

**CITY OF ONEIDA, NEW YORK**

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

# CITY OF ONEIDA, NEW YORK

## TABLE OF CONTENTS

---

	<u>Page</u>
Independent Auditor's Report	1
REQUIRED SUPPLEMENTARY INFORMATION:	
Management's Discussion and Analysis (Unaudited)	5
BASIC FINANCIAL STATEMENTS:	
Government-wide Financial Statements-	
Statement of Net Position	17
Statement of Activities	18
Fund Financial Statements-	
Balance Sheet – Governmental Funds	19
Reconciliation of the Balance Sheet- Governmental Funds to the Statement of Net	20
Statement of Revenue, Expenditures and Change in Fund Balance – Governmental Funds	21
Reconciliation of the Statement of Revenues, Expenditures and Change in Fund Balances of Governmental Funds to the Statement of Activities	22
Statement of Net Position - Fiduciary Funds	23
Statement of Change in Fiduciary Net Position	23
Notes to Basic Financial Statements	24
REQUIRED SUPPLEMENTARY INFORMATION (Unaudited):	
Budgetary Comparison Schedule - Budget and Actual - General Fund	49
Budgetary Comparison Schedule - Budget and Actual - Water Fund	50
Budgetary Comparison Schedule - Budget and Actual - Sewer Fund	51
Schedule of Changes in Total Other Postemployment Benefit Liability and Related Ratios	52
Schedule of Proportionate Share of Net Pension Liability (Asset)	53
Schedule of Contributions - Pension Plans	54
Notes to the Required Supplementary Information	55

## CITY OF ONEIDA, NEW YORK

### TABLE OF CONTENTS (Continued)

---

	<u>Page</u>
SUPPLEMENTARY INFORMATION:	
Combining Balance Sheet - Nonmajor Governmental Funds	56
Combining Statement of Revenues, Expenditures and Change in Fund Balances - Nonmajor Governmental Funds	57
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Basic Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	58

## INDEPENDENT AUDITOR'S REPORT

May 31, 2024

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

### Report on the Audit of the Financial Statements

#### Adverse and Unmodified Opinions

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

#### Summary of Opinions

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

#### **Adverse Opinion on Aggregate Discretely Presented Component Unit**

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

#### **Unmodified Opinions on Governmental Activities, General Fund, Water Fund, Capital Fund, Sewer Fund, and Aggregate Remaining Fund Information**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Oneida, New York as of December 31, 2023, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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

[www.bonadio.com](http://www.bonadio.com)

## **INDEPENDENT AUDITOR'S REPORT**

(Continued)

### **Basis for Adverse and Unmodified Opinions**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our adverse and unmodified audit opinions.

### ***Matter Giving Rise for Adverse Opinion on Aggregate Discretely Presented Component Unit***

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

### **Emphasis of Matter – Change in Accounting Principle**

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

### **Responsibilities of Management for the Financial Statements**

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

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

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

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

## **INDEPENDENT AUDITOR'S REPORT**

(Continued)

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

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

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

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

### **Required Supplementary Information**

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

## **INDEPENDENT AUDITOR'S REPORT**

(Continued)

### **Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying combining and individual nonmajor fund financial statements is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated May 31, 2024 on our consideration of the City of Oneida, New York's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and on compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Oneida, New York's internal control over financial reporting and compliance.

## **CITY OF ONEIDA, NEW YORK**

### **Management's Discussion and Analysis (Unaudited)**

---

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

#### **Financial Highlights**

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

#### **Overview of the Financial Statements**

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

#### **Government-wide Financial Statements**

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

##### The Statement of Net Position

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

##### The Statement of Activities

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

#### **Fund Financial Statements**

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



**Fund Financial Statements (Continued)**

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

**Governmental Funds**

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

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

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

**Fiduciary Funds**

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

## FINANCIAL ANALYSIS OF THE CITY AS A WHOLE

### Net Position

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

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

## FINANCIAL ANALYSIS OF THE CITY AS A WHOLE (Continued)

### Net Position (Continued)

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

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

### Change in Net Position

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

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

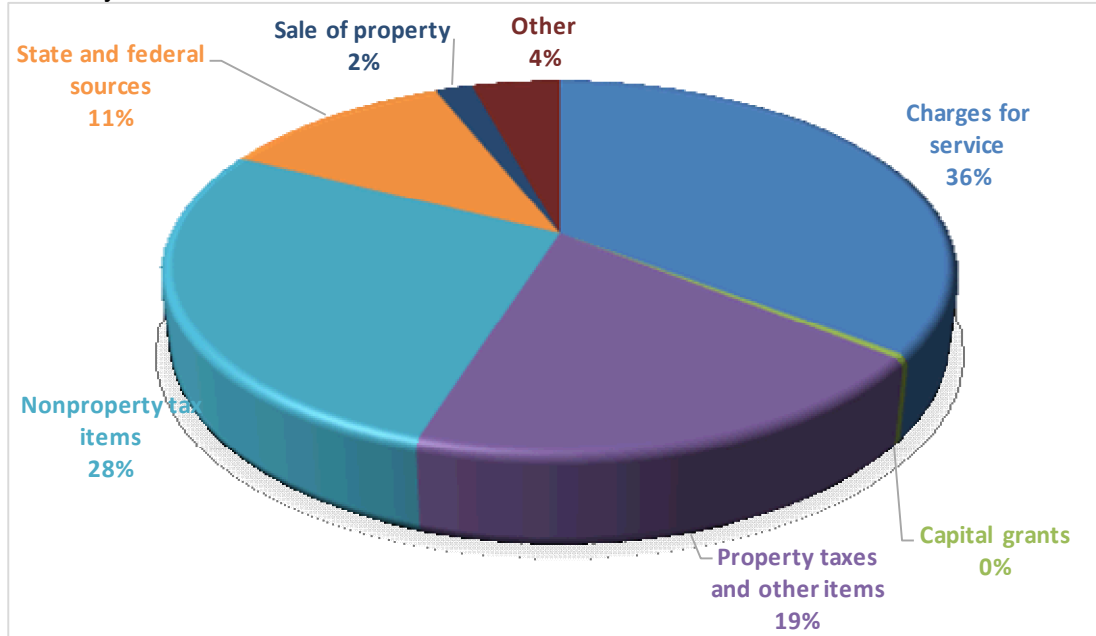
	<u>2023</u>	<u>2022</u>	<u>Increase (Decrease)</u>	<u>% Change</u>
Revenues				
Program revenues				
Charges for service	\$ 9,307,494	\$ 7,771,916	\$ 1,535,578	19.8%
Capital grants	98,762	51,755	47,007	90.8%
General revenues				
Property taxes and other items	5,032,903	5,207,860	(174,957)	-3.4%
Nonproperty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

## FINANCIAL ANALYSIS OF THE CITY AS A WHOLE (Continued)

### Change in Net Position (Continued)

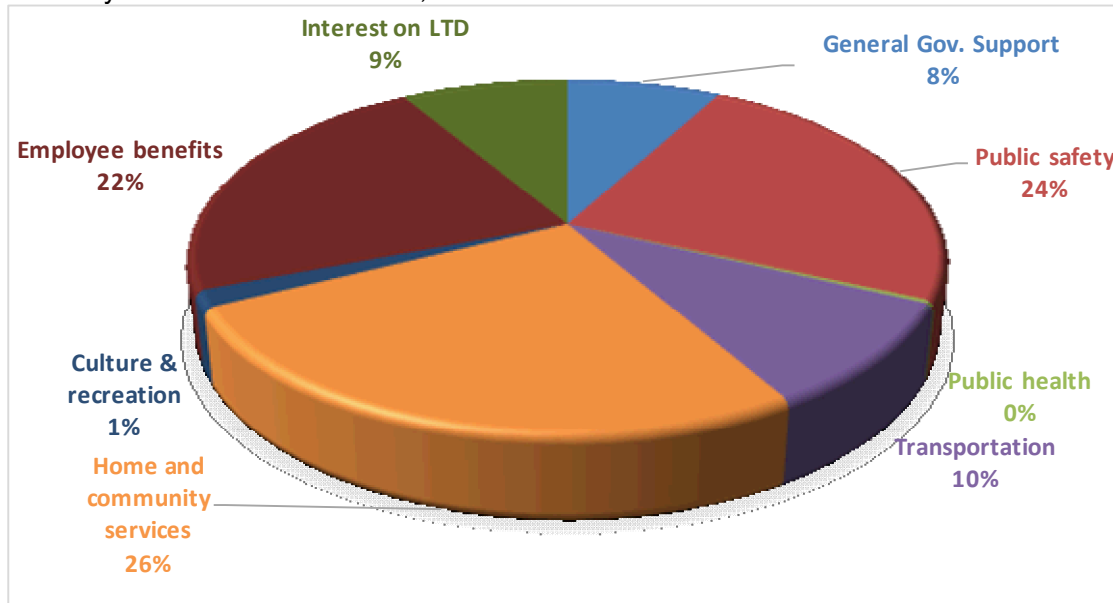
A graphic display of the distribution of revenues is as follows:

For the year ended December 31, 2023



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

For the year ended December 31, 2023



## FINANCIAL ANALYSIS OF THE CITY'S FUND BALANCE

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

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

## GENERAL FUND BUDGETARY HIGHLIGHTS

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

### General Fund Balance Budget

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

## CAPITAL ASSET AND DEBT ADMINISTRATION

### Capital Assets

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

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

## Debt administration

### Short Term Debt

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

### Long Term Debt

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

### Debt Service Schedule-Long and Short Term Debt Service

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



## Debt administration (Continued)

### Water Fund

2015 Fish Creek	2029	\$ 1,200,000	\$ 160,000	\$ 32,800	\$ 1,040,000
2020 Glenmore Dam	2050	<u>7,595,000</u>	<u>205,000</u>	<u>159,750</u>	<u>7,390,000</u>
Serial Bond Payment		<u>\$ 8,795,000</u>	<u>\$ 365,000</u>	<u>\$ 192,550</u>	<u>\$ 8,430,000</u>
Total Water Fund 2023 Debt					
Service Expenditure					<u>\$ 557,550</u>

### Sewer Fund

2009 WWTP Clean Water EFC	2039	\$ 4,915,288	\$ 289,134	\$ -	\$ 4,626,154
2017 WWTP Aeration Impr.	2042	958,000	42,000	32,568	916,000
2017 WWTP Fleet Replacement	2032	<u>175,000</u>	<u>15,000</u>	<u>5,575</u>	<u>160,000</u>
Serial Bond Payment		<u>\$ 6,048,288</u>	<u>\$ 346,134</u>	<u>\$ 38,143</u>	<u>\$ 5,702,154</u>
Total Sewer Fund 2023 Debt					
Service Expenditure					<u>\$ 384,277</u>

### Debt Service Library Fund

2022 Oneida Public Library	2049	<u>\$ 3,950,000</u>	<u>\$ 110,000</u>	<u>\$ 83,938</u>	<u>\$ 3,840,000</u>
Total Debt Service Library Fund					
2023 Debt Service Expenditure					<u>\$ 193,938</u>

## ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

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

## Union Agreements

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

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

## **Project and Improvement Updates around the City**

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

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

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

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

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

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

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

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

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

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

### **Project and Improvement Updates around the City (Continued)**

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

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

### **Wastewater Treatment Plant Long Term Improvements**

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

### **CONTACTING THE CITY'S FINANCIAL MANAGEMENT**

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

**CITY OF ONEIDA, NEW YORK****Statement of Net Position  
December 31, 2023**

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

The accompanying notes are an integral part of these statements.

# CITY OF ONEIDA, NEW YORK

## Statement of Activities For the Year Ending December 31, 2023

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

The accompanying notes are an integral part of these statements.

**CITY OF ONEIDA, NEW YORK**

**Balance Sheet  
Governmental Funds  
December 31, 2023**

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

The accompanying notes are an integral part of these statements.

## CITY OF ONEIDA, NEW YORK

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

---

Total fund balance - governmental funds \$ (23,872,636)

Total net position reported for governmental activities in the statement of net position is different because:

Capital assets and leased assets and SBITAs used in governmental activities are not current financial resources and therefore, are not reported in the funds.

Cost of capital assets and right to use leased assets	\$ 170,791,793	
Accumulated depreciation and amortization	<u>(80,916,788)</u>	
		89,875,005

Revenue related to the tax levy is recognized when earned in the statement of activities, but deferred in the fund statements if collection is anticipated to exceed sixty days after year end. 860,312

Revenue related to delinquent schools taxes in which collection is anticipated to exceed sixty days after year end and therefore deferred in the funds. 1,210,667

Delinquent tax amounts that are not due and payable to Oneida City School District in the current period, and therefore are not reported in the funds. (1,210,667)

Deferred outflows/inflows of resources related to pensions are applicable to future periods and, therefore are not reported in the funds.

Deferred outflows - relating to pensions	\$ 7,144,282	
Deferred inflows - relating to pensions	<u>(507,939)</u>	
		6,636,343

Deferred outflows/inflows of resources related to other postemployment benefits are applicable to future periods and, therefore are not reported in the funds.

Deferred outflows - relating to OPEB	\$ 7,970,947	
Deferred inflows - relating to OPEB	<u>(13,089,705)</u>	
		(5,118,758)

Accrued interest is not due and payable in the current period and therefore is not reported in the funds. (1,956,273)

Long-term debt and other noncurrent liabilities are not due and payable in the current period and; therefore, are not reported in the funds.

Bonds payable	\$ (21,491,154)	
Compensated absences	(3,832,633)	
Net pension liability - ERS	(2,598,642)	
Net pension liability - PFRS	(6,682,925)	
Lease liability	(676,464)	
SBITA liability	(30,104)	
Total other postemployment benefits	<u>(35,234,223)</u>	
		(70,546,145)

Net position of governmental activities \$ (4,122,152)

The accompanying notes are an integral part of these statements.

**CITY OF ONEIDA, NEW YORK**

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

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

The accompanying notes are an integral part of these statements.



## CITY OF ONEIDA, NEW YORK

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

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

The accompanying notes are an integral part of these statements.

## CITY OF ONEIDA, NEW YORK

### Statement of Fiduciary Net Position

#### Fiduciary Funds

December 31, 2023

---

	Custodial Funds
ASSETS:	
Restricted cash	\$ -
Other assets	-
	<hr/>
Total assets	-
	<hr/>
LIABILITIES:	
Accounts payable	-
	<hr/>
Total liabilities	-
	<hr/>
NET POSITION:	
Restricted net position	\$ -
	<hr/> <hr/>

### Statement of Change in Fiduciary Net Position

#### Fiduciary Funds

For the Year Ended December 31, 2023

---

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

The accompanying notes are an integral part of these statements.

## **CITY OF ONEIDA, NEW YORK**

### **NOTES TO THE BASIC FINANCIAL STATEMENTS**

---

#### **1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

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

#### **Financial Reporting Entity**

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

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

Excluded from the Reporting Entity:

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

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

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

### A. Basis of Presentation

#### *Government-wide Financial Statements:*

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

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

#### *Fund Financial Statements:*

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

The funds of the financial reporting entity are described below:

### **Governmental Fund Types**

#### *General Fund*

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

#### *Community Development Fund*

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

#### *Miscellaneous Special Revenue Fund*

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

#### *Police & Fire Special Revenue Fund*

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

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

### A. Basis of Presentation (Continued)

#### *Water Fund*

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

#### *Sewer Fund*

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

#### *Capital Fund*

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

#### *Debt Service Library Fund*

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

#### *Downtown Revitalization Initiative*

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

### **Fiduciary Fund Types:**

#### *Custodial Fund*

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

### **Major Funds**

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

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

### **Non-Major Fund**

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

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

### B. Measurement Focus and Basis of Accounting

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

#### Measurement Focus

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

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

#### Basis of Accounting

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

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

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

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

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

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

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

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

#### **Budgets and Budgetary Accounting**

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

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

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

#### **C. Cash and Cash Equivalents**

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

#### **D. Restricted Cash and Cash Equivalents**

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

#### **E. Property Taxes**

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

#### **F. Receivables**

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

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

### **F. Receivables (Continued)**

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

### **G. Due from Other Governments**

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

### **H. Prepaid Items**

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

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

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

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

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

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

#### *Fund Financial Statements:*

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



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

### **J. Capital Assets**

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

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

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

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

### **K. Compensated Absences**

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

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

### **L. Short-Term Obligations**

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

### **M. Long-Term Obligations**

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

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

### M. Long-Term Obligations (Continued)

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

### N. Equity Classifications

#### *Government-wide Statements*

Equity is classified as net position and displayed in the following components:

- Net investment in capital assets - consists of capital assets net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- Restricted – see definition below under Fund Financial Statements.
- Unrestricted - remaining net position that does not meet the definition of “net investment in capital assets” or restricted net position.

#### *Fund Financial Statements*

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

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

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

### **N. Equity Classifications (Continued)**

#### *Fund Financial Statements (Continued)*

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

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

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

### **O. Retirement**

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

### **P. Other Postemployment Benefits**

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

### **Q. Revenues and Expenses/Expenditures**

#### **Grants**

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

#### **Property Taxes and Property Acquired for Taxes**

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

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

### Q. Revenues and Expenses/Expenditures (Continued)

## Other Revenues

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

## Program Revenues

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

### Expenses/Expenditures

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

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

Governmental Funds – by character:

	Current (further classified by function)
	Debt service
	Other financing uses

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

## Interfund Transfers

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

## Restricted and Unrestricted Resources

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

## R. Use of Estimates

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

## 2. CASH AND CASH EQUIVALENTS

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

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

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

### **Custodial Credit Risk – Deposits**

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

The City restricts the securities to the following eligible items:

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

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

## 2. CASH AND CASH EQUIVALENTS (Continued)

### Custodial Credit Risk – Deposits (Deposits)

Total deposits of cash and cash equivalents, excluding petty cash in the amount of \$500 are as follows for the year ended December 31, 2023:

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

These deposits were insured or collateralized as follows:

FDIC Insurance	\$ 750,000
Collateralized by third party	<u>21,553,135</u>
Total	<u>\$ 22,303,135</u>

## 3. LOANS RECEIVABLE

### Revolving Loans

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

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

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

### Facade Loans

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

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 29,865	\$ 294	\$ 30,159
2026	<u>5,615</u>	<u>57</u>	<u>5,615</u>
Total	<u>\$ 35,480</u>	<u>\$ 351</u>	<u>\$ 35,831</u>

#### 4. CAPITAL ASSETS

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

	Beginning Balance (restated)	Increases	Decreases	Ending Balance
Nondepreciable				
Land	\$ 2,915,301	\$ -	\$ -	\$ 2,915,301
Construction in progress	<u>46,386,521</u>	<u>6,758,914</u>	<u>(168,850)</u>	<u>52,976,585</u>
Subtotal	<u>49,301,822</u>	<u>6,758,914</u>	<u>(168,850)</u>	<u>55,891,886</u>
Depreciable				
Buildings	46,378,359	189,044	-	46,567,403
Infrastructure	47,292,683	812,422	-	48,105,105
Improvements	4,119,877	-	-	4,119,877
Equipment	<u>14,606,792</u>	<u>357,392</u>	<u>(132,406)</u>	<u>14,831,778</u>
Subtotal	<u>112,397,711</u>	<u>1,358,858</u>	<u>(132,406)</u>	<u>113,624,163</u>
Total Capital Assets	<u>161,699,533</u>	<u>8,117,772</u>	<u>(301,256)</u>	<u>169,516,049</u>
Accumulated depreciation				
Buildings	(32,154,233)	(1,306,976)	-	(33,461,209)
Infrastructure	(33,677,644)	(478,576)	-	(34,156,220)
Improvements	(2,663,948)	(189,302)	-	(2,853,250)
Equipment	<u>(9,264,095)</u>	<u>(754,752)</u>	<u>132,406</u>	<u>(9,886,441)</u>
Total accumulated depreciation	<u>(77,759,920)</u>	<u>(2,729,606)</u>	<u>132,406</u>	<u>(80,357,120)</u>
Lease assets, being amortized				
Postage machine	2,705	13,142	(2,705)	13,142
Vehicles	941,132	206,478	(26,407)	1,121,203
SBITA	<u>119,892</u>	<u>21,507</u>	<u>-</u>	<u>141,399</u>
Total lease assets, being amortized	<u>1,063,729</u>	<u>241,127</u>	<u>(29,112)</u>	<u>1,275,744</u>
Less Accumulated amortization for:				
Postage machine	(1,353)	(3,981)	2,705	(2,629)
Vehicles	(209,393)	(292,156)	26,407	(475,142)
SBITA	<u>-</u>	<u>(81,897)</u>	<u>-</u>	<u>(81,897)</u>
Total accumulated amortization	<u>(210,746)</u>	<u>(378,034)</u>	<u>29,112</u>	<u>(559,668)</u>
Total lease assets, being amortized, net	<u>852,983</u>	<u>(136,907)</u>	<u>-</u>	<u>716,076</u>
Net capital assets	<u>\$ 84,792,596</u>	<u>\$ 5,251,259</u>	<u>\$ (168,850)</u>	<u>\$ 89,875,005</u>

#### 4. CAPITAL ASSETS (Continued)

Depreciation and amortization was charged to governmental activities as follows:

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

#### 5. SHORT-TERM DEBT

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

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

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



## 6. LONG-TERM OBLIGATIONS

### Summary of Long-Term Obligations

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

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

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

Interest on all debt for the year was composed of:

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

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

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

## 7. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

### Receivables and Payables

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

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

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

### Transfers

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

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

## 8. RETIREMENT PLAN

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

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

## 8. RETIREMENT PLAN (Continued)

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

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

The New York State Constitution provides that pension membership is a contractual relationship and plan benefits cannot be diminished or impaired. Benefits can be changed for future members only by enactment of a State statute. The system is included in the State's financial report as a pension trust fund. That report, including information with regard to benefits provided, may be found at [www.osc.state.ny.us/retire/publications/index.php](http://www.osc.state.ny.us/retire/publications/index.php) or obtained by writing to the New York State and Local Retirement System, 110 State Street, Albany, NY 12244.

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

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

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

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

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

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

## 8. RETIREMENT PLAN (Continued)

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

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

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

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

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

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

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

## 8. RETIREMENT PLAN (Continued)

### Actuarial Assumptions

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

The actuarial valuation used the following actuarial assumptions:

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

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

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

#### Long Term Expected Rate of Return

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

### Discount Rate

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

## 8. RETIREMENT PLAN (Continued)

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

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

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

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

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

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

## 9. OTHER POST EMPLOYMENT BENEFITS

### Plan Description

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

### Funding Policy

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

### Employees Covered by Benefit Terms

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

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

## 9. OTHER POST EMPLOYMENT BENEFITS (Continued)

### Total OPEB Liability

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

### Changes in the Total OPEB Liability

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

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

### Actuarial Assumptions and Other Inputs

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

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

### Health Care Cost Trends

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

### Mortality

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

## 9. OTHER POST EMPLOYMENT BENEFITS (Continued)

### Retirement Rates

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

### Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

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

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

### Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

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

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

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

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

### Assets Accumulated in Trust

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

## 10. LEASES

### Lessee

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



## 10. LEASES (Continued)

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

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

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

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

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

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

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

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

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

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

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

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

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

**12. RESTATEMENT**

**Change in Accounting Principle**

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

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

### **13. SUBSEQUENT EVENTS**

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

**CITY OF ONEIDA, NEW YORK**

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

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

The accompanying notes are an integral part of these statements.

# CITY OF ONEIDA, NEW YORK

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

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

The accompanying notes are an integral part of these statements.

# CITY OF ONEIDA, NEW YORK

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

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

The accompanying notes are an integral part of these statements.

**CITY OF ONEIDA, NEW YORK**

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

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

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

**Notes to schedule:**

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

Discount rate	3.88%	4.18%	2.05%	2.02%	2.90%	3.90%
---------------	-------	-------	-------	-------	-------	-------

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

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

**CITY OF ONEIDA, NEW YORK**

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

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

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



**CITY OF ONEIDA, NEW YORK**

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

	Last 10 Fiscal Years*								
	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
<b>NEW YORK STATE EMPLOYEES' RETIREMENT SYSTEM PLAN:</b>									
Contractually required contribution	\$ 439,592	\$ 561,482	\$ 514,121	\$ 503,688	\$ 504,218	\$ 508,224	\$ 505,200	\$ 557,773	\$ 544,656
Contributions in relation to the contractually required contribution	<u>(439,592)</u>	<u>(561,482)</u>	<u>(514,121)</u>	<u>(503,688)</u>	<u>(504,218)</u>	<u>(508,224)</u>	<u>(505,200)</u>	<u>(557,773)</u>	<u>(544,656)</u>
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered-employee payroll	4,193,785	4,086,840	3,768,068	3,749,843	3,617,137	3,502,170	3,442,685	3,355,870	3,054,725
Contributions as a percentage of covered-employee payroll	10.48%	13.74%	13.64%	13.43%	13.94%	14.51%	14.67%	16.62%	17.83%
	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
<b>NEW YORK STATE POLICE AND FIRE RETIREMENT SYSTEM PLAN:</b>									
Contractually required contribution	\$ 1,106,594	\$ 1,061,280	\$ 838,873	\$ 838,106	\$ 812,805	\$ 790,766	\$ 744,416	\$ 802,885	\$ 752,885
Contributions in relation to the contractually required contribution	<u>(1,106,594)</u>	<u>(1,061,280)</u>	<u>(838,873)</u>	<u>(838,106)</u>	<u>(812,805)</u>	<u>(790,766)</u>	<u>(744,416)</u>	<u>(802,885)</u>	<u>(752,885)</u>
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered-employee payroll	4,738,871	4,391,768	4,022,477	3,857,794	3,804,606	3,692,721	3,491,800	3,351,258	3,230,831
Contributions as a percentage of covered-employee payroll	23.35%	24.17%	20.85%	21.73%	21.36%	21.41%	21.32%	23.96%	23.30%

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

## **CITY OF ONEIDA, NEW YORK**

### **NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION (Unaudited)**

---

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

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

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

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

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

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

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

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

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

May 31, 2024

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

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

**Report on Internal Control Over Financial Reporting**

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

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

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

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

[www.bonadio.com](http://www.bonadio.com)

(Continued)

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

**Report on Compliance and Other Matters**

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

**Purpose of this Report**

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