEIDA, NEW YORK

Financial Statements as of
December 31, 2023
Together with
Independent Auditor's Report and Reports
Required by *Government Auditing Standards*

Bonadio & Co., LLP
Certified Public Accountants

CITY OF ONEIDA, NEW YORK

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CITY OF ONEIDA, NEW YORK

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Bonadio & Co., LLP
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

May 31, 2024

To the Common Council of the
City of Oneida, New York:

Report on the Audit of the Financial Statements

Adverse and Unmodified Opinions
We have audited the accompanying financial statements of the governmental activities, each major fund, the aggregate discretely presented component unit (except as described below), and the aggregate remaining fund information of the City of Oneida, New York (the City), as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Summary of Opinions

Opinion Unit	Type of Opinion
Governmental Activities	Unmodified
Aggregate Discretely Presented Component Unit	Adverse
Major Fund: General Fund	Unmodified
Major Fund: Water Fund	Unmodified
Major Fund: Capital Fund	Unmodified
Major Fund: Sewer Fund	Unmodified
Aggregate Remaining Fund Information	Unmodified

Adverse Opinion on Aggregate Discretely Presented Component Unit
In our opinion, because of the significance of the matter described in the Basis for Adverse and Unmodified Opinions section of our report, the financial statements referred to above do not present fairly the financial position of the aggregate discretely presented component unit, Oneida Public Library, as of December 31, 2023, or the changes in financial position or cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Unmodified Opinions on Governmental Activities, General Fund, Water Fund, Capital Fund, Sewer Fund, and Aggregate Remaining Fund Information
In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Oneida, New York as of December 31, 2023, 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.

432 North Franklin Street, #60
Syracuse, NY 13204
p (315) 476-4004
f (315) 254-2384

www.bonadio.com

Basis for Adverse and Unmodified Opinions
We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City 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 adverse and unmodified audit opinions.

Matter Giving Arise for Adverse Opinion on Aggregate Discretely Presented Component Unit
Management has not included the Oneida Public Library (the Library), a discretely presented component unit in the City's financial statements. Accounting principles generally accepted in the United States of America require the Library to be presented as a discretely presented component unit in the City's basic financial statements. The amount by which this departure would effect this disclosure of the assets, deferred outflows of resources, liabilities, deferred inflows of resources, net position, revenue, and expenses of the omitted component unit has not been determined.

Emphasis of Matter – Change in Accounting Principle
As described in Note 12 to the financial statements, in December 31, 2023, the City adopted new accounting guidance, *Government Accounting Standards Board No. 96, Subscription-Based Information Technology Arrangements*. Our opinions are not modified with respect to this matter.

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

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

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

INDEPENDENT AUDITOR'S REPORT
(Continued)

Auditor's Responsibilities for the Audit of the Financial Statements (Continued)
In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City'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 City'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 information, schedule of changes in total other postemployment benefit liabilities and related ratios, schedules of proportionate share of net pension liability (asset) and contributions be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

INDEPENDENT AUDITOR'S REPORT
(Continued)

Supplementary Information
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Citys basic financial statements. The accompanying combining and individual nonmajor fund financial statements is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements 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 May 31, 2024 on our consideration of the City of Oneida, New York's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and on compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Oneida, New York's internal control over financial reporting and compliance.

The City of Oneida's management's discussion and analysis provides an overview of the City's activities for the fiscal year ended December 31, 2023. Since this information is designed to focus on current year activities, resulting changes and currently known facts, it should be read in conjunction with the City's financial statements following this section.

Financial Highlights

- The City's net position is reflected as $(4,122,152).
- The General Fund's fund balance decreased -1.94% to a total balance of $5,055,010.
- The Water Fund's fund balance decreased -7.94% to a total balance of $4,971,344.
- The Sewer Fund's fund balance increased 43.35% to a total balance of $2,606,946.

Overview of the Financial Statements
This annual report consists of three parts; the management's discussion and analysis, the basic financial statements and the required supplementary information. The basic financial statements consist of Government-wide financial statements, fund financial statements, and notes to the financial statements.

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

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

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

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

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

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

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

The City maintains eight individual governmental funds. The General, Water, Sewer, and Capital funds are considered to be major funds and are presented separately in the fund financial statement. The Miscellaneous Special Revenue, Community Development, Debt Service Library, and Police & Fire Special Revenue funds are presented as the Non-Major Governmental Funds on the fund financial statements.

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

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE

Net Position

The City’s total net position increased $2,792,852 from fiscal year 2022 to 2023. A summary of the City’s Statement of Net Position at December 31, 2023 and 2022is as follows:

	2023	2022	Increase (Decrease)	% Change
Current and other assets	$ 24,967,384	$ 32,654,020	$ (7,686,636)	-23.5%
Capital assets, (net of accumulated depreciation)	89,875,005	84,672,704	5,202,301	6.1%
Net pension asset – ERS	-	989,034	(989,034)	-100.0%
Total assets	114,842,389	118,315,758	(3,473,369)	-2.9%
Deferred outflows of resources - OPEB	7,970,947	6,073,022	1,897,925	31.3%
Deferred outflows of resources - Pensions	7,144,282	7,344,138	(199,856)	-2.7%
Total assets and deferred outflows of resources	129,957,618	131,732,918	(1,775,300)	-1.3%
Current liabilities	4,626,001	6,872,527	(2,245,926)	-32.7%
Bond anticipation	46,913,900	47,681,282	(767,382)	-1.6%
Long term liabilities	68,876,584	60,028,703	8,847,881	14.7%
Total liabilities	120,417,085	114,582,512	5,834,573	5.1%
Deferred inflows of resources – Pensions	507,939	8,983,798	(8,475,859)	-94.3%
Deferred inflows of resources – OPEB	13,089,705	15,012,589	(1,922,884)	-12.8%
Deferred inflows of resources – Leases	65,041	69,023	(3,982)	-5.8%
Total liabilities and deferred inflows of resources	134,079,770	138,647,922	(4,568,152)	-3.3%
Net Pension				
Net investment in capital assets	20,763,383	12,764,957	7,998,426	62.7%
Restricted	67,123,353	74,047,881	(6,924,528)	-9.4%
Unrestricted (Deficit)	(92,008,888)	(93,727,842)	1,718,954	-1.8%
Total net position	(4,122,152)	(6,915,004)	2,792,852	-40.4%
Total liabilities, Deferred Inflows of Resources, and Net Position	$ 129,957,618	$131,732,918	$ (1,775,300)	-1.3%

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE (Continued)

Net Position (Continued)
The restricted portion of the net position primarily represents funds being held to finance the cost of construction or reconstruction of water treatment and transmission facilities and other capital projects. The funds can only be spent on specific public improvements or capital projects.

The unrestricted net deficit at December 31, 2023 is $92,008,888 which represents the amount by which the City's liabilities, excluding debt related to capital construction and restrictions of net position exceeded the City's assets other than capital assets.

Change in Net Position
The results of this year's operations as a whole are reported in the Statement of Activities in a programmatic format in the accompanying financial statements. Non-property tax items consist of New York State sales tax, utility tax and franchise tax.

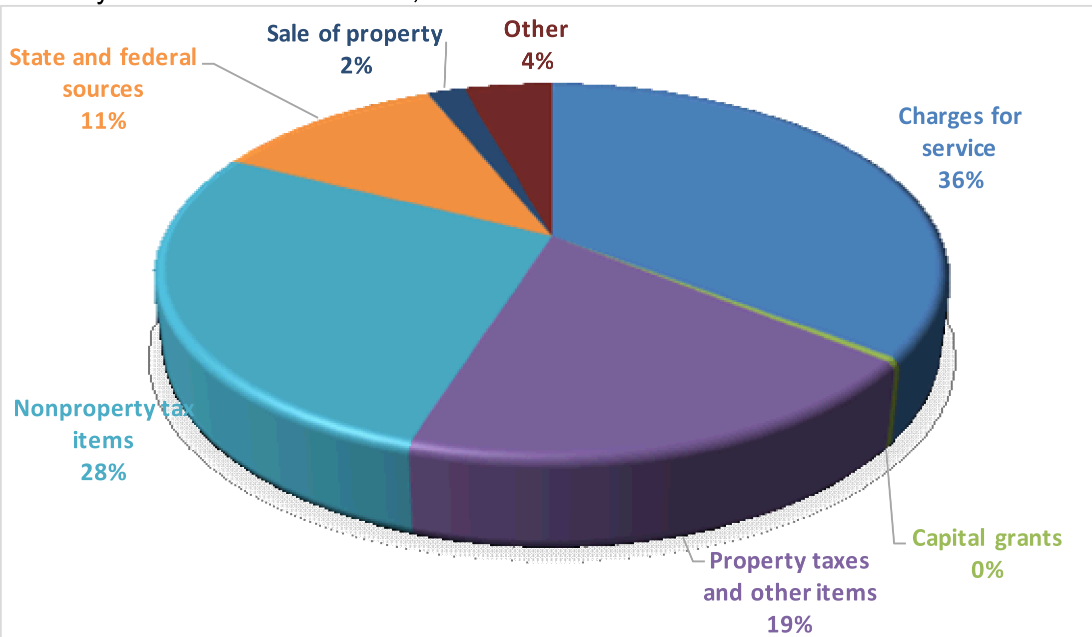
A summary of this statement for the years ending December 31, 2023 and 2022 is as follows:

	2023	2022	Increase (Decrease)	% Change
Revenues				
Program revenues				
Charges for service	$ 9,307,494	$ 7,771,916	$ 1,535,578	19.8%
Capital grants	98,762	51,755	47,007	90.8%
General revenues				
Property taxes and other items	5,032,903	5,207,860	(174,957)	-3.4%
Nonproperty tax items	7,242,096	6,747,732	494,364	7.3%
State and federal sources	2,990,752	6,556,585	(3,565,833)	-54.4%
Sale of property	478,285	150,277	328,008	218.3%
Other	1,133,603	710,461	423,142	59.6%
Total revenues	26,283,895	27,196,586	(912,691)	-3.4%
Expenses				
General government support	1,851,878	1,793,695	58,183	3.2%
Public safety	5,617,188	5,019,029	598,159	11.9%
Public health	63,421	46,761	16,660	35.6%
Transportation	2,252,303	2,007,949	244,354	12.2%
Home and community services	6,087,317	6,377,227	(289,910)	-4.5%
Culture & recreation	360,256	440,802	(80,546)	-18.3%
Employee benefits	5,249,412	6,377,010	(1,127,598)	-17.7%
Interest on long-term debt	2,009,268	615,220	1,394,048	226.6%
Total expenditures	23,491,043	22,677,693	813,350	3.6%
Change in net position	$ 2,792,852	$ 4,518,893	$ (1,726,041)	-38.2%

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE (Continued)

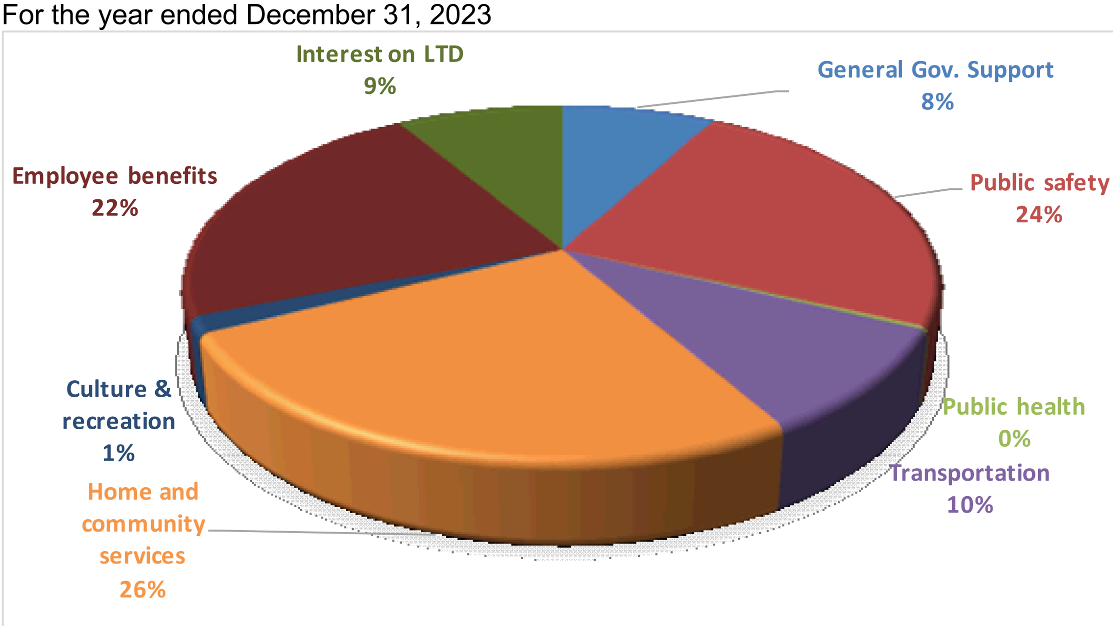
Change in Net Position (Continued)
A graphic display of the distribution of revenues is as follows:

For the year ended December 31, 2023



A graphic display of the distribution of expenses is as follows:

For the year ended December 31, 2023



FINANCIAL ANALYSIS OF THE CITY'S FUND BALANCE

At December 31, 2023, the City's governmental funds reported a combined fund balance of $23,872,636. This was a decrease of $3,901,259. The decrease was primarily due to a new BAN payable for the WWTP issued in the Capital Projects fund offset by maintaining the proper balance between revenues and expenditures.

	2023	2022	Increase (Decrease)
General Fund			
Nonspendable	$ 505,007	$ 488,500	$ 16,507
Restricted	315,546	397,760	(82,214)
Assigned	2,436,536	1,481,201	955,335
Unassigned	1,797,921	2,591,359	(793,438)
	5,055,010	4,958,820	96,190
Community Development Fund			
Restricted	269,448	269,394	54
	269,448	269,394	54
Water Fund			
Nonspendable	178,920	188,381	(9,461)
Restricted	4,792,424	4,417,271	375,153
	4,971,344	4,605,652	365,692
Capital Fund			
Restricted	58,958,135	66,931,344	(7,973,209)
Unassigned	(95,972,401)	(98,817,032)	2,844,631
	(37,014,266)	(31,885,688)	(5,128,578)
Sewer Fund			
Nonspendable	58,028	48,332	9,696
Restricted	2,548,918	1,770,272	778,646
	2,606,946	1,818,604	788,342
Miscellaneous Special Revenue Fund			
Restricted	140,219	119,130	21,089
	140,219	119,130	21,089
Miscellaneous Special Revenue Fund-Police			
Restricted	18,371	16,905	1,466
	18,371	16,905	1,466
Debt Service Library Fund			
Restricted	93,282	125,805	(32,523)
	93,282	125,805	(32,523)
Downtown Revitalization Initiative Fund			
Restricted	(12,990)	-	(12,990)
	(12,990)	-	(12,990)
Total Fund Balance	$ (23,872,636)	$ (19,971,378)	$ (3,901,258)

GENERAL FUND BUDGETARY HIGHLIGHTS

The City's adopted budget for the year ended December 31, 2023, for the General Fund totaled $15,830,048. The original budget allowed for the use of fund balance in the amount of $555,720. There was an increase in sales tax collected from an increase in purchases made by the City. For transportation expenses, the variance from budget is largely related to Street maintenance and DPW maintenance accounts - less maintenance than expected and budgeted for. For culture and recreation expenses, variance from budget is largely related to not much work being done on the repairs at Vets Field as compared to the anticipated amount of work for bathroom and roof repairs. Therefore, only $92,662 was needed to cover the deficit in expense to revenues.

General Fund Balance Budget

	Original 2023	Modified 2023	Actual 2023	Variance Positive (Negative)
Estimated revenues				
Property tax levy	$ 5,164,225	$ 5,164,225	$ 5,161,994	$ (2,231)
Other property tax items	191,982	191,982	237,003	45,021
Non property tax items	6,832,349	6,832,349	7,242,096	409,747
Departmental	267,650	267,650	216,210	(51,440)
Intergovernmental charges	13,500	13,500	20,994	7,494
Tribal compact money	200,000	200,000	204,102	4,102
Use of money & property	37,100	37,100	106,857	69,757
Licenses and permits	99,530	99,530	56,352	(43,178)
Fines and forfeitures	41,000	41,000	39,249	(1,751)
Sale of property & compensation for loss	90,000	410,518	476,497	65,979
Miscellaneous	-	-	5,555	5,555
State aid	2,061,376	2,190,040	2,127,607	(62,433)
Federal aid	-	476	265,598	265,122
Transfer from other funds	275,616	275,616	261,616	(14,000)
Proceeds from capital leases	-	-	219,920	219,620
Total estimated revenues	15,274,328	15,723,986	16,641,350	917,364
Estimated expenditures				
General govt support	1,718,647	2,051,815	1,770,684	281,131
Public safety	5,411,574	5,929,577	5,819,041	110,536
Public health	79,459	79,459	63,421	16,038
Transportation	1,586,932	1,591,106	1,484,613	106,493
Culture and recreation	461,618	482,670	478,801	3,869
Home and community services	393,601	393,675	388,374	5,301
Employee benefits	5,096,831	5,153,410	5,117,379	36,031
Capital outlay for leases	-	-	219,620	(219,620)
Debt service-principal	964,897	995,742	997,727	(1,985)
Debt service-interest	116,489	116,489	129,257	(12,768)
Transfer to other funds	-	73,108	74,215	(1,107)
Total estimated expenditures	15,830,048	16,867,051	16,543,132	$ 323,919
Net change in fund balance	$ (555,720)	$ (1,143,065)	$ 98,218	

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

The City's total depreciation expense is $2,729,606, however with the addition of numerous capital projects and construction in progress, the total net capital assets at year end ended with a net increase of $5,219,316.

	2023	2022	Increase (Decrease)
Nondepreciable			
Land	$ 2,915,301	$ 2,915,301	$ -
Construction in progress	52,976,585	46,386,521	6,590,064
	55,891,886	49,301,822	6,590,064
Depreciable			
Buildings	46,567,403	46,378,359	189,044
Infrastructure	48,105,105	47,292,683	812,422
Improvements	4,119,877	4,119,877	-
Equipment	14,831,778	14,606,792	224,986
Subtotal	113,624,163	112,397,711	1,226,452
Total Capital Assets	169,516,049	161,699,533	7,816,516
Accumulated depreciation			
Buildings	(33,461,209)	(32,154,233)	(1,306,976)
Infrastructure	(34,156,220)	(33,677,644)	(478,576)
Improvements	(2,853,250)	(2,663,948)	(189,302)
Equipment	(9,886,441)	(9,264,095)	(622,346)
Total accumulated deprecation	(80,357,120)	(77,759,920)	(2,597,200)
Lease assets, being amortized			
Postage machine	13,142	2,705	10,437
Vehicles	1,121,203	941,932	180,071
SBITA	141,399	119,892	21,507
Total lease assets, being amortized	1,275,744	1,063,729	212,015
Accumulated amortization			
Postage machine	(2,629)	(1,353)	(1,276)
Vehicles	(475,142)	(209,393)	(265,749)
SBITA	(81,897)	-	(81,897)
Total accumulated amortization	(559,668)	(210,746)	(348,922)
Total lease assets, being amortized, net	716,076	852,983	(136,907)
Total net capital assets	$ 89,875,005	$ 84,792,596	$ 5,082,409

Debt administration

Short Term Debt

The City issued two Bond Anticipation Notes (BAN) of $46,913,900 in March 2023 with an interest rate of 4.00% for the purpose of renewing the 2022 $47,681,282 BAN, with the remaining funds to be utilized for the Waste Water Treatment Plant capital project. The project is necessary to fulfill the requirements of a Department of Environmental Conservation consent order for long-term improvements to the facility.

Long Term Debt

There were no issuances of long term debt in 2023. This does not include lease obligations.

Debt Service Schedule-Long and Short Term Debt Service

	Year of Maturity	2023 Beginning Balance	Principal Payment	Interest Payment	2023 Year End Balance
General Fund					
2011 108-114 Main Street City Court Bldg	2023	42,210	42,210	1,688	-
2011 Asbestos Abatement	2023	4,880	4,880	195	-
2011 Asbestos Abatement 456 Elizabeth St	2023	26,260	26,260	1,050	-
2011 Demolition of Building	2023	4,500	4,500	180	-
2011 Dump Truck	2023	4,230	4,230	169	-
2011 Fire Department Addition	2023	46,230	46,230	1,849	-
2011 Fire Truck	2023	41,270	41,270	1,651	-
2011 Oneida Justice Center	2023	51,240	51,240	2,050	-
2011 Reconstruction of West Sands St	2023	10,550	10,550	422	-
2011 Salt Shed	2023	9,340	9,340	374	-
2011 Sidewalk Plow	2023	9,290	9,290	372	-
2018 Software Conversion	2023	35,000	35,000	1,050	-
2018 LED Street Lighting Design	2023	20,000	20,000	600	-
2016 Armory Boiler	2026	25,000	6,000	509	19,000
2016 Kallet Chiller	2026	80,000	20,000	1,625	60,000
2017 City Hall Security Upgrades	2027	120,000	20,000	3,725	100,000
2018 Emergency Generator	2028	36,000	6,000	1,125	30,000
2019 LED National Grid Buyback	2028	150,000	25,000	3,625	125,000
2015 Municipal Roof Project	2029	350,000	45,000	9,550	305,000
2016 Plow truck	2030	144,000	17,000	3,305	127,000
2016 Rescue Truck	2030	111,000	12,000	2,574	99,000
2016 Fire Engine	2031	490,000	50,000	11,675	440,000
2017 DPW Fleet Replacement	2032	295,000	25,000	9,375	270,000
2017 Fire Ladder Truck Rehab	2032	328,000	30,000	10,436	298,000
2018 Fire Ladder Truck Rehab - Repairs	2032	36,000	3,500	1,144	32,500
2018 Skid Steer	2033	55,000	5,000	1,756	50,000
2018 Snow Plow 4wd	2033	202,000	16,000	6,468	186,000
2018 Street Sweeper	2033	143,000	13,000	4,566	130,000
2019 Pool Resurfacing	2033	115,000	10,000	2,419	105,000
2019 DPW/Plow Truck	2033	130,000	10,000	2,738	120,000
2019 LED Street Light Construction	2033	805,000	65,000	16,944	740,000
2018 City Hall Additional Repairs	2042	130,000	6,500	4,404	123,500
2017 City Hall Lateral Support Wall Repair	2042	167,000	8,000	5,665	159,000
		$ 4,217,000	$ 698,000	$ 115,278	$ 3,519,000
Total General Fund 2023 Debt Service Expenditure					$ 813,278

Debt administration (Continued)

Water Fund					
2015 Fish Creek	2029	$ 1,200,000	$ 160,000	$ 32,800	$ 1,040,000
2020 Glenmore Dam	2050	7,595,000	205,000	159,750	7,390,000
Serial Bond Payment		$ 8,795,000	$ 365,000	$ 192,550	$ 8,430,000
Total Water Fund 2023 Debt Service Expenditure					$ 557,550
Sewer Fund					
2009 WWTP Clean Water EFC	2039	$ 4,915,288	$ 289,134	$ -	$ 4,626,154
2017 WWTP Aeration Impr.	2042	958,000	42,000	32,568	916,000
2017 WWTP Fleet Replacement	2032	175,000	15,000	5,575	160,000
Serial Bond Payment		$ 6,048,288	$ 346,134	$ 38,143	$ 5,702,154
Total Sewer Fund 2023 Debt Service Expenditure					$ 384,277
Debt Service Library Fund					
2022 Oneida Public Library	2049	$ 3,950,000	$ 110,000	$ 83,938	$ 3,840,000
Total Debt Service Library Fund 2023 Debt Service Expenditure					$ 193,938

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The 20234 budget contains expenditures for necessary purchases while reducing expenses on controllable items. The City continues to receive the majority of revenue from City sales tax and property tax. The City was able to adopt a budget with the use of $579,694 in fund balance, leaving fund balance projections at the targeted 21.54%. Expenses were cut to only items needed to maintain the city services with very little allocated to projects outside the immediate need of the taxpayers. The City also decided to create a separate budget for the American Rescue Plan Act (ARPA)Funds. The City has budgeted the ARPA funds for additional service items for the City. Items such as tree removal and equipment for various departments such as Fire, Central Garage and Parks & Recreation. The purchase of these items will enhance the City services to the taxpayers. The establishment of a separate, Council approved budget allowed the City to alleviate the tax burden on the taxpayers while providing transparency as to the use of the ARPA funds. While the 2023 sales tax revenue came in much higher than budgeted, assumingly due to online sales tax collections, the future is still considered to be an unstable environment and the City is committed to securing the taxpayer funds to be used cautiously and in the most efficient manner possible.

Union Agreements

The City has the following union agreements in place with the related expiration dates:

Bargaining Unit	Number of Members	Contract Expiration Date
Civil Service Employees' Association	62	December 31, 2025
Oneida Paid Firefighters' Association	23	December 31, 2024
Oneida Police Benevolent Association	24	December 31, 2024

Project and Improvement Updates around the City

In 2016, HP Hood expanded their operations to include the construction of a 15,000 sq. ft. dairy processing building and an additional 24,000 sq. ft cold storage warehouse facility, which created more than 25 local jobs in the City. In 2017, HP Hood completed the acquisition and development of an adjoining parcel of land to allow the access, parking and loading areas of the site to conform to all security measures required of food manufacturing facilities. They have since added to the line of products manufactured at the Oneida plant, most notably the new Planet Oat milks, all of which are manufactured solely at their plant in Oneida.

In 2014, a building expansion was completed at All Seasonings Ingredients, Inc., a spice and seasoning blends manufacturer, located in the Oneida Business Park. This resulted in 15 additional local jobs. Acquisition of new equipment in 2018-2019 created another packaging line and 11 more full time positions. In 2020, the company completed construction on 2 new buildings, creating a combined 32,000 sq. ft. of new manufacturing and storage areas, as well as paving the way for additional jobs to be created. The company is now looking at further expansion onto property adjoining the Oneida Business Park, as they continue to grow their share of the spice market on a national level.

Green Empire Farms has completed construction and is fully occupying 2 of their 3 32-acre greenhouses and has started construction of the third. Full buildout will see a fourth greenhouse of approximately 15,000 sq. ft., making it the largest hydroponic greenhouse facility in the United States. The site also encompasses 2 large housing facilities, complete with recreation fields, to house onsite employees. At full buildout, this will expand to 4 buildings. Green Empire Farms now employs over 300 people at this site.

A number of new small businesses, both retail and service-oriented, have located in downtown storefronts in the last year, bringing additional jobs into the City Center. New retail buildings have also been constructed on the two main arteries of the City, NYS Routes 5 and 365A.

Oneida Healthcare continues its growth with the addition of a cancer care center in partnership with Roswell Park. They also continue to open new clinics and urgent care offices in surrounding communities.

The Oneida Public Library completed construction at the end of 2020 and is now open to the public. The new library serves not only the educational needs of the City and surrounding towns but includes the capacity and features necessary to serve as a community meeting facility for area groups and organizations.

As of 2022, the City completed the conversion of the street lights to LED luminaires. Additionally, the City has contracted with ESG to begin construction on the expansion of its Wastewater Treatment facility. Groundbreaking on the expansion took place in spring 2022.

The City has completed construction on the Oneida Rail Trail, which has converted existing railbeds into a multimodal transportation corridor that spans the west-to-east corridor, and brings bikers, hikers and walkers through the downtown. It is anticipated that the users of this corridor will increase economic development in downtown businesses.

The City completed the FEMA Hazard Mitigation Grant Program in 2020, purchasing and demolishing 125 properties that were affected by the 2013 flood, at a cost of approximately $15 million. Additional mitigation measures will finance construction of a new DPW and Water Department garage to relocate it out of the flood zone.

The City was awarded a $10,000,000 Downtown Revitalization Initiative grant from New York State. It is currently in the preliminary design and development stages.

Project and Improvement Updates around the City (Continued)
Due to the 2013 flood, the City is approved by DASNY for $1,900,000 in grant funds to move the current DPW/Water garage out of the flood zone. Design has began for the new building and the location is being determined. It is projected to cost approximately $4,900,000.

Recent large-scale housing projects include a 33 unit townhouse development, which is under construction; a completed 40 unit apartment complex; and a 24 unit luxury apartment complex located in a redeveloped Harden Furniture factory.

Wastewater Treatment Plant Long Term Improvements

A DEC Consent Order was issued for the Wastewater Treatment Plant to increase their aeration and to make long term improvements. This project upgraded the diffuser and piping to increase the aeration to the biological environment necessary for the plant to operate. On October 9, 2018, the City along with $380,000 available funds permanently financed $1,520,000 of the $3,628,433 bond anticipation notes that matured October 10, 2018 for the aforementioned purpose. The City renewed the remaining portion of the maturing bond anticipation notes to October 9, 2019. The City has contracted with ESG to design an Energy Performance Contract with $8,325,000 guaranteed revenue over 20 years for the long-term improvements to the Wastewater Treatment Plant. The City approved a bond resolution in the amount of $54,000,000 as an estimated cost for the total expansion. Applications have been submitted for both the WIIA grant of $5,000,000 and the Empire State Development grant of $2,000,000. The City issued $1,100,000 bond anticipation notes on October 8, 2019 for the aforementioned purpose. The City issued $1,100,000 bond anticipation notes on October 7, 2020 to renew the bond anticipation notes that matured on October 8, 2020 for this project. The City issued $1,265,110 additional bond anticipation notes on July 21, 2020 for this purpose. The Notes are being issued, along with $9,600 available funds of the City to partially redeem and renew the bond anticipation notes being called prior to maturity on March 30, 2022. The City issued bond anticipation notes of $34,540,725 in March 2021, consolidating the 2 previously issued bond anticipation notes in an effort to cover the expected 2021 costs of construction. As of March 2022, the City renewed the bond anticipation notes for a total of $47,681,282 in order to continue construction of the expanded plant. As of March 2023, the City renewed the bond anticipation notes for a total of $46,913,900 in an effort to work towards completion and open up the new revenue source of high strength organic waste acceptance. As of March 2024, the city renewed the bond anticipation notes for a total of $52,153,598 to complete the final stages of the expansion project. Once the project is complete, the City will enter into long term financing less any grant funds received.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide the City of Oneida's citizens and taxpayers, and the clients of the City, with a general overview of the City's finances. If you have questions about this report or need additional financial information, contact the Comptroller, City of Oneida, New York, 109 N. Main Street, Oneida, New York 13421.

CITY OF ONEIDA, NEW YORK

Statement of Net Position
December 31, 2023

	Governmental Activities
ASSETS	
Current assets:	
Cash and cash equivalents, unrestricted	$ 7,270,103
Cash and cash equivalents, restricted	14,322,435
Property taxes - delinquent - tax sale certificates, net	818,267
Assessments receivable	3,432
Accounts receivable	1,079,555
Property taxes - delinquent - property acquired	42,045
Loans receivable	81,841
Lease receivable	64,816
Due from other governments	542,935
Prepaid expenses	741,955
Total current assets	24,967,384
Noncurrent assets:	
Capital assets, net of accumulated depreciation	89,875,005
Total assets	114,842,389
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows - OPEB	7,970,947
Deferred outflows - pension	7,144,282
Total deferred outflows of resources	15,115,229
LIABILITIES	
Current liabilities:	
Accounts payable	508,990
Accrued liabilities	310,422
Accrued interest	1,956,273
Unearned grant revenue	181,355
Due within one year	1,559,561
Bond anticipation note payable	46,913,900
Total current liabilities	51,430,501
Long term obligations:	
Due in more than one year	68,986,584
Total long term obligations	68,986,584
Total liabilities	120,417,085
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows - pension	507,939
Deferred inflows - OPEB	13,089,705
Deferred inflows - leases	65,041
Total deferred outflows of resources	13,662,685
NET POSITION	
Net investment in capital assets	20,763,383
Restricted	67,123,353
Unrestricted	(92,008,888)
Total net position	$ (4,122,152)

The accompanying notes are an integral part of these statements.

CITY OF ONEIDA, NEW YORK

Statement of Activities
For the Year Ending December 31, 2023

	Expenses	Program Revenues: Fees, Fines and Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Change in Net Position: Governmental Activities
Primary government:					
Governmental activities:					
General government support	$ 1,851,878	$ 78,044	$ -	$ -	$ (1,773,834)
Public safety	5,617,188	115,577	-	48,287	(5,453,324)
Public health	63,421	-	-	-	(63,421)
Transportation	2,252,303	-	-	50,475	(2,201,828)
Home and community services	6,087,317	9,066,536	-	-	2,979,219
Culture and recreation	360,256	47,337	-	-	(312,919)
Employee benefits	5,249,412	-	-	-	(5,249,412)
Interest on long-term debt	2,009,268	-	-	-	(2,009,268)
Total governmental activities	$ 23,491,043	$ 9,307,494	$ -	$ 98,762	(14,084,787)
General revenues:					
Real property taxes					4,843,903
Other real property tax items					189,000
Non-property taxes					7,242,096
Tribal Compact moneys					204,102
General State aid					2,743,463
General Federal aid					247,289
Use of money and property					530,777
Sale and compensation of property					478,285
Licenses and permits					96,200
Miscellaneous					302,524
Total general revenues					16,877,639
Change in net position					2,792,852
Net position - beginning of year					(6,915,004)
Net position - end of year					$ (4,122,152)

The accompanying notes are an integral part of these statements.

CITY OF ONEIDA, NEW YORK

Balance Sheet
Governmental Funds
December 31, 2023

	Governmental: General Fund	Governmental: Water Fund	Governmental: Capital Fund	Governmental: Sewer Fund	Nonmajor Governmental Fund	Total Governmental Funds
ASSETS						
Cash & cash equivalents, unrestricted	$ 1,161,252	$ 3,617,460	$ -	$ 2,300,395	$ 190,996	$ 7,270,103
Cash, restricted	315,546	1,039,263	12,044,235	545,166	378,225	14,322,435
Property taxes - delinquent - tax sale certificates, net	818,267	-	-	-	-	818,267
Property taxes - delinquent - property acquired	42,045	-	-	-	-	42,045
Assessments receivable	3,432	-	-	-	-	3,432
Accounts receivable	303,515	204,497	-	344,386	227,157	1,079,555
Loans receivable	-	-	-	-	81,841	81,841
Lease receivable	64,816	-	-	-	-	64,816
Due from other funds	2,781,291	-	767,382	200,000	-	3,748,673
Due from other governments	530,320	-	9,640	-	2,975	542,935
Prepaid expenditures	505,007	178,920	-	58,028	-	741,955
Total assets	$ 6,525,491	$ 5,040,140	$ 12,821,257	$ 3,447,975	$ 881,194	$ 28,716,057
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
Liabilities:						
Accounts payable	$ 208,794	$ 24,159	$ 432	$ 44,681	$ 230,924	$ 508,990
Accrued liabilities	236,819	44,637	-	28,966	-	310,422
Due to other funds	-	-	2,921,191	767,382	60,100	3,748,673
Unearned grant revenue	99,515	-	-	-	81,840	181,355
BAN payable	-	-	46,913,900	-	-	46,913,900
Total liabilities	545,128	68,796	49,835,523	841,029	372,864	51,663,340
Deferred Inflows of Resources:						
Unavailable revenue - leases	65,041	-	-	-	-	65,041
Unavailable revenue - real property taxes	860,312	-	-	-	-	860,312
Total deferred inflows of resources	925,353	-	-	-	-	925,353
Fund balances:						
Nonspendable	505,007	178,920	-	58,028	-	741,955
Restricted	315,546	4,792,424	58,958,135	2,548,918	508,330	67,123,353
Assigned	2,436,536	-	-	-	-	2,436,536
Unassigned	1,797,921	-	(95,972,401)	-	-	(94,174,480)
Total fund balances	5,055,010	4,971,344	(37,014,266)	2,606,946	508,330	(23,872,636)
Total liabilities, deferred inflows of resources and fund balances	$ 6,525,491	$ 5,040,140	$ 12,821,257	$ 3,447,975	$ 881,194	$ 28,716,057

The accompanying notes are an integral part of these statements.

CITY OF ONEIDA, NEW YORK

Reconciliation of the Balance Sheet -
Governmental Funds to the Statement of Net Position
For the Year Ending December 31, 2023

Total fund balance - governmental funds		$ (23,872,636)
Total net position reported for governmental activities in the statement of net position is different because:		
Capital assets and leased assets and SBITAs used in governmental activities are not current financial resources and therefore, are not reported in the funds.		
Cost of capital assets and right to use leased assets	$ 170,791,793	
Accumulated depreciation and amortization	(80,916,788)	
		89,875,005
Revenue related to the tax levy is recognized when earned in the statement of activities, but deferred in the fund statements if collection is anticipated to exceed sixty days after year end.		860,312
Revenue related to delinquent schools taxes in which collection is anticipated to exceed sixty days after year end and therefore deferred in the funds.		1,210,667
Delinquent tax amounts that are not due and payable to Oneida City School District in the current period, and therefore are not reported in the funds.		(1,210,667)
Deferred outflows/inflows of resources related to pensions are applicable to future periods and, therefore are not reported in the funds.		
Deferred outflows - relating to pensions	$ 7,144,282	
Deferred inflows - relating to pensions	(507,939)	
		6,636,343
Deferred outflows/inflows of resources related to other postemployment benefits are applicable to future periods and, therefore are not reported in the funds.		
Deferred outflows - relating to OPEB	$ 7,970,947	
Deferred inflows - relating to OPEB	(13,089,705)	
		(5,118,758)
Accrued interest is not due and payable in the current period and therefore is not reported in the funds.		(1,956,273)
Long-term debt and other noncurrent liabilities are not due and payable in the current period and; therefore, are not reported in the funds.		
Bonds payable	$ (21,491,154)	
Compensated absences	(3,832,633)	
Net pension liability - ERS	(2,598,642)	
Net pension liability - PFRS	(6,682,925)	
Lease liability	(676,464)	
SBITA liability	(30,104)	
Total other postemployment benefits	(35,234,223)	
		(70,546,145)
Net position of governmental activities		$ (4,122,152)

The accompanying notes are an integral part of these statements.

CITY OF ONEIDA, NEW YORK

Statement of Revenues, Expenditures and Change in Fund Balances
Governmental Funds
For the Year Ending December 31, 2023

	Governmental				Total Non-Major Governmental Funds	Total Governmental Funds
	General Fund	Water Fund	Capital Fund	Sewer Fund		
REVENUES:						
Real property taxes	$ 5,161,994	$ -	$ -	$ -	$ 32,264	$ 5,194,258
Other real property tax items	237,003	-	-	-	-	237,003
Non-property taxes	7,242,096	-	-	-	-	7,242,096
Departmental income	216,210	3,595,087	-	5,420,796	8,859	9,240,952
Intergovernmental charges	20,994	-	-	-	-	20,994
Tribal compact moneys	204,102	-	-	-	-	204,102
Use of money and property	106,857	322,817	-	97,495	6,255	533,424
Licenses and permits	56,352	-	-	599	-	56,951
Fines and forfeitures	39,249	-	-	-	-	39,249
Sale of property and compensation for loss	476,497	1,788	-	-	-	478,285
Interest revenue	-	-	-	-	3	3
Miscellaneous	5,555	18,192		45,497	4,498	73,742
Intergovernmental revenue	-	-	-	-	226,713	226,713
State aid	2,127,607	-	663,295	-	-	2,790,902
Federal aid	265,598	-	29,978	-	-	295,576
Total revenues	16,160,114	3,937,884	693,273	5,564,387	278,592	26,634,250
EXPENDITURES:						
General government support	1,770,684	-	-	-	-	1,770,684
Public safety	5,819,041	-	142,804	-	3,030	5,964,875
Public health	63,421	-	-	-	-	63,421
Transportation	1,484,613	-	533,021	-	-	2,017,634
Home and community services	388,374	2,320,142	6,337,138	1,637,962	79,591	10,763,207
Culture and recreation	478,801	-	-	-	-	478,801
Employee benefits	5,117,379	584,612	-	374,066	-	6,076,057
Consultant Fees	-	-	-	-	12,993	12,993
Miscellaneous expense	2,028	-	2	-	-	2,030
Capital outlay for leases	219,620	-	-	-	-	219,620
Debt service - principal	997,727	429,557	-	382,217	110,000	1,919,501
Debt service - interest	129,257	193,192	-	1,349,735	83,638	1,755,822
Total expenditures	16,470,945	3,527,503	7,012,965	3,743,980	289,252	31,044,645
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(310,831)	410,381	(6,319,692)	1,820,407	(10,660)	(4,410,395)
OTHER FINANCING SOURCES (USES):						
Premium on issuance of BAN	-	-	289,517	-	-	289,517
Proceeds from leases	219,620	-	-	-	-	219,620
Interfund transfers in	261,616	109,996	901,597	-	-	1,273,209
Interfund transfers out	(74,215)	(154,685)	-	(1,032,065)	(12,244)	(1,273,209)
Total other financing sources (uses) - net	407,021	(44,689)	1,191,114	(1,032,065)	(12,244)	509,137
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER FINANCING SOURCES	96,190	365,692	(5,128,578)	788,342	(22,904)	(3,901,258)
FUND BALANCES AT BEGINNING OF YEAR	4,958,820	4,605,652	(31,885,688)	1,818,604	531,234	(19,971,378)
FUND BALANCES AT END OF YEAR	$ 5,055,010	$ 4,971,344	$ (37,014,266)	$ 2,606,946	$ 508,330	$ (23,872,636)

The accompanying notes are an integral part of these statements.

CITY OF ONEIDA, NEW YORK

Reconciliation of the Statement of Revenues, Expenditures and Change in Fund Balances - Governmental Funds to the Statement of Activities
For the Year Ending December 31, 2023

Net changes in fund balances - total governmental funds	$ (3,901,258)
The change in net position reported for governmental activities in the Statement of Activities is different because:	
The change in OPEB liability in the statement of activities does not require the expenditure of current resources and is, therefore, not reported as an expenditure in the governmental funds.	(1,531,777)
In the governmental funds, OPEB related transactions are recorded as an expenditure when due. In the Statement of Activities, long-term liabilities are accrued for. This is the amount in change from the prior year by which the deferred outflows and the deferred inflows increased.	3,820,809
Governmental funds report all capital outlays as expenditures. However, in the Statement of Activities, the cost of certain assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays less disposals exceeded depreciation in the funds in the current period.	5,219,316
Governmental funds report all right to use assets (leased and SBITA assets) as expenditures. However, in the Statement of Activities, the cost of these right to use assets (leased and SBITA assets) is allocated over their estimated useful lives and reported as amotization expense. This is the amount by which the amortization exceeded right to use assets (leased assets and SBITAs) in the current period.	(136,907)
Property tax revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. This is the amount of change in tax sale certificate revenue from the prior year.	(350,355)
Proceeds from lease and SBITA obligations are reported in the governmental funds as an other financing resource, however recorded as a long-term liability in the government wide financial statements.	(241,127)
Payment of lease liability and SBITA obligations is recorded as an expenditure in the governmental funds, but the payment reduces long-term liabilities in the Statement of Net Position.	400,367
Repayment of debt service principal is recorded as an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.	1,519,134
The increase in proportionate share of net pension liability reported in the Statement of Activities do not provide for or require the use of current financial resources and therefore are not reported as an expenditure in the governmental funds.	(9,642,256)
In the governmental funds, pension related transactions are recorded as an expenditure when due. In the Statement of Activities, long-term liabilities are accrued for. This is the amount in change from the prior year by which the deferred outflows exceeded the deferred inflows.	8,276,003
Increase in accrued interest not previously reported in the funds.	(542,963)
Liabilities associated with compensated absences do not require the use of current financial resources and therefore are reported as a long-term liability in the Statement of Activities. This is the amount by which compensated absences obligations changed during the year.	(96,134)
Change in net position of governmental activities	$ 2,792,852

CITY OF ONEIDA, NEW YORK

Statement of Fiduciary Net Position
Fiduciary Funds
December 31, 2023

	Custodial Funds
ASSETS:	
Restricted cash	$ -
Other assets	-
Total assets	-
LIABILITIES:	
Accounts payable	-
Total liabilities	-
NET POSITION:	
Restricted net position	$ -

Statement of Change in Fiduciary Net Position
Fiduciary Funds
For the Year Ended December 31, 2023

	Custodial Funds
ADDITIONS:	
Tax collections for other governments	$ 5,547,358
Total additions	5,547,358
DEDUCTIONS:	
Payments of tax to other governments	5,547,358
Total deductions	5,547,358
Net increase(decrease) in fiduciary net position	-
Total net position - beginning of year	-
Total net position - end of year	$ -

The accompanying notes are an integral part of these statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Oneida, New York (the City) is governed by the general laws of the State of New York and various local laws and ordinances. The Common Council, which is the legislative body responsible for the overall operations of the City, consists of the Mayor and six Councilors. The Mayor serves as chief executive officer and the Comptroller serves as the chief financial officer of the City. The City provides services of general government, public safety (police and fire), highways and streets, water and sewer and various recreational and community services.

The basic financial statements of the City have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The accounting and reporting framework and the more significant accounting policies are discussed in subsequent subsections of this note.

Financial Reporting Entity

The financial reporting entity consists of (a) the primary government which is the City, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete as set forth in generally accepted accounting principles.

The decision to include a potential component unit in the City's reporting entity is based on several criteria set forth by the GASB including legal standing, fiscal dependency, and financial accountability. A component unit is included in the City's reporting entity if it is both fiscally dependent on the City and there is a potential for the component unit to provide specific financial benefits to or impose specific financial burdens on the primary government. Oneida Public Library was created by State legislation and is coextensive with the Oneida City School District. Board members are elected by residents who live in the special library district. The City exercises no oversight over library operations however the library is fiscally dependent on the City for bonding of their new library expansion project. City management has elected to exclude disclosing the library within these basic financial statements.

Excluded from the Reporting Entity:

The following organization is not included in the City reporting entity because of the reasons noted:

Oneida City School District – Oneida City School District was created by State legislation which designates the school board as the governing authority. School board members are elected by the qualified voters of the district. The board designates management and exercises complete responsibility for all fiscal matters. The City exercises no oversight over school operations.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

A. Basis of Presentation

Government-wide Financial Statements:
The Statement of Net Position and Statement of Activities display information about the reporting government as a whole. They include all funds of the reporting entity except for fiduciary funds. The City's fiduciary funds are presented in the fund financial statements. Since by definition these assets are being held for the benefit of a third party (other local governments, private parties, etc.) and cannot be used to finance activities or obligations of the government, these funds are not incorporated into the government-wide statements. No fiduciary assets were held as of and for the year ended December 31, 2023.

Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues. General revenues support all activities and programs. All taxes are considered general revenues.

Fund Financial Statements:
Fund financial statements of the reporting entity are organized into funds with each fund accounted for by providing a separate set of self-balancing accounts that constitute its assets, deferred outflows (when applicable), liabilities, deferred inflows of resources, fund balances, revenues, and expenditures. Funds are organized into three major categories: governmental, proprietary and fiduciary, of which the City has governmental and fiduciary funds. An emphasis is placed on major funds. A fund is considered major if it is the primary operating fund of the City or the total assets (including deferred outflows), liabilities (including deferred inflows), revenues, or expenditures of that individual governmental fund are at least 10 percent of the corresponding total for all funds of that category or type, or the fund is of particular importance to the financial statements for reasons such as public interest or consistency.

The funds of the financial reporting entity are described below:

Governmental Fund Types

General Fund
The General Fund is the primary operating fund of the City and is always classified as a major fund. It is used to account for all activities except those legally or administratively required to be accounted for in other funds.

Community Development Fund
The Community Development Fund is a special revenue fund used to account for the revenues in the Community Development Block Grants and other federal sources that are legally restricted to expenditures for those specified purposes.

Miscellaneous Special Revenue Fund
The Miscellaneous Special Revenue Fund is a special revenue fund used to account for the revenues of hydrant districts that are legally restricted to expenditures.

Police & Fire Special Revenue Fund
The Police & Fire Special Revenue Fund is a special revenue fund used to account for the revenues of drug forfeiture assets and equitable sharing funds from federal cases that are legally restricted to be used for law enforcement purposes. It also is used for Continuing Medical Education (CME) training reimbursements that are restricted for CME equipment purchases.

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

A. Basis of Presentation (Continued)

Water Fund
The Water Fund is a special revenue fund used to account for the revenues of the water department that are legally restricted to expenditures.

Sewer Fund
The Sewer Fund is a special revenue fund used to account for the revenues of the sewer department that are legally restricted to expenditures.

Capital Fund
The Capital Fund is used to account for financial resources to be used for the acquisition, construction or renovation of major capital facilities or equipment. The principal sources of financing are from the sale of bonds or issuance of bond anticipation notes and federal aid.

Debt Service Library Fund
The Debt Service Library Fund is used to account for debt service payments made by the City and joint obligors (see Note 5) which relate to the construction of the library. The City holds the bond proceeds for the construction as the Library is without authority to issue general obligation debt in its own name as well as debt service payments from the joint obligors.

Downtown Revitalization Initiative
The Downtown Revitalization Initiative Fund is used to account for action associated with the $10 million award to enhance and improve the downtown community with street scaping, business and housing development opportunities and rehabilitation and restoration of specific buildings.

Fiduciary Fund Types:

Custodial Fund
Custodial funds account for assets held by, or collected and disbursed, the City in a purely custodial capacity on a temporary basis. No custodial assets were held as of December 31, 2023.

Major Funds
The funds are further classified as major or non-major funds. Major funds are as follows:

- General Fund - See above for description.
- Water Fund – See above for description.
- Sewer Fund – See above for description.
- Capital Fund – See above for description.

Non-Major Fund

- Community Development Fund - See previous page for description.
- Debt Service Library Fund - See previous page for description.
- Miscellaneous Special Revenue Fund – See previous page for description.
- Police & Fire Special Revenue Fund – See previous page for description.
- Downtown Revitalization Initiative Fund – See above for description

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Measurement Focus and Basis of Accounting

Measurement focus is a term used to describe *which* transactions are recorded within the various financial statements. Basis of accounting refers to *when* transactions are recorded regardless of the measurement focus applied.

Measurement Focus
In the Statement of Net Position, Statement of Activities, and Statement of Revenues, Expenses and Change in Net Position, the governmental activities and fiduciary funds are presented using the economic resources measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery) and financial position. All assets, liabilities, and deferred outflows and inflows associated with their activities (whether current or noncurrent) are reported.

In the fund financial statements, the current financial resources measurement focus is used for all governmental funds. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balances as their measure of available spendable financial resources at the end of the period.

Basis of Accounting
In the Statement of Net Position and Statement of Activities, the governmental activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or the economic asset is used. Revenues, expenses, gains, losses, assets, liabilities and deferred outflows and inflows resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

Governmental funds financial statements are presented on a modified accrual basis of accounting with a current financial resources measurement focus. This measurement focus concentrates on the fund’s resources available for spending in the near future. Only transactions and events affecting the fund’s current financial resources during the period are reported. Under modified accrual accounting, revenues are recognized as soon as they are both measurable and available. City revenues are generally considered available if collected within 60 days of year-end. The City reports deferred inflows when the potential revenue does not meet both the measurable and available criteria for recognition in the current period.

Property taxes, grant revenue, sales tax, and other taxes are the primary revenue sources subject to accrual. Property taxes are reported as receivable and a deferred inflow of resources when an enforceable lien on the property exists. The City bills and collects its own property taxes and County taxes. Collections and remittance of taxes for the County are accounted for in the General Fund. In addition, the City collects taxes on behalf of the Oneida City School District of which are recorded in the custodial fund.

Under modified accrual accounting, governmental fund liabilities (and expenditures) should be accrued in the absence of applicable modification. Such modifications exist for long-term indebtedness, compensated absences, claims and judgments and other long-term liabilities. These liabilities are accrued in the governmental funds only to the extent they are due.

Since the governmental fund financial statements are presented on a different measurement focus and basis of accounting than the government-wide statements, reconciliation is provided.

All proprietary (when applicable) and fiduciary funds utilize the accrual basis of accounting.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Measurement Focus and Basis of Accounting (Continued)

Budgets and Budgetary Accounting
In accordance with the City Charter, budgets are adopted annually on a basis generally consistent with accounting principles generally accepted in the United State of America (GAAP). All unencumbered budget appropriations lapse at year-end. The General Fund's budget is adopted on a departmental basis, which is the level of control at which expenditures may not legally exceed appropriations. On a budgetary basis, current year encumbrances are included with expenditures, while expenditures of prior years' encumbrances are excluded.

The Common Council follows these procedures in establishing the budgetary data reported in the financial statements:

a. No later than October 31 of each year, the Mayor submits a tentative budget to the Common Council for the fiscal year commencing the following January 1. The tentative budget includes proposed expenditures and the proposed means of financing for all the funds of the City. It enumerates those funds, which are to be borne by the City as a whole and those funds, which are to be chargeable only against special districts.
b. After public hearings are conducted to obtain taxpayer comments, the Common Council adopts the budget.
c. Encumbrance accounting, under which the purchase orders are recorded in order to reserve that portion of the applicable appropriation, is employed in the General, Community Development, Water, Sewer and Capital Project Funds. On a GAAP basis, encumbrances outstanding at year end are reported as reservations of fund balance, which do not result in expenditures or liabilities on the governmental funds financial statements.
d. All modifications of the budget must be approved by the Common Council.

C. Cash and Cash Equivalents

Cash and cash equivalents include demand deposit accounts and money market accounts.

D. Restricted Cash and Cash Equivalents

Restricted cash and cash equivalents include amounts restricted for future debt payments, amounts restricted for capital projects, cash to fund grant related programs, and amounts collected on behalf of other governments.

E. Property Taxes

At December 1, the current tax receivables are converted into tax sale certificates. The tax sale certificates will gain interest on the delinquent taxes until they are paid or acquired for taxes. At the point in which the delinquent taxes have not been paid for two years, the property is acquired by the City. The City will sell the property to cover the unpaid taxes and to restore the property to the tax roll. Management has recorded an allowance against the receivables in the amount of $222,811.

F. Receivables

In the government-wide financial statements, receivables consist of all revenues earned at year end and not yet received. Major receivable balances for the governmental activities include grants, and intergovernmental receivables.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Receivables (Continued)

In the fund financial statements, receivables in governmental funds include grants, loans, and intergovernmental receivables. Sewer and water fund receivables are fully guaranteed by the general fund of the City. Management believes an allowance for doubtful accounts is not required.

G. Due from Other Governments

Due from other governments is comprised of the City's portion of sales tax, equipment grant money and CHIPs funding from New York State. Management believes an allowance for doubtful accounts is not required.

H. Prepaid Items

Payments to vendors for costs associated with future accounting periods are recorded as prepaid assets in the financial statements.

I. Deferred Inflows and Outflows of Resources

Government-Wide Financial Statements:
In addition to assets, the Statement of Net Position includes a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has deferred outflows of resources which are comprised of New York State Retirement Systems pension amounts as described in Note 8 and OPEB as described in Note 9.

In addition to liabilities, the Statement of Net Position includes a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net assets that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

The City has deferred inflows of resources resulting from New York State Retirement Systems pension amounts as described in Note 8 and OPEB as described in Note 9.

Fund Financial Statements:
In addition to liabilities, the balance sheet of the governmental funds includes a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has one type of item, which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, unavailable revenues, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

J. Capital Assets

Capital assets are defined by the City as assets with an initial cost of more than $5,000 and a useful life of 3 or more years. All capital assets are valued at historical cost or estimated historical cost if actual is unavailable, except for donated capital assets which are recorded at their estimated fair value at the date of donation.

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation is recorded over the assets' estimated useful lives using the straight-line method of depreciation. A mid-month convention is used in the depreciation calculation. Specifically, one-half month's depreciation is calculated in the first month the asset is acquired and in the last month of the asset's useful life. A full month's depreciation is calculated in all intervening months. The range of estimated useful lives by type of asset is as follows:

Buildings and Improvements	40 years
Machinery and Equipment	3-15 years
Infrastructure	40 years

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

K. Compensated Absences

The City's policies regarding vacation time permit employees to accumulate earned but unused vacation leave. Vacation is granted in varying amounts based primarily on length of service and service position. Sick leave eligibility and accumulation is specified in negotiated labor contracts and in individual employment contracts. In the event of termination or upon retirement, an employee is entitled to payment for accumulated vacation and sick leave at various rates subject to certain maximum limits.

For the government-wide financial statements, it is the City's policy to accrue all costs associated with earned, but not yet paid, compensated absences of all employees involved in the operations of the City's reporting entity. Governmental funds record an expenditure when paid.

L. Short-Term Obligations

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

M. Long-Term Obligations

In the Statement of Net Position, long-term debt and other long-term obligations are reported as liabilities. When applicable, bonds payable are reported net of the applicable bond premium or discount.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

M. Long-Term Obligations (Continued)

Long-term debt is not reported as a liability of the governmental funds, and any debt and leases issued is reported as other financing sources, including bond premiums or discounts, in the Statement of Revenues, Expenditures and Change in Fund Balances. In a governmental fund, payments of principal and interest on general long-term debt and leases are recognized as expenditures when paid.

N. Equity Classifications

Government-wide Statements
Equity is classified as net position and displayed in the following components:

- Net investment in capital assets - consists of 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 – see definition below under Fund Financial Statements.
- Unrestricted - remaining net position that does not meet the definition of “net investment in capital assets” or restricted net position.

Fund Financial Statements
Governmental fund balances are displayed in the following classifications depicting the relative strength of the spending constraints placed on the purposes for which resources can be used. When funds from more than one classification may be used to satisfy an expenditure, the City's policy is to utilize funds with the strongest spending constraints first.

- Non-spendable fund balance - amounts that are not in a spendable form or are required to be maintained intact. Non-spendable fund balance includes prepaid expenses.
- Restricted fund balance - amounts that are restricted as to the use of the resources by externally imposed creditors through debt covenants, grantors, or laws and regulations. All remaining fund balance not otherwise classified as nonspendable, committed or assigned in funds, other than the General Fund, are classified as restricted balance.
- Committed fund balance - amounts constrained to specific purposes by the City itself, by vote of the Common Council, the City’s highest level of decision-making authority. The Common Council must approve the establishment (or modification) of any fund balance commitment. The City has no committed fund balances as of December 31, 2023.
- Assigned fund balance - amounts the City intends to use for a specific purpose; intent for which must be expressed by the City Board or Department management. Assigned fund balance in the General Fund consists of encumbrances and appropriated fund balance of $2,436,536.
- Unassigned fund balance - amounts within the General Fund that do not meet the definition of the above classification and are deemed to be available for general use by the City. In addition, remaining negative fund balance for funds other than the General Fund is classified as unassigned fund balance.

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

N. Equity Classifications (Continued)

Fund Financial Statements (Continued)
The City has adopted a fund balance policy for the General Fund, whereas the minimum level of fund balance is to be kept at 20% of the General Fund's subsequent year's Budget.

Order of Fund Balance Spending Policy
By resolution, the Common Council is authorized to assign fund balance. Assignments of fund balance cannot cause a negative unassigned fund balance. The City's policy is to apply expenditures against non-spendable fund balance, restricted fund balance, committed fund balance, assigned fund balance, and then unassigned fund balance.

O. Retirement

The City provides retirement benefits for substantially all of its regular full-time employees through contributions to the New York State and Local Employees' Retirement System (ERS), and Policemen's and Firemen's Retirement System (PFRS). The systems provide various plans and options, some of which require employee contributions. The systems compute the cost of retirement benefits based upon their respective fiscal years: ERS and PFRS – April 1 to March 31. See Note 8 for further information.

P. Other Postemployment Benefits

In addition to providing pension benefits, the City provides postemployment health insurance coverage and survivor benefits to retired employees and their survivors in accordance with the provisions of various employment contracts in effect at the time of retirement. Substantially all the City's employees may become eligible for these benefits if they reach normal retirement age while working for the City. Health care benefits are provided through plans whose premiums are based on the benefits paid during the year. The cost of providing postemployment benefits is shared between the City and the retired employee. See Note 9 for further information.

Q. Revenues and Expenses/Expenditures

Grants
For both the government-wide and fund financial statements, the City follows the policy that an expenditure/expense of funds is the prime factor for determining the release of grant funds and revenue is recognized at the time of the expenditure/expense of funds in accordance with the measurement focus and basis of accounting. If release of grant funds is not contingent upon expenditure/expense of funds, revenue is recorded when received or when the grant becomes an obligation of the grantor. If grants are received in advance of incurring an expenditure or expense, the proceeds will be recorded as unearned grant revenue.

Property Taxes and Property Acquired for Taxes
Taxes are collected during the period January 1st to November 30th. On December 1st, unpaid City taxes are turned over to the City Chamberlain for tax sale. At this time the owner of the property has two years in which to pay those taxes before the property becomes acquired by the City. If the taxes outstanding are not paid, the property is then acquired per City Charter as a property acquired for taxes to be sold and returned to the tax roll.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Q. Revenues and Expenses/Expenditures (Continued)

Other Revenues
In the fund financial statements, governmental funds record licenses and permits, certain charges for services, fines and forfeits, and miscellaneous revenues, including grants and contributions, on the cash basis because they are generally not measurable until actually received. In the government-wide financial statements, other revenues, if material, are recognized when earned.

Program Revenues
In the government-wide financial statements, program revenues include fees, fines, charges for services as well as grants. These revenues are allocated by governmental activity based upon the corresponding expense charged to the governmental activities.

Expenses/Expenditures
In the government-wide financial statements, expenses are classified by activity. Expenses are recognized when they are incurred. Direct expenses are those that are specifically associated with an activity and are clearly identifiable to a particular function.

In the fund financial statements, expenditures are classified as follows:

Governmental Funds – by character:	Current (further classified by function)
	Debt service
	Other financing uses

In the fund financial statements, governmental funds report expenditures of financial resources. Most expenditures are measurable and are recorded when the related fund liability is incurred. However, debt service expenditures are recorded only when payment is due. Allocations of costs, such as depreciation, are not recognized.

Interfund Transfers
Permanent reallocation of resources between funds of the reporting entity are classified as interfund transfers. For the purposes of the Statement of Activities, transfers are eliminated upon consolidation.

Restricted and Unrestricted Resources
When both restricted and unrestricted resources are available for use, it is the City’s policy to use restricted resources first, then unrestricted resources as they are needed.

R. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported revenue and expenses/expenditures during the reporting period. Actual results could differ from those estimates, and such differences may be significant.

2. CASH AND CASH EQUIVALENTS

New York State governs the City's investment policies. The City is permitted to invest in special time deposits and certificate of deposits. In addition, the City may invest funds in direct obligations of the United States of America or obligations guaranteed by agencies of the United States of America where the payment of principal and interest are further guaranteed by the United States of America. Other eligible investments for the City include obligations of the State and repurchase agreements, subject to various conditions.

Collateral is required for demand and time deposits and certificates of deposit not covered by Federal Deposit Insurance. Obligations that may be pledged as collateral are obligations of the United States and its agencies and obligations of New York State and its municipalities. At year-end, demand deposits and certificates of deposit for the City were entirely covered by FDIC insurance or collateral held by trust companies located within the State.

At December 31, 2023, cash and cash equivalents consisted of demand deposit accounts, time deposit accounts, and savings accounts.

Custodial Credit Risk – Deposits
Custodial credit risk is the risk that in the event of a failure of a depository financial institution, the reporting entity may not recover its deposits. In accordance with the City's investment and deposit policy, all deposits of the City including certificates of deposit and special time deposits, in excess of the amount insured under the provisions of the Federal Deposit Insurance Act shall be secured by a pledge of securities with an aggregate value of 100% or more of the aggregate amount of deposits.

The City restricts the securities to the following eligible items:

- Obligations issued, fully insured, or guaranteed as to the payment of principal and interest, by the United States, an agency thereof, or a United States government sponsored corporation.
- Obligations partially insured or guaranteed by any agency of the United States.
- Obligations issued or fully insured or guaranteed by New York State.
- Obligations issued by a municipal corporation, school district, or district corporation of New York State.
- Obligations of counties, cities, and other governmental entities of a state other than New York State having the power to levy taxes that are backed by the full faith and credit of such governmental entity.
- By a pledge of eligible securities with an aggregate market value equal to the aggregate of deposits, from the categories designated in the Village's investment policy.
- By an eligible irrevocable letter-of-credit issued by a qualified bank other than the bank with deposits in favor of the City of a term not to exceed ninety days with an aggregate value equal to 104% of the amount of deposits and the agreed upon interest, if any.
- By an eligible surety bond payable to the City for an amount equal to 100% of the aggregate amount of the deposits and the agreed upon interest, if any, executed by an insurance company authorized to do business in New York State, whose claims paying ability is rated in the highest category by at least two nationally recognized statistical rating organizations.

The City does not have any foreign currency investments, securities lending agreements, or derivative instruments.

2. CASH AND CASH EQUIVALENTS (Continued)

Custodial Credit Risk – Deposits (Deposits)
Total deposits of cash and cash equivalents, excluding petty cash in the amount of $500 are as follows for the year ended December 31, 2023:

	Bank Balance	Carrying Amount
Money market accounts	$ 4,041,917	$ 4,041,917
Cash	18,261,218	14,550,621
Total	$ 22,303,135	$ 21,592,538

These deposits were insured or collateralized as follows:	
FDIC Insurance	$ 750,000
Collateralized by third party	21,553,135
Total	$ 22,303,135

3. LOANS RECEIVABLE

Revolving Loans
The Community Development Fund provides loans to small businesses to develop innovative products and services and to create jobs. The program is funded through the City's Federal Community Development Block Grant. The various loans were issued at $75,000. The loans are to be repaid in monthly installments over 5 to 10 years at an interest rate of 3.00%.

The following is a schedule of further loan payments to the City as of December 31, 2023:

	Principal	Interest	Total
2024	$ 39,642	$ 3,399	$ 43,041
2026	6,719	-	6,719
Total	$ 46,361	$ 3,399	$ 49,760

Facade Loans
The Community Development Fund provides loans to small businesses to enhance the appearance of street front and lane facades. The program is funded through the City's Federal Community Development Block Grant. The various loans range from $10,000 to $27,997. The loans are to be repaid in monthly installments over five years at interest rates ranging from 0.94% to 1.00%.

	Principal	Interest	Total
2024	$ 29,865	$ 294	$ 30,159
2026	5,615	57	5,615
Total	$ 35,480	$ 351	$ 35,831

4. CAPITAL ASSETS

Capital asset and lease asset activity for the year ended December 31, 2023 for governmental activities was as follows:

	Beginning Balance (restated)	Increases	Decreases	Ending Balance
Nondepreciable				
Land	$ 2,915,301	$ -	$ -	$ 2,915,301
Construction in progress	46,386,521	6,758,914	(168,850)	52,976,585
Subtotal	49,301,822	6,758,914	(168,850)	55,891,886
Depreciable				
Buildings	46,378,359	189,044	-	46,567,403
Infrastructure	47,292683	812,422	-	48,105,105
Improvements	4,119,877	-	-	4,119,877
Equipment	14,606,792	357,392	(132,406)	14,831,778
Subtotal	112,397,711	1,358,858	(132,406)	113,624,163
Total Capital Assets	161,699,533	8,117,772	(301,256)	169,516,049
Accumulated depreciation				
Buildings	(32,154,233)	(1,306,976)	-	(33,461,209)
Infrastructure	(33,677,644)	(478,576)	-	(34,156,220)
Improvements	(2,663,948)	(189,302)	-	(2,853,250)
Equipment	(9,264,095)	(754,752)	132,406	(9,886,441)
Total accumulated deprecation	(77,759,920)	(2,729,606)	132,406	(80,357,120)
Lease assets, being amortized				
Postage machine	2,705	13,142	(2,705)	13,142
Vehicles	941,132	206,478	(26,407)	1,121,203
SBITA	119,892	21,507	-	141,399
Total lease assets, being amortized	1,063,729	241,127	(29,112)	1,275,744
Less Accumulated amortization for:				
Postage machine	(1,353)	(3,981)	2,705	(2,629)
Vehicles	(209,393)	(292,156)	26,407	(475,142)
SBITA	-	(81,897)	-	(81,897)
Total accumulated amortization	(210,746)	(378,034)	29,112	(559,668)
Total lease assets, being amortized, net	852,983	(136,907)	-	716,076
Net capital assets	$ 84,792,596	$ 5,251,259	$ (168,850)	$ 89,875,005

4. CAPITAL ASSETS (Continued)

Depreciation and amortization was charged to governmental activities as follows:

	Depreciation	Amortization
General government support	$ 7,901	$ 83,796
Public safety	239,621	125,139
Transportation	-	-
Home and community services	2,422,030	65,819
Culture and Recreation	60,054	103,098
Total	$ 2,729,606	$ 378,034

5. SHORT-TERM DEBT

Short-term bond anticipation note payable and activity as of December 31, 2023:

Maturity	Interest Rate	Beginning Balance	Issued	Redeemed	Ending Balance
3/31/2023	2.750%	$47,681,282	$ -	$(47,681,282)	-
3/29/2024	4.000%	-	25,000,000	-	25,000,000
3/29/2024	4.000%	-	21,913,900	-	21,913,900
		$47,681,282	$46,913,900	$(47,681,282)	$46,913,900

In March 2023, the City issued Bond Anticipation Note’s (BAN) in the amount of $46,913,900 at 4.00% maturing in March 2024. This short-term financing is for the purpose of renewing the 2022 $47,681,282 BAN, with the remaining funds to be utilized for the Waste Water Treatment Plant capital project.

6. LONG-TERM OBLIGATIONS

Summary of Long-Term Obligations

The following is a summary of all long-term obligations outstanding as of December 31, 2023:

	Beginning Balance (restated)	Additions	Reductions {a}	Ending Balance	Due within One year
Serial bonds payable	$ 23,010,288	$ -	$ (1,519,134)	$ 21,491,154	$ 1,239,134
Total other postemployment benefits	33,702,446	1,721,546	(189,769)	35,234,223	-
Net pension liability-ERS	-	2,598,642	-	2,598,642	-
Net pension liability-PFRS	628,345	6,054,580	-	6,682,925	-
Lease liability	745,917	219,620	(289,073)	676,464	293,016
SBITA liability	119,892	21,507	(111,295)	30,104	27,411
Compensated absences	3,736,498	96,135	-	3,832,633	-
Long-term liabilities	$ 61,943,386	$ 10,712,030	$(2,109,271)	$70,546,145	$ 1,559,561

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

Interest on all debt for the year was composed of:

Interest paid	$ 1,755,822
Less: Interest accrued in the prior year	(1,413,310)
Less: Current year impact of premium	(289,517)
Plus: Interest accrued in the current year	1,956,273
Total interest expense	$ 2,009,268

As of December 31, 2023, amounts due to service serial bonds payable principal and interest in future years for governmental activities are as follows:

	Principal	Interest	Total
2024	$ 1,239,134	$ 386,346	$ 1,625,480
2025	1,259,134	366,807	1,625,941
2026	1,274,134	340,113	1,614,247
2027	1,269,134	315,375	1,584,509
2028	1,284,134	919,171	2,203,305
2029-2033	5,145,674	1,143,239	6,288,913
2034-2038	3,800,675	839,882	4,640,557
2039-2043	2,819,135	561,156	3,380,291
2044-2048	2,510,000	282,107	2,792,107
2049-2051	890,000	30,413	920,413
Total	$ 21,491,154	$ 5,184,609	$ 26,675,763

7. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Receivables and Payables

To improve cash management, most City disbursements are made from a pooled account in the General Fund. This cash management practice, as well as normal delays in processing interfund transfers and reimbursement, is the main reason why interfund receivables and payables exist. These receivables and payables are short term in nature and are typically repaid in less than one year.

The following schedule summarizes individual fund interfund receivables and payables at December 31, 2023:

	Amount Receivable	Amount Payable
General Fund	$ 2,781,291	$ -
Miscellaneous Special Revenue Fund	-	60,100
Sewer Fund	200,000	767,382
Capital Fund	767,382	2,921,191
Total	$ 3,748,673	$ 3,748,673

Transfers

Interfund transfers for the year ended December 31, 2023 which were routine in nature were as follows:

	Transfers In	Transfers Out
General Fund	$ 261,616	$ 74,215
Water Fund	109,996	154,685
Capital Fund	901,597	-
Sewer Fund	-	1,032,065
Miscellaneous Special Revenue Fund	-	12,244
Total	$ 1,273,209	$ 1,273,209

8. RETIREMENT PLAN

New York State Employee Retirement System (NYSERS) and Police and Fire Retirement System (NYSPFRS)

The City participates in the New York State and Local Employees' Retirement System (ERS). This is a cost-sharing multiple-employer retirement system, providing retirement benefits as well as death and disability benefits. The net position of the NYSERS is held in the New York State Common Retirement Fund (the Fund), established to hold all net position and record changes in plan net position allocated to the NYSERS. The NYSERS benefits are established under the provisions of the New York State Retirement and Social Security Law (NYS RSSL). Once an employer elects to participate in the NYSERS, the election is irrevocable.

8. RETIREMENT PLAN (Continued)

New York State Employee Retirement System (NYSERS) and Police and Fire Retirement System (NYSPFRS) (Continued)

The City also participates in the New York State and Local Police and Fire Retirement System (PFRS). This is a cost-sharing multiple-employer retirement system, providing retirement benefits as well as death and disability benefits. The net position of the NYSPFRS is held in the New York State Common Retirement Fund (the Fund), established to hold all net position and record changes in plan net position allocated to the NYSPFRS. The NYSPFRS benefits are established under the provisions of the New York State Retirement and Social Security Law (NYS RSSL). Once an employer elects to participate in the NYSPFRS, 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 system is included in the State's financial report as a pension trust fund. That report, including information with regard to benefits provided, may be found at www.osc.state.ny.us/retire/publications/index.php or obtained by writing to the New York State and Local Retirement System, 110 State Street, Albany, NY 12244.

The NYSERS and NYSPFRS are noncontributory except for employees who joined the NYSERS and NYSPFRS after July 27th, 1976, who contribute 3.0% percent of their salary for the first ten years of membership, and employees who joined on or after January 1, 2010 who generally contribute 3.0% percent of their salary for their entire length of service. Under the authority of the NYSRSSL, the Comptroller annually certifies the actuarially determined rates expressly used in computing the employers' contributions based on salaries paid during the NYSERS' and NYSPFRS' fiscal year ending March 31.

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

Year	ERS	PFRS
2023	$ 439,592	$ 1,106,594
2022	$ 561,482	$ 1,061,280
2021	$ 514,121	$ 838,873

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

At December 31, 2023, the City reported a net pension liability of $2,598,642 for its proportionate share of the NYS ERS net pension liability. The net pension liability was measured as of March 31, 2023, and the total pension liability used to calculate the net pension liability was determined by the actuarial valuation as of that date. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At December 31, 2023, the City's proportion was 0.0121183%.

At December 31, 2023, the City reported a net pension liability of $6,682,925 for its proportionate share of the NYS PFRS net pension liability. The net pension liability was measured as of March 31, 2023, and the total pension asset used to calculate the net pension liability was determined by the actuarial valuation as of that date. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At December 31, 2023, the City's proportion was 0.1212768%.

8. RETIREMENT PLAN (Continued)

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

For the year ended December 31, 2023, the City recognized pension expense of $2,982,045. At December 31, 2023, the City reported deferred outflows/inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	
	ERS	PFRS
Differences between expected and actual experience	$ 276,776	$ 653,189
Changes in assumptions	1,262,068	3,256,572
Net difference between projected and actual earnings on pension plan investments	-	11,814
Changes in proportion and differences between the City's contributions and proportionate share of contributions	91,318	260,214
Contributions made subsequent to the measurement date	397,690	934,641
Total	$ 2,027,852	$ 5,116,430

	Deferred Inflows of Resources	
	ERS	PFRS
Differences between expected and actual experience	$ 72,980	$ -
Changes in assumptions	13,948	-
Net difference between projected and actual earnings on pension plan	15,267	-
Changes in proportion and differences between the City's contributions and proportionate share of contributions	9,524	396,220
Total	$ 111,719	$ 396,220

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

	ERS	PFRS
2024	$ 381,207	$ 696,747
2025	(116,245)	(181,981)
2026	538,288	1,951,060
2027	715,193	1,202,874
2028	-	116,869
Total	$ 1,518,443	$ 3,785,569

The City recognized $1,332,331 as a deferred outflow of resources related to pensions resulting from contributions made subsequent to the measurement date of March 31, 2023 which will be recognized as a reduction of the net pension liability in the year ended December 31, 2024.

8. **RETIREMENT PLAN (Continued)**

Actuarial Assumptions
The total pension liability was determined by using an actuarial valuation as of April 1, 2022, with update procedures used to roll forward the total pension liability to March 31, 2023.

The actuarial valuation used the following actuarial assumptions:

Actuarial cost method	Entry age normal
Inflation	2.90%
Salary scale	4.40% ERS, 6.20% PFRS, indexed by service
Investment rate of return, including inflation	5.90 compounded annually, net of investment expenses
Projected COLAs	1.50% compounded annually
Decrements	Developed from the Plan's 2020 experience study of the period April 1, 2015 through March 31, 2020
Mortality improvement	Society of Actuaries Scale MP-2021

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

Best estimates of arithmetic real rates of return for each major asset class included in the target allocation as of March 31, 2023 are summarized below:

Long Term Expected Rate of Return

Asset Type	Target Allocations In	Long-Term expected real rate of return in %
Domestic Equity	32.0%	4.30
International Equity	15.0%	6.85
Private Equity	10.0%	7.50
Real Estate	9.0%	4.60
Opportunistic/Absolute Return Strategy	3.0%	5.38
Credit	4.0%	5.43
Real Assets	3.0%	5.84
Fixed Income	23.0%	1.50
Cash	1.0%	0.00
Total	100.0%	

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

8. RETIREMENT PLAN (Continued)

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

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

	1% Decrease (4.9)	Current Discount (5.9%)	1.0% Increase (6.9%)
Proportionate Share of Net Pension liability (asset) - ERS	$ 6,279,803	$ 2,598,642	$ (477,396)
Proportionate Share of Net Pension liability (asset) - PFRS	$ 13,930,870	$ 6,682,925	$ 681,191

Pension Plan Fiduciary Net Position (000's)

The components of the current-year net pension liability of the employers as of March 31, 2023 were as follows:

	ERS	PFRS
Total pension liability	$ 232,627,259	$ 43,835,333
Net position	(211,183,223)	(38,324,863)
Net pension liability (asset)	$ 21,444,036	$ 5,510,470
Net position as a percentage of total pension liability	90.78%	87.43%

9. OTHER POST EMPLOYMENT BENEFITS

Plan Description

The City administers the Medical Plan to its employees under a single-employer, self-insured benefit plan. The plan provides for continuation of medical insurance benefits for certain retirees and their spouses and can be amended by action of the City subject to applicable collective bargaining and employee agreements. The financial information for the City's plan is contained solely within these basic financial statements.

Funding Policy

The obligations of the Plan members, employees, and other entities are established by action of the City pursuant to applicable collective bargaining and employment agreements. The required contribution rates of the employer and the member vary depending on the applicable agreement. The retirees currently contribute enough money to the Plan to satisfy current obligations on a pay-as-you go basis. The costs of administering the Plan are paid by the City.

Employees Covered by Benefit Terms

At December 31, 2023, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries receiving benefits	110
Inactive employees entitled to but not yet receiving benefits	-
Active Employees	124
Total Participants	234

9. OTHER POST EMPLOYMENT BENEFITS (Continued)

Total OPEB Liability

The City's total OPEB liability of $35,234,223 was measured as of December 31, 2023, and was determined by an actuarial valuation as of January 1, 2022.

Changes in the Total OPEB Liability

Balance at January 1, 2023	$ 33,702,446
Changes for the year-	
Service cost	447,779
Interest	1,273,767
Changes in benefit terms	-
Changes in assumptions	1,557,022
Differences between expected and actual experience	-
Benefit payments	(1,746,791)
Net changes	1,531,777
Balance at December 31, 2023	$ 35,234,223

Changes of assumptions and other inputs reflect a change in the discount rate from 4.18% in 2022 to 3.88% in 2023.

Actuarial Assumptions and Other Inputs

The total OPEB liability in the December 31, 2023 actuarial valuation was determined using the following actuarial assumptions:

Discount rate	4.18% as of December 31, 2022; 3.88% as of December 31, 2023 Rates were based on an average of three 20-year bond indices as of December 31, 2021 and an average of two 20-year municipal bond indices as of December 31, 2023.

Health Care Cost Trends

	Year	Pre-65	Post 65
Year 1 Trend	January 1, 2024	7.00%	7.00%
Ultimate Trend	January 1, 2034 & Later	4.50%	4.50%
Grading per Year		0.25%	0.25%

Mortality	Society of Actuaries Pub-2010 Public Retirement Plans Healthy Male and Female Total Dataset Headcount-Weighted Mortality tables based on Employee and Healthy Annuitant Tables for both pre and post retirement projected with mortality improvements using the most current Society of Actuaries Mortality Improvement Scale MP-2019 as of December 31, 2021 and the most current Society of Actuaries Mortality Improvement Scale MP-2021 as of December 31, 2023.

9. OTHER POST EMPLOYMENT BENEFITS (Continued)

Retirement Rates	Valuation is based on the most recent New York State Employees' Retirement System (ERS) and the New York State Police and Fire Retirement System (PFRS). ERS and PFRS tables are based on version released in 2015 as of December 31, 2022 and are based on version released in 2020 as of December 31, 2023.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate
The following presents that the total OPEB liability for the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.88%) or 1 percentage point higher (4.88%) than the current discount rate:

	1% Decrease (2.88%)	Current Discount Rate (3.88%)	1% Increase (4.88%)
Total OPEB Liability	$ 41,203,812	$ 35,234,223	$ 30,673,531

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates
The following presents the total OPEB Liability of the City, as well as what the City's total OPEB liability would be if it were calculated using the healthcare cost trend rates that are 1 percentage point lower and 1 percentage point higher than the current healthcare cost trend rate:

	1% Decrease	Current Heathcare Trend Rate	1% Increase
Total OPEB Liability	$ 30,142,826	$ 35,234,223	$ 41,919,584

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB
Given the increase in the total OPEB liability from the prior year, the City did have a current year OPEB expense recorded in the government wide financial statement which resulted in an increase in employee benefit expenses of $1,531,777 for the year ending December 31, 2023.

Assets Accumulated in Trust
As of the date of the financial statement, New York State did not yet have legislation that would enable government entities to establish a qualifying trust for the purpose of funding other post employment benefits. As such, there are no assets accumulated in a trust that meets all of the criteria in *GASB Statement No. 75, Paragraph 4*.

10. LEASES

Lessee
The City leases a postage machine from Canon Financial Services, Inc. The vehicles are leased through Enterprise Fleet Management. The leases do not contain renewal options. Lease agreements are summarized as follows:

10. LEASES (Continued)

Description	Term (in months)	Interest Rate/ Discount Rate	Total Initial Lease Liability
Axon Enterprise Inc	61	4.18%	$ 13,142
Vehicles – General Fund	7-60	2.05%	950,570
Vehicles – Water Fund	16-32	2.05%	118,828
Vehicles – Sewer Fund	20	2.05%	51,806

Activity of lease liabilities for the year ended December 31, 2023 is summarized as follows:

Beginning Balance	Additions	Subtractions	Ending Balance	Amount Due Within One Year
$ 745,917	$ 219,620	$ (289,073)	$ 676,464	$ 293,016

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

	Principal	Interest	Total
2024	$ 293,016	$ 14,825	$ 307,841
2025	198,038	8,598	206,636
2026	117,201	4,077	121,278
2027	62,070	1,241	63,311
2028	6,139	83	6,223
Total	$ 676,464	$ 28,824	$ 705,288

11. SUBSCRIPTION BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITAS)

The City has entered into Various SBITAs as part of its operations and are summarized as follows:

Description	Term (in months)	Interest Rate/ Discount Rate	Total Initial Lease Liability
FirstTwo	15	4.18%	$ 3,575
Imagetrend	20	4.18%	3,884
Cartograph Solutions	24	4.18%	17,519
PowerDMS	37	4.18%	5,126

11. SUBSCRIPTION BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITAS) (Continued)

Activity of SBITAs liabilities for the year ended December 31, 2023 is summarized as follows:

Beginning Balance (Restated)	Additions	Subtractions	Ending Balance	Amount Due Within One Year
$ 119,892	$ 21,507	$ (111,295)	$ 30,104	$ 27,411

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

	Principal	Interest	Total
2024	$ 27,411	$ 1,155	$ 28,566
2025	2,693	115	2,808
Total	$ 30,104	$ 1,270	$ 31,374

12. RESTATEMENT

Change in Accounting Principle

During the year ended December 31, 2023, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 96, Subscription-based Information Technology Arrangements. GASB Statement No. 96 enhances the relevance and consistency of information of the government's SBITAs by establishing a concrete definition for SBITAs and providing uniform guidance for accounting and financial reporting for transactions that meet that definition. Under the new standard, a government is required to report a SBITA liability and an intangible right-to-use asset for all such arrangements that meet the definition of a SBITA. These changes were incorporated in the City’s financial statements and did not have an effect on the beginning fund balance or net position.

SBITA	Governmental Activities Net Position
Balance at December 31, 2022, as previously reported	$ (6,915,004)
Adjustments:	
Net book value SBITA asset	119,892
Lease liability	(119,892)
Balance at January 1, 2023 as restated	$ (6,915,004)

13. SUBSEQUENT EVENTS

On March 29, 2024 the City renewed a Bond Anticipation note in the amount of $46,913,900 at 4.00% maturing on March 29, 2025. This short-term financing is for the improvements of the waste water treatment plant.

CITY OF ONEIDA, NEW YORK

Budgetary Comparison Schedule
Required Supplementary Information (Unaudited)
Budget and Actual - General Fund
For the Year Ending December 31, 2023

	Budgeted Amounts Original	Budgeted Amounts Modified	Actual Amounts	Variance Positive (Negative)
Resources:				
Real property taxes	$ 5,164,225	$ 5,164,225	$ 5,161,994	$ (2,231)
Other real property tax items	191,982	191,982	237,003	45,021
Non-property taxes	6,832,349	6,832,349	7,242,096	409,747
Departmental revenues	267,650	267,650	216,210	(51,440)
Intergovernmental charges	13,500	13,500	20,994	7,494
Tribal Compact moneys	200,000	200,000	204,102	4,102
Use of money and property	37,100	37,100	106,857	69,757
Licenses and permits	99,530	99,530	56,352	(43,178)
Fines and forfeitures	41,000	41,000	39,249	(1,751)
State aid	2,061,376	2,190,040	2,127,607	(62,433)
Federal aid	-	476	265,598	265,122
Sale of property and compensation for loss	90,000	410,518	476,497	65,979
Miscellaneous	-	-	5,555	5,555
Amounts available for appropriation	14,998,712	15,448,370	16,160,114	711,744
Charges to appropriations:				
General government support	1,718,647	2,051,815	1,770,684	281,131
Public safety	5,411,574	5,929,577	5,819,041	110,536
Health	79,459	79,459	63,421	16,038
Transportation	1,586,932	1,591,106	1,484,613	106,493
Culture and recreation	461,618	482,670	478,801	3,869
Home and community services	393,601	393,675	388,374	5,301
Employee benefits	5,096,831	5,153,410	5,117,379	36,031
Miscellaneous	-	-	2,028	
Capital outlay for leases	-	-	219,620	(219,620)
Debt service - principal	964,897	995,742	997,727	(1,985)
Debt service - interest	116,489	116,489	129,257	(12,768)
Total charges to appropriations	15,830,048	16,793,943	16,470,945	325,026
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(831,336)	(1,345,573)	(310,831)	1,036,770
OTHER FINANCING SOURCES:				
Proceeds from capital leases	-	-	219,620	219,620
Operating transfers from	275,616	275,616	261,616	(14,000)
Operating transfers to	-	(73,108)	(74,215)	(1,107)
Total other financing sources (uses)	275,616	202,508	407,021	204,513
NET CHANGE IN FUND BALANCE	$ (555,720)	$ (1,143,065)	$ 96,190	$ 1,241,283

The accompanying notes are an integral part of these statements.

CITY OF ONEIDA, NEW YORK

Budgetary Comparison Schedule
Required Supplementary Information (Unaudited)
Budget and Actual - Water Fund
For the Year Ending December 31, 2023

	Budgeted Amounts		Actual	Variance Positive
	Original	Modified	Amounts	(Negative)
Resources:				
Departmental income	$ 3,868,103	$ 3,868,103	$ 3,595,087	$ (273,016)
Use of money and property	3,310	3,310	322,817	319,507
Sale of property and compensation for a loss	1,100	1,100	1,788	688
Miscellaneous	1,000	1,000	18,192	17,192
Amounts available for appropriation	3,873,513	3,873,513	3,937,884	64,371
Charges to appropriations:				
Home and community services	2,554,024	2,643,773	2,320,142	323,631
Employee benefits	593,595	608,795	584,612	24,183
Debt service - principal	403,549	403,549	429,557	(26,008)
Debt service - interest	192,550	192,550	193,192	642
Total charges to appropriations	3,743,718	3,848,667	3,527,503	322,448
EXCESS OF REVENUES OVER EXPENDITURES	129,795	24,846	410,381	386,819
OTHER FINANCING SOURCES (USES):				
Operating transfers from	118,673	118,673	109,996	(8,677)
Operating transfers to	(347,935)	(347,935)	(154,685)	193,250
Total other financing sources (uses)	(229,262)	(229,262)	(44,689)	184,573
NET CHANGE IN FUND BALANCE	$ (99,467)	$ (204,416)	$ 365,692	$ 571,392

CITY OF ONEIDA, NEW YORK

Budgetary Comparison Schedule
Required Supplementary Information (Unaudited)
Budget and Actual - Sewer Fund
For the Year Ending December 31, 2023

	Budgeted Amounts		Actual	Variance Positive
	Original	Modified	Amounts	(Negative)
Resources:				
Departmental income	$ 4,867,681	$ 4,867,681	$ 5,420,796	$ 553,115
Use of money and property	0	0	97,495	97,495
Licenses and permits	500	500	599	99
Miscellaneous	30,000	30,000	45,497	15,497
Amounts available for appropriation	4,898,181	4,898,181	5,564,387	666,206
Charges to appropriations:				
Home and community services	1,880,802	1,997,661	1,637,962	359,699
Employee Benefits	418,377	418,382	374,066	44,316
Debt service - principal	1,139,441	1,139,441	382,217	757,224
Debt service - interest	1,349,378	1,349,378	1,349,735	(357)
Total charges to appropriations	4,787,998	4,904,862	3,743,980	1,160,882
EXCESS OF REVENUES OVER EXPENDITURES	110,183	(6,681)	1,820,407	1,827,088
OTHER FINANCING SOURCES (USES):				
Operating transfers from	-	-	-	-
Operating transfers to	(207,681)	(207,681)	(1,032,065)	(824,384)
Total other financing sources (uses)	(207,681)	(207,681)	(1,032,065)	(824,384)
NET CHANGE IN FUND BALANCE	$ (97,498)	$ (214,362)	$ 788,342	$ 1,002,704

CITY OF ONEIDA, NEW YORK

Required Supplementary Information (Unaudited)
Schedule of Changes in Total OPEB Liability and Related Ratios
For the Year Ending December 31, 2023

	Last 10 Fiscal Years									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total OPEB Liability										
Service cost	$ 447,779	$ 400,070	$ 749,465	$ 734,674	$ 386,242	$ 305,810	Information for the periods prior to implementation of GASB 75 is unavailable and will be completed for each year going forward as they become available.			
Interest	1,273,767	2,040,441	1,005,414	949,543	1,360,962	1,472,835				
Changes of benefit terms	-	-	-	-	-	-				
Differences between expected and actual experience	-	-	-	-	-	-				
Changes in assumptions	1,557,022	(16,682,966)	(286,040)	2,107,746	8,862,478	-				
Benefit payments	(1,746,791)	(1,738,952)	(1,659,179)	(1,849,650)	(1,490,066)	(1,462,737)				
Total change in total OPEB liability	1,531,777	(15,981,407)	(190,340)	1,942,313	9,119,616	315,908				
Total OPEB liability - beginning	33,702,446	49,683,853	49,874,193	47,931,880	38,812,264	38,496,356				
Total OPEB liability - ending	$ 35,234,223	$ 33,702,446	$ 49,683,853	$ 49,874,193	$ 47,931,880	$ 38,812,264				
Covered-employee payroll	$ 7,968,263	$ 7,968,263	$ 6,911,728	$ 6,911,728	$ 6,405,602	$ 6,405,602				
Total OPEB liability as a percentage of covered-employee payroll	442.2%	423.0%	718.8%	721.6%	748.3%	605.9%				

Notes to schedule:

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

	2023	2022	2021	2020	2019	2018	2017–2014
Discount rate	3.88%	4.18%	2.05%	2.02%	2.90%	3.90%	Information for the periods prior to implementation of GASB 75 is unavailable and will be completed for each year going forward as they become available.

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

CITY OF ONEIDA, NEW YORK

Required Supplementary Information (Unaudited)
Schedule of Proportionate Share of Net Pension Liability (Asset)
For the Year Ending December 31, 2023

	Last 10 Fiscal Years*								
	2023	2022	2021	2020	2019	2018	2017	2016	2015
NEW YORK STATE EMPLOYEES' RETIREMENT SYSTEM PLAN:									
Proportion of the net pension liability (asset)	#REF!	0.0120989%	0.0122656%	0.0117664%	0.0109178%	0.0111564%	0.0114157%	0.0111832%	0.0012297%
Proportionate share of the net pension liability (asset)	#REF!	$ (989,034)	$ 12,213	$ 3,115,808	$ 773,558	$ 360,065	$ 1,072,640	$ 1,794,936	$ 415,434
Covered-employee payroll	4,193,785	4,086,840	3,768,068	3,749,843	3,617,137	3,502,170	3,442,685	3,054,725	3,243,110
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	#REF!	-24.20%	0.32%	83.09%	21.39%	10.28%	31.16%	58.76%	12.81%
Plan fiduciary net position as a percentage of the total pension liability (asset)	#REF!	103.65%	99.95%	86.39%	96.27%	98.24%	94.70%	90.70%	97.90%
NEW YORK STATE POLICE AND FIRE RETIREMENT SYSTEM PLAN:									
Proportion of the net pension liability (asset)	0.1212768%	0.1106155%	0.1073610%	0.1021634%	0.0996440%	0.1020214%	0.1046571%	0.1080690%	0.1086180%
Proportionate share of the net pension liability (asset)	$ 6,682,925	$ 628,345	$ 1,864,082	$ 5,460,568	$ 1,671,094	$ 1,031,189	$ 2,169,177	$ 3,199,691	$ 299,157
Covered-employee payroll	4,738,871	4,391,768	4,022,477	3,857,794	3,804,606	3,692,721	3,491,800	3,230,831	3,270,342
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	141.02%	14.31%	46.34%	141.55%	43.92%	27.92%	62.12%	99.04%	9.15%
Plan fiduciary net position as a percentage of the total pension liability (asset)	#REF!	98.66%	95.79%	84.86%	95.09%	96.93%	93.46%	90.20%	99.00%

* This schedule is intended to show information for 10 years. Additional years will be displayed as the information becomes available

CITY OF ONEIDA, NEW YORK

Required Supplementary Information (Unaudited)
Schedule of Contributions - Pension Plans
For the Year Ending December 31, 2023

	Last 10 Fiscal Years*								
	2023	2022	2021	2020	2019	2018	2017	2016	2015
NEW YORK STATE EMPLOYEES' RETIREMENT SYSTEM PLAN:									
Contractually required contribution	$ 439,592	$ 561,482	$ 514,121	$ 503,688	$ 504,218	$ 508,224	$ 505,200	$ 557,773	$ 544,656
Contributions in relation to the contractually required contribution	(439,592)	(561,482)	(514,121)	(503,688)	(504,218)	(508,224)	(505,200)	(557,773)	(544,656)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Covered-employee payroll	4,193,785	4,086,840	3,768,068	3,749,843	3,617,137	3,502,170	3,442,685	3,355,870	3,054,725
Contributions as a percentage of covered-employee payroll	10.48%	13.74%	13.64%	13.43%	13.94%	14.51%	14.67%	16.62%	17.83%

	2023	2022	2021	2020	2019	2018	2017	2016	2015
NEW YORK STATE POLICE AND FIRE RETIREMENT SYSTEM PLAN:									
Contractually required contribution	$ 1,106,594	$ 1,061,280	$ 838,873	$ 838,106	$ 812,805	$ 790,766	$ 744,416	$ 802,885	$ 752,885
Contributions in relation to the contractually required contribution	(1,106,594)	(1,061,280)	(838,873)	(838,106)	(812,805)	(790,766)	(744,416)	(802,885)	(752,885)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Covered-employee payroll	4,738,871	4,391,768	4,022,477	3,857,794	3,804,606	3,692,721	3,491,800	3,351,258	3,230,831
Contributions as a percentage of covered-employee payroll	23.35%	24.17%	20.85%	21.73%	21.36%	21.41%	21.32%	23.96%	23.30%

* This schedule is intended to show information for 10 years. Additional years will be displayed as the information becomes available

CITY OF ONEIDA, NEW YORK

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION (Unaudited)

1. STEWARDSHIP. COMPLIANCE, AND ACCOUNTABILITY

1. No later than October 31st of each year, the Mayor submits a tentative budget to Common Council for the fiscal year commencing the following January 1st. The tentative budget includes proposed expenditures and the proposed means of financing for all funds of the City.
2. After public hearings are conducted to obtain taxpayer comments, the Common Council adopts the budget. Appropriations established by the budget constitute a limitation on expenditures which may be incurred.
3. All modifications of the budget must be approved by the City Board and all appropriations lapse at fiscal year-end.
4. Legally adopted budgets include the General Fund, Water Fund and the Sewer Fund.

Budget Basis of Accounting

Budgets are adopted annually on a basis consistent with accounting principles generally accepted in the United States. Budgetary comparisons presented in this report are on a GAAP basis and represent the budget as modified.

CITY OF ONEIDA, NEW YORK
Supplementary Information
Combining Balance Sheet - Nonmajor Governmental Funds
December 31, 2023

	Community Development Fund	Debt Service Library Fund	Miscellaneous Special Revenue Fund	Police & Fire Special Revenue Fund	Downtown Revitalization Initiative Fund	Total Nonmajor Governmental Funds
ASSETS						
Unrestricted cash & cash equivalents	$ -	$ -	$ 139,773	$ -	51,223	$ 190,996
Restricted cash	269,447	93,282	-	15,396	100	378,225
Due From Other Governments	-	-	-	2,975	-	2,975
Due From Other Funds	-	-	-	-	-	-
Accounts Receivable	-	226,711	446	-	-	227,157
Loans receivable	81,841	-	-	-	-	81,841
Total assets	$ 351,288	$ 319,993	$ 140,219	$ 18,371	$ 51,323	$ 881,194
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts payable	$ -	$ 226,711	$ -	$ -	$ 4,213	$ 230,924
Due to Other Funds	-	-	-	-	60,100	60,100
Due To Other Governments	-	-	-	-	-	-
Unearned grant revenue	81,840	-	-	-	-	81,840
Total liabilities	81,840	226,711	-	-	64,313	372,864
Fund balances:						
Restricted	269,448	93,282	140,219	18,371	(12,990)	508,330
Total fund balances	269,448	93,282	140,219	18,371	(12,990)	508,330
Total liabilities and fund balances	$ 351,288	$ 319,993	$ 140,219	$ 18,371	$ 51,323	$ 881,194

CITY OF ONEIDA, NEW YORK
Supplementary Information
Statement of Revenues, Expenditures, and Change in Fund Balances - Nonmajor Governmental Funds
For the Year Ending December 31, 2023

	Community Development Fund	Debt Service Library Fund	Miscellaneous Special Revenue Fund	Police & Fire Special Revenue Fund	Downtown Revitalization Initiative Fund	Total Nonmajor Governmental Funds
REVENUES:						
Real property taxes	$ -	$ -	$ 32,264	$ -	$ -	$ 32,264
Departmental income	-		8,859	-	-	8,859
Use of money and property	54	6,152	49	-	-	6,255
Intergovernmental revenue	-	226,713	-	-	-	226,713
Interest revenue	-	-	-	-	3	3
Miscellaneous	2	-	-	4,496	-	4,498
Total revenues	56	232,865	41,172	4,496	3	278,592
EXPENDITURES:						
Public safety	-	-	-	3,030	-	3,030
Home and community services	2	71,750	7,839	-	-	79,591
Debt service - principal	-	110,000	-	-	-	110,000
Debt service - interest	-	83,638	-	-	-	83,638
Consultant Fees	-	-	-	-	12,993	12,993
Total expenditures	2	265,388	7,839	3,030	12,993	289,252
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	54	(32,523)	33,333	1,466	(12,990)	(10,660)
OTHER FINANCING SOURCES (USES):						
Interfund transfers in	-	-	-	-	-	-
Interfund transfers out	-	-	(12,244)	-	-	(12,244)
Total other uses	-	-	(12,244)	-	-	(12,244)
CHANGE IN FUND BALANCE	54	(32,523)	21,089	1,466	(12,990)	(22,904)
FUND BALANCE - beginning of year	269,394	125,805	119,130	16,905	-	531,234
FUND BALANCE - end of year	$ 269,448	$ 93,282	$ 140,219	$ 18,371	$ (12,990)	$ 508,330

Bonadio & Co., LLP
Certified Public Accountants

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

May 31, 2024

To the Common Council of
City of Oneida, New York:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Oneida, New York (the City), as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated May 31, 2024. In our report on the financial statements, we issued an adverse opinion on the discretely presented component unit because the Oneida Public Library was excluded from the City's financial statements. All other opinion units were issued unmodified opinions.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City'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 City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

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

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

432 North Franklin Street, #60
Syracuse, NY 13204
p (315) 476-4004
f (315) 254-2384

www.bonadio.com

(Continued)

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

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

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

FORM OF BOND COUNSEL'S OPINION

March 27, 2025

City of Oneida
County of Madison
State of New York

Re: City of Oneida, County of Madison New York
$63,870,198 Bond Anticipation Notes, 2025

Ladies and Gentlemen:

We have been requested to render our opinion as to the validity of an issue of $63,870,198 Bond Anticipation Notes, 2025 (the "Obligations"), of the City of Oneida, County of Madison, State of New York (the "Obligor"), dated March 27, 2025, in the denomination of $_________, bearing interest at the rate of __._________________% per annum, payable at maturity, and maturing March 27, 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 Obligations that the Obligor will, among other things, (i) take all actions on its part necessary to cause interest on the Obligations 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 Obligations 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 Obligations 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 Obligations 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 Obligations, including the form of the Obligations. 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 Obligations have been authorized and issued in accordance with the Constitution and statutes of the State of New York and constitute valid and legally binding general obligations of the Obligor all the taxable real property within which is subject to the levy of ad valorem taxes to pay the Obligations and interest thereon subject to applicable statutory limitations; provided however that, the enforceability (but not the validity) of the Obligations: (i) may be limited by any applicable bankruptcy, insolvency or other law now existing or hereafter enacted by said State of 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 Obligations; 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 Obligations 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 Obligations is not a specific preference item for purposes of the federal alternative minimum tax on individuals. Interest on the Notes 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 Obligations.

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 Obligations) 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 Obligations 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 Obligations to be included in gross income for federal income tax purposes. We call attention to the fact that the rights and obligations under the Obligations 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 Obligations 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 Obligations as the same respectively become due and payable. Reference should be made to the Official Statement prepared by the Obligor in relation to the Obligations 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 Obligations, 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,

Orrick, Herrington & Sutcliffe LLP