PRELIMINARY OFFICIAL STATEMENT DATED DECEMBER 27, 2024

NEW ISSUE | **REVENUE ANTICIPATION NOTES**

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

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

$4,000,000

CITY SCHOOL DISTRICT OF THE CITY OF BINGHAMTON

BROOME COUNTY, NEW YORK

GENERAL OBLIGATIONS

$4,000,000 Revenue Anticipation Notes, 2025

(the "Notes")

Dated: January 16, 2025 | **Due: January 16, 2026**

The Notes are general obligations of the City School District of the City of Binghamton, Broome County, New York, all the taxable real property within which is subject to the levy of ad valorem taxes to pay the Notes and interest thereon, subject to the statutory limitations imposed by Chapter 97 of the Laws of 2011. See "NATURE OF THE OBLIGATION" and "TAX LEVY LIMITATION LAW" herein.

The Notes will be issued without the option of prior redemption.

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

If the Notes are issued as registered in the name of the purchaser, principal of and interest on the Notes will be payable in Federal Funds at the office of the District Clerk. The Notes will be issued in denominations of $5,000 or multiples thereof. A single note certificate will be issued for Notes bearing the same rate of interest in the aggregate principal amount awarded to such purchaser at such interest rate.

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

The Notes are offered when, as and if issued and received by the 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, New York, New York. It is anticipated that the Notes will be available for delivery through the facilities of DTC located in Jersey City, New Jersey or as may be agreed upon on or about January 16, 2025.

ELECTRONIC BIDS for the Notes must be submitted via Fiscal Advisors Auction website ("Fiscal Advisors Auction") accessible via www.FiscalAdvisorsAuction.com on January 6, 2025 by no later than 11:00 A.M., Eastern Time, pursuant to the respective Notice of Sale. Bids may also be submitted by facsimile at (315) 930-2354. No other form of electronic bidding services will be accepted. Once the bids are communicated electronically via Fiscal Advisors Auction or via facsimile to the School District, each bid will constitute an irrevocable offer to purchase the Notes pursuant to the terms provided in the respective Notice of Sale.

January __, 2025

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

CITY SCHOOL DISTRICT OF THE CITY OF BINGHAMTON
BROOME COUNTY, NEW YORK

SCHOOL DISTRICT OFFICIALS

2024-2025 BOARD OF EDUCATION

STEVE SEEPERSAUD
President

CARRIE BUTTON
Vice President

TIMOTHY AMES
MARY ANN CALLAHAN
SHAUNTÉ MIDDLETON
ALBERT PENNA
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* * * * * * * *

DR. TONIA THOMPSON
Superintendent for Schools

ERIC WILSON
Executive Director of Human Resources and Operations

ANGELA ROGERS
Controller, Central Business Office

KRISTOPHER HELMAN
School District Treasurer, Central Business Office

SANYA BROWN
School District Clerk

COUGHLIN & GERHART LLP
School District Attorneys

ORRICK, HERRINGTON & SUTCLIFFE LLP
Bond Counsel

FISCAL ADVISORS & MARKETING, INC.
Municipal Advisor

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

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PREPARED WITH THE ASSISTANCE OF

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

OFFICIAL STATEMENT

of the

CITY SCHOOL DISTRICT OF THE CITY OF BINGHAMTON
BROOME COUNTY, NEW YORK

Relating To

$4,000,000 Revenue Anticipation Notes, 2025

This Official Statement, which includes the cover page, has been prepared by the City School District of the City of Binghamton, Broome County, New York (the "School District" or "District", "County", and "State", respectively) in connection with the sale by the District of $4,000,000 principal amount of Revenue Anticipation Notes, 2025 (the "Notes")

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

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

THE NOTES

Description of the Notes

The Notes are general obligations of the District, and will contain a pledge of its faith and credit for the payment of the principal of and interest on the Notes as required by the Constitution and laws of the State of New York (State Constitution, Art. VIII, Section 2; Local Finance Law, Section 100.00). All the taxable real property within the District is subject to the levy of ad valorem taxes to pay the Notes and interest thereon, subject to the statutory limitations imposed by Chapter 97 of the Laws of 2011. See "NATURE OF THE OBLIGATION" and "TAX LEVY LIMITATION LAW" herein.

The Notes will be dated January 16, 2025 and will mature January 16, 2026. The Notes are not subject to redemption prior to maturity. Interest on the Notes will be calculated on a 30-day month and 360-day year basis, payable at maturity.

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

Purpose of Issue

The Notes are being issued pursuant to a resolution adopted by the Board of Education of the School District in accordance with the Constitution and statutes of the State of New York, including among others, the Education Law and Section 25.00 of the Local Finance Law, in anticipation of the collection of State Aid receivable by the School District during its 2024-25 fiscal year, which commenced July 1, 2024.

The Notes are being issued to provide moneys to meet a cash flow deficit expected to occur during the period the Notes are outstanding due to lack of congruence between the cash flow needs of the School District and the receipt of budgeted revenues. (See "APPENDIX – C1, ESTIMATED MONTHLY CASH FLOW").

In the event that the aforesaid aid is not received by January 16, 2026, the Notes may be renewed. Revenue anticipation renewal notes may be renewed in the event that such aid has still not been received on the maturity date of such renewal notes, but such notes must mature not later than June 30, 2027. In the event such aid has not been received by such final maturity date, principal of, and interest on such notes will be paid from other revenues available to the School District, including real property taxes.

NATURE OF THE OBLIGATION

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

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

The Notes will be general obligations of the District and will contain a pledge of the faith and credit of the District for the payment of the principal thereof and the interest thereon as required by the Constitution and laws of the State. For the payment of such principal and interest, the District has power and statutory authorization to levy ad valorem taxes on all real property within the District subject to such taxation by the District, subject to certain statutory limitations imposed by Chapter 97 of the Laws of 2011.

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

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

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

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

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

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

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

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

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

BOOK-ENTRY-ONLY SYSTEM

The Depository Trust Company ("DTC"), New York, NY, will act as securities depository for the Notes, if so requested. In such case, the Notes will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered note certificate will be issued for 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 100 countries that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at **www.dtcc.com and www.dtc.org**.

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

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

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

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

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

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

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

Source: The Depository Trust Company.

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

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

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

Certificated Notes Under Certain Circumstances

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

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

THE SCHOOL DISTRICT

General Information

The School District, with a land area of approximately 12 square miles, includes all of the City of Binghamton (the "City") and a small portion of the Town of Dickinson (the "Town").

Major highways within and in close proximity to the School District include U. S. Route 11, Interstate #81 which extends north to Canada and south to Tennessee, Interstate #88 which runs northeast to Albany, Route #86 (The Southern Tier Expressway) which runs east-west and connects with Interstate #87 north of New York City and Interstate #90 near Erie, Pennsylvania, and State Routes #7, #12 and #26. Bus service is provided to and from the School District by Trailways, Greyhound Bus Lines, Megabus, and Coach USA. The County transit system provides local daily bus service.

Air transportation through the Greater Binghamton Airport is provided by Delta Airlines. Emery Air Freight and Federal Express also operate from the Airport. The School District is also served by the Tri-Cities Airport, located in nearby Endicott. Railroads providing freight service to the area include Conrail, the Delaware and Hudson Railroad and the Delaware and Otsego Railroad.

Electric utility and natural gas services are provided by the New York State Electric and Gas Corporation (NYSEG). Police protection is afforded the residents by the City, County and State agencies. Fire protection is provided by the City's full-time fire department. Water and sewer facilities and refuse collection are provided by the City, except in the Town of Dickinson, which has its own facilities and operations. Waste disposal is provided by the County through the County's sanitary landfill operations.

Source: District officials.

2011 Flood Damage

In September 2011, flooding from Tropical Storm Lee destroyed the District's MacArthur Elementary Building. The building was closed, and students were relocated to other buildings in and around the District. At the end of March 2012, the Federal Emergency Management Agency (FEMA) completed its review of flood-related project in the Binghamton City School District and recommended replacing the MacArthur Elementary Building. FEMA is expected to pay for approximately 75 percent of the replacement cost, and insurance recovery, State Aid, and local share is expected to fund the rest of the expected cost.

The Local Share is estimated to be no more than $2,030,610, as State Aid, FEMA and insurance is expected to cover approximately $75,092,162 of the $77,122,772 total. To date, the district has received approximately $73,405,751 million in reimbursements from FEMA and $1.68 million in insurance recoveries.

A new MacArthur Elementary School reopened for K-5 students on January 4, 2016.

District Population

The 2023 estimated population of the District is 48,397. (Source: U.S. Census Bureau, 2019-2023 American Community Survey 5-Year Estimates.)

Population Trends

The following entities and their population trends help to contribute to the School District's current estimated population:

	City of Binghamton	Broome County	New York State
1980	55,860	213,648	17,558,072
1990	53,008	212,160	17,990,455
2000	47,380	200,536	18,976,457
2010	47,376	200,600	19,378,102
2020	47,969	198,683	20,201,249
2023 (Estimated)	46,727	196,077	19,571,216

Source: U.S. Census Bureau, Population Estimates Program (PEP).

Selected Wealth and Income Indicators

Per capita income statistics are not available for the District as such. The smallest areas for which such statistics are available, which includes the District, are the City of Binghamton, the Town of Dickinson and the County of Broome. The figures set below with respect to such City, Town and County are included for information only. It should not be inferred from the inclusion of such data in the Official Statement that the City, Town or the County are necessarily representative of the District, or vice versa.

	Per Capita Income			Median Family Income		
	2006-2010	2016-2020	2019-2023	2006-2010	2016-2020	2019-2023
City of: Binghamton	$ 21,455	$ 26,117	$ 30,230	$ 39,725	$ 47,493	$ 59,508
Town of: Dickinson	18,938	26,109	33,408	55,553	69,917	90,143
County of: Broome	24,314	29,721	35,116	57,545	69,596	83,422
State of: New York	30,948	40,898	49,520	67,405	87,270	105,060

Source: U.S. Census Bureau; 2006-2010, 2016-2020, 2019-2023 American Community Survey 5-Year Estimates.

Unemployment Rate Statistics

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

Annual Average

	2017	2018	2019	2020	2021	2022	2023
City of Binghamton	5.9%	5.2%	5.0%	10.1%	6.3%	4.5%	4.5%
Broome County	5.5%	4.8%	4.5%	8.3%	5.3%	3.9%	3.9%
New York State	4.6%	4.1%	3.9%	9.8%	7.1%	4.3%	4.2%

2024 Monthly Figures

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
City of Binghamton	5.6%	5.3%	5.0%	4.6%	4.8%	4.9%	5.3%	5.3%	4.1%	4.2%	4.1%	N/A
Broome County	5.0%	4.9%	4.5%	3.9%	4.1%	4.1%	4.6%	4.5%	3.4%	3.6%	3.6%	N/A
New York State	4.3%	4.5%	4.2%	3.9%	4.2%	4.3%	4.9%	4.9%	4.0%	4.1%	4.2%	N/A

Note: Unemployment rates for the month of December 2024 are unavailable as of the date of this Official Statement.

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

Larger Employers

Many residents of the District find employment with one of the following major employers located within the Binghamton, NY Metropolitan Statistical Area (MSA):

Company	Location	Employees	Type
Binghamton University	Vestal	5,943	Education
United Health Services	Binghamton	5,428	Healthcare
Lockheed Martin	Owego	2,700	Systems Integration
Lourdes Hospital	Binghamton	2,311	Healthcare
New York State	Binghamton	2,034	Government
Broome County Government	Binghamton	1,913	Government
Raymond Corp.	Greene	1,500	Electric Products
Amphenol Aerospace	Sidney	1,400	Electronic Devices
BAE Systems	Endicott	1,300	Mission Systems
Chobani	Norwich	1,300	Food Products
Broome-Tioga BOCES	Binghamton	1,049	Education
NBT Bank	Binghamton	1,039	Financial Institution
IBM Corp.	Endicott	1,100	Technology
Weis Markets	Binghamton	1,000	Food Products
I3 Electronics	Endicott	1,000	Electronics
MeadWestvaco	Sidney	900	Office Products
Felchar Manufacturing Corp.	Binghamton	800	Electronics
NYSEG	Binghamton	800	Electricity & Natural Gas
Nationwide Credit Inc.	Endicott	700	Asset Recovery
United Methodist Homes	Binghamton	621	Senior Living
Matrix Integrated Facility Management	Johnson City	600	Facility Management
Frito-Lay	Kirkwood	540	Food Distribution
Spectrum (formerly Time Warner)	Vestal	500	Communications
Wegmans	Johnson City	454	Food Products
Dick's Sporting Goods	Warehouse	300	Retail/Sporting Goods

Source: Broome County Industrial Development Agency website. Reference to website implies no warranty of accuracy of information therein, nor is any information therein other than that provided above, included herein by reference.

Source: District officials.

Form of School Government

The Board of Education, which is the policy-making body of the School District, consists of seven members with overlapping five-year terms. The President and the Vice President are selected by the Board members. The President of the Board is the chief fiscal officer of the School District.

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

Budgetary Procedures and Recent Budget Votes

Pursuant to the Education Law, the Board of Education annually prepares a detailed statement of estimated sums necessary for the various expenditures of the School District for the ensuing fiscal year (tentative budget) and distributes that statement not less than seven days prior to the date on which the annual school election is conducted, at which the tentative budget is voted upon. Notice of the annual election is published as required by statute with a first publication not less than forty-five days prior to the day of election.

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

If the proposed budget is not approved by the required margin, the Board of Education may resubmit the original budget or a revised budget to the voters on the 3rd Tuesday in June, or adopt a contingency budget (which would provide for ordinary contingent expenses, including debt service) that levies a tax levy no greater than that of the prior fiscal year (i.e. a 0% increase in the tax levy).

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

Recent Budget Votes

The budget for the 2023-24 fiscal year was approved by qualified voters on May 16, 2023 by a vote of 564 yes to 163 no. The adopted budget included a total tax levy increase of 2.1%, which was below the District's maximum allowable Tax Cap of 2.5% for the 2023-24 fiscal year.

The budget for the 2024-25 fiscal year was approved by qualified voters on May 21, 2024 by a vote of 879 yes to 304 no. The adopted budget included a total tax levy increase of 2.05%, which equaled the District's maximum allowable Tax Cap of 2.05% for the 2024-25 fiscal year.

Investment Policy

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

Consistent with the above statutory limitations, it is the School District's current policy to invest in: (1) certificates of deposit or time deposit accounts that are fully secured as required by statute, (2) obligations of the United States of America, (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, and (4) repurchase agreements involving the purchase and resale of obligations of the United States of America or obligations of agencies of the federal government, if principal and interest is guaranteed by the United States of America and the securities are registered in the name of the School District and held by a custodial bank in accordance with the policies established by the New York State Comptroller.

The School District does not invest in so-called "derivatives" including reverse purchase agreements, which are not authorized investments for municipalities and school districts in the State.

State Aid

The District receives financial assistance from the State in the form of State aid for operating, building and other purposes at various times throughout its fiscal year, pursuant to formulas and payment schedules set forth by statute. In its adopted budget for the 2024-25 fiscal year, approximately 64.8% of the revenues of the District are estimated to be received in the form of State aid. While the State has a constitutional duty to maintain and support a system of free common schools that provides a "sound basic education" to children of the State, there can be no assurance that the State appropriation for State aid to school districts will be continued in future years, either pursuant to existing formulas or in any form whatsoever.

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

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

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

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

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

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

Federal aid received by the State.

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

President Biden has signed into law the American Rescue Plan, a $1.9 trillion COVID-19 relief package that includes $350 billion to state, local and territorial governments to keep their frontline workers employed, distribute the vaccine, increase testing, reopen schools and maintain vital services. The American Rescue Plan also includes an additional $1,400 payment to eligible individuals and families, enhanced unemployment aid, rental and utility assistance to low and moderate income households, an increase in food stamp benefits, additional funding for child care and an increase in child care tax credits.

Since March 2020, the State has been awarded over $14 billion in Federal education COVID response funding through the Coronavirus Aid, Relief, and Economic Security ("CARES") Act; Coronavirus Response and Relief Supplemental Appropriations Act, 2021 ("CRRSA"); and the American Rescue Plan ("ARP") Act. These funds are supporting the ability of local educational agencies to address the impact that COVID-19 has had, and continues to have, on elementary and secondary schools in the State. The District has been allocated a total of approximately $29,228,691 in ARP funds and $13,005,081 in CRRSA funds. As of the date of this Official Statement, the District has received its ARP and CRRSA funds in full.

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

Building Aid

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

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

Pursuant to the provisions of Chapter 760 of the Laws of 1963, the District is eligible to receive a Building Aid Estimate from the New York State Department of Education. Since the gross indebtedness of the District is within the debt limit, the District is not required to apply for a Building Aid Estimate. Based on 2024-25 building aid ratios, the District expects to receive State building aid of approximately 96.5% of debt service on State Education Department approved expenditures from July 1, 2004 to the present.

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

State aid history:

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

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

School district fiscal year (2021-2022): The State's 2021-22 Enacted Budget included $29.5 billion in State aid to school districts, and significantly increased funding for schools and local governments, including a $1.4 billion increase in Foundation Aid and a three-year phase-in of the full restoration to school districts of Foundation Aid that was initially promised in 2007. Additionally, the budget included the use of $13 billion of federal funds for emergency relief, along with the Governor's Emergency Education Relief, which included, in part, the allocation of $629 million to school districts as targeted grants in an effort to address learning loss as a result of the loss of enrichment and after-school activities. In addition, $105 million of federal funds were allocated to expand full-day kindergarten programs. Under the budget, school districts were reimbursed for the cost of delivering school meals and instructional materials in connection with COVID-19-related school closures in spring 2020, along with the costs of keeping transportation employees and contractors on stand-by during the short-term school closures prior to the announcement of the closure of schools for the remainder of the 2019-20 year. Under the budget, local governments also received full restoration of proposed cuts to Aid and Incentives for Municipalities (AIM) funding, and full restoration of $10.3 million in proposed Video Lottery Terminal (VLT) aid cuts, where applicable.

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

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

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

State Aid Litigation

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

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

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

- FY 2022: $19.8 billion, covering 30% of the existing shortfall.
- FY 2023: Approximately $21.3 billion, covering 50% of the anticipated shortfall.
- FY 2024: Approximately $23.2 billion, eliminating the anticipated shortfall, and funding the full amount of Foundation Aid for all school districts.

The foundation aid formula is being reviewed for potential revisions. Any revisions to the formula could result in less State aid to the District.

State Aid Revenues

The following table illustrates the percentage of total General Fund revenues of the District for each of the last five completed fiscal years, as well as budgeted figures for the 2024-25 fiscal years comprised of State aid.

Fiscal Year	Total Revenues	Total State Aid	Percentage of Total Revenues Consisting of State Aid
2019-20	$ 118,061,982	$ 70,150,900	59.42%
2020-21	122,115,313	70,093,146	57.40
2021-22	127,415,796	78,122,371	61.31
2022-23	135,594,460	84,132,800	62.05
2023-24	144,948,543	92,507,540	63.82
2024-25 (Budgeted)	144,538,444 (1)	93,642,247	64.79

(1) Does not include $3,900,000 of appropriated fund balance and $2,523,347 use of reserves.

Source: Audited financial statements for the 2019-20 through 2023-24 fiscal years and adopted budget (unaudited) for the 2024-25 fiscal year. This table is not audited.

School Facilities

Name	Grade	Capacity	Year Built & Addition(s)
Calvin Coolidge [(1)]	K-5	837	1950, '80
Benjamin Franklin	K-5	1,060	1928
Thomas Jefferson	K-5	540	1916
MacArthur [(2)]	K-5	1,155	2016
Horace Mann	K-5	756	1969
Theodore Roosevelt	K-5	756	1971
Woodrow Wilson	K-5	750	1919, '30
East Middle School	6-8	964	1938, '86
West Middle School	6-8	1,200	1930, '86
Binghamton High School	9-12	2,200	1914, '52, '80
Columbus	9-12	230	1927

(1) In July 2013, an emergency closure was declared at the school building when asbestos was found during testing. Remediation costs are estimated to be approximately $4,800,000. 93% of the abatement costs are expected to be covered by State aid, with the rest to be paid from available funds of the District.

(2) In September, 2011, flooding from Tropical Storm Lee destroyed the District's MacArthur Elementary Building. The building was closed, and students were relocated to other buildings in and around the District. (See "2011 Flood Damage" herein) A new MacArthur Elementary re-opened for K-5 students January 4, 2016.

Source: District officials.

Enrollment Trends

School Year	Enrollment	School Year	Projected Enrollment
2020-21	4,901	2025-26	4,418
2021-22	4,887	2026-27	4,312
2022-23	4,749	2027-28	4,218
2023-24	4,471	2028-29	4,120
2024-25	4,509		

Source: District officials.

Employees

The District employs a total of 1,011 full-time and 22 part-time employees. The following table sets forth a breakdown of employee representation by collective bargaining agent and the dates of expiration of the various collective bargaining agreements:

Employees	Union	Contract Expiration Date
617	Binghamton Teachers' Association	June 30, 2026
176	Civil Service Employees' Association	June 30, 2026
164	Civil Service Employees' Association - Aides & Monitors	June 30, 2025
63	Binghamton Licensed Teaching Assistants Unit	June 30, 2026
37	Binghamton Administrators' Association	June 30, 2027

Source: District officials.

Status and Financing of Employee Pension Benefits

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

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

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

On March 16, 2012, the Governor signed into law the new Tier VI pension program, effective for new ERS and TRS employees hired after April 1, 2012. The Tier VI legislation provides for increased employee contribution rates of between 3% and 6% and contributions at such rates continue so long as such employee continues to accumulate pension credits, an increase in the retirement age from 62 years to 63 years, a readjustment of the pension multiplier, and a change in the time period for the final average salary calculation from 3 years to 5 years. Tier VI employees would vest in the system after ten years of employment; and employees will continue to make employee contribution throughout employment. As of April 9, 2022, vesting requirements were modified, resulting in employees becoming vested after five years. The State's 2024-25 Enacted Budget included a provision that improved the pension benefits of Tier VI members by modifying the final average salary calculation from 5 years back to 3 years. This measure was effective as of April 1, 2024 for PFRS Tier VI members and April 20, 2024 for ERS Tier VI members.

The District is required to contribute at an actuarially determined rate. The actual contributions for the last five fiscal years and budgeted figures for 2024-25 fiscal year are as follows:

Fiscal Year	ERS	TRS
2019-2020	$ 1,402,279	$ 2,936,422
2020-2021	1,343,217	2,937,170
2021-2022	1,355,268	3,422,755
2022-2023	905,567	3,787,579
2023-2024	1,117,065	4,184,002
2024-2025 (Budgeted)	1,498,347	5,005,026

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

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

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

A chart of average ERS and TRS employer contribution rates as a percent of payroll (2019-20 to 2024-25) is shown below:

Fiscal Year	ERS	TRS
2019-20	14.6%	8.86%
2020-21	14.6	9.53
2021-22	16.2	9.80
2022-23	11.6	10.29
2023-24	13.1	9.76
2024-25	15.2	10.11

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

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

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

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

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

The State’s 2019-2020 Enacted Budget, which was signed into law on March 31, 2019, will allow school districts in the State to establish a reserve fund for the purpose of funding/offsetting the cost of TRS contributions. School districts may pay into such fund, during any particular fiscal year, an amount not to exceed two percent of the total compensation or salaries of all district-employed teachers who are members of the TRS paid during the immediately preceding fiscal year; provided that the balance of such fund may not exceed ten percent of the total compensation or salaries of all district-employed teachers who are members of the TRS paid during the immediately preceding fiscal year. The District has established a TRS reserve fund as of fiscal year ending June 30, 2020.

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

Other Post-Employment Benefits

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

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

GASB 75 and OPEB. 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. For the fiscal year ended June 30, 2018, the District implemented GASB 75. The implementation of this statement requires school districts to report 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 requires school districts to calculate and report a net other postemployment benefit obligation. However, under GASB 45 districts could amortize the OPEB liability over a period of years, whereas GASB 75 requires districts to report the entire OPEB liability on the statement of net position.

The District contracted with Armory Associates, LLC III to calculate its actuarial valuation under GASB 75. The following outlines the changes to the Total OPEB Liability during the 2023 and 2024 fiscal years, by source.

Balance beginning at:	July 1, 2022	July 1, 2023
	$ 146,416,553	$ 120,762,541
Changes for the year:		
Service cost	5,806,469	4,568,621
Interest on total OPEB liability	3,229,134	4,396,098
Changes in Benefit Terms	470,336	-
Differences between expected and actual experience	(20,154,487)	-
Changes in Assumptions or other inputs	(12,347,702)	(2,318,737)
Benefit payments	(2,657,762)	(2,295,170)
Net Changes	$ (25,654,012)	$ 4,350,812
Balance ending at:	**June 30, 2023**	**June 30, 2024**
	$ 120,762,541	**$ 125,113,353**

Source: Audited financial statements of the District. The above table is not audited. For additional information regarding the District's OPEB liability, see "APPENDIX – F" attached hereto.

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

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

Actuarial valuation will be required every 2 years for OPEB plans with more than 200 members, every 3 years if there are fewer than 200 members.

Financial Statements

The School District retains independent Certified Public Accountants. The last audited financial report covers the period ending June 30, 2024 and has been filed with the Electronic Municipal Market Access ("EMMA") website. It is also attached hereto as "APPENDIX-F" to this Official Statement. Certain summary financial information of the District can also be found attached as Appendices to the Official Statement.

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

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

The State Comptroller's Fiscal Stress Monitoring System

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

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

The reports of the State Comptroller for the 2018-19 through 2022-23 fiscal years of the District are as follows:

Fiscal Year Ending In	Stress Designation	Fiscal Score
2023	No Designation	20.0
2022	No Designation	20.0
2021	No Designation	16.7
2020	Susceptible	26.7
2019	No Designation	13.3

Note: The Fiscal Score for the 2023-24 fiscal year has not been calculated as of the date of this Official Statement.

Source: Website of the Office of the New York State Comptroller. Reference to website implies no warranty of the accuracy of the information therein, nor incorporation herein by reference.

New York State Comptroller Reports of Examination

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

The State Comptroller’s office released an audit report of the District on January 24, 2014. The purpose of the audit was to examine the District’s financial condition for the period July 1, 2011 through May 20, 2013. The audit found that District officials have taken appropriate action to manage the District’s financial condition. District officials recognized the need to be proactive in budget development and expenditure controls. District officials and Central Business Office (CBO) representatives meet regularly to monitor and evaluate the current year’s budget and available fund balance, and to plan for future years’ budgets. This planning includes an ongoing evaluation of the District’s spending trends and projected future fund balance.

The State Comptroller’s office released an audit report of the District on September 12, 2018. The audit presented findings for the District, which was one of ten school districts audited in a Statewide report entitled School District Physical Education Compliance.

The State Comptroller’s office released its most recent audit report of the District on October 25, 2019. The purpose of the audit was to determine whether the Board and District officials adequately safeguarded data from abuse or loss. Key findings and recommendations of the report are outlined below:

Key Findings:

- Officials do not regularly review network user accounts and disable those that are determined to be unnecessary.
- The Board does not have an adequate contract and separate service level agreement (SLA) for information technology (IT) services provided by the Broome Tioga Board of Cooperative Educational Services’ South Central Regional Information Center (SCRIC).
- Officials do not provide periodic IT security awareness training to staff.
- In addition, sensitive IT control weaknesses were communicated confidentially to district officials.

Key Recommendations:

- Regularly review user accounts and disable those that are unnecessary.
- Ensure there is an adequate contract and separate SLA with SCRIC for IT services provided.
- Provide periodic IT security awareness training to personnel who use IT resources.

Copies of the complete reports along with the State Comptroller’s recommendations and the District’s responses can be found by visiting the Audits of Local Governments section of the Office of the State Comptroller website.

There are no State Comptrollers audits of the District currently in progress or pending release at this time.

Note: Reference to website implies no warranty of accuracy of information therein, nor is information therein included herein by reference.

Other Information

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

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

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

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

TAX INFORMATION

Valuations [1]

Year of District Tax Roll:	2021	2022	2023	2024	2025
Taxable Assessed Valuations:					
City of Binghamton	$ 1,218,948,568	$ 1,219,405,470	$ 1,214,413,126	$ 1,208,544,301	$ 1,212,036,089
Town of Dickinson	29,523,238	29,198,350	29,888,364	29,936,019	30,028,419
Total Assessed Valuation	$ 1,248,471,806	$ 1,248,603,820	$ 1,244,301,490	$ 1,238,480,320	$ 1,242,064,508
State Equalization Rates:					
City of Binghamton	76.00%	79.00%	67.50%	63.00%	58.00%
Town of Dickinson	73.00%	69.00%	64.00%	58.50%	52.40%
Taxable Full Valuations:					
City of Binghamton	$ 1,603,879,695	$ 1,543,551,228	$ 1,799,130,557	$ 1,918,324,287	$ 2,089,717,395
Town of Dickinson	40,442,792	42,316,449	46,700,569	51,172,682	57,306,143
Total Taxable Full Valuation	$ 1,644,322,487	$ 1,585,867,677	$ 1,845,831,126	$ 1,969,496,969	$ 2,147,023,538

(1) The School District, under the Real Property Tax Law, has applied the Homestead/Non-Homestead method of computing tax rates for the City, Town and School District. This method allows a school district to shift 25% of the levy to Non-Homestead properties (e.g., commercial properties). However, the shift cannot result in an increase to the Non-Homestead properties over 125%. To be eligible for Homestead/Non-Homestead, a school district must have 20% or more of taxable parcels within a city or school district which has selected this method of tax distribution.

Note: As of November 7, 2023, special state equalization ratios are no longer calculated for small city school districts, including the District, according to the New York State Department of Taxation and Finance.

Source: District officials.

Tax Rates Per $1,000 (Assessed)

Year of District Tax Roll:	2021	2022	2023	2024	2025
City of Binghamton					
Homestead	$ 30.70	$ 30.83	$ 31.62	$ 32.45	$32.80
Non-Homestead	43.81	43.99	45.05	46.19	46.72
Town of Dickenson					
Homestead	31.86	35.17	33.31	34.82	36.21
Non-Homestead	34.84	38.38	36.23	37.85	39.65

Source: District officials.

Tax Levy and Collection Record

Fiscal Years Ending June 30:	2020	2021	2022	2023	2024
Tax Levy	$ 42,832,704	$ 43,666,029	$ 43,946,926	$ 44,765,288	$ 45,704,257
Taxes Added or (Canceled)	(31,509)	0	(65,669)	(66,055)	0
Net Tax Levy	$ 42,864,213	$ 43,666,029	43,881,257	44,699,233	45,704,257
Total Collections	37,284,579	37,741,765	38,023,156	39,507,703	40,065,186
Total Uncollected	5,579,634	5,924,264	5,858,101	5,191,530	5,639,071
Percent Collected	86.98%	86.43%	86.65%	88.39%	87.66%

Source: District officials.

Tax Collection Procedure

School District taxes on properties located within the City are collected by the City Tax Collector. The School District appoints a Tax Collector to collect taxes on properties within the Town of Dickinson. Taxpayers within the City have the option of paying their taxes in full during the month of September or in three installments as follows: September 1-30; November 1-30 and March 1-31. No fees are charged if the installment method is chosen. No installment may be paid unless prior installments and interest if any, of current taxes have been paid.

If any installment is paid after its due date, the penalty, as stated, is 1% per month plus a 5% collection fee on uncollected taxes in the City. The City pays the School District the taxes as collected each month, including the 1% penalty but excluding the 5% collection fee. Starting in July, the penalty becomes 1/2 of 1% per month. The City holds a tax sale on November 1 (thirteen months after the initial levy) and bids in on all the property. The School District then receives the balance of taxes due plus accumulated interest penalties, but not the 5% collection fee which is retained by the City. Thus, the School District collects its entire City-based tax levy in November of the following fiscal year.

Uncollected taxes in the Town of Dickinson are returned to the County for collection about November 15 and the School District receives the full amount due by April of the same fiscal year.

Real Property Tax Revenues

The following table illustrates the percentage of total General Fund revenues of the District for each of the last five completed fiscal years, as well as budgeted figures for the 2023-24 and 2024-25 fiscal years comprised of Real Property Taxes and Tax Items.

Fiscal Year	Total Revenues	Total Real Property Taxes & Tax Items	Percentage of Total Revenues Consisting of Real Property Tax
2019-20	$ 118,061,982	$ 44,110,028	37.36%
2020-21	126,336,217	44,933,587	36.80
2021-22	127,415,458	45,565,202	35.76
2022-23	135,594,460	46,268,428	34.12
2023-24	144,538,444	47,044,765	32.55
2024-25 (Budgeted)	144,538,444 (1)	46,640,548	32.27

(1) Does not include $3,900,000 of appropriated fund balance and $2,523,347 use of reserves.

Source: Audited financial statements for the 2019-20 through 2023-24 fiscal years and adopted budget (unaudited) for the 2024-25 fiscal year. This table is not audited.

Ten Largest Taxpayers – 2024 Assessment for 2024-25 District Tax Roll

Name	Type	Taxable Full Valuation
New York State Electric & Gas	Utility	$ 73,974,955
Norfolk Southern Corporation	Railroad	37,926,936
Binghamton Giant Market, Inc.	Food Markets	16,250,517
Amicus NY	Real Estate	16,045,421
PCP Binghamton Assoc. LLC	Commercial	14,596,897
Legacy Bay Apartment, LLC	Commercial	11,743,103
Security Mutual Life Ins. Co. NY	Insurance	10,882,241
Front Street Binghamton, LLC	Commercial	10,561,897
20 Hawley Street LLC	Commercial	8,448,276
KAGR2 Binghamton LLC	Real Estate	7,974,138

The ten larger taxpayers listed above have a total assessed valuation of $208,404,381 which represents 9.7% of the tax base of the School District.

Note The District experiences the impact of tax certiorari filings on a regular basis. At this time, such pending tax certiorari proceedings are not anticipated to have a material impact on the District's finances. The District is also authorized by the Local Finance Law to borrow to pay such settlements if necessary.

Source: School District Tax Rolls.

STAR – School Tax Exemption

The STAR (School Tax Relief) program provides State-funded exemptions from school property taxes to homeowners for their primary residences. School districts are reimbursed by the State for real property taxes exempted pursuant to the STAR Program.

STAR – School Tax Exemption. The STAR (School Tax Relief) program provides State-funded exemptions from school property taxes to homeowners for their primary residences. Homeowners over 65 years of age with household adjusted gross incomes, less the taxable amount of total distributions from individual retirement accounts and individual retirement annuities ("STAR Adjusted Gross Income") of $98,700 or less in 2023-2024 and $98,700 or less in 2024, increased annually according to a cost of living adjustment, are eligible for a "full value" exemption of the first $81,400 for the 2023-24 school year and the first $84,000 for the 2024-25 school year (adjusted annually). Other homeowners with household STAR Adjusted Gross income not in excess of $250,000 ($500,000 in the case of a STAR credit, as discussed below) are eligible for a $30,000 "full value" exemption on their primary residence.

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

The below table lists the basic and enhanced exemption amounts for the 2024-25 District tax roll for the municipalities applicable to the District:

Municipality	Enhanced Exemption	Basic Exemption	Date Certified
City of Binghamton	$ 52,920	$ 18,900	4/9/2024
Town of Dickinson	49,140	17,550	4/9/2024

$4,438,607 of the District's $45,704,257 school tax levy for 2023-24 was exempted by the STAR Program. The District received all of such exempt taxes from the State in January 2024.

$4,072,455 of the District's $46,396,747 school tax levy for 2024-25 is projected to be exempted by the STAR Program. The District anticipates full reimbursement from such taxes in January 2025.

Additional Tax Information

Senior citizens' exemptions from School District taxes are offered to those who qualify.

The assessment roll of the School District is constituted approximately as follows: 20% commercial, 12% industrial and 68% residential.

The total property tax bill of a typical residence with a market value of $100,000 is estimated to be $2,850 including County, City or Town, and School District taxes.

TAX LEVY LIMITATION LAW

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

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

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

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

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

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

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

On February 20, 2013, the New York State United Teachers ("NYSUT") and several individuals filed a lawsuit in State Supreme Court in Albany County seeking a declaratory judgment and a preliminary injunction that the Tax Levy Limitation Law is unconstitutional as it applies to public school districts. On September 23, 2014, a justice of the New York State Supreme Court dismissed each of NYSUT's causes of action but granted NYSUT's motion to amend the complaint. NYSUT subsequently served a second amended complaint seeking a preliminary injunction and challenging the Tax Levy Limitation

Law as violative of the Education Article of the New York State Constitution and the Equal Protection and Due Process clauses and the First Amendment of the United States Constitution. On March 16, 2015 a New York State Supreme Court Justice denied NYSUT's motion for a preliminary injunction and dismissed all causes of action contained in NYSUT's second amended complaint. NYSUT appealed the decision to continue its challenge to the constitutionality of the Tax Levy Limitation Law. On May 5, 2016 the Appellate Division upheld the lower court dismissal, noting that while the State is required to provide the opportunity of a sound basic education, the Constitution "does not require that equal educational offerings be provided to every student", and further noted "the legitimate government interest of restraining crippling property tax increases". An appeal by NYSUT was dismissed on October 20, 2016 by the Court of Appeals, New York's highest court, on the ground that no substantial constitutional question was directly involved and thereafter leave to appeal was denied on January 14, 2017 by the Court of Appeals.

STATUS OF INDEBTEDNESS

Constitutional Requirements

The New York State Constitution limits the power of the School District (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 School District and the Notes include the following:

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

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

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

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

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

Statutory Procedure

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

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

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

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

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

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

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

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

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

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

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

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

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

Debt Outstanding End of Fiscal Year

Fiscal Years Ending June 30:	2020	2021	2022	2023	2024
Bonds	$ 33,085,000	$ 33,325,000	$ 28,400,000	$ 38,380,000	$ 31,725,000
Bond Anticipation Notes	52,683,184	44,846,000	29,575,000	6,000,000	25,000,000
Revenue Anticipation Notes	7,000,000	7,000,000	4,000,000	4,000,000	4,000,000
Lease Liabilities [1] [2]	--	1,569,943	1,179,136	1,425,270	1,393,212
Totals	$ 92,768,184	$ 86,740,943	$ 63,154,136	$ 49,805,270	$ 62,118,212

[1] For the fiscal year ended June 30, 2022, the District implemented GASB Statement No. 87 (GASB 87) for accounting and reporting of leases. GASB 87 requires the recognition of certain lease assets and liabilities for leases previously classified as operating leases along with recognition of inflows and outflows of resources, as applicable. GASB 87 does not distinguish operating vs. capital leases. All applicable leases are now considered financing leases. (See "Other Obligations" herein.)

[2] Such indebtedness is subject to appropriation but does not involve a pledge of faith and credit of the District, and therefore do not technically constitute indebtedness of the District. Such obligations are, however, counted against the debt limit of the District. (See "Other Obligations" herein.)

Details of Outstanding Indebtedness

The following table sets forth the indebtedness of the School District as of December 27, 2024:

	Maturity		Amount
Bonds	2025-2036		$ 29,990,000
Bond Anticipation Notes			
2021 Capital Project	June 27, 2025		25,000,000
Revenue Anticipation Notes	January 17, 2025		4,000,000
		Total Debt Outstanding	$ 58,990,000

Debt Statement Summary

Summary of Indebtedness, Debt Limit and Net Debt-Contracting Margin as of December 27, 2024:

Full Valuation of Taxable Real Property			$ 2,147,023,538
Debt Limit 10% thereof			214,702,354
Inclusions:			
Bonds	$ 29,990,000		
Bond Anticipation Notes	25,000,000		
Total Inclusions		$ 54,990,000	
Exclusions:			
State Building Aid [1]	$ 0		
Total Exclusions		$ 0	
Total Net Indebtedness			$ 54,990,000
Net Debt-Contracting Margin			$ 159,712,354
The percent of debt contracting power exhausted is			25.61%

[1] Pursuant to the Provisions of Chapter 760 of the Laws of New York State of 1963, the School District receives aid on existing bonded debt. Since the gross indebtedness of the School District is within the debt limit, the School District is not required to apply for a Building aid Estimate. Over the years the building aid ratio has been adjusted based on State legislative changes with an effective date tied to voter authorization dates. Based on preliminary 2024-25 Building Aid Ratios, the School District anticipates State Building aid of 96.5% for debt service on SED approved expenditures from July 1, 2004 to the present. The School District has no reason to believe that it will not ultimately receive all of the Building aid it anticipates, however, no assurance can be given as to when and how much Building aid the School District will receive in relation to its capital project indebtedness.

Note: The above debt statement summary does not include any outstanding lease or installment purchase obligations, which are subject to appropriation but do not involve a pledge of faith and credit of the District, and therefore do not technically constitute indebtedness of the District. Such obligations are, however, counted against the debt limit of the District. The District remains within its debt limit after taking into account the outstanding balance of such obligations. (See “Other Obligations” herein.)

Note: The State Constitution does not provide for the inclusion of tax anticipation or revenue anticipation notes in the computation of the net indebtedness of the District.

Bonded Debt Service

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

Cash Flow Borrowings

The School District typically issues revenue and/or tax anticipation notes on an annual basis. The following is a history of the School District's revenue and tax anticipation note borrowings for the last five fiscal years.

Fiscal Year	Amount	Type	Issue Date	Due Date
2018-2019	$ 5,000,000	RAN	1/24/19	1/24/20
2019-2020	7,000,000	RAN	1/23/20	1/22/21
2020-2021	7,000,000	RAN	1/21/21	1/21/22
2021-2022	4,000,000	RAN	1/20/22	1/20/23
2022-2023	4,000,000	RAN	1/20/23	1/19/24
2023-2024	4,000,000	RAN	1/18/24	1/17/25

Other Obligations

The District has entered into various installment purchase agreements to finance the cost of technology equipment. The following is a schedule of remaining payments due under such agreements:

Fiscal Year Ending	Principal	Interest
2025	$ 504,088	$ 62,762
2026	392,513	42,334
2027	351,049	24,000
2028	145,562	7,750
Minimum Lease Payments	$ 1,393,212	$ 136,846

Source: Audited financial statements of the District and District officials. Table itself is not audited.

Capital Project Plans

On December 14, 2021, the qualified voters of the District approved a proposition authorizing the District to undertake a capital improvement project consisting of improvements to various District buildings and facilities, including site improvements (including athletic fields and play areas) at a maximum estimated cost of $41,700,000 (the "2021 Capital Project"). The 2021 Capital Project will be financed in part with $1.7 million of Capital Reserve funds, $13 million of Federal stimulus funds, the issuance of up to $40,000,000 bonds and notes, and State building aid. The Capital Project is expected to have no additional tax impact. To date, the District has issued $25,000,000 bond anticipation notes pursuant to this authorization, of which $25,000,000 are currently outstanding and will mature on June 27, 2025.

On December 10, 2024, the qualified voters of the District approved a proposition authorizing the District to undertake a capital improvement project consisting of the reconstruction of and construction of improvements to the Theodore Roosevelt Elementary School, including demolition of an existing building space, at a maximum estimated cost of $56,000,000 (the "2024 Capital Project"), to be financed in part with the expenditure of $56,467 of 2009 Capital Reserve Fund monies, $15,946,686 of 2019 Capital Reserve Fund monies, and $7,996,847 of 2023 Capital Reserve Fund monies (or so much as may be necessary to utilize $24,000,000 in aggregate Capital Reserve Fund monies), the issuance of up to $32,000,000 bonds and notes, and State building aid.

Federal Sequestration

In May 2012, the District issued $5,000,000 of Qualified School Construction Bonds ("QSCBs") with a final maturity of 2026. At the time of issue the District expected from the Federal Government a 100% interest subsidy related to the QSCBs.

Pursuant to the requirements of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, refund payments to certain state and local government filers claiming refundable credits under section 6431 of the Internal Revenue Code applicable to certain qualified bonds are subject to sequestration. This means that refund payments and refund offset transactions processed on or after October 1, 2020, and on or before September 30, 2030, will be reduced by a sequestration rate of 5.7%, irrespective of when the IRS received the Form 8038-CP with amounts claimed by an issuer. The sequestration reduction rate will be applied unless and until a law is enacted that cancels or otherwise impacts the sequester, at which time the sequestration reduction rate is subject to change.

In addition, federal government shutdowns may delay the processing of federal government payments to the District. If this were to occur, the District will be required to make payment of the full amount of interest due on the bonds at that time. These payments are expected to be reimbursed to the District when any such government shutdown is over but when the federal government can process requests for, and make payment of, the applicable tax credit payments is not known at this time.

The District budgets annually for the full interest payment due on the QSCBs to cover for possible delays or shortfalls in the expected tax credit subsidy.

Estimated Overlapping Indebtedness

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

Municipality	Status of Debt as of	Gross Indebtedness [(1)]	Exclusions	Net Indebtedness	District Share	Applicable Indebtedness
County of:						
Broome	6/27/2024	$ 179,616,581 [(3)]	$ - [(2)]	$ 179,616,581	17.01%	$ 30,552,780
City of:						
Binghamton	6/28/2024	236,506,901 [(3)]	137,738,518 [(2)]	98,768,383	100.00%	98,768,383
Town of:						
Dickinson	12/31/2023	2,155,000 [(4)]	- [(5)]	2,155,000	18.57%	400,184
					Total:	$ 129,721,347

(1) Outstanding bonds and bond anticipation notes of the respective municipality. Not adjusted to include subsequent issuances, if any, from the date of the status of indebtedness stated in the table above for each respective municipality.

(2) Water debt, sewer debt and budgeted appropriations as applicable to the respective municipality. Water Indebtedness excluded pursuant to Article VIII, Section 5B of the New York State Constitution. Sewer Indebtedness excluded pursuant to Article VIII, Section 5E of the New York State Constitution, as further prescribed under section 124.10 of the Local Finance Law. Appropriations are excluded pursuant to Section 136.00 of the Local Finance Law.

(3) Gross indebtedness, exclusions, and net-indebtedness sourced from available annual financial information & operating data filings and/or official statements of the respective municipality.

(4) Gross indebtedness sourced from local government data provided by the State Comptroller's office for the most recent fiscal year such data is available for the respective municipality.

(5) Information regarding excludable debt not available.

Debt Ratios

The following table sets forth certain ratios relating to the District's indebtedness as of December 27, 2024.

	Amount Indebtedness	Per Capita [(a)]	Percentage of Full Valuation [(b)]
Net Indebtedness [(c)]	$ 54,990,000	$ 1,176.84	2.56%
Net Indebtedness Plus Net Overlapping Indebtedness [(d)]	184,711,347	3,952.99	8.60

(a) The 2023 estimated population of the District is 46,727. (See "THE SCHOOL DISTRICT – District Population" herein.)
(b) The full value of taxable real estate for the District's 2024-25 tax roll is $2,147,023,538. (See "TAX INFORMATION – Valuations" herein.)
(c) See "Debt Statement Summary" herein.
(d) Estimated net overlapping indebtedness is $93,162,583. (See "Estimated Overlapping Indebtedness" herein.)

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

SPECIAL PROVISIONS AFFECTING REMEDIES UPON DEFAULT

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

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

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

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

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

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

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

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

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

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

MARKET AND RISK FACTORS

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

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

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

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

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

Cybersecurity

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

COVID-19

Since early calendar year 2020, the COVID-19 pandemic has had a notable impact on the world. With the conclusion of public health emergency statuses by the United States government and the World Health Organization in May 2023, it is expected that the pandemic's most notable impacts are in the past. However, a resurgence of COVID-19 or the emergence of a new pandemic or public health emergency could have a material adverse effect on the State, and the municipalities and school districts located in the State, including the District. There can be no assurances that a resurgence of COVID-19 or the emergence of a new pandemic or public health emergency would not result in delays and/or reductions in State aid paid to school districts, including the District, or that such delays and/or reductions would be sufficiently counterbalanced by federal aid. Any delay or reduction in State aid payments to school districts would have a negative impact on the District's finances and operations. See "State Aid" 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 or any political subdivision thereof (including The City of New York). Bond Counsel is of the further opinion that interest on the Notes is not a specific preference item for purposes of the federal individual alternative minimum tax. Interest on the Notes included in adjusted financial statement income of certain corporations is not excluded from the federal corporate alternative minimum tax. A complete copy of the proposed form of opinion of Bond Counsel is set forth in "APPENDIX – E".

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

Notes purchased, whether at original issuance or otherwise, for an amount higher than their principal amount payable at maturity (or, in some cases, at their earlier call date) ("Premium Notes") will be treated as having amortizable bond premium. No deduction is allowable for the amortizable bond premium in the case of Notes, 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 District has covenanted to comply with certain restrictions designed to ensure that interest on the Notes will not be included in federal gross income. Inaccuracy of these representations or failure to comply with these covenants may result in interest on the Notes being included in gross income for federal income tax purposes possibly from the date of original issuance of the Notes. The opinion of Bond Counsel assumes compliance with these covenants. Bond Counsel has not undertaken to determine (or to inform any person) whether any actions taken (or not taken) or events occurring (or not occurring) after the date of issuance of the Notes may adversely affect the value of, or the tax status of interest on, the Notes. Further, no assurance can be given that pending or future legislation or amendments to the Code, if enacted into law, or any proposed legislation or amendments to the Code, will not adversely affect the value of, or the tax status of interest on, the Notes.

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

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

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 District, or about the effect of future changes in the Code, the applicable regulations, the interpretation thereof or the enforcement thereof by the IRS. The District has covenanted, however, to comply with the requirements of the Code.

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

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

LEGAL MATTERS

Legal matters incident to the authorization, issuance and sale of the Notes are subject to the 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

Except as set forth below, the District represents that there are no suits pending or, to the knowledge of the District, threatened against the District wherein an unfavorable result would have a material adverse effect on the financial condition or operations of the District, and any potential or pending litigation known to the District does not affect the right of the District to conduct its business or affect the validity or enforceability of its obligations with respect to the Notes and the contracts executed in connection therewith.

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

More specifically, for all but one matter, the District estimates that its exposure is minimal and that insurance coverage is adequate to cover the claims. For the remaining matter, the District has been named as a defendant in a child victim's abuse case, for which it is currently difficult to ascertain liability or damages, due to the early nature of this matter and related discovery.

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 District threatened against or affecting the District to restrain or enjoin the issuance, sale or delivery of the Notes or the levy and collection of taxes or assessments to pay same, or in any way contesting or affecting the validity.

CONTINUING DISCLOSURE

In order to assist the purchasers in complying with Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended ("Rule 15c2-12"), the District will enter into a Continuing Disclosure Undertaking, a description of which is attached hereto as "APPENDIX – C, MATERIAL EVENT NOTICES".

Historical Continuing Disclosure Compliance

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

- The District failed to file event notices relating to the incurrence of "financial obligations" with respect to certain installment purchase agreements undertaken during the 2019-20 through 2022-23 fiscal years for the financing of various technology equipment. An event notice providing details regarding the installment purchase agreements along with a failure to file notice have been filed to EMMA.

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 financial advisor to the District on matters relating to debt management. The Municipal Advisor is a financial advisory and consulting organization and is not engaged in the business of underwriting, marketing, or trading municipal securities or any other negotiated instruments. The Municipal Advisor has provided advice as to the plan of financing and the structuring of the Notes. The advice on the plan of financing and the structuring of the Notes was based on materials provided by the District and other sources of information believed to be reliable. The Municipal Advisor has not audited, authenticated, or otherwise verified the information provided by the District or the information set forth in this Official Statement or any other information available to the District with respect to the appropriateness, accuracy, or completeness of disclosure of such information and no guarantee, warranty, or other representation is made by the Municipal Advisor respecting the accuracy and completeness of or any other matter related to such information and this Official Statement. The fees to be paid by the District to 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 District provided, however; the District assumes no responsibility for any CUSIP Service Bureau charge or other charge that may be imposed for the assignment of such numbers.

RATINGS

The Notes are <u>NOT</u> rated. The purchaser(s) of the Notes may choose to have a rating completed after the sale at the expense of the purchaser(s), including any fees to be incurred by the District, as such rating action will result in a material event notification to be posted to EMMA which is required by the District's continuing disclosure undertakings or a supplement to the Final Official Statement. (See "APPENDIX – D, MATERIAL EVENT NOTICES" herein.)

Moody's Investors Service, Inc. has assigned its rating of "A1" to the District's outstanding general obligation bonds. This rating reflects only the view of Moody's and an explanation of the significance of such rating should be obtained from Moody's.

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

MISCELLANEOUS

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

Statements in the Official Statement, and the documents included by specific reference, that are not historical facts are "forward-looking statements", within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, and as defined in the Private Securities Litigation Reform Act of 1995, which involve a number of risks and uncertainties, and which are based on the School District's management's beliefs as well as assumptions made by, and information currently available to, the School District's management and staff. Because the statements are based on expectations about future events and economic performance and are not statements of fact, actual results may differ materially from those projected. Important factors that could cause future results to differ include legislative and regulatory changes, changes in the economy, and other factors discussed in this and other documents that the School District's files with the repositories. When used in School District's documents or oral presentation, the words "anticipate", "believe", "intend", "plan", "foresee", "likely", "estimate", "expect", "objective", "projection", "forecast", "goal", "will", or "should", or similar words or phrases 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 School District, expresses no opinion as to the accuracy or completeness of information in any documents prepared by or on behalf of the School District for use in connection with the offer and sale of the Notes, including but not limited to, the financial or statistical information in this Official Statement.

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

Concurrently with the delivery of the Notes, the School District will furnish a certificate to the effect that as of the date of the Official Statement, the Official Statement did not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements herein, in the light of the circumstances under which they were made, not misleading, subject to limitation as to information in the Official Statement obtained from sources other than the School District, as to which no representation can be made.

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

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

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

The School District contact information is as follows: Mr. Eric Wilson, Executive Director for Personnel & Operations, City School District of the City of Binghamton, 164 Hawley Street, Binghamton, New York 13902, telephone (607) 762-8100; fax (607) 762-8112, email: wilsone@binghamtonschools.org.

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

CITY SCHOOL DISTRICT OF THE CITY OF BINGHAMTON

Dated: December 27, 2024

STEVE SEEPERSAUD
PRESIDENT OF THE BOARD OF EDUCATION
CHIEF FISCAL OFFICER

GENERAL FUND

Balance Sheets

Fiscal Years Ending June 30:	2020	2021	2022	2023	2024
ASSETS					
Cash - Unrestricted	$ 5,301,645	$ 4,261,696	$ 108,265	$ 1,453,212	$ 5,863,239
Cash - Restricted	10,957,368	18,743,214	24,857,286	37,715,713	45,926,324
Taxes Receivable	6,701,055	5,683,125	5,585,426	6,232,310	5,476,187
Due from Other Funds	8,637,067	6,746,286	7,543,770	7,553,523	6,322,259
State & Federal Aid Receivable	2,265,935	7,275,122	3,052,469	1,873,718	2,558,907
Due from Fiduciary Funds	-	-	-	-	-
Due from Other Governments	3,566,281	3,783,166	3,805,335	4,312,358	4,471,464
Other Receivables	769,324	565,669	894,565	887,253	739,630
Inventories	-	-	-	-	-
Prepaid Expenditures	44,606	32,266	34,165	32,222	53,509
TOTAL ASSETS	$ 38,243,281	$ 47,090,544	$ 45,881,281	$ 60,060,309	$ 71,411,519
LIABILITES AND FUND EQUITY					
Accounts Payable	$ 2,942,119	$ 2,843,354	$ 2,567,150	$ 2,503,856	$ 3,315,598
Accrued Liabilities	224,319	234,019	460,675	1,231,934	1,322,423
Notes Payable	7,000,000	7,000,000	4,000,000	4,000,000	4,000,000
Other Liabilities	-	-	-	66	-
Due to Other Governments	-	62	44	487	-
Due to Other Funds	4,176,163	4,826,238	6,740	8,032	6,464
Due to Teachers' Retirement System	4,296,899	4,326,607	5,010,437	5,576,535	5,678,630
Due to Employees' Retirement System	312,535	359,856	240,911	299,936	395,361
Compensated Absences	-	-	-	-	-
Deferred Revenues	1,177,820	-	283,103	146,193	254,086
TOTAL LIABILITIES	$ 20,129,855	$ 19,590,136	$ 12,569,060	$ 13,767,039	$ 14,972,562
FUND BALANCES					
Non Spendable	$ 44,606	$ 32,266	$ 34,165	$ 32,222	$ 53,509
Restricted	10,957,368	18,743,214	24,857,286	37,715,713	45,926,324
Assigned	3,070,775	3,986,390	3,057,056	2,819,515	4,517,677
Unassigned	4,040,677	4,738,538	5,363,714	5,725,820	5,941,447
TOTAL FUND EQUITY	$ 18,113,426	$ 27,500,408	$ 33,312,221	$ 46,293,270	$ 56,438,957
TOTAL LIABILITES and FUND EQUITY	$ 38,243,281	$ 47,090,544	$ 45,881,281	$ 60,060,309	$ 71,411,519

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

GENERAL FUND

Revenues, Expenditures and Changes in Fund Balance

Fiscal Years Ending June 30:	2020	2021	2022	2023	2024
REVENUES					
Real Property Taxes	$ 37,437,592	$ 38,404,680	$ 39,064,682	$ 39,989,458	$ 41,117,399
Other Tax Items	6,672,436	6,528,907	6,500,520	6,278,970	5,927,366
Charges for Services	471,995	434,306	511,861	509,928	405,560
Use of Money & Property	662,142	548,996	588,595	1,472,889	2,574,691
Sale of Property and Compensation for Loss	87,732	76,510	74,123	63,148	60,662
Miscellaneous	2,255,725	1,699,191	2,105,075	1,787,749	1,373,748
Interfund Revenues	-	-	-	-	-
Revenues from State Sources	70,150,900	70,093,146	78,122,371	84,132,800	92,507,540
Revenues from Federal Sources	323,460	4,329,577	448,231	1,359,518	981,577
Total Revenues	$ 118,061,982	$ 122,115,313	$ 127,415,458	$ 135,594,460	$ 144,948,543
Other Sources:					
Interfund Transfers	-	87,123	308,338	100,029	36,338
Total Revenues and Other Sources	$ 118,061,982	$ 122,202,436	$ 127,723,796	$ 135,694,489	$ 144,984,881
EXPENDITURES					
General Support	$ 11,524,474	$ 12,009,188	$ 16,264,985	$ 15,048,834	$ 14,823,103
Instruction	67,484,861	62,323,757	65,273,764	66,735,173	73,982,409
Pupil Transportation	2,818,068	2,487,642	2,744,676	3,373,334	3,583,421
Community Services	-	-	-	-	-
Employee Benefits	26,705,445	27,063,925	25,924,614	27,217,845	30,517,443
Debt Service	7,178,940	8,470,012	9,798,913	10,064,964	10,171,264
Total Expenditures	$ 115,711,788	$ 112,354,524	$ 120,006,952	$ 122,440,150	$ 133,077,640
Other Uses:					
Interfund Transfers	842,235	460,930	1,905,031	273,290	1,761,554
Total Expenditures and Other Uses	$ 116,554,023	$ 112,815,454	$ 121,911,983	$ 122,713,440	$ 134,839,194
Excess (Deficit) Revenues Over Expenditures	1,507,959	9,386,982	5,811,813	12,981,049	10,145,687
FUND BALANCE					
Fund Balance - Beginning of Year	16,605,467	18,113,426	27,500,408	33,312,221	46,293,270
Prior Period Adjustments (net)	-	-	-	-	-
Fund Balance - End of Year	$ 18,113,426	$ 27,500,408	$ 33,312,221	$ 46,293,270	$ 56,438,957

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

GENERAL FUND

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

Fiscal Years Ending June 30:	2024 Original Budget	2024 Final Budget	2024 Audited Actual	2025 Adopted Budget
REVENUES				
Real Property Taxes	$ 45,704,257	$ 41,265,650	$ 41,117,399	$ 46,640,548
Other Tax Items	1,445,395	5,884,000	5,927,366	-
Charges for Services	345,000	345,000	405,560	-
Use of Money & Property	530,780	530,780	2,574,691	-
Sale of Property and Compensation for Loss	-	-	60,662	-
Miscellaneous	1,844,000	1,844,167	1,373,748	4,255,649
Interfund Revenues	-	-	-	-
Revenues from State Sources	90,733,440	90,733,440	92,507,540	93,642,247
Revenues from Federal Sources	270,000	270,000	981,577	-
Total Revenues	$ 140,872,872	$ 140,873,037	$ 144,948,543	$ 144,538,444
Other Sources:				
Interfund Transfers	-	-	36,338	-
Total Revenues and Other Sources	$ 140,872,872	$ 140,873,037	$ 144,984,881	$ 144,538,444
EXPENDITURES				
General Support	$ 16,232,674	$ 17,370,732	$ 14,823,103	$ 17,251,819
Instruction	81,558,575	80,183,634	73,982,409	84,148,633
Pupil Transportation	3,736,592	3,813,466	3,583,421	4,253,560
Community Services	-	-	-	-
Employee Benefits	32,441,287	32,076,826	30,517,443	36,795,696
Debt Service	9,051,015	10,196,821	10,171,264	8,412,083
Total Expenditures	$ 143,020,143	$ 143,641,479	$ 133,077,640	$ 150,861,791
Other Uses:				
Interfund Transfers	302,729	1,862,045	1,761,554	100,000
Total Expenditures and Other Uses	$ 143,322,872	$ 145,503,524	$ 134,839,194	$ 150,961,791
Excess (Deficit) Revenues Over Expenditures	(2,450,000)	(4,630,487)	10,145,687	(6,423,347)
FUND BALANCE				
Fund Balance - Beginning of Year	2,450,000	4,630,487	46,293,270	6,423,347
Prior Period Adjustments (net)	-	-	-	-
Fund Balance - End of Year	$ -	$ -	$ 56,438,957	$ -

Source: 2023-24 audited financial report and 2024-25 adopted budget (unaudited) of the School District. This Appendix is not itself audited.

BONDED DEBT SERVICE

Fiscal Year Ending June 30th	Principal	Interest	Total
2025	$ 5,185,000	$ 1,507,555	$ 6,692,555
2026	4,240,000	1,293,805	5,533,805
2027	3,355,000	1,106,350	4,461,350
2028	2,275,000	938,600	3,213,600
2029	2,380,000	824,850	3,204,850
2030	2,510,000	705,850	3,215,850
2031	2,635,000	580,350	3,215,350
2032	2,425,000	448,600	2,873,600
2033	2,370,000	327,350	2,697,350
2034	1,870,000	208,850	2,078,850
2035	1,955,000	119,600	2,074,600
2036	525,000	26,250	551,250
TOTALS	$ 31,725,000	$ 8,088,010	$ 39,813,010

Note: The above table does not include any energy performance contract, capital lease or installment purchase indebtedness, to the extent any such indebtedness may be applicable to the District.

CURRENT BONDS OUTSTANDING

	$5,000,000		**$18,515,000**		**$12,445,000**	
	2012		2012		2013 DASNY	
Fiscal Year	QSCB - Capital Project		DASNY - Capital Project		Reconstruction of Schools	
Ending	6/15	6/15 & 12/15	9/15	3/15 & 9/15	6/15	6/15 & 12/15
6/30	Principal	Interest	Principal	Interest	Principal	Interest
2025	$ 400,000	$ 35,080	$ 615,000	$ 28,275	$ 1,085,000	$ 170,750
2026	400,000	17,680	635,000	9,525	1,135,000	116,500
2027	-	-			1,195,000	59,750
TOTAL	$ 800,000	$ 52,760	$ 1,250,000	$ 37,800	$ 3,415,000	$ 347,000

	$9,475,000		**$1,830,000**		**$3,230,000**	
	2018A		2017		2017	
Fiscal Year	DASNY - Capital Project		DASNY - Capital Project		Refunding of 2011H DASNY	
Ending	6/15	6/15 & 12/15	6/15	6/15 & 12/15	7/15	7/15 & 1/15
6/30	Principal	Interest	Principal	Interest	Principal	Interest
2025	$ 640,000	$ 318,250	$ 120,000	$ 57,000	$ 1,120,000	$ 27,850
2026	675,000	286,250	125,000	51,000	-	-
2027	705,000	252,500	130,000	44,750	-	-
2028	740,000	217,250	140,000	38,250	-	-
2029	775,000	180,250	145,000	31,250	-	-
2030	815,000	141,500	155,000	24,000	-	-
2031	860,000	100,750	160,000	16,250	-	-
2032	565,000	57,750	165,000	8,250	-	-
2033	590,000	29,500	-	-	-	-
TOTAL	$ 6,365,000	$ 1,584,000	$ 1,140,000	$ 270,750	$ 1,120,000	$ 27,850

	$4,585,000		**$15,080,000**	
	2021A		2023	
Fiscal Year	DASNY - EPC Project		DASNY - Capital Project	
Ending	6/15	6/15 & 12/15	6/15	6/15 & 12/15
6/30	Principal	Interest	Principal	Interest
2025	$ 275,000	$ 182,600	$ 930,000	$ 687,750
2026	290,000	171,600	980,000	641,250
2027	300,000	157,100	1,025,000	592,250
2028	315,000	142,100	1,080,000	541,000
2029	330,000	126,350	1,130,000	487,000
2030	350,000	109,850	1,190,000	430,500
2031	365,000	92,350	1,250,000	371,000
2032	385,000	74,100	1,310,000	308,500
2033	405,000	54,850	1,375,000	243,000
2034	425,000	34,600	1,445,000	174,250
2035	440,000	17,600	1,515,000	102,000
2036	-	-	525,000	26,250
TOTAL	$ 3,880,000	$ 1,163,100	$ 13,755,000	$ 4,604,750

2024 ACTUAL MONTHLY CASH FLOW

(General Fund)

CASH FLOW	2024 January	February	March	April	May	June	July	August	September	October	November	December	12 MONTH TOTAL
Beginning Balance:	$ 3,706,797	$ 6,602,360	$ 6,037,349	$ 23,490,781	$ 22,851,528	$ 22,674,992	$ 12,193,212	$ 1,273,591	$ 497,057	$ 11,932,916	$ 10,236,838	$ 5,362,567	
Receipts:													
Real Property Taxes	$ 1,311,000	$ 479,500	$ 2,451,257	$ 4,486,000	$ 3,340,439	$ -	$ 680,000	$ -	$ 8,210,053	$ 8,623,134	$ 5,859,306	$ 5,737,000	$ 41,177,689
State Revenues	11,458,815	8,081,090	24,683,561	4,303,845	7,687,996	3,184,244	-	1,953,744	12,254,343	403,963	403,963	7,509,418	81,924,982
BOCES Aid	-	2,391,014	-	-	-	2,869,217	-	-	4,471,464	-	-	617,128	10,348,823
Federal Revenues	-	-	-	-	-	-	-	-	-	-	-	-	-
Health/Dental Insurance	62,572	77,838	112,958	76,806	260,596	479,563	312,488	71,775	72,134	122,060	130,715	62,506	1,842,011
Loan from Reserves	-	-	-	-	-	-	-	3,551,176	2,450,000	246,050	-	-	6,247,226
Transfers	1,926,432	1,936,143	1,641,228	3,507,081	634,025	7,852,916	2,605,005	72,913	185,770	680,303	-	1,024,104	22,065,920
Miscellaneous	189,856	1,003,539	225,035	175,724	672,483	180,662	192,464	647,062	144,340	405,590	655,258	76,752	4,568,765
RAN Proceeds	4,000,000	-	-	-	-	-	-	-	-	-	-	-	4,000,000
Total Receipts	$ 18,948,675	$ 13,969,124	$ 29,114,039	$ 12,549,456	$ 12,595,539	$ 14,566,602	$ 3,789,957	$ 6,296,670	$ 27,788,104	$ 10,481,100	$ 7,049,242	$ 15,026,908	$ 172,175,416
Total Available Cash	$ 22,655,472	$ 20,571,484	$ 35,151,388	$ 36,040,237	$ 35,447,067	$ 37,241,594	$ 15,983,169	$ 7,570,261	$ 28,285,161	$ 22,414,016	$ 17,286,080	$ 20,389,475	
Disbursements:													
Warrant	$ 1,533,957	$ 1,121,725	$ 1,658,997	$ 1,893,222	$ 1,478,560	$ 1,748,291	$ 2,104,676	$ 1,453,236	$ 1,290,685	$ 959,112	$ 1,788,703	$ 1,462,636	$ 18,493,800
Payroll	4,676,094	7,224,153	4,744,998	4,597,374	4,544,489	12,159,835	713,433	1,653,121	5,252,065	5,290,506	5,201,210	5,318,882	61,376,160
Debt Service	4,157,489	-	18,750	-	-	4,805,234	1,147,850	-	633,750	-	-	725,715	11,488,788
Health/Dental Insurance	2,527,641	2,044,389	2,015,558	2,364,579	2,314,491	1,676,237	1,828,224	2,244,741	1,814,673	1,724,810	1,998,310	2,298,477	24,852,130
BOCES Contract	2,420,742	2,902,053	2,525,263	2,435,922	2,386,539	-	2,145,395	1,578,901	1,995,189	2,658,644	2,867,989	2,612,783	26,529,420
Repay Reserve Loan	-	241,371	-	-	-	-	6,700,000	-	5,000,000	1,000,000	-	-	12,941,371
Transfers	737,189	1,000,444	697,041	1,897,612	2,047,996	4,658,785	70,000	-	365,883	515,806	67,301	874,797	12,932,854
Miscellaneous	-	-	-	-	-	-	-	143,205	-	28,300	-	1,508,858	1,680,363
RAN Repayment	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Disbursements	$ 16,053,112	$ 14,534,135	$ 11,660,607	$ 13,188,709	$ 12,772,075	$ 25,048,382	$ 14,709,578	$ 7,073,204	$ 16,352,245	$ 12,177,178	$ 11,923,513	$ 14,802,148	$ 170,294,886
Ending Balance:	$ 6,602,360	$ 6,037,349	$ 23,490,781	$ 22,851,528	$ 22,674,992	$ 12,193,212	$ 1,273,591	$ 497,057	$ 11,932,916	$ 10,236,838	$ 5,362,567	$ 5,587,327	

2025 ESTIMATED MONTHLY CASH FLOW

(General Fund)

	2025												2026	13 MONTH
CASH FLOW	*January*	*February*	*March*	*April*	*May*	*June*	*July*	*August*	*September*	*October*	*November*	*December*	*January*	**TOTAL**
Beginning Balance:	$ 5,587,327	$ 89,622	$ 4,011,741	$ 24,986,530	$ 24,786,435	$ 26,591,829	$ 9,940,555	$ 9,014,179	$ 8,236,469	$ 19,661,553	$ 17,965,475	$ 15,375,667	$ 15,684,000	
Receipts:														
Real Property Taxes	$ 800,323	$ 489,330	$ 2,498,538	$ 4,577,963	$ 4,200,761	$ 212,581	$ 680,000	$ -	$ 8,210,053	$ 8,623,134	$ 8,147,578	$ 5,737,000	$ 800,323	$ 44,977,584
State Revenues	5,154,529	6,870,740	29,124,720	5,491,069	9,682,845	4,046,119	-	1,953,744	12,254,343	403,963	403,963	7,509,418	5,154,529	88,049,982
BOCES Aid	-	2,673,965	-	-	-	3,208,758	-	-	4,471,464	-	-	617,127	-	10,971,314
Federal Revenues	-	7,238,101	-	-	-	-	-	-	-	-	-	-	-	7,238,101
Health/Dental Insurance	62,572	77,838	112,958	76,806	260,596	479,563	312,488	71,775	72,134	122,060	63,398	62,506	62,572	1,837,266
Loan from Reserves	-	-	-	-	-	965,000	-	3,550,000	2,450,000	246,050	-	-	-	7,211,050
Transfers	947,359	1,908,667	1,641,228	3,507,081	634,025	2,553,736	2,605,005	72,913	185,770	680,303	-	1,024,104	947,359	16,707,550
Miscellaneous	189,856	243,594	225,035	175,724	672,483	180,662	192,464	647,062	144,340	405,590	564,892	76,752	189,856	3,908,310
RAN Proceeds	4,000,000	-	-	-	-	-	-	-	-	-	-	-	-	4,000,000
Total Receipts	$ 11,154,639	$ 19,502,235	$ 33,602,479	$ 13,828,643	$ 15,450,710	$ 11,646,419	$ 3,789,957	$ 6,295,494	$ 27,788,104	$ 10,481,100	$ 9,179,831	$ 15,026,907	$ 7,154,639	$ 184,901,157
Total Available Cash	$ 16,741,966	$ 19,591,857	$ 37,614,220	$ 38,815,173	$ 40,237,145	$ 38,238,248	$ 13,730,512	$ 15,309,673	$ 36,024,573	$ 30,142,653	$ 27,145,306	$ 30,402,574	$ 22,838,639	
Disbursements:														
Warrant	$ 1,595,315	$ 1,166,594	$ 1,725,356	$ 1,968,951	$ 1,537,702	$ 1,818,222	$ 2,104,676	$ 1,453,236	$ 1,290,685	$ 959,112	$ 1,526,436	$ 1,462,636	$ 1,595,315	$ 20,204,236
Payroll	5,283,986	8,163,292	5,361,848	5,195,033	5,135,273	13,740,614	713,433	1,653,121	5,252,065	5,290,506	5,296,209	5,318,882	5,283,986	71,688,248
Debt Service	-	-	9,525	-	-	5,475,715	-	-	644,525	-	-	642,140	4,169,528	10,941,433
Health/Dental Insurance	2,296,944	2,189,405	2,158,655	2,531,860	2,478,820	1,793,763	1,828,224	2,244,741	1,814,673	1,724,810	2,011,704	2,298,476	2,296,944	27,669,019
BOCES Contract	2,559,247	3,093,501	2,675,265	2,576,095	2,521,280	2,369,849	-	1,578,901	1,995,189	2,658,644	2,867,989	2,612,783	2,559,247	30,067,990
Repay Reserve Loan	-	-	-	-	-	-	-	-	5,000,000	1,000,000	-	-	-	6,000,000
Transfers	747,324	967,324	697,041	1,756,799	1,972,241	3,099,530	70,000	-	365,883	515,806	67,301	874,797	747,324	11,881,370
Miscellaneous	-	-	-	-	-	-	-	143,205	-	28,300	-	1,508,860	-	1,680,365
RAN Repayment	4,169,528	-	-	-	-	-	-	-	-	-	-	-	4,160,000	8,329,528
Total Disbursements	$ 16,652,344	$ 15,580,116	$ 12,627,690	$ 14,028,738	$ 13,645,316	$ 28,297,693	$ 4,716,333	$ 7,073,204	$ 16,363,020	$ 12,177,178	$ 11,769,639	$ 14,718,574	$ 20,812,344	$ 188,462,189
Ending Balance:	$ 89,622	$ 4,011,741	$ 24,986,530	$ 24,786,435	$ 26,591,829	$ 9,940,555	$ 9,014,179	$ 8,236,469	$ 19,661,553	$ 17,965,475	$ 15,375,667	$ 15,684,000	$ 2,026,295	

Note: Estimated Cash Flow includes $4,000,000 Revenue Anticipation Note proceeds expected to deliver on January 16, 2025. The District expects its largest deficit to occur on January 31, 2024 in the amount of $3,910,378.

MATERIAL EVENT NOTICES

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

(a) principal and interest payment delinquencies

(b) non-payment related defaults, if material

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

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

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

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

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

(h) note calls, if material and tender offers

(i) defeasances

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

(k) rating changes

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

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

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

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

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

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

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

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

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

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

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

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

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

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

FORM OF BOND COUNSEL'S OPINION

January 16, 2025

City School District of the City of Binghamton,
County of Broome,
State of New York

Re: City School District of the City of Binghamton, Broome County, New York
$4,000,000 Revenue Anticipation Notes, 2025

Ladies and Gentlemen:

We have been requested to render our opinion as to the validity of $4,000,000 Revenue Anticipation Notes, 2025 (the "Obligation"), of the City School District of the City of Binghamton, Broome County, New York (the "Obligor"), dated January 16, 2025, numbered 1, of the denomination of $4,000,000, bearing interest at the rate of ___% per annum, payable at maturity, and maturing January 16, 2026.

We have examined:

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

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

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

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

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

In our opinion:

(a) The Obligation has been authorized and issued in accordance with the Constitution and statutes of the State of New York and constitutes a valid and legally binding general obligation of the Obligor, all the taxable real property within which is subject to the levy of ad valorem taxes to pay the Obligation and interest thereon, subject to the statutory limitations imposed by Chapter 97 of the Laws of 2011; provided, however, that the enforceability (but not the validity) of the Obligation: (i) may be limited by any applicable bankruptcy, insolvency or other law now existing or hereafter enacted by said State or the Federal government affecting the enforcement of creditors' rights, and (ii) may be subject to the exercise of judicial discretion in appropriate cases.

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

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

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

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

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

Very truly yours,

/s/ ORRICK, HERRINGTON & SUTCLIFFE LLP

CITY SCHOOL DISTRICT OF THE CITY OF BINGHAMTON
BROOME COUNTY, NEW YORK

AUDITED FINANCIAL STATEMENTS

FISCAL YEAR ENDED JUNE 30, 2024

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.

The District's independent auditor has not been engaged to perform, and has not performed, since the date of its report included herein, any procedures on the financial statements addressed in that report. The District's independent auditor also has not performed any procedures relating to this Official Statement.

BINGHAMTON CITY SCHOOL DISTRICT

Basic Financial Statements,
Supplementary Information and
Independent Auditors' Report

June 30, 2024

BINGHAMTON CITY SCHOOL DISTRICT

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BINGHAMTON CITY SCHOOL DISTRICT

Table of Contents, continued

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EFPR GROUP, CPAs PLLC

6390 Main Street, Suite 200
Williamsville, NY 14221

P 716.634.0700
TF 800.546.7556
F 716.634.0764
W EFPRgroup.com

INDEPENDENT AUDITORS' REPORT

Board of Education
Binghamton City School District
Binghamton, New York:

Report on the Audit of the Financial Statements

Opinions

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

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

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and additional information on pages 54 through 58 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying other supplementary information on pages 59 through 61 and the schedule of expenditures of federal awards (SEFA), as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the other supplementary information and the SEFA 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 October 14, 2024 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering District's internal control over financial reporting and compliance.

EFPR Group, CPAs, PLLC

Williamsville, New York
October 14, 2024

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

FINANCIAL HIGHLIGHTS

- Capital asset additions during 2023 - 2024 amounted to $20,896,723. The District used $2,669,294 for the purchase of miscellaneous equipment, and added $18,227,429 in construction-in-progress. Capital projects amounting to $100,000 were completed during the year ended June 30, 2024.

- The total liabilities of the District at June 30, 2024, in the amount of $217,724,443 increased $16,450,824 from $201,273,619 at June 30, 2023, as a result of the District obtaining additional short-term debt in the form of Revenue Anticipation Notes (RANs) and Bond Anticipation Notes (BANs), and changes resulting from the actuarial valuation of the District's OPEB plan.

- The total general fund fund balance, including reserves, was $56,438,957 at June 30, 2024. There was restricted fund balance of $45,926,324, assigned fund balance of $4,517,677, unassigned fund balance of $5,941,447, and nonspendable fund balance of $53,509. The unassigned fund balance is below the 4% of 2024 - 2025 appropriations maximum limit under New York State real property tax law.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

- The remaining statements are governmental fund financial statements that focus on individual parts of the District, reporting the District's operations in greater detail than the District-Wide financial statements.

The financial statements also include notes that explain some of the information in the statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the financial statements with a comparison of the District's budget for the year as well as schedules detailing additional information related to the pension systems and the District's total OPEB liability.

District-Wide Financial Statements

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

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

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

In the District-Wide financial statements, the District's activities are shown as governmental activities. All of the District's basic services are included here, such as regular and special education, transportation, and administration. Property taxes and State formula aid finance most of these activities.

Governmental Fund Financial Statements

The governmental fund financial statements provide more detailed information about the District's funds, focusing on its most significant or "major" funds not the District as a whole. Funds are accounting devices the District uses to keep track of specific sources of funding and spending on particular programs.

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

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

Our analysis below focuses on the net position (Figure 1) and changes in net position (Figure 2) of the District's governmental activities.

Figure 1 - Condensed Statements of Net Position

	2024	2023	Change
Current and other assets	$ 98,014,448	81,318,494	16,695,954
Capital assets, net	211,997,693	199,052,843	12,944,850
Total assets	310,012,141	280,371,337	29,640,804
Deferred outflows of resources	46,624,883	61,024,742	(14,399,859)
Current liabilities	43,935,355	21,162,767	22,772,588
Long-term liabilities	173,789,088	180,110,852	(6,321,764)
Total liabilities	217,724,443	201,273,619	16,450,824
Deferred inflows of resources	33,312,553	45,750,927	(12,438,374)
Net position:			
Net investment in capital assets	168,812,566	165,382,483	3,430,083
Restricted	50,342,183	41,827,325	8,514,858
Unrestricted (deficit)	(113,554,721)	(112,838,275)	(716,446)
Total net position	$ 105,600,028	94,371,533	11,228,495

Total net position increased $11,228,495 due to the results of operations.

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

Figure 2 - Condensed Statements of Activities

	2024	2023	Change
Revenue:			
Program revenue:			
Charges for services	$ 543,253	630,995	(87,742)
Operating grants and contributions	28,286,999	39,335,092	(11,048,093)
Capital grants and contributions	147,500	16,251,327	(16,103,827)
General revenue:			
Real property tax and other tax items	47,044,765	46,268,428	776,337
State sources	92,507,540	84,132,800	8,374,740
Use of money and property	2,865,173	1,549,464	1,315,709
Other	2,428,290	2,693,195	(264,905)
Total revenue	173,823,520	190,861,301	(17,037,781)
Expenses:			
General support	18,877,330	19,190,765	(313,435)
Instruction	133,188,348	123,605,923	9,582,425
Pupil transportation	3,725,317	3,343,794	381,523
Debt service - interest	1,640,627	1,371,371	269,256
Food service program	5,163,403	4,770,677	392,726
Total expenses	162,595,025	152,282,530	10,312,495
Change in net position	$ 11,228,495	38,578,771	(27,350,276)

Total revenue for the District decreased $17,037,781 primarily due to decreases in operating and capital grants and contributions.

Figures 3 and 4 show the percentage of sources of revenue for 2023 - 2024 and 2022 - 2023.

Figure 3 - Sources of Revenue for 2023 - 2024

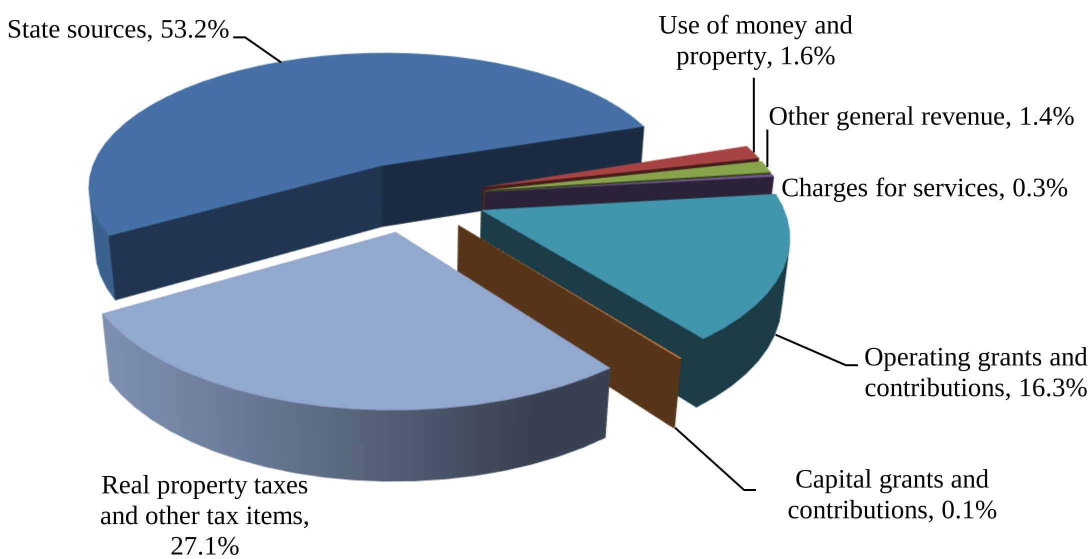
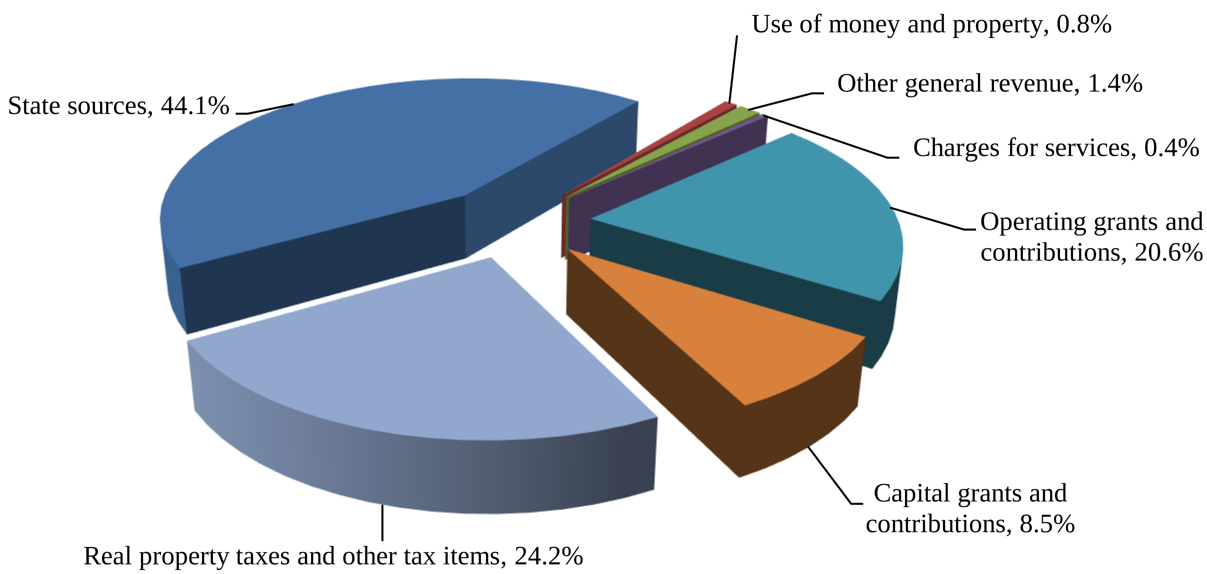


Figure 4 - Sources of Revenue for 2022 - 2023



Total expenses for the District increased $10,312,495 primarily due to changes in actuarial assumptions related to other postemployment benefits and the pension systems.

Figures 5 and 6 present the cost for each of the District's programs for 2023 - 2024 and 2022-2023.

Figure 5 - Cost of Programs for 2023 - 2024

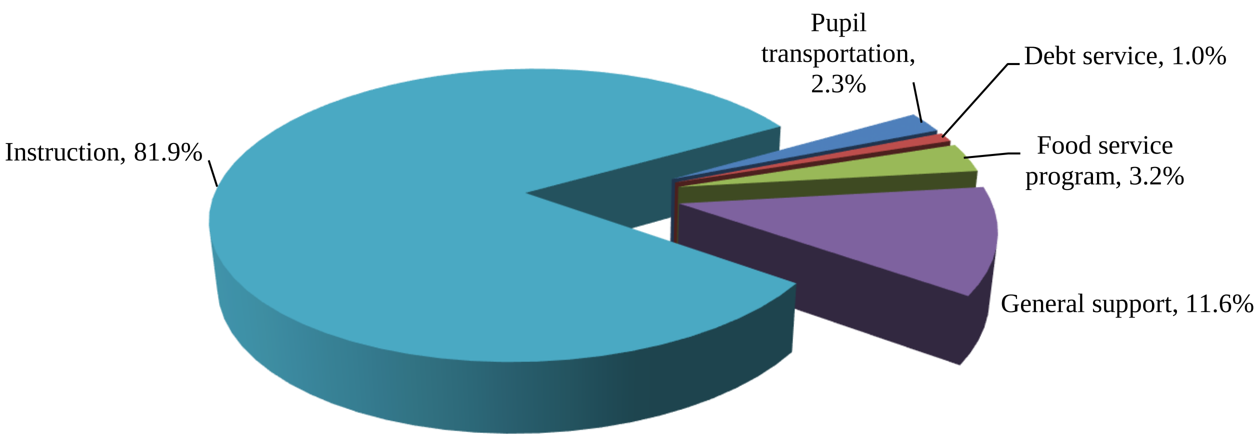
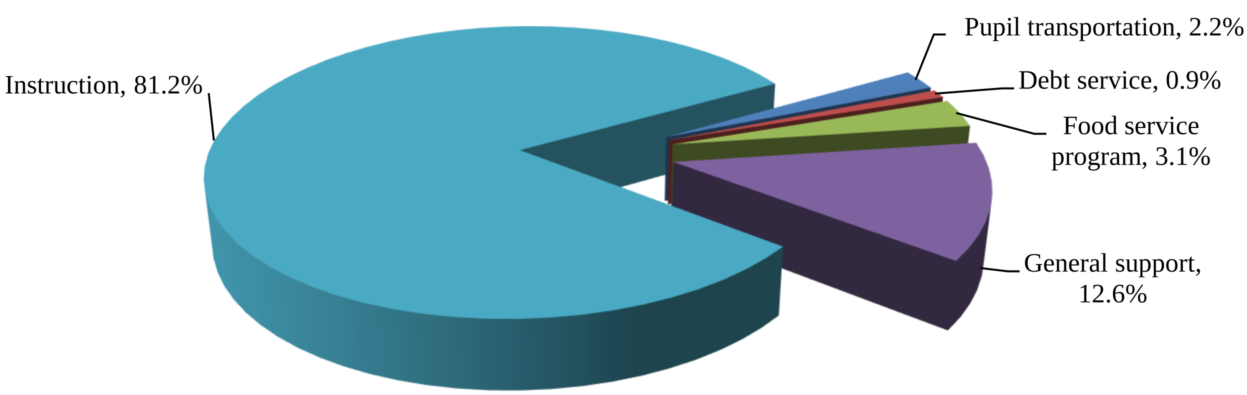


Figure 6 - Cost of Programs for 2022 - 2023



FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

Figure 7 shows the changes in fund balance for the year for the District's funds. As the District completed the year, its governmental funds, as presented in the balance sheet - governmental funds, reported a combined fund balance of $53,686,533, which is primarily due to positive results from operations.

Figure 7 - Changes in Fund Balance

	2024	2023	Change
General	$ 56,438,957	46,293,270	10,145,687
School food service	1,586,204	1,599,487	(13,283)
Miscellaneous special revenue	1,146,647	1,133,574	13,073
Debt service	3,269,212	2,978,038	291,174
Capital projects	(8,754,487)	7,604,889	(16,359,376)
Total fund balance	$ 53,686,533	59,609,258	(5,922,725)

GENERAL FUND BUDGETARY HIGHLIGHTS

The difference between the original budget and the final amended budget was $2,180,652 or 1.52% of total general fund budgeted expenditures.

The District's policy for amending the original budget is as follows:

- All transfers $5,000 and greater require prior board approval with the exception of all salary transfers; transfers under $5,000 and salary transfers are not reported to the board.

Figure 8 summarizes the original and final budgets, the actual expenditures (including encumbrances), and variances for the year ended June 30, 2024.

Figure 8 - Condensed Budgetary Comparison - General Fund - 2023 - 2024

	Original budget	Final budget	Actual with encumbrances	Variance
Revenue:				
Real property taxes	$ 45,704,257	41,265,650	41,117,399	(148,251)
Other tax items	1,445,395	5,884,000	5,927,366	43,366
State and federal sources	90,733,440	90,733,440	93,267,486	2,534,046
Other	2,989,780	2,989,947	4,672,630	1,682,683
Total revenue	140,872,872	140,873,037	144,984,881	4,111,844
Appropriated fund balance and reserves	2,450,000	4,630,487	-	(4,630,487)
Budget total	143,322,872	145,503,524	144,984,881	(518,643)
Expenses:				
General support	16,232,674	17,370,732	15,206,985	2,163,747
Instruction	81,558,575	80,183,634	74,212,463	5,971,171
Pupil transportation	3,736,592	3,813,466	3,587,162	226,304
Employee benefits	32,441,287	32,076,826	30,517,443	1,559,383
Debt service	9,051,015	10,196,821	10,171,264	25,557
Transfer to other funds	302,729	1,862,045	1,761,554	100,491
Total expenses	$ 143,322,872	145,503,524	135,456,871	10,046,653

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At June 30, 2024, the District had invested in a broad range of capital assets. Capital assets showed a net increase of $12,944,850 over last year as shown in Figure 9 as follows.

Figure 9 - Capital Assets (Net of Depreciation)

Category	2024	2023	Change
Land	$ 482,077	482,077	-
Construction-in-progress	21,149,128	3,021,699	18,127,429
Buildings and improvements	184,600,199	190,637,051	(6,036,852)
Furniture and equipment	3,597,236	2,812,480	784,756
Right-to-use lease assets	2,169,053	2,099,536	69,517
Total	$ 211,997,693	199,052,843	12,944,850

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

Beginning balance	$ 199,052,843
Additions:	
Construction projects	18,227,429
Buildings and improvements	112,429
Furniture and equipment	1,425,646
Right-to-use lease assets	1,131,219
Total additions	20,896,723
Disposals, net	(140,074)
Depreciation and amortization	(7,811,799)
Total activity	12,944,850
Ending balance	$ 211,997,693

Debt Administration

Debt, both short and long-term, considered a liability of governmental activities, increased $16,450,824 in 2024, as shown in Figure 10.

Figure 10 - Outstanding Debt

	2024	2023	Change
Current liabilities	$ 14,935,355	11,162,767	3,772,588
Notes payable	29,000,000	10,000,000	19,000,000
Lease liabilities	1,393,212	1,425,270	(32,058)
Bonds payable	36,010,508	43,471,015	(7,460,507)
Net pension liability - proportionate share - ERS	4,488,381	5,804,449	(1,316,068)
Net pension liability - proportionate share - TRS	3,046,515	5,045,080	(1,998,565)
Compensated absences payable	3,737,119	3,602,497	134,622
Total OPEB liability	125,113,353	120,762,541	4,350,812
Total	$ 217,724,443	201,273,619	16,450,824

Additional information on the maturities and terms of the District's outstanding debt can be found in the notes to financial statements.

The District's bond rating is Al.

FACTORS BEARING ON THE DISTRICT'S FUTURE

1. Voters approved the proposed 2024-2025 budget in the amount of $150,961,791. As state aid levels have continued to increase in the past several years, the district has been able to reduce its dependency on the use of reserves when budgeting. For 2024-2025's budget, the District utilized $2,523,347 to balance the budget.

2. As a self-funded health insurance district, variations in health insurance continue to significantly impact year to year budgeting. While health insurance costs declined during the COVID pandemic height due to non-essential surgeries being limited, the district anticipates costs rising again in future years. In the last non-COVID budget year (2018-2019), the District realized a 14.3% increase in health insurance based on actual claims. These increases could be realized again, and the district continues to evaluate options for reducing health insurance costs.

3. Due to greater than expected revenue, primarily driven by state aid and stimulus funding, the District was in a position to fund their capital, going into 2024-2025.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide the Binghamton City School District's citizens, taxpayers, customers, investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the District Office of the Binghamton City School District, 164 Hawley Street, Binghamton, New York 13901.

BINGHAMTON CITY SCHOOL DISTRICT
Statement of Net Position
June 30, 2024

Assets:	
Current assets:	
Cash and equivalents:	
Unrestricted	$ 26,659,521
Restricted	46,142,635
Investments	3,625,769
Receivables:	
Taxes	5,476,187
State and federal aid	10,480,503
Due from other governments	4,471,464
Other	788,061
Inventory	316,799
Prepaid expenses	53,509
Total current assets	98,014,448
Capital assets, net	211,997,693
Total assets	310,012,141
Deferred outflows of resources:	
Loss on refunding	19,836
Pensions	25,103,840
Other postemployment benefits	21,501,207
Total deferred outflows of resources	46,624,883
Liabilities:	
Current liabilites:	
Accounts payable	7,310,353
Accrued liabilities	1,550,599
Due to other governments	412
Due to employees' retirement system	395,361
Due to teachers' retirement system	5,678,630
Revenue anticipation notes	4,000,000
Bond anticipation notes	25,000,000
Long-term liabilities:	
Due and payable within one year:	
Lease liabilities	504,088
Bonds payable	5,939,042
Due and payable after one year:	
Lease liabilities	889,124
Bonds payable	30,071,466
Net pension liability - proportionate share - ERS	4,488,381
Net pension liability - proportionate share - TRS	3,046,515
Compensated absences payable	3,737,119
Total OPEB liability	125,113,353
Total liabilities	217,724,443
Deferred inflows of resources:	
Unearned revenue	577,265
Pensions	4,835,905
Other postemployment benefits	27,899,383
Total deferred inflows of resources	33,312,553
Net position:	
Net investment in capital assets	168,812,566
Restricted	50,342,183
Unrestricted (deficit)	(113,554,721)
Total net position	$ 105,600,028

See accompanying notes to financial statements.

BINGHAMTON CITY SCHOOL DISTRICT
Statement of Activities
Year ended June 30, 2024

		Program Revenue			Net (Expense)
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Revenue and Changes in Net Position
Functions and programs:					
General support	$ 18,877,330	-	-	-	(18,877,330)
Instruction	133,188,348	405,560	23,106,186	147,500	(109,529,102)
Pupil transportation	3,725,317	-	-	-	(3,725,317)
Debt service - interest	1,640,627	-	-	-	(1,640,627)
Food service program	5,163,403	137,693	5,180,813	-	155,103
Total functions and programs	$ 162,595,025	543,253	28,286,999	147,500	(133,617,273)
General revenue:					
Real property taxes					41,117,399
Other tax items					5,927,366
Use of money and property					2,865,173
Miscellaneous					2,206,659
State sources					92,507,540
Medicaid reimbursement					221,631
Total general revenue					144,845,768
Change in net position					11,228,495
Net position at beginning of year					94,371,533
Net position at end of year					$ 105,600,028

See accompanying notes to financial statements.

BINGHAMTON CITY SCHOOL DISTRICT
Balance Sheet - Governmental Funds
June 30, 2024

Assets	General Fund	Special Aid Fund	School Food Service Fund	Miscellaneous Revenue Fund	Debt Service Fund	Capital Projects Fund	Total Governmental Funds
Cash and equivalents:							
Unrestricted	$ 5,863,239	71,778	1,222,438	-	303,309	19,198,757	26,659,521
Restricted	45,926,324	-	-	216,311	-	-	46,142,635
Investments	-	-	-	888,074	2,737,695	-	3,625,769
Receivables:							
Taxes	5,476,187	-	-	-	-	-	5,476,187
Due from other funds	6,322,259	-	-	15,262	252,263	-	6,589,784
State and federal aid	2,558,907	7,537,254	236,842	-	-	147,500	10,480,503
Due from other governments	4,471,464	-	-	-	-	-	4,471,464
Other	739,630	-	21,431	27,000	-	-	788,061
Inventory	-	-	316,799	-	-	-	316,799
Prepaid expenditures	53,509	-	-	-	-	-	53,509
Total assets	$71,411,519	7,609,032	1,797,510	1,146,647	3,293,267	19,346,257	104,604,232
Liabilities, Deferred Inflows of Resources and Fund Balance							
Liabilities:							
Accounts payable	3,315,598	959,278	17,988	-	-	3,017,489	7,310,353
Accrued liabilities	1,322,423	43,345	126	-	-	-	1,365,894
Due to other funds	6,464	6,291,900	184,110	-	24,055	83,255	6,589,784
Due to other governments	-	-	412	-	-	-	412
Due to teachers' retirement system	5,678,630	-	-	-	-	-	5,678,630
Due to employees' retirement system	395,361	-	-	-	-	-	395,361
Revenue anticipation notes	4,000,000	-	-	-	-	-	4,000,000
Bond anticipation notes	-	-	-	-	-	25,000,000	25,000,000
Total liabilities	14,718,476	7,294,523	202,636	-	24,055	28,100,744	50,340,434
Deferred inflows of resources - unearned revenue	254,086	314,509	8,670	-	-	-	577,265
Fund balance:							
Nonspendable	53,509	-	316,799	-	-	-	370,308
Restricted	45,926,324	-	-	1,146,647	3,269,212	-	50,342,183
Assigned	4,517,677	-	1,269,405	-	-	-	5,787,082
Unassigned	5,941,447	-	-	-	-	(8,754,487)	(2,813,040)
Total fund balance	56,438,957	-	1,586,204	1,146,647	3,269,212	(8,754,487)	53,686,533
Total liabilities, deferred inflows of resources and fund balance	$71,411,519	7,609,032	1,797,510	1,146,647	3,293,267	19,346,257	104,604,232

See accompanying notes to financial statements.

BINGHAMTON CITY SCHOOL DISTRICT
Reconciliation of the Balance Sheet - Governmental Funds
to the Statement of Net Position
June 30, 2024

Total governmental fund balance	$ 53,686,533
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	211,997,693
Deferred outflows of resources are not available to pay for current-period expenditures and therefore are not reported in the funds.	46,624,883
Accrued interest is not due and payable in the current period, and therefore, is not reported as a liability in the funds.	(184,705)
Long-term liabilities, including lease liabilities, bonds payable, pension liabilities, compensated absences and other postemployment benefits, are not due and payable in the current period, and therefore, are not reported as liabilities in the funds.	(173,789,088)
Deferred inflows of resources related to pensions and OPEB are not reported in the funds.	(32,735,288)
Total net position	$ 105,600,028

See accompanying notes to financial statements.

BINGHAMTON CITY SCHOOL DISTRICT

Reconciliation of the Balance Sheet - Governmental Funds to the Statement of Net Position, Continued

Assets and Deferred Outflows of Resources	Total Governmental Funds	Long-term Assets, Liabilities	Reclassifications and Eliminations	Statement of Net Position Totals
Cash and equivalents:				
Unrestricted	$ 26,659,521	-	-	26,659,521
Restricted	46,142,635	-	-	46,142,635
Investments	3,625,769	-	-	3,625,769
Receivables:				
Taxes	5,476,187	-	-	5,476,187
Due from other funds	6,589,784	-	(6,589,784)	-
State and federal aid	10,480,503	-	-	10,480,503
Due from other governments	4,471,464	-	-	4,471,464
Other	788,061	-	-	788,061
Inventory	316,799	-	-	316,799
Prepaid expenditures/expenses	53,509	-	-	53,509
Capital asset, net	-	211,997,693	-	211,997,693
Total assets	104,604,232	211,997,693	(6,589,784)	310,012,141
Deferred outflows of resources:				
Loss on refunding	-	19,836	-	19,836
Pensions	-	25,103,840	-	25,103,840
Other postemployment benefits	-	21,501,207	-	21,501,207
Total deferred outflows of resources	-	46,624,883	-	46,624,883
Total assets and deferred outflows of resources	$104,604,232	258,622,576	(6,589,784)	356,637,024
Liabilities, Deferred Inflows of Resources and Fund Balance/Net Position				
Liabilities:				
Accounts payable	7,310,353	-	-	7,310,353
Accrued liabilities	1,365,894	184,705	-	1,550,599
Due to other funds	6,589,784	-	(6,589,784)	-
Due to other governments	412	-	-	412
Due to teachers' retirement system	5,678,630	-	-	5,678,630
Due to employees' retirement system	395,361	-	-	395,361
Revenue anticipation notes	4,000,000	-	-	4,000,000
Bond anticipation notes	25,000,000	-	-	25,000,000
Lease liabilities	-	1,393,212	-	1,393,212
Bonds payable	-	36,010,508	-	36,010,508
Compensated absences payable	-	4,488,381	-	4,488,381
Net pension liability - proportionate share - ERS	-	3,046,515	-	3,046,515
Net pension liability - proportionate share - TRS	-	3,737,119	-	3,737,119
Total OPEB liability	-	125,113,353	-	125,113,353
Total liabilities	50,340,434	173,973,793	(6,589,784)	217,724,443
Deferred inflows of resources:				
Unearned revenue	577,265	-	-	577,265
Pensions	-	4,835,905	-	4,835,905
Other postemployment benefits	-	27,899,383	-	27,899,383
Total deferred inflows of resources	577,265	32,735,288	-	33,312,553
Fund balance/net position:				
Net investment in capital assets	-	168,812,566	-	168,812,566
Nonspendable	370,308	(370,308)	-	-
Restricted	50,342,183	-	-	50,342,183
Assigned	5,787,082	(5,787,082)	-	-
Unassigned/unrestricted	(2,813,040)	(110,741,681)	-	(113,554,721)
Total fund balance/net position	53,686,533	51,913,495	-	105,600,028
Total liabilities, deferred inflows of resources and fund balance/net position	$104,604,232	258,622,576	(6,589,784)	356,637,024

See accompanying notes to financial statements.

BINGHAMTON CITY SCHOOL DISTRICT

Statement of Revenue, Expenditures and Changes in Fund Balance - Governmental Funds

Year ended June 30, 2024

	General Fund	Special Aid Fund	School Food Service Fund	Miscellaneous Revenue Fund	Debt Service Fund	Capital Projects Fund	Total Governmental Funds
Revenue:							
Real property taxes	$ 41,117,399	-	-	-	-	-	41,117,399
Other tax items	5,927,366	-	-	-	-	-	5,927,366
Charges for services	405,560	-	-	-	-	-	405,560
Use of money and property	2,574,691	-	8,004	50,504	231,974	-	2,865,173
Sale of property and compensation for loss	60,662	-	-	-	-	-	60,662
Miscellaneous	1,373,748	384,232	1,164	337,220	-	-	2,096,364
State sources	92,507,540	4,370,057	484,622	-	-	147,500	97,509,719
Federal sources	759,946	17,976,183	4,422,133	-	-	-	23,158,262
Medicaid reimbursement	221,631	-	-	-	-	-	221,631
Surplus food	-	-	274,058	-	-	-	274,058
Food service program	-	-	137,693	-	-	-	137,693
Total revenue	144,948,543	22,730,472	5,327,674	387,724	231,974	147,500	173,773,887
Expenditures:							
General support	14,823,103	672,344	-	-	-		15,495,447
Instruction	73,982,409	17,568,578	-	374,651	-	-	91,925,638
Pupil transportation	3,583,421	85,542	-	-	-	-	3,668,963
Employee benefits	30,517,443	4,435,550	683,457	-	-	-	35,636,450
Debt service - principal	7,753,355	-	-	-	-	-	7,753,355
Debt service - interest	2,417,909	-	-	-	24,055	-	2,441,964
Cost of sales	-	-	4,657,661	-	-	-	4,657,661
Capital outlay	-	-	-	-	-	19,358,648	19,358,648
Total expenditures	133,077,640	22,762,014	5,341,118	374,651	24,055	19,358,648	180,938,126
Excess (deficiency) of revenue over expenditures	11,870,903	(31,542)	(13,444)	13,073	207,919	(19,211,148)	(7,164,239)
Other financing sources (uses):							
Proceeds of leases	-	-	-	-	-	1,131,219	1,131,219
Premium on obligations	27,040	-	-	-	83,255	-	110,295
Operating transfers in	9,298	102,138	161	-	-	1,720,553	1,832,150
Operating transfers out	(1,761,554)	(70,596)	-	-	-	-	(1,832,150)
Total other financing sources (uses)	(1,725,216)	31,542	161	-	83,255	2,851,772	1,241,514
Net change in fund balance	10,145,687	-	(13,283)	13,073	291,174	(16,359,376)	(5,922,725)
Fund balance at beginning of year	46,293,270	-	1,599,487	1,133,574	2,978,038	7,604,889	59,609,258
Fund balance at end of year	$ 56,438,957	-	1,586,204	1,146,647	3,269,212	(8,754,487)	53,686,533

See accompanying notes to financial statements.

BINGHAMTON CITY SCHOOL DISTRICT

Reconciliation of the Statement of Revenue, Expenditures and Changes in Fund Balance - Governmental Funds to the Statement of Activities

Year ended June 30, 2024

	Total Governmental Funds	Capital Related Items	Long-term Debt Transactions	Eliminations	Statement of Activities Totals
Revenue:					
Real property taxes	$ 41,117,399	-	-	-	41,117,399
Other tax items	5,927,366	-	-	-	5,927,366
Charges for services	405,560	-	-	-	405,560
Use of money and property	2,865,173	-	-	-	2,865,173
Sale of property and compensation for loss	60,662	(60,662)	-	-	-
Miscellaneous	2,096,364	-	110,295	-	2,206,659
State sources	97,509,719	-	-	-	97,509,719
Federal sources	23,158,262	-	-	-	23,158,262
Medicaid reimbursement	221,631	-	-	-	221,631
Surplus food	274,058	-	-	-	274,058
Food service program	137,693	-	-	-	137,693
Total revenue	173,773,887	(60,662)	110,295	-	173,823,520
Expenditures/expenses:					
General support	15,495,447	424,884	2,956,999	-	18,877,330
Instruction	91,925,638	6,167,045	35,095,665	-	133,188,348
Pupil transportation	3,668,963	-	56,354	-	3,725,317
Employee benefits	35,636,450	-	(35,636,450)	-	-
Debt service - principal	7,753,355	-	(7,753,355)	-	-
Debt service - interest	2,441,964	-	(801,337)	-	1,640,627
Cost of sales	4,657,661	(238,793)	744,535	-	5,163,403
Capital outlay	19,358,648	(19,358,648)	-	-	-
Total expenditures	180,938,126	(13,005,512)	(5,337,589)	-	162,595,025
Excess (deficiency) of revenue over expenditures	(7,164,239)	12,944,850	5,447,884	-	11,228,495
Other financing sources (uses):					
Proceeds from leases	1,131,219	-	(1,131,219)	-	-
Premium on obligations	110,295	(83,255)	(27,040)	-	-
Operating transfers in	1,832,150	-	-	(1,832,150)	-
Operating transfers out	(1,832,150)	-	-	1,832,150	-
Total other financing sources (uses)	1,241,514	(83,255)	(1,158,259)	-	-
Net change in fund balance/net position	$ (5,922,725)	12,861,595	4,289,625	-	11,228,495

See accompanying notes to financial statements.

(1) Summary of Significant Accounting Policies

The financial statements of the Binghamton City School District (the District) have been prepared in accordance with generally accepted accounting principles in the United States of America (GAAP) as applied to government units. Those principals are prescribed by the Governmental Accounting Standards Board (GASB), which is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Significant accounting principles and policies utilized by the District are described below:

(a) Reporting Entity

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

The reporting entity of the District is based upon criteria set forth by GASB Statement No. 14 - The Financial Reporting Entity, as amended by GASB Statement No. 39 - Determining Whether Certain Organizations Are Component Units, and GASB Statement No. 80 - Blending Requirements for Certain Component Units. The financial reporting entity consists of the primary government, not-for-profit corporations for which the primary government is the sole corporate member, organizations for which the primary government is financially accountable and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

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

(b) Joint Venture

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

(1) Summary of Significant Accounting Policies, Continued

(b) Joint Venture, Continued

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

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

During the year, the District was billed $25,568,045 for BOCES administrative and program costs.

The District's share of BOCES aid amounted to $9,447,988. Financial statements for the BOCES are available from the BOCES administrative office.

(c) Basis of Presentation

(i) District-Wide Statements

The statement of net position and the statement of activities present financial information about the District's governmental activities. These statements include the financial activities of the overall government in its entirety, except those that are fiduciary in nature. Eliminations have been made to minimize the double counting of internal transactions. Governmental activities generally are financed through taxes, State aid, intergovernmental revenue and other exchange and non-exchange transactions. Operating grants include operating-specific and discretionary (either operating or capital) grants, while the capital grants column reflects capital-specific grants.

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

(1) Summary of Significant Accounting Policies, Continued

(c) Basis of Presentation, Continued

(ii) Funds Statements

The funds statements provide information about the District's funds, including fiduciary funds. Separate statements for each fund category (governmental and fiduciary) are presented. The District's financial statements present the following fund types:

Governmental Funds: Those through which most governmental functions. The acquisition, use and balances of expendable financial resources and the related liabilities are accounted for through governmental funds. The emphasis of governmental fund financial statements is on major funds as defined by GASB, each displayed in a separate column. The following are the District's major governmental funds:

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

Special Revenue Funds: These funds account for and report the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes. There are three classes of special revenue funds.

Special Aid Fund: This fund is used to account for the proceeds of specific revenue sources such as federal and state grants that are legally restricted to expenditures for specified purposes. These legal restrictions may be imposed by either governments that provide funds or outside parties.

School Food Service Fund: This fund is used to account for activities of the school lunch program.

Miscellaneous Revenue Fund: This fund is used to account for the extraclassroom activity funds and scholarships in which the District has administrative control.

Debt Service Fund: This fund is used to account for debt service transactions to recognize the impact of debt issuances.

Capital Projects Fund: This fund is used to account for the financial resources used for acquisition, construction or major repair of capital facilities.

Fiduciary Funds: Fiduciary activities are those in which the District acts as trustee or agent for resources that belong to others. These activities are not included in the District-Wide financial statements because their resources do not belong to the District and are not available to be used. The District does not report any activities in Fiduciary Funds.

(1) Summary of Significant Accounting Policies, Continued

(d) Measurement Focus and Basis of Accounting

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

The fund statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenue is recognized when measurable and available. The District considers all revenue reported in the governmental funds to be available if the revenue is collected within 90 days after the end of the fiscal year, except for real property taxes, which are considered to be available if they are collected within 60 days after the end of the fiscal year.

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

(e) Property Taxes

Real property taxes are levied annually by the Board of Education no later than September 1, and become a lien on September 1. Taxes are collected during the period September 1, through March 31.

The County in which the District is located enforce real property taxes. An amount representing all uncollected real property taxes must be transmitted by the County to the District within two years from the return of unpaid taxes to the County. Real property taxes receivable expected to be collected with 60 days of year-end, less similar amounts collected during this period in the preceding year are recognized as revenue. Otherwise, unavailable revenue, a deferred inflow of resources, offsets taxes receivable.

As of June 30, 2024 the District's tax abatement programs include abatements on property made by either Broome County Industrial Development Agency (the IDA) or The City of Binghamton (the City).

(1) Summary of Significant Accounting Policies, Continued

(e) Property Taxes, Continued

All property tax abatements are performed through Payment In Lieu of Tax (PILOT) agreements. The PILOT agreements are made to support housing and economic development activities. Total taxes abated by in each of these categories for the year ended June 30, 2024 is as follows:

PILOTS provide by the IDA for economic development	$ 1,208,830
PILOTS provided by the City for housing	175,629
Total tax abatements	$ 1,384,459

(f) Restricted Resources

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

(g) Interfund Transactions

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

In the District-Wide financial statements eliminations have been made for all interfund receivables and payables between the funds.

The governmental funds financial statements report all interfund transactions as originally recorded. Interfund receivables and payables may be netted on the accompanying governmental funds balance sheet when it is the District's practice to settle these amounts at a net balance based upon the right of legal offset.

(h) Estimates

The preparation of financial statements in conformity with GAAP 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 during the reporting period. Actual results could differ from those estimates. Estimates and assumptions are made in a variety of areas, including computation of encumbrances, net pension asset/liability and related deferred outflows and inflows, compensated absences, other postemployment benefits, workers' compensation claims liability, potential contingent liabilities and useful lives of long-lived assets.

(1) Summary of Significant Accounting Policies, Continued

(i) Cash and Equivalents

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

(j) Inventory and Prepaid Items

Inventory of food in the School Food Service Fund is recorded at cost on a first-in, first-out basis, or in the case of surplus food, at stated value which approximates market. Purchases of inventoriable items in other funds are recorded as expenditures at the time of purchase, and are considered immaterial in amount.

Prepaid items represent payments made by the District for which benefits extend beyond year-end. These payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the District-Wide and fund financial statements. These items are reported as assets on the statement of net position or balance sheet using the consumption method. A current asset for the prepaid amounts is recorded at the time of purchase and an expense/expenditure is reported in the year the goods or services are consumed.

Nonspendable fund balance for those non-liquid assets (inventory and prepaid items) has been recognized to signify that a portion of the fund balance is not available for other subsequent expenditures.

(k) Other Assets/Restricted Assets

Certain proceeds from serial bonds and bond anticipation notes, as well as resources set aside for their repayment are classified as restricted assets in the District-Wide financial statements and their use is limited by applicable bond covenants.

In the District-Wide financial statements, bond premiums and discounts are amortized over the life of the debt issue. In the funds statements, these same items are netted against bond proceeds and recognized in the period of issuance.

(l) Capital Assets

Capital assets are reported at actual cost for acquisitions subsequent to June 30, 2002; for assets acquired prior to June 30, 2002, estimated historical costs, based on appraisals conducted by independent third party professionals were used. Donated assets are reported at estimated fair market value at the time received.

(1) Summary of Significant Accounting Policies, Continued

(l) Capital Assets, Continued

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

	Capitalization Threshold	Depreciation Method	Estimated Useful Life
Buildings	$ 5,000	Straight-line	40 years
Buildings and improvements	5,000	Straight-line	25 years
Site improvements	5,000	Straight-line	25 years
Furniture and equipment	5,000	Straight-line	5 - 15 years

(m) Deferred Outflows of Resources and Deferred Inflows of Resources

Deferred outflows of resources represents a consumption of net position that applies to a future period and so will not be reciprocated as an outflow of resources (expense/expenditures) until then. The District has five items that qualify for reporting in this category. The first item is related to the deferred loss on refunding of bonds. The second item is related to pensions reported in the District-Wide statement of net position. This represents the effect of the net change in the District's proportion of the collective net pension asset or liability and difference during the measurement period between the District's contributions and its proportion share of total contributions to the pension systems not included in pension expense. The third is the District contributions to the pension systems (ERS and TRS Systems) subsequent to the measurement dates. The fourth item is certain total OPEB liability expenses that are amortized over a closed period and will increase the related expense when recognized. The fifth item is related to the District's OPEB contributions subsequent to the measurement date.

Deferred inflows of resources represents an acquisition of net position that applies to a future period and so will those recognized as an inflow of resources (revenue) until that time. The District has three items that qualifies for reporting in this category. The first item arises under the accrual basis of accounting and is reported as unearned revenue for grants and leases. The second item is related to pensions reported in the District-Wide statement of net position and represents the effect of the net change in the District's proportion of the collective net pension asset or liability and difference during the measurement periods between the District's contributions and its proportion share of total contributions to the pension systems (ERS and TRS Systems) not included in pension expense. The third item is certain total OPEB liability expenses that are amortized over a closed period and will decrease the related expense when recognized.

(1) Summary of Significant Accounting Policies, Continued

(n) Unearned Revenue

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

(o) Vested Employee Benefits

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

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

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

Consistent with GASB Statement No. 101 - Compensated Absences, the liability has been calculated using the vesting/termination method and an accrual for that liability is included in the District-Wide financial statements. The compensated absences liability is calculated based on the pay rates in effect at year-end.

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

(p) Other Benefits

In addition to providing pension benefits, the District 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. Funding policies are fully described in note 11. The District recognizes the cost of providing health insurance by recording its share of insurance premiums as an expenditure in the fund financial statements.

(1) Summary of Significant Accounting Policies, Continued

(q) Short-Term Debt

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

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

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

(r) Accrued Liabilities and Long-Term Obligations

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

Long-term obligations represent the District's future obligations or future economic outflows. The liabilities are reported as due and payable within one year or due and payable after one year in the statement of net position.

(s) Equity Classifications

District-Wide Statements

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

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

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

(1) Summary of Significant Accounting Policies, Continued

(s) Equity Classifications, Continued

District-Wide Statements, Continued

Unrestricted net position - the balance of net position that do not meet the definition of the above two classifications and are deemed to be available for general use by the District.

Fund Statements

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

Nonspendable Fund Balance - Includes amounts that cannot be spent because they are either not in spendable form; legally or contractually required to be maintained intact. Nonspendable fund balance includes prepaid expenditures of $53,509 in the General Fund and the inventory of $316,799 recorded in the School Food Service Fund.

Restricted - Includes amounts with constraints placed on the use of resources either externally imposed by creditors, grantors, contributors or laws or regulations of other governments; or imposed by law through constitutional provisions or enabling legislation. The District has established the following restricted fund balances:

Capital Reserve

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

Employee Benefit Accrued Liability Reserve

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

Retirement Contributions Reserve

According to general Municipal Law §6-r, must be used for financing retirement contributions. This reserve must be accounted for separate and apart from all other funds and a detailed report of the operation and condition of the fund must be provided to the Board. This reserve is accounted for in the General Fund.

(1) Summary of Significant Accounting Policies, Continued

(s) Equity Classifications, Continued

Fund Statements, Continued

Restricted, Continued

Tax Certiorari Reserve

According to Education Law §3651.1-a, must be used to establish a reserve fund for tax certiorari and to expend from the fund without voter approval. The monies held in the reserve shall not exceed the amount that might reasonably be deemed necessary to meet anticipated judgments and claims arising out of tax certiorari proceedings. Any resources deposited to the reserve which are not expended for tax certiorari proceedings in the year such monies are deposited must be returned to the general fund on or before the first day of the fourth fiscal year after deposit of these monies. This reserve is accounted for in the General Fund.

Unemployment Insurance Reserve

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

Insurance Reserve

Insurance reserve (GML §6-n) is used to pay liability, casualty and other types of uninsured losses, except losses incurred for which the following types of insurance may be purchased: life, accident, health, annuity, fidelity and surety, credit, title residual value and mortgage guarantee. This reserve is funded by budgetary appropriations or funds from other reserves subject to permissive referendum. The funds may not be used for any purpose for which a special reserve may be established pursuant to law. This reserve is accounted for in the General Fund.

Repair Reserve

Repair reserve (GML §6-d) is used to pay the cost of repairs to capital improvements or equipment, which repairs are of a type not recurring annually or at shorter intervals. Sources of fund include Budgetary appropriations or other revenue that may be legally appropriated and is not required by law to be paid into any other fund or account. This reserve is accounted for in the General Fund.

(1) Summary of Significant Accounting Policies, Continued

(s) Equity Classifications, Continued

Fund Statements, Continued

Restricted, Continued

Scholarships Reserve

Scholarship reserve is used to account for various scholarship awards. This reserve is accounted for in the Miscellaneous Revenue Fund.

Extraclassroom Reserve

Extraclassroom reserve is used to account for extraclassroom funds. This reserve is accounted for in the Miscellaneous Revenue Fund.

Debt Service Reserve

Debt service reserve (GML §6-h) is used to reserve funds for payment of bonded indebtedness. This reserve is accounted for in the Debt Service Fund.

Restricted balance includes the following:

General Fund:	
Capital reserve	$ 25,872,149
Employee benefit accrued liability reserve	810,647
Retirement contributions reserve	11,715,844
Tax certiorari reserve	658,860
Unemployment insurance reserve	177,208
Insurance reserve	6,154,421
Repair reserve	537,195
Miscellaneous Revenue Fund:	
Scholarships reserve	1,052,002
Extraclassroom reserve	94,645
Debt service fund - debt service reserve	3,269,212
Total restricted funds	$ 50,342,183

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

Assigned - Includes amounts that can only be used by the District for specific purposes, such as the school lunch fund, but are neither restricted nor committed. All encumbrances of the general fund are classified as assigned fund balance in the general fund. Encumbrances reported in the General Fund amounted to $617,677. Additionally, $3,900,000 has been appropriated for the 2024-2025 budget and recorded as assigned fund balance.

Unassigned - Includes all other general fund fund balances that does not meet the definition of the above four classifications and are deemed to be available for general use by the District.

(1) Summary of Significant Accounting Policies, Continued

(s) Equity Classifications, Continued

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

Order of Use of Fund Balance

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

(t) Subsequent Events

The District's administration has evaluated subsequent events through the date of the report which is the date the financial statements were available to be issued.

(2) Explanation of Certain Differences Between Fund Statements and District-Wide Statements

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

(a) Total Fund Balance of Governmental Funds vs. Net Position of Governmental Activities

Total fund balances of the District's governmental funds differ from net position of governmental activities reported in the statement of net position. This difference primarily results from the additional long-term economic focus of the statement of net position versus the solely current financial resources focus of the governmental fund balance sheets.

(b) Statement of Revenue, Expenditures and Changes in Fund Balance vs. Statement of Activities

Differences between the statement of revenue, expenditures and changes in fund balance and the statement of activities fall into one of three broad categories.

(i) Long-term revenue and expense differences

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

(2) Explanation of Certain Differences Between Fund Statements and District-Wide Statements, Continued

(b) Statement of Revenue, Expenditures and Changes in Fund Balance vs. Statement of Activities, Continued

(ii) Capital related differences

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

(iii) Long-term debt transaction differences

Long-term debt transaction differences occur because both interest and principal payments are recorded as expenditures in the governmental fund statements, whereas interest payments are recorded in the statement of activities as incurred, and principal payments are recorded as a reduction of liabilities in the statement of net position.

(3) Stewardship, Compliance and Accountability

(a) Budgets

The District administration prepares a budget for approval by the Board of Education for the following governmental funds for which legal (appropriated) budgets are adopted - general fund

The voters of the District approved the proposed appropriation budget for the general fund.

Appropriations are adopted at the program line item level.

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

Budget revisions	$ 1,743,508
Carryover encumbrances	437,144
	$ 2,180,652

(3) Stewardship, Compliance and Accountability, Continued

(a) Budgets, Continued

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

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

(b) Encumbrances

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

(c) Line Items in Excess of Budget

Certain individual budgetary line items exceeded their budgetary authorization in the general fund.

(4) Cash and Equivalents - Custodial Credit, Concentration of Credit, Interest Rate and Foreign Currency Risks

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. While the District does not have a specific policy for custodial credit risk, New York State statutes govern the District's investment policies, as discussed previously in these notes.

(4) Cash and Equivalents - Custodial Credit, Concentration of Credit, Interest Rate and Foreign Currency Risks, Continued

The District's aggregate bank balances, included balances not covered by depository insurance at year-end, collateralized as follows:

	Book Balance	Bank Balance
Governmental activities	$ 72,802,156	73,817,346
Insured by FDIC		$ 598,349
Insured by collateral		39,876,833
Cash equivalent investments held in the District's name		33,342,164
Total cash balances		$ 73,817,346

Restricted cash and equivalents represents cash and equivalents where use is limited by legal requirements. These assets represent amounts required by statute to be reserved for various purposes. Restricted cash as of year-end includes $46,142,635 within the governmental funds.

(5) Investments

Investments as of June 30, 2024 for governmental funds are as follows:

Description	Issue Date	Maturity Date	Interest Rate	Outstanding at Year End
U.S. Treasury Bill	5/31/2024	10/1/2024	5.291%	$ 888,074
U.S. Treasury Bill	6/10/2024	12/5/2024	5.270%	2,737,695
Total investments				$ 3,625,769

(6) Receivables

Receivables as of June 30, 2024 for governmental funds are as follows:

Description	General Fund	Special Aid Fund	School Food Service Fund	Miscellaneous Revenue Fund	Capital Projects Fund	Total
Taxes	$ 5,476,187	-	-	-	-	5,476,187
Due from state and federal	2,558,907	7,537,254	236,842	-	147,500	10,480,503
Due from other governments	4,471,464	-	-	-	-	4,471,464
Other receivable	739,630	-	21,431	27,000	-	788,061
Total	$ 13,246,188	7,537,254	258,273	27,000	147,500	21,216,215

The District deems all receivables to be collectible.

(7) Capital Assets

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

	Beginning Balance	Additions	Retirements/ Reclassifications	Ending Balance
Governmental activities:				
Capital assets that are not being depreciated:				
Land	$ 482,077	-	-	482,077
Construction-in-progress	3,021,699	18,227,429	(100,000)	21,149,128
Total capital assets that are not being depreciated	3,503,776	18,227,429	(100,000)	21,631,205
Capital assets that are being depreciated/amortized:				
Buildings and improvements	314,629,409	112,429	100,000	314,841,838
Furniture and equipment	11,742,431	1,425,646	(321,650)	12,846,427
Right-to-use lease assets	4,226,565	1,131,219	(79,332)	5,278,452
Total capital assets that are being depreciated/amortized	330,598,405	2,669,294	(300,982)	332,966,717
Less accumulated depreciation and amortization:				
Buildings and improvements	(123,992,358)	(6,249,281)	-	(130,241,639)
Furniture and equipment	(8,929,951)	(500,816)	181,576	(9,249,191)
Right-to-use lease assets	(2,127,029)	(1,061,702)	79,332	(3,109,399)
Total accumulated depreciation and amortization	(135,049,338)	(7,811,799)	260,908	(142,600,229)
Total capital assets that are being depreciated/amortized, net	195,549,067	(5,142,505)	(40,074)	(190,366,488)
Governmental activities - capital assets, net	$ 199,052,843	13,084,924	(140,074)	211,997,693

Depreciation and amortization expense was charged to governmental functions:

General support	$ (1,443,930)
Instruction	(6,275,034)
Food service program	(92,835)
	$ (7,811,799)

(8) Short-Term Debt

Transactions in short-term debt for the year ended June 30, 2024 are summarized below:

	Maturity	Interest Rate	Beginning Balance	Issued	Redeemed	Ending Balance
RAN	1/19/24	3.25%	$ 4,000,000	-	(4,000,000)	-
BAN	6/28/24	4.50%	6,000,000	-	(6,000,000)	-
RAN	1/17/25	4.00%	-	4,000,000	-	4,000,000
BAN	6/27/25	4.00%	-	25,000,000	-	25,000,000
			$ 10,000,000	29,000,000	(10,000,000)	29,000,000

Interest on short-term debt for the year was composed of:

Interest paid	$ 398,888
Plus interest accrued at June 30, 2024	81,222
Less interest accrued at June 30, 2023	(58,889)
	$ 421,221

In conjunction with issuing the BAN on June 27, 2024 for $25,000,000 and RAN on January 18, 2024 for $4,000,000, the District received a premium of $83,255 and $27,040, respectively. These are included in premiums on obligations in the statement of revenue, expenditures and changes in fund balance - governmental funds, and miscellaneous on the statement of activities.

(9) Long-Term Debt Obligations

Long-term liability balances and activity for the year ended June 30, 2024 are summarized below:

	Beginning Balance	Issued	Redeemed	Ending Balance	Due Within One Year
Government activities:					
Bonds payable:					
Excel project	$ 1,255,000	-	(115,000)	1,140,000	120,000
Excel project refunding	2,190,000	-	(1,070,000)	1,120,000	1,120,000
Excel project	3,115,000	-	(1,865,000)	1,250,000	615,000
QSCB	1,175,000	-	(375,000)	800,000	400,000
Excel project	4,445,000	-	(1,030,000)	3,415,000	1,085,000
Revenue bond 2018A	6,975,000	-	(610,000)	6,365,000	640,000
Revenue bond 2021A	4,145,000	-	(265,000)	3,880,000	275,000
Series 2023A	15,080,000	-	(1,325,000)	13,755,000	930,000
Unamortized bond premiums	5,091,015	-	(805,507)	4,285,508	754,042
Total bonds payable	43,471,015	-	(7,460,507)	36,010,508	5,939,042

(9) Long-Term Debt Obligations, Continued

	Beginning Balance	Issued	Redeemed	Ending Balance	Due Within One Year
Other liabilities:					
Lease liabilities	$ 1,425,270	1,131,219	(1,163,277)	1,393,212	504,088
Net pension liability - proportionate share - ERS	5,804,449	-	(1,316,068)	4,488,381	-
Net pension liability - proportionate share - TRS	5,045,080	-	(1,998,565)	3,046,515	-
Compensated absences	3,602,497	134,622	-	3,737,119	-
Total OPEB liability	120,762,541	4,350,812	-	125,113,353	-
Total other liabilities	136,639,837	5,616,653	(4,477,910)	137,778,580	504,088
Total long-term liabilities	$ 180,110,852	5,616,653	(11,938,417)	173,789,088	6,443,130

Existing serial and statutory bond obligations:

Description	Issue Date	Final Maturity	Interest Rate	Outstanding at Year End
Excel project	2017	2032	3.63 - 5.00%	$ 1,140,000
Excel project refunding	2017	2025	2.00 - 5.00%	1,120,000
Excel project	2012	2026	2.00 - 5.00%	1,250,000
QSCB	2012	2026	1.35 - 4.42%	800,000
Excel project	2013	2027	2.00 - 5.00%	3,415,000
Revenue bond 2018A	2018	2033	5.00%	6,365,000
Revenue bond 2021A	2021	2035	4.00 - 5.00%	3,880,000
Series 2023A	2023	2036	2.00 - 5.00%	13,755,000
				$ 31,725,000

The following is a summary of debt service requirements for bonds payable:

Year ending	Principal	Interest	Total
2025	$ 5,185,000	1,507,555	6,692,555
2026	4,240,000	1,293,805	5,533,805
2027	3,355,000	1,106,350	4,461,350
2028	2,275,000	938,600	3,213,600
2029	2,380,000	824,850	3,204,850
2030-2034	11,810,000	2,271,000	14,081,000
2035-2037	2,480,000	145,850	2,625,850
	$ 31,725,000	8,088,010	39,813,010

(9) Long-Term Debt Obligations, Continued

In prior years, the District defeased certain general obligations and other bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds.

Interest on long-term debt for the year was composed of:

Interest paid	$ 1,995,625
Plus interest accrued at June 30, 2024	103,483
Less interest accrued at June 30, 2023	(181,161)
Less amortization of premiums	(805,507)
Plus amortization of deferred loss on refunding	59,515
Total interest expense for long-term debt	$ 1,171,955

Upon default of the payment of principal or interest on the serial bonds of the District, the bond holders have the right to litigate and the New York State Comptroller is required, under the conditions and to the extent prescribed by Section 99-b of the New York State Finance Law, to withhold state aid and assistance of the District and apply the amount so withheld to the payment of the defaulted principal or interest with respect to the serial bonds. The above bonds are direct obligations of the District for which its full faith and credit are pledged and are payable from taxes levied on all taxable real property within the District.

Lease Liabilities

Description	Issue Date	Maturity Date	Interest Rate	Outstanding at Year End
IPA - equipment	8/1/2018	8/1/2023	2.78%	$ 8,800
IPA - equipment	6/1/2019	6/1/2024	1.76%	26,173
IPA - equipment	8/1/2019	8/1/2024	2.09%	84,231
IPA - equipment	8/1/2020	8/1/2025	2.56%	87,228
IPA - equipment	4/29/2020	4/29/2025	2.54%	65,557
IPA - equipment	5/1/2021	5/1/2026	3.86%	438,626
UPC	7/1/2021	6/30/2025	3.00%	33,297
Postage machine	1/8/2020	6/30/2025	3.52%	2,752
ACA	7/1/2022	6/30/2027	4.45%	106,982
IPA - equipment	8/1/2023	8/1/2027	4.77%	57,980
IPA - equipment	8/1/2023	8/1/2027	5.25%	481,586
				$ 1,393,212

(9) Long-Term Debt Obligations, Continued

The following is a summary of debt service requirements for lease liabilities:

Year ending		Principal	Interest	Total
2025	$	504,088	62,762	566,850
2026		392,513	42,334	434,847
2027		351,049	24,000	375,049
2028		145,562	7,750	153,312
	$	1,393,212	136,846	1,530,058

Interest on lease liabilities for the year ended June 30, 2024 amounted to $47,451.

(10) Pensions

(a) Plan Descriptions and Benefits Provided

Employees' Retirement System (ERS)

The District participates in the New York State and Local Employees' Retirement System (ERS). This is a cost-sharing multiple-employer retirement system. ERS provides the retirement benefits as well as death and disability benefits. The net position of the ERS is held in the New York Common Retirement Fund (the Fund), which was established to hold all net assets and record changes in plan net position allocated to ERS. The Comptroller of the State of New York serves as the trustee of the Fund and is the administrative head of ERS. System benefits are established under the provisions of the New York State Retirement and Social Security Law (RSSL). Once a public employer elects to participate in ERS, the election is irrevocable. The New York Constitution provides that pension membership is a contractual relationship and plan benefits cannot be diminished or impaired. Benefits can be changed for future members only by Enactment of a State statute. The District also participates in the Public Employees' Group life insurance Plan (GLIP), which provides death benefits in the form of life insurance. The ERS is included in the State's financial report as a pension trust fund. This report, including information with regard to benefits provided, may be found at publications/index.php or obtained in writing to the New York State and Local Retirement System, 110 State Street, Albany, New York 12244.

Teachers' Retirement System (TRS)

The District participates in the New York State Teachers' Retirement System (TRS). This is a cost-sharing multiple-employer retirement system. TRS provides retirement benefits as well as, death and disability benefits to plan members and beneficiaries as authorized by the Education Law and the Retirement and Social Security Law of the State of New York. TRS is governed by a 10 member Board of Trustees. System benefits are established under New York State Law. Membership is mandatory and automatic for all full-time teachers, teaching assistants, guidance counselors and administrators employed in New York Public Schools and BOCES who elected to participate in TRS. Once a public employer elects to participate in the System, the election is irrevocable. The New York State Constitution provides that pension membership is a contractual relationship and plan

(10) Pensions, Continued

(a) Plan Descriptions and Benefits Provided, Continued

benefits cannot be diminished or impaired. Benefits can be changed for future members but only by enactment of a State statute. Additional information regarding the System, may be obtained by writing to the New York State Teachers' Retirement System, 10 Corporate Woods Drive, Albany, New York 12211-2395 or by referring to the NYSSTR Comprehensive Annual Financial report which can be found on the System's website at www.nytrs.org.

Both ERS and TRS are noncontributory except for employees who joined after July 27, 1976, who contribute 3% of their salary for the first ten years of membership, and employees who joined on or after January 1, 2010 who generally contribute 3.0% to 6.0% of their salary for their entire length of service. In addition, employee contribution rates (3% to 6%) under ERS and TRS tier 6 (those who joined after April 1, 2012) vary based on a sliding salary scale. For ERS, the Comptroller annually certifies the actuarially determined rates expressly used in computing the employers' contributions based on salaries paid during the Systems' fiscal year ending March 31. For TRS, contribution rates are established annually by the New York State Teachers' Retirement Board pursuant to Article 11 of the Education law.

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

At June 30, 2024 the District reported the following for its proportionate share of the net pension liability for each of the Systems. The net pension liability was measured as of March 31, 2024 for ERS and June 30, 2023 for TRS. The total pension liabilities used to calculate the net position liabilities were determined by an actuarial valuation. The District's proportion of each net pension liability was based on a projection of the District's long-term share of contributions to the Systems relative to the projected contributions of all participating members, actuarially determined. This information was provided by the ERS and TRS systems in reports provided to the District.

	ERS	TRS
Measurement valuation date	3/31/2024	6/30/2023
Net pension liability	$ 4,488,381	3,046,515
District's proportion of the Plan's net pension liability	0.0304833%	0.2664000%
Changes in proportion since the prior measurement date	0.0034154	0.003484

For the year ended June 30, 2024, the District's recognized pension expense of $2,215,571 for ERS and pension expense of $8,445,017 for TRS. At June 30, 2024 the District's reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

(10) Pensions, Continued

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

	Deferred Outflows of Resources		Deferred Inflows of Resources	
	ERS	TRS	ERS	TRS
Differences between expected and actual experience	$ 1,445,704	7,386,989	122,386	18,256
Changes of assumptions	1,696,956	6,559,057	-	1,429,510
Net difference between projected and actual earnings on pension plan investments	-	1,557,318	2,192,550	-
Changes in proportion and differences between the District's contributions and proportionate share of contributions	656,057	327,193	44,132	1,029,071
District's contributions subsequent to the measurement date	395,361	5,079,205	-	-
Total	$ 4,194,078	20,909,762	2,359,068	2,476,837

District contributions subsequent to the measurement dates which will be recognized as a reduction of the net pension liabilities in the year ending June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ending	ERS	TRS
2025	$ (604,874)	1,066,804
2026	1,016,351	(1,705,462)
2027	1,433,732	12,132,271
2028	(405,560)	815,019
2029	-	609,725
Thereafter	-	435,363
	$ 1,439,649	13,353,720

(c) Actuarial Assumptions

The total pension liability as of the measurement date was determined by using an actuarial valuation as noted in the table below, with update procedures used to roll forward the total pension liability to the measurement date. The actuarial valuations used the following actuarial assumptions:

(10) Pensions, Continued

(c) Actuarial Assumptions, Continued

Significant actuarial assumptions used in the valuations were as follows:

	ERS	TRS
Measurement date	March 31, 2024	June 30, 2023
Actuarial valuation date	April 1, 2023	June 30, 2022
Investment rate of return (net of investment expense, including inflation)	5.90%	6.95%
Cost-of-living adjustments	1.50% annually	1.30% annually
Salary increases	4.40%	1.95% - 5.18%
Inflation	2.90%	2.40%

For ERS, demographic assumptions used in the April 1, 2023 actuarial valuation are based on the results of an actuarial experience study completed April 1, 2020. Demographic assumptions are primarily based on System experience over the period April 1, 2015 - March 31, 2022. Annuitant mortality rates are adjusted to incorporate mortality improvements under the Society of Actuaries Scale MP-2021. For TRS, annuitant and active mortality rates are based on plan member experience with adjustments for mortality improvements based on Society of Actuaries Scale MP-2021, applied on a generational basis. The demographic actuarial assumptions and the salary scale are based on the results of an actuarial experience study for the period July 1, 2015 to June 30, 2020.

For the ERS, the long-term expected rate of return is based on a building block method using best-estimate ranges of expected future real rates of return (expected return, net of investment expenses and inflation) combined by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. For TRS, the long-term rate of return on pension plan investments was determined in accordance with Actuarial Standard of Practice (ASOP) No. 27, Selections of Economic Assumptions for Measuring Pension Obligations and generally accepted accounting principles. ASOP No. 27 provides guidance on the selection of an appropriate assumed investment rate of return. Consideration was given to expected future real rates of return (expected returns, net of pension plan investment expense and inflation) for each major asset class, as well as historical investment data and plan performance. The long-term expected real rates of return are presented by asset allocation classification. Best estimates of the arithmetic real rates of return for each major asset class included in the target asset allocation as of the valuation date are summarized as follows:

(10) Pensions, Continued

(c) Actuarial Assumptions, Continued

	ERS		TRS	
	Long-term expected real rate of of return*	Target allocation	Long-term expected real rate of return*	Target allocation
Asset class:				
Domestic equity	4.00%	32%	6.80%	33%
International equity	6.65%	15%	7.60%	15%
Real estate equity	4.60%	9%	6.30%	11%
Global equity	-	-	7.20%	4%
Domestic fixed income	-	-	2.20%	16%
Global bonds	-	-	1.60%	2%
High-yield bonds	-	-	4.40%	1%
Real estate debt	-	-	3.20%	6%
Private equity	7.25%	10%	10.10%	9%
Private debt	-	-	6.00%	2%
Real assets	5.79%	3%	-	-
Fixed income	1.50%	23%	-	-
Opportunistic/ARS Portfolio	5.25%	3%	-	-
Credit	5.40%	4%	-	-
Cash	0.25%	1%	0.30%	1%
		100%		100%

* For ERS, the real rates of return are net of a long-term inflation assumption of 2.90%. For TRS, the real rates of return are net of pension plan investment expenses and long-term inflation expectations.

(d) Discount Rate

The discount rate used to calculate the total pension liability was 5.90% for ERS and 6.95% for TRS. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based upon the assumptions, the Systems' fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

(10) Pensions, Continued

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

The following presents the District's proportionate share of each net pension liability calculated using the current discount rate of 5.90% for ERS and 6.95% for TRS, as well as what the District's proportionate share of each net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (4.90% for ERS and 5.95% for TRS) or 1-percentage point higher (6.90% for ERS and 7.95% for TRS) than the current rate:

ERS	1% Decrease (4.90%)	Current Rate (5.90%)	1% Increase (6.90%)
District's proportionate share of the net pension asset (liability)	$ (14,111,929)	(4,488,381)	3,549,278

TRS	1% Decrease (5.95%)	Current Rate (6.95%)	1% Increase (7.95%)
District's proportionate share of the net pension asset (liability)	$ (46,399,971)	(3,046,515)	33,415,616

(f) Pension Plan Fiduciary Net Position

The components of the collective net pension liability of participating employers as of the respective measurement dates, were as follows:

	(Dollars in Millions) ERS	TRS
Measurement date	3/31/2024	6/30/2023
Employers' total pension liability	$ (240,697)	(138,635)
Fiduciary net position	225,973	137,221
Employers' net pension liability	$ (14,724)	(1,414)
Ratio of fiduciary net position to the Employers' total pension liability	93.88%	99.20%

(g) Contributions to the Pension Plans

For ERS, employer contributions are paid annually based on the System's fiscal year which ends on March 31st. Accrued retirement contributions as of June 30, 2024 represent the projected employer contribution for the period of April 1, 2024 through June 30, 2024 based on paid ERS wages multiplied by the employer's contribution rate, by tier. Accrued retirement contributions as of June 30, 2024 amounted to $395,361. This amount has been recorded as an expenditure in the governmental fund statements and a deferred cost in the District-Wide financial statements. Retirement contributions paid to ERS for the year ended June 30, 2024 amounted to $1,186,083.

(10) Pensions, Continued

(g) Contributions to the Pension Plans, Continued

For TRS, employer and employee contributions for the fiscal year ended June 30, 2024 are paid to the System in September, October and November 2024 through a state aid intercept. Accrued retirement contributions as of June 30, 2024 represent employee and employer contributions for the fiscal year ended June 30, 2024 based on paid TRS wages multiplied by the employer's contribution rate, by tier and employee contributions for the fiscal year as reported to the TRS System. Accrued retirement contributions as of June 30, 2024 amounted to $5,678,630 including employees' share. The District's accrued retirement contributions have been recorded as a liability in the governmental fund statements and in the District-Wide financial statements. Retirement contributions paid to TRS for the year ended June 30, 2024 amounted to $5,079,205.

(11) Other Postemployment Benefits (OPEB)

(a) Plan Description

The District provides a Self-Insured Minimum Premium Excellus BlueCross BlueShield traditional Indemnity Plan and Blue PPO H Plan to eligible retirees and dependents. The District also provides two Medicare Advantage plans as an option to Medicare eligible retirees. The District provides full Medicare Part B premium reimbursement to all eligible retirees, dependents and surviving spouses.

The District provides postemployment health insurance (life insurance, etc.) coverage to retired employees in accordance with the provisions of various employment contracts.

Currently, all of the retired employees have elected to use accumulated sick pay to finance health insurance payments under the District's group plans. This plan pays for the retiree's share of the cost of premiums until the accumulated sick pay amount is exhausted, at which time 50% of the premium for individual coverage or 60% of the premium for family coverage become the responsibility of the retiree.

There are no assets accumulated in a trust that meets the criteria in GASB Statement No. 75, paragraph 4.

(b) Employees covered by benefit terms

At July 1, 2023, the following employees were covered by the benefit terms:

Retirees and survivors	484
Active employees	799
	1,283

(c) Funding Policy

The contribution requirements of Plan members and the District are established by the Board of Education. The required contribution is based on projected pay-as-you-go financing requirements, with an additional amount to prefund benefits as may be determined annually by the Board.

(11) Other Postemployment Benefits (OPEB), Continued

(d) Total OPEB Liability

The District's total OPEB liability of $125,113,353 was measured as of July 1, 2023 and was determined by an actuarial valuation as of July 1, 2022.

(e) Actuarial Assumptions and Other Inputs

The total OPEB liability in the July 1, 2022 actuarial valuation report was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Salary scale	3.00%
Discount rate	3.65%
Healthcare cost trend rates	7.80% for 2024, decreasing to an ultimate rate of 3.94% for 2093 and later years
Actuarial cost method	Entry Age Normal - Level Percent of Pay.

The discount rate was based on the Bond Buyer Weekly 20-Bond GO Index.

Mortality rates are based on the Pub-2010 mortality table for employees and health retirees: sex distinct, job category specific, headcount weighed, and adjusted for mortality improvements with scale MP-2021 mortality improvements scale on a generational basis.

(f) Changes in the Total OPEB Liability

Total OPEB liability as of July 1, 2023	$ 120,762,541
Changes for the year:	
Service cost	4,568,621
Interest	4,396,098
Changes of assumptions and other inputs	(2,318,737)
Benefit payments (including implicit subsidy)	(2,295,170)
Total changes	4,350,812
Total OPEB liability as of June 30, 2024	$ 125,113,353

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

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

	1% Decrease (2.65%)	Discount Rate (3.65%)	1% Increase (4.65%)
Total OPEB liability	$ 148,626,670	125,113,353	106,541,719

(11) Other Postemployment Benefits (OPEB), Continued

(h) Sensitivity of the Total OPEB Liability to Changes in the Healthcare Costs Trend Rates

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

	1% Decrease	Current Trend Rates	1% Increase
Total OPEB liability	$ 103,022,520	125,113,353	154,253,147

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

For the year ended June 30, 2024, the District recognized an OPEB expense of $1,043,418. At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 3,718,858	16,786,976
Changes of assumptions or other inputs	15,313,433	11,112,407
District's contributions subsequent to the measurement date	2,468,916	-
Total	$ 21,501,207	27,899,383

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

Year ending	
2025	$ (182,504)
2026	2,981,540
2027	(2,759,813)
2028	(5,154,081)
2029	(3,525,589)
Thereafter	(226,645)
	$ (8,867,092)

(12) Interfund Transactions

	Interfund		Interfund	
	Receivable	Payable	Transfers In	Transfers Out
General fund	$ 6,322,259	6,464	9,298	1,761,554
Special aid fund	15,262	6,291,900	102,138	70,596
School food service fund	-	184,110	161	-
Debt service fund	252,263	24,055	-	-
Capital projects fund	-	83,255	1,720,553	-
Totals	$ 6,589,784	6,589,784	1,832,150	1,832,150

Interfund receivables and payables are eliminated on the statement of net position.

The District typically loans resources between funds for the purpose of mitigating the effects of transient cash flow issues.

All interfund payables are expected to be repaid within one year.

(13) Risk Management

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

The District has chosen to establish a self-funded health benefit program for its employees.

The District incurs costs related to a self-insured health and dental plan (Plan) sponsored by the District. The Plan's objectives are to formulate, develop, and administer a program of insurance to obtain lower costs for that coverage, and to develop a comprehensive loss control program. Plan members are not subject to a supplemental assessment in the event of deficiencies. If the Plan's assets were to be exhausted, the District would be responsible for the Plan's liabilities.

The Plan uses a Stop Loss agreement to reduce its exposure to large losses on insured events. Stop Loss permits recovery of a portion of losses from the reinsurer, although it does not discharge the liability of the Plan as direct insurer of the risks reinsured. The Plan has a cash cap financial arrangement with Excellus with a bond of $2,174,500 to cover the District's incurred but not recorded claims. The District does not calculate the liability for reported and unreported insured events because actual claims costs depends on complex factors and the process used in computing claims liabilities does not necessarily result in an exact amount. Such claims are based on the ultimate cost of claims (including future claim adjustment expenses) that have been reported but not settled, and claims that have been incurred but not reported. Adjustments to claims liabilities are charged or credited to expense in the periods in which they are made. Claims activity is summarized below:

(13) Risk Management, Continued

Claims reported for the fiscal year ended June 30,	Beginning Balance	Claims and Changes in Estimates	Claims Payments	Ending Balance
2024	$ 270,581	25,185,568	25,204,964	251,185
2023	395,946	23,156,948	23,282,313	270,581

(14) Contingencies and Commitments

(a) Federal Grants

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

(b) Compensated Absences

The District does not accrue a liability for accumulating nonvesting sick leave, since payment is based on an uncontrollable future event (sickness). In accordance with the provisions of GASB No. 101, the value for accumulating, nonvesting sick leave is considered a contingent liability. Nonvesting sick leave as of June 30, 2024 was estimated to be $3,737,119.

- Tax Certiorari Claims - In a prior year there was a county-wide revaluation of all property assessments. As a result, numerous claims have been filed requesting in assessment reductions. The District is not formally a party to these tax certiorari cases, but does receive notice and has a right to intervene in them. Cases that are pending for the current year and prior years amount to $1,015,792 at maximum potential refund, however, estimates of possible tax reductions cannot be calculated at this time, and therefore are not reflected in the financial statements. The District has $658,860 in its tax certiorari reserve as of June 30, 2024.

(c) Judgments and Claims

Lawsuits and Pending Claims - The District is involved in several lawsuits regarding physical injuries. The District estimates that its exposure is minimal and that the insurance coverage is adequate to cover the claims. The District is also involved in one other matter with threat of a lawsuit exposure is expected to be within the limits of the insurance coverage.

(15) Future Implementations of GASB Pronouncements

GASB has issued the following pronouncements which will be implemented in the years required. The effects of the implementation of these pronouncement are not known at this time.

Statement No. 102 - Certain Risk Disclosures. Effective for fiscal years beginning after June 15, 2024.

Statement No. 103 - Financial Reporting Model Improvements. Effective for fiscal years beginning after June 15, 2025.

REQUIRED SUPPLEMENTARY INFORMATION

BINGHAMTON CITY SCHOOL DISTRICT
Required Supplementary Information
Schedule of Revenue, Expenditures and Changes in Fund Balance -
Budget and Actual - General Fund
Year ended June 30, 2024

	Original Budget	Final Budget	Actual (Budgetary Basis)	Year-End Encumbrances	Final Budget Variance With Budgetary Actual and Encumbrances
Revenue:					
Real property taxes	$ 45,704,257	41,265,650	41,117,399	-	(148,251)
Other tax items	1,445,395	5,884,000	5,927,366	-	43,366
Charges for services	345,000	345,000	405,560	-	60,560
Use of money and property	530,780	530,780	2,574,691	-	2,043,911
Sale of property and compensation for loss	-	-	60,662	-	60,662
Miscellaneous	1,844,000	1,844,167	1,373,748	-	(470,419)
State sources	90,733,440	90,733,440	92,507,540	-	1,774,100
Federal sources	-	-	759,946	-	759,946
Medicaid reimbursement	270,000	270,000	221,631	-	(48,369)
Total revenue	140,872,872	140,873,037	144,948,543	-	4,075,506
Other financing sources:					
Appropriated fund balance	2,450,000	4,630,487	-	-	(4,630,487)
Premium on obligation	-	-	27,040	-	27,040
Operating transfers in	-	-	9,298	-	9,298
Total revenue and other financing sources	$ 143,322,872	145,503,524	144,984,881	-	(518,643)

BINGHAMTON CITY SCHOOL DISTRICT
Required Supplementary Information
Schedule of Revenue, Expenditures and Changes in Fund Balance -
Budget and Actual - General Fund, Continued

	Original Budget	Final Budget	Actual (Budgetary Basis)	Year-End Encumbrances	Final Budget Variance With Budgetary Actual and Encumbrances
Expenditures:					
General support:					
Board of Education	$ 30,150	29,162	37,075	-	(7,913)
Central administration	327,357	349,587	333,902	999	14,686
Finance	1,705,673	1,672,811	1,558,913	10,934	102,964
Staff	1,273,142	1,287,240	1,131,997	20,944	134,299
Central services	11,398,632	12,242,042	9,978,770	351,005	1,912,267
Special items	1,497,720	1,789,890	1,782,446	-	7,444
Instruction:					
Instruction, adm and imp	6,251,609	6,333,189	6,097,439	16,422	219,328
Teaching - regular school	36,670,037	34,785,537	31,715,050	68,825	3,001,662
Programs for children with handicapping conditions	22,390,506	22,583,902	20,883,623	14,411	1,685,868
Occupational education	826,012	912,726	817,220	8,314	87,192
Teaching - special schools	3,393,018	3,771,000	3,718,615	-	52,385
Instructional media	6,127,074	5,470,425	4,952,238	105,574	412,613
Pupil services	5,900,319	6,326,855	5,798,224	16,508	512,123
Pupil transportation	3,736,592	3,813,466	3,583,421	3,741	226,304
Employee benefits	32,441,287	32,076,826	30,517,443	-	1,559,383
Debt service	9,051,015	10,196,821	10,171,264	-	25,557
Total expenditures	143,020,143	143,641,479	133,077,640	617,677	9,946,162
Other financing uses - operating transfers out	302,729	1,862,045	1,761,554	-	100,491
Total expenditures and other financing uses	$ 143,322,872	145,503,524	134,839,194	617,677	10,046,653
Change in fund balance			10,145,687		
Fund balance - beginning			46,293,270		
Fund balance - ending			$ 56,438,957		

Budget Basis of Accounting

Budgets are adopted on the modified accrual basis of accounting consistent with accounting principles generally accepted in the United States of America.

BINGHAMTON CITY SCHOOL DISTRICT
Required Supplementary Information
Schedule of the District's Proportionate Share of the Net Pension Asset/Liability
Year ended June 30, 2024

ERS System	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
The District's proportion of the net pension asset/liability	0.0304833%	0.0270679%	0.0237496%	0.0249080%	0.0245975%	0.0244371%	0.0253611%	0.0247668%	0.0266410%	0.0267510%
The District's proportionate share of the net pension asset/(liability)	$(4,488,381)	(5,804,449)	1,941,428	(24,802)	(6,513,557)	(1,731,441)	(818,517)	(2,327,146)	(4,275,952)	(903,713)
The District's covered payroll	$10,461,411	8,788,283	8,690,253	9,319,651	8,641,087	8,343,373	8,537,739	7,863,535	8,012,553	8,209,625
The District's proportionate share of the net pension asset/(liability) as a percentage of covered payroll	42.90%	66.05%	22.34%	0.27%	75.38%	20.75%	9.59%	29.59%	53.37%	11.01%
Plan fiduciary net position as a percentage of the total pension liability	93.88%	90.78%	103.65%	99.95%	86.39%	96.27%	98.24%	94.70%	90.70%	97.90%

TRS System	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
The District's proportion of the net pension asset/liability	0.226400%	0.262916%	0.246879%	0.263279%	0.258895%	0.258208%	0.253894%	0.250847%	0.247724%	0.247720%
The District's proportionate share of the net pension asset/(liability)	$(3,046,515)	(5,045,080)	42,781,789	(7,275,120)	6,726,105	4,669,082	1,929,849	(2,686,672)	25,730,672	27,594,501
The District's covered payroll	$51,523,788	49,020,658	46,567,716	41,871,411	44,558,145	42,059,192	43,108,515	41,206,292	38,708,156	37,211,569
The District's proportionate share of the net pension asset/(liability) as a percentage of covered payroll	5.91%	10.29%	91.87%	17.37%	15.10%	11.10%	4.48%	6.52%	66.47%	74.16%
Plan fiduciary net position as a percentage of the total pension liability	99.20%	98.60%	113.20%	97.80%	102.20%	101.53%	100.66%	99.01%	110.46%	111.48%

BINGHAMTON CITY SCHOOL DISTRICT
Required Supplementary Information
Schedule of the District's Pension Contributions
Year ended June 30, 2024

ERS System	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	$ 1,186,083	1,080,903	1,478,777	1,448,606	1,213,344	1,191,757	1,287,219	1,193,521	1,356,997	1,588,070
Contribution in relation to the contractually required contribution	1,186,083	1,080,903	1,478,777	1,448,606	1,213,344	1,191,757	1,287,219	1,193,521	1,356,997	1,588,070
Contribution deficiency (excess)	$ -	-	-	-	-	-	-	-	-	-
District's covered payroll	$10,461,411	8,788,283	8,690,253	9,319,651	8,641,087	8,343,373	8,537,739	7,863,535	8,012,553	8,209,625
Contribution as a percentage of covered payroll	11.34%	12.30%	17.02%	15.54%	14.04%	14.28%	15.08%	15.18%	16.94%	19.34%

TRS System	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	$ 5,079,205	5,044,226	4,563,636	3,990,345	3,947,852	4,121,801	4,112,317	4,596,835	5,139,994	6,200,839
Contribution in relation to the contractually required contribution	5,079,205	5,044,226	4,563,636	3,990,345	3,947,852	4,121,801	4,112,317	4,596,835	5,139,994	6,200,839
Contribution deficiency (excess)	$ -	-	-	-	-	-	-	-	-	-
District's covered payroll	$51,523,788	49,020,658	46,567,716	$41,871,411	$44,558,145	42,059,192	43,108,515	41,206,292	38,708,156	37,211,569
Contribution as a percentage of covered payroll	9.86%	10.29%	9.80%	9.53%	8.86%	9.80%	9.54%	11.16%	13.28%	16.66%

BINGHAMTON CITY SCHOOL DISTRICT
Required Supplementary Information
Schedule of Changes in the District's
Total OPEB Liability and Related Ratios
Year ended June 30, 2024

	2024	2023	2022	2021	2020	2019	2018
Total OPEB liability							
Service cost	$ 4,568,621	5,806,469	5,865,538	5,229,993	5,374,082	5,130,707	8,216,070
Interest	4,396,098	3,229,134	3,151,780	4,941,112	5,133,283	5,454,350	5,407,865
Changes of benefit terms	-	470,336	-	(55,588,312)	-	-	-
Differences between expected and actual experience	-	(20,154,487)	-	10,243,174	-	(23,686,099)	-
Changes of assumptions or other inputs	(2,318,737)	(12,347,702)	1,842,482	38,719,105	1,124,000	(3,309,160)	(46,286,701)
Benefit payments	(2,295,170)	(2,657,762)	(2,384,480)	(3,096,962)	(2,814,258)	(2,585,626)	(2,397,920)
Net change in total OPEB liability	4,350,812	(25,654,012)	8,475,320	448,110	8,817,107	(18,995,828)	(35,060,686)
Total OPEB liability - beginning	120,762,541	146,416,553	137,941,233	137,493,123	128,676,016	147,671,844	182,732,530
Total OPEB liability - ending	$125,113,353	120,762,541	146,416,553	137,941,233	137,493,123	128,676,016	147,671,844
Covered payroll	$ 61,236,428	56,550,411	53,136,259	53,686,102	53,198,508	53,198,508	46,595,750
Total OPEB liability as a percentage of covered payroll	204.31%	213.55%	275.55%	256.94%	258.45%	241.88%	316.92%

Notes to schedule:

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

2024	2023	2022	2021	2020	2019	2018
3.65%	3.54%	2.14%	2.21%	3.50%	3.87%	3.60%

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10 year trend is compiled, the District is presenting information for those years for which information is available.

There are no assets accumulated in a trust that meets the criteria in GASB Statement No. 75, paragraph 4.

OTHER SUPPLEMENTARY INFORMATION

BINGHAMTON CITY SCHOOL DISTRICT
Other Supplementary Information
Schedule of Change from Adopted Budget to Final Budget and
the Real Property Tax Law Limit Calculation
Year ended June 30, 2024

Change from adopted budget to final budget:		
Original budget		$ 143,322,872
Add prior year's encumbrances		437,144
Adopted budget		143,760,016
Budget revisions		1,743,508
Final budget		$ 145,503,524
Section 1318 of Real Property Tax Law Limit Calculation		
2024-2025 expenditure budget		$ 150,961,791
Maximum allowed 4% of 2024-2025 budget		$ 6,038,472
General fund fund balance subject to Section 1318 of Real Property Tax Law*:		
Unrestricted fund balance:		
Assigned fund balance	$4,517,677	
Unassigned fund balance	5,941,447	
Total unrestricted fund balance		10,459,124
Less:		
Appropriated fund balance	3,900,000	
Encumbrances included in and assigned fund balance	617,677	
Total adjustments		4,517,677
General fund fund balance subject to Section 1318 of Real Property Tax Law		$ 5,941,447
Actual percentage		3.94%

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

BINGHAMTON CITY SCHOOL DISTRICT
Other Supplementary Information
Schedule of Project Expenditures - Capital Projects Fund
Year ended June 30, 2024

				Expenditures and Obligations to Date				Methods of Financing					Fund
Project Title	Original Appropriation	Transfer	Revised Appropriation	Prior Year's	Current Year	Total	Unexpended Balance	Proceeds of Obligations	State Aid	Federal Sources	Local Sources	Total	Balance 6/30/2024
McArthur School	$ 79,530,000	-	79,530,000	77,103,993	-	77,103,993	2,426,007	865,000	4,365,744	45,728,620	26,144,629	77,103,993	-
Excel	46,445,198	(9,095,198)	37,350,000	37,350,000	-	37,350,000	-	30,515,000	2,545,000	-	4,290,000	37,350,000	-
Coolidge Chimney	65,359	-	65,359	65,359	-	65,359	-	-	-	-	65,359	65,359	-
East Gym Asbestos	1,749,300	(249,300)	1,500,000	654,990	-	654,990	845,010	-	-	-	654,990	654,990	-
Binghamton Maintenance Facility	549,952	(9,000)	540,952	397,721	-	397,721	143,231	-	-	282,720	115,001	397,721	-
C.B. Lord Water Damage	76,500	76,500	153,000	85,445	-	85,445	67,555	-	-	-	85,445	85,445	-
Wilson Auditorium	350,000	-	350,000	350,000	-	350,000	-	350,000	-	-	-	350,000	-
Coolidge Asbestos Removal	5,000,000	-	5,000,000	4,850,854	-	4,850,854	149,146	-	43,854	-	4,807,000	4,850,854	-
2009 Capital Project	21,000,000	-	21,000,000	21,000,000	-	21,000,000	-	17,445,000	1,745,147	-	1,809,853	21,000,000	-
2013-2014 District-Wide Improvements	12,000,000	-	12,000,000	12,000,000	-	12,000,000	-	9,885,000	-	-	2,115,000	12,000,000	-
Franklin Elementary Roof	2,200,000	-	2,200,000	2,200,000	-	2,200,000	-	-	-	-	2,200,000	2,200,000	-
SMART Bond	5,150,506	-	5,150,506	3,740,122	1,012,733	4,752,855	397,651	-	3,352,032	-	-	3,352,032	(1,400,823)
2018 District-Wide Improvements	28,000,000	-	28,000,000	27,356,307	5,485	27,361,792	638,208	19,635,000	3,737,816	-	4,627,184	28,000,000	638,208
Energy Performance Contract	6,700,000	-	6,700,000	5,828,454	-	5,828,454	871,546	5,502,454	-	-	326,000	5,828,454	-
East Middle School Health Office	250,000	-	250,000	250,000	-	250,000	-	-	-	-	250,000	250,000	-
Roosevelt Security Vestibule	100,000	-	100,000	100,000	-	100,000	-	-	-	-	100,000	100,000	-
2019-2020 Project	100,000	-	100,000	100,000	-	100,000	-	-	-	-	200,000	200,000	100,000
Fieldhouse Project	150,000	-	150,000	550,000	-	550,000	(400,000)	-	-	-	550,000	550,000	-
2020-2021 Project	100,000	100,000	200,000	299,971	-	299,971	(99,971)	-	-	99,971	200,000	299,971	-
2021-2022 Project	41,700,000	-	41,700,000	1,689,111	7,240,106	8,929,217	32,770,783	-	-	-	1,700,000	1,700,000	(7,229,217)
West Middle School Fields	4,400,000	-	4,400,000	2,315,769	2,145,529	4,461,298	(61,298)	-	-	-	4,461,298	4,461,298	-
FEN Portion	345,586	-	345,586	37,860	301,881	339,741	5,845	-	-	-	-	-	(339,741)
2022 Capital Project	13,004,533	-	13,004,533	875,037	7,516,695	8,391,732	4,612,801	-	-	-	6,314,563	6,314,563	(2,077,169)
Girl's Bathroom Emergency Project	355,000	-	355,000	-	-	-	355,000	-	-	-	355,000	355,000	355,000
West Middle School Auditorium Project	1,204,255	-	1,204,255	-	5,000	5,000	1,199,255	-	-	-	1,204,255	1,204,255	1,199,255
Leases	405,404	2,385,753	2,791,157	1,659,938	1,131,219	2,791,157	-	2,791,157	-	-	-	2,791,157	-
Total	$ 270,931,593	(6,791,245)	264,140,348	200,860,931	19,358,648	220,219,579	43,920,769	86,988,611	15,789,593	46,111,311	62,575,577	211,465,092	(8,754,487)

BINGHAMTON CITY SCHOOL DISTRICT
Other Supplementary Information
Net Investment in Capital Assets
June 30, 2024

Capital assets, net		$ 211,997,693
Add:		
Loss on refunding	$ 19,836	
Unspent bond proceeds	19,198,757	19,218,593
Deduct:		
Bond anticipation notes	25,000,000	
Lease liabilities	1,393,212	
Bonds payable	36,010,508	(62,403,720)
Net investment in capital assets		$ 168,812,566

BINGHAMTON CITY SCHOOL DISTRICT

Federal Grant Compliance Audit

June 30, 2024

EFPR GROUP, CPAs PLLC

6390 Main Street, Suite 200
Williamsville, NY 14221

P 716.634.0700
TF 800.546.7556
F 716.634.0764
W EFPRgroup.com

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

Board of Education
Binghamton City School District
Binghamton, New York:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of the Binghamton City School District (the District), as of and for the year ended June 30, 2024, and the related notes to financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated October 14, 2024.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

EFPR Group, CPAs, PLLC

Williamsville, New York
October 14, 2024

EFPR GROUP, CPAs PLLC

6390 Main Street, Suite 200
Williamsville, NY 14221

P 716.634.0700
TF 800.546.7556
F 716.634.0764
W EFPRgroup.com

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

Board of Education
Binghamton City School District
Binghamton, New York:

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

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

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

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditors' Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control Over Compliance

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

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

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

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

EFPR Group, CPAs, PLLC

Williamsville, New York
October 14, 2024

BINGHAMTON CITY SCHOOL DISTRICT
Schedule of Expenditures of Federal Awards
Year ended June 30, 2024

Federal Grantor/Pass-through Grantor Program Title	Assistance Listing Number	Agency or pass-through number	Federal Expenditures	Expenditures to Subrecipients
U.S. Department of Education				
Passed-through NYS Education Department:				
Special Education Cluster:				
IDEA Section 611	84.027	0032-23-0049	$ 32,905	-
COVID-19 - IDEA Section 611/American Rescue Plan Act	84.027X	5532-22-0049	121,900	-
IDEA Section 611	84.027	0032-24-0049	1,789,594	-
IDEA Section 619	84.173	0033-24-0049	61,882	-
COVID-19 - IDEA Section 619/American Rescue Plan Act	84.173X	5533-22-0049	27,446	-
Total Special Education Cluster			2,033,727	-
Other Programs:				
Title I Grants to Local Educational Agencies	84.010	0021-23-0150	688,162	-
Title I State Agency Program for Neglected and Delinquent Education	84.010	0016-24-0150	3,471	-
Title I Grants to Local Educational Agencies	84.010	0021-24-0150	6,495,210	-
Title I State Agency Program for Neglected and Delinquent Education	84.010	0016-23-0150	14,413	-
Title I School Improvement Grant 1003	84.010	0011-23-2024, 0011-23-4026 & 0011-23-6003	417,625	-
Title I School Improvement Grant 1003	84.010	0011-24-2024, 0011-24-4026 & 0011-24-6003	1,024,510	-
Total Title I Programs			8,643,391	-
Career and Technical Education-Basic Grants to States (Perkins IV)	84.048	8000-23-0078	510	-
Career and Technical Education-Basic Grants to States (Perkins IV)	84.048	8000-24-0078	74,441	-
Total Career and Technical Education-Basic Grants to States			74,951	-
Education for Homeless Children and Youth	84.196	0212-24-3123	118,263	-
English Language Acquisition State Grants	84.365	0293-23-0150	241	-
English Language Acquisition State Grants	84.365	0293-24-0150	27,527	-
Total English Language Acquisition State Grants			27,768	-
Supporting Effective Instruction State Grants	84.367	0147-23-0150	5,598	-
Supporting Effective Instruction State Grants	84.367	0147-24-0150	285,931	-
Total Supporting Effective Instruction State Grants			291,529	-
Student Support and Academic Enrichment Program	84.424	0204-23-0150	13,747	-
Student Support and Academic Enrichment Program	84.424	0204-24-0150	384,950	-
Total Student Support and Academic Enrichment Program			398,697	-

(Continued)

See notes to schedule of expenditures of federal awards.

Federal Grantor/Pass-through Grantor Program Title	Assistance Listing Number	Agency or pass-through number	Federal Expenditures	Expenditures to Subrecipients
U.S. Department of Education, Continued				
Passed-through NYS Education Department, Continued:				
COVID-19 Education Stabilization Fund:				
Elementary and Secondary School Emergency Relief Fund	84.425D	5890-21-0150 & 5891-21-0150	$ 782,409	-
American Rescue Plan - Elementary and Secondary School Emergency Relief	84.425U	5880-21-0150	5,575,704	-
American Rescue Plan - Elementary and Secondary School Emergency Relief - Homeless Children and Youth	84.425W	5218-21-0150	29,744	-
Total COVID-19 Education Stabilization Fund			6,387,857	-
Total Other Programs			15,942,456	-
Total U.S. Department of Education			17,976,183	-
U.S. Department of Agriculture				
Passed Through NYS Education Department:				
Child Nutrition Cluster:				
Non-Cash Assistance (commodities) - National School Lunch Program	10.555	N/A	274,058	-
Cash Assistance:				
National School Breakfast Program	10.553	N/A	1,079,238	-
National School Lunch Program	10.555	N/A	2,861,237	-
Summer Food Service Program	10.559	N/A	219,245	-
Fresh Fruit and Vegetable Program	10.582	N/A	178,340	-
Total Child Nutrition Cluster			4,612,118	-
Local Food for Schools Cooperative Agreement Program	10.185	N/A	52,663	-
National School Lunch Program Equipment Assistance	10.579	N/A	31,410	-
Total U.S. Department of Agriculture			4,696,191	-
U.S. Department of Homeland Security				
Passed through the NYS Division of Homeland Security and Emergency Services-Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	4031-DR-NY	759,946	-
Total Federal Awards Expended			$ 23,432,320	-

See notes to schedule of expenditures of federal awards.

(1) Summary of Significant Accounting Policies

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) presents the activity of all federal awards programs administered by the District, which are described in note 1 to the District's accompanying financial statements as using the modified accrual basis of accounting. Federal awards that are included in the Schedule may be received directly from federal agencies, as well as federal awards passed through from other government agencies. The information is presented in accordance with the requirements of and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards. Therefore, some amounts presented in this Schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

Indirect costs may be included in the reported expenditures, to the extent that they are included in the federal financial reports used as the source for the data presented. Certain of the District's federal award programs have been charged with indirect costs, based upon an established rate applied to overall expenditures. There is no other indirect cost allocation plan in effect. The District has elected to not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

Matching costs (the District's share of certain program costs) are not included in the reported expenditures.

The basis of accounting varies by federal program consistent with the underlying regulations pertaining to each program.

The amounts reported as federal expenditures were obtained from the federal financial reports for the applicable program periods. The amounts reported in these reports are prepared from records maintained for each program, which are reconciled with the District's financial reporting system.

Non-monetary assistance is reported in the schedule at the fair market value of commodities received, which is provided by New York State.

(2) Subrecipients

No amounts were provided to subrecipients.

(3) Other Disclosures

No insurance is carried specifically to cover equipment purchased with federal funds. Any equipment purchased with federal funds has only a nominal value, and is covered by the District's casualty insurance policies.

There were no loans or loan guarantees outstanding at year-end.

BINGHAMTON CITY SCHOOL DISTRICT

Schedule of Findings and Questioned Costs

Year ended June 30, 2024

Part I - SUMMARY OF AUDITORS' RESULTS

Financial Statements:

Type of auditors' report issued on whether the basic financial statements audited were prepared in accordance with GAAP	Unmodified
Internal control over financial reporting:	
1. Material weakness(es) identified?	____Yes __x__No
2. Significant deficiency(ies) identified?	____Yes __x__None reported
3. Noncompliance material to financial statements noted?	____Yes __x__No

Federal Awards:

Internal control over major programs:	
4. Material weakness(es) identified?	____Yes __x__No
5. Significant deficiency(ies) identified?	____Yes __x__None reported
Type of auditors' report issued on compliance for each major Federal program:	Unmodified
6. Any audit findings disclosed that are required to be reported in accordance with 2 CFR Section 200.516(a)(Uniform Guidance)?	____Yes __x__No
7. The District's major federal programs audited were:	

Name of Federal Programs	Assistance Listing Number
Child Nutrition Cluster	10.553/10.555/10.559/10.582
Special Education Cluster	84.027/84.027X/84.173/84.173X

8. Dollar threshold used to distinguish between Type A and Type B programs.	$750,000
9. Auditee qualified as low-risk auditee?	__x__Yes ____No

Part II - FINANCIAL STATEMENT FINDINGS SECTION

No reportable findings.

Part III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS SECTION

No reportable findings and questioned costs.

BINGHAMTON CITY SCHOOL DISTRICT

Status of Prior Year Audit Findings

Year ended June 30, 2024

There were no audit findings in the prior year financial statements (June 30, 2023).