

PRELIMINARY OFFICIAL STATEMENT DATED MARCH 11, 2026

NEW ISSUE

BOND ANTICIPATION NOTES

In the opinion of Hawkins Delafield & Wood LLP, Bond Counsel to the District, under existing statutes and court decisions and assuming continuing compliance with certain tax certifications described herein, (i) interest on the Notes is excluded from gross income for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), and (ii) interest on the Notes is not treated as a preference item in calculating the alternative minimum tax under the Code, however, interest on the Notes is included in the "adjusted financial statement income" of certain corporations that are subject to the alternative minimum tax under Section 55 of the Code. In addition, in the opinion of Bond Counsel to the District, under existing statutes, interest on the Notes is exempt from personal income taxes of New York State and its political subdivisions, including The City of New York. See "TAX MATTERS" herein.

The District will NOT designate the Notes as "qualified tax-exempt obligations" pursuant to Section 265(b)(3)(B) of the Code.

CITY SCHOOL DISTRICT OF THE CITY OF CORNING STEUBEN, SCHUYLER AND CHEMUNG COUNTIES, NEW YORK

\$4,000,000 BOND ANTICIPATION NOTES – 2026 (the "Notes")

Date of Issue: April 1, 2026

Maturity Date: April 1, 2027

The Notes are general obligations of the City School District of the City of Corning, in the Counties of Steuben, Schuyler, and Chemung, New York (the "District"), and will contain a pledge of the faith and credit of the District for the payment of the principal of and interest on the Notes and, unless paid from other sources, the Notes are payable from ad valorem taxes which may be levied upon all the taxable real property within the District without limitation as to rate or amount.

The Notes will be issued as registered notes, and at the option of the purchaser(s), may be registered to the Depository Trust Company ("DTC" or the "Securities Depository") or may be registered in the name of the purchaser(s).

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

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

The Notes will be dated April 1, 2026 and will bear interest from that date until maturity at the annual rate or rates as specified by the purchaser(s) of the Notes, payable on maturity. The Notes will mature on April 1, 2027. The Notes will not be subject to optional redemption prior to maturity.

Interest on the Notes will be calculated on a 30-day month and 360-day year basis.

The Notes are offered when, as and if issued and received by the purchaser and subject to the approval of the legality thereof by Hawkins Delafield & Wood LLP, New York, New York, Bond Counsel. It is anticipated that the Notes will be available for delivery on or about April 1, 2026.

THIS PRELIMINARY OFFICIAL STATEMENT IS IN A FORM DEEMED FINAL BY THE DISTRICT FOR PURPOSES OF SECURITIES AND EXCHANGE COMMISSION RULE 15c2-12 (THE "RULE"). FOR A DESCRIPTION OF THE DISTRICT'S AGREEMENT TO PROVIDE CONTINUING DISCLOSURE FOR NOTES AS DESCRIBED IN THE RULE, SEE "DISCLOSURE UNDERTAKING" HEREIN.

Dated: March 11, 2026

This Preliminary Official Statement and the information contained in it are subject to completion and amendment in a final Official Statement. This Preliminary Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, and there may not be any sale of the Notes offered by this Preliminary Official Statement, in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to the registration or qualification of the Notes under the securities laws of that jurisdiction.

**CITY SCHOOL DISTRICT OF THE CITY OF CORNING
STEUBEN, SCHUYLER AND CHEMUNG COUNTIES, NEW YORK**

Board of Education

Kelley Bacalles.....President
Marjorie Lawlor Vice President
Kevin Ashton..... Board Member
Dr. Ashley Johnson-Long..... Board Member
Erin Merrill..... Board Member
Kate Merrill Board Member
Sam Nichols Board Member
Dr. Boh Ruffin..... Board Member
Dr. James Webb Board Member

Michelle Caulfield.....Superintendent of Schools
Paul Webster..... School Business Official
Ashley Winters District Clerk
James Housworth District Treasurer
Bond, Schoeneck & King PLLC. School Attorney

BOND COUNSEL

**Hawkins Delafield & Wood LLP
New York, New York**

MUNICIPAL ADVISOR



**Capital Markets Advisors, LLC
Hudson Valley * Long Island * Southern Tier * Western New York
(716) 662-3910**

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

TABLE OF CONTENTS

THE NOTES	1	Original Issue Discount	5
Description of the Notes	1	Bond Premium	6
Authority for and Purpose of the Notes	1	Information Reporting and Backup	
Optional Redemption for the Notes	1	Withholding	6
Nature of the Obligation	1	Miscellaneous	7
Book-Entry-Only System	2	CYBERSECURITY	7
MARKET MATTERS AFFECTING		LEGAL MATTERS	7
FINANCINGS OF THE		DISCLOSURE UNDERTAKING.....	7
MUNICIPALITIES OF THE STATE	3	Prior Disclosure History	7
TAX MATTERS	4	RATINGS	7
Opinion of Bond Counsel	4	MUNICIPAL ADVISOR	7
Certain Ongoing Federal Tax Requirements		ADDITIONAL INFORMATION.....	8
and Certifications.....	5		

APPENDIX A

THE DISTRICT	A-1	Tax Limit	A-10
General Information	A-1	The Tax Levy Limit Law	A-10
District Organization.....	A-1	Tax Collection Procedure.....	A-11
District Facilities	A-1	STAR - School Tax Exemption	A-11
Financial Organization.....	A-1	Largest Taxpayers for 2023-24 Fiscal Year.....	A-13
Employees	A-2	DISTRICT INDEBTEDNESS.....	A-13
Employee Pension and Other Post-		Constitutional and Statutory Requirements.....	A-13
Employment Benefits	A-2	Purpose and Pledge	A-13
Investment Policy/Permitted Investments	A-3	Payment and Maturity	A-13
FINANCIAL FACTORS	A-4	General	A-13
Revenues	A-4	Statutory Procedure.....	A-14
Property Tax.....	A-4	Debt Limit.....	A-14
State Aid.....	A-4	Statutory Debt Limit and Net Indebtedness	A-15
Recent Events Affecting New York		Authorized but Unissued Indebtedness	A-15
School Districts	A-6	Short-Term Note Indebtedness	A-15
The State Comptroller’s Fiscal Stress		Long-Term Obligations.....	A-15
Monitoring System.....	A-7	Overlapping and Underlying Debt	A-15
Independent Audit.....	A-7	Debt Ratios	A-16
New York State Comptroller’s Audit.....	A-7	Debt Service Schedule	A-17
Fund Structure and Accounts	A-8	ECONOMIC AND DEMOGRAPHIC DATA ...	A-17
Basis of Accounting	A-8	School Enrollment Trends	A-17
Budgetary Procedure.....	A-8	Population	A-17
TAX INFORMATION	A-8	Employment and Unemployment	A-18
Real Property Tax Assessments and Rates	A-8	LITIGATION	A-19

- APPENDIX B – SUMMARY OF BUDGETS AND FINANCIAL STATEMENTS**
- APPENDIX C – LINK TO FINANCIAL AUDIT FOR FISCAL YEAR ENDING JUNE 30, 2025**
- APPENDIX D – FORM OF APPROVING OPINION**
- APPENDIX E – FORM OF UNDERTAKING TO PROVIDE NOTICES OF EVENTS**

**OFFICIAL STATEMENT
RELATING TO THE ISSUANCE OF
CITY SCHOOL DISTRICT OF THE CITY OF CORNING
STEUBEN, SCHUYLER AND CHEMUNG COUNTIES, NEW YORK
relating to
\$4,000,000
BOND ANTICIPATION NOTES - 2026
(the "Notes")**

This Official Statement, which includes the cover page, inside cover page and appendices hereto, presents certain information relating to the City School District of the City of Corning in the Counties of Steuben, Schuyler and Chemung, State of New York (the "District," "County" and "State" respectively), in connection with the sale of \$4,000,000 Bond Anticipation Notes – 2026 (the "Notes").

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

THE NOTES

Description of the Notes

The Notes will be dated and will mature, without option of prior redemption, as set forth on the front cover page.

Authority for and Purpose of the Notes

The Notes are authorized to be issued pursuant to the Constitution and laws of the State, including the Education Law, the Local Finance Law and a bond resolution duly adopted by the Board of Education of the District on October 18, 2023, authorizing the issuance of \$80,847,038 serial bonds and will provide original financing for the construction of alterations, additions, new buildings and improvements to District facilities and sites. The proceeds of the Notes in the amount of \$4,000,000 will provide original financing for the project.

Optional Redemption for the Notes

The Notes are not subject to prior redemption.

Nature of the Obligation

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

The Notes will be general obligations of the District and will contain a pledge of the faith and credit of the District for the payment of the principal thereof and the interest thereon. For the payment of such principal of and interest on the District has the power and statutory authorization to levy ad valorem taxes on all taxable real property in the District without limitation as to rate or amount

Under the Constitution of the State, the District is required to pledge its faith and credit for the payment of the principal of and interest on the Notes and the State is specifically precluded from restricting the power of the District to levy taxes on real estate therefor. Chapter 97 of the Laws of 2011, as amended (the "*Tax Levy Limit Law*"), imposes a limitation on the power of local governments and school districts, including the District, increase their annual tax levy. The amount of such year-to-year increase limited by the formulas set forth in the Tax Levy Limit Law. However, the Tax Levy Limit Law, as amended, expressly provides an exception from the annual tax levy limitation for any taxes levied to pay the local share of debt service on notes issued to finance voter approved capital expenditures, or the refinancing or refunding of such notes. As the Notes are being issued to finance voter approved capital expenditures, the Notes qualify for such exception to the annual tax levy limitation. (See "*The Tax Levy Limit Law*" herein).

Book-Entry-Only System

The following applies to the Notes if issued in book-entry form. DTC will act as securities depository for the Notes if so requested. The Notes will be issued as fully-registered notes registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully registered note certificate will be issued for the Notes bearing the same rate of interest and CUSIP deposited with DTC.

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

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

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

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

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Notes unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the District as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Notes are credited on the record date (identified in a listing attached to the Omnibus Proxy).

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

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

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

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

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

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

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

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

Source: The Depository Trust Company.

MARKET MATTERS AFFECTING FINANCINGS **OF THE MUNICIPALITIES OF THE STATE**

There are certain potential risks associated with an investment in the Notes, and investors should be thoroughly familiar with this Official Statement, including its appendices, in order to make an informed investment decision. Investors should consider, in particular, the following factors:

The District's credit rating could be affected by circumstances beyond the District's control. Economic conditions such as the rate of unemployment and inflation, termination of commercial operations by corporate taxpayers and employers, as well as natural catastrophes, could adversely affect the assessed valuation of District property and its ability to maintain fund balances and other statistical indices commensurate with its current credit rating. Accordingly, a decline in the District's credit rating could adversely affect the market value of the Notes.

In addition, if and when a holder of any of the Notes should elect to sell a Note prior to its maturity, there can be no assurance that a market shall have been established, maintained and be in existence for the purchase and sale of any Notes. The price or principal value of the Notes is dependent on the prevailing level of interest rates. If interest rates should increase, the price of a bond or note may decline causing the bond or noteholder to potentially incur a capital loss if such bond or note is sold prior to its maturity.

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

The District relies in part on State aid to fund its operations. There can be no assurance that the State appropriation for State aid to school districts will be continued in future years, either pursuant to existing formulas or in any form whatsoever. State aid appropriated and apportioned to the District can be paid only if the State has such monies available therefore. The availability of such monies and the timeliness of such payment may also be affected by a delay in the adoption of the State budget, the impact to the State's economy and financial condition due to the COVID-19 outbreak and other circumstances, including State fiscal stress. In any event, State aid appropriated and apportioned to the District can be paid only if the State has such monies available therefore. (See "*State Aid*" and "*Events Affecting New York School Districts*" herein).

An outbreak of disease or similar public health threat, such as the COVID-19 outbreak, or fear of such an event, could have an adverse impact on the District's financial condition and operating results by potentially delaying the receipt of real property taxes or resulting in a delay or reduction by the State in the payment of State aid.

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

TAX MATTERS

Opinion of Bond Counsel

In the opinion of Hawkins Delafield & Wood LLP, Bond Counsel to the District, under existing statutes and court decisions and assuming continuing compliance with certain tax certifications described herein, (i) interest on the Notes is excluded from gross income for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the "Code") and (ii) interest on the Notes is not treated as a preference item in calculating the alternative minimum tax under the Code, however interest on the Notes is included in the "adjusted financial statement income" of certain corporations that are subject to the alternative minimum tax under Section 55 of the Code. The Tax Certificate of the District (the "Tax Certificate"), which will be delivered concurrently with the delivery of the Notes will contain provisions and procedures relating to compliance with applicable requirements of the Code. In rendering its opinion, Bond Counsel has relied on certain representations, certifications of fact, and statements of reasonable expectations made by the District in connection with the Notes, and Bond Counsel has assumed compliance by the District with certain ongoing provisions and procedures set forth in the Tax Certificate relating to compliance with applicable requirements of the Code to assure the exclusion of interest on the Notes from gross income under Section 103 of the Code.

In addition, in the opinion of Bond Counsel to the District, under existing statutes, interest on the Notes is exempt from personal income taxes of New York State and its political subdivisions, including The City of New York.

Bond Counsel expresses no opinion as to any other federal, state or local tax consequences arising with respect to the Notes, or the ownership or disposition thereof, except as stated above. Bond Counsel renders its opinion under existing statutes and court decisions as of the issue date, and assumes no obligation to update, revise or supplement its opinion to reflect any action thereafter taken or not taken, any fact or circumstance that may thereafter come to its attention, any change in law or interpretation thereof that may thereafter occur, or for any other reason. Bond Counsel expresses no opinion as to the consequence of any of the events described in the preceding sentence or the likelihood of their occurrence. In addition, Bond Counsel expresses no opinion on the effect of any action taken or not taken in reliance upon an opinion of other counsel regarding federal, state or local tax matters, including, without limitation, exclusion from gross income for federal income tax purposes of interest on the Notes.

Certain Ongoing Federal Tax Requirements and Certifications

The Code establishes certain ongoing requirements that must be met subsequent to the issuance and delivery of the Notes in order that interest on the Notes be and remain excluded from gross income under Section 103 of the Code. These requirements include, but are not limited to, requirements relating to use and expenditure of gross proceeds of the Notes, yield and other restrictions on investments of gross proceeds, and the arbitrage rebate requirement that certain excess earnings on gross proceeds be rebated to the federal government. Noncompliance with such requirements may cause interest on the Notes to become included in gross income for federal income tax purposes retroactive to their issue date, irrespective of the date on which such noncompliance occurs or is discovered. The District, in executing the Tax Certificate, will certify to the effect that the District will do and perform all acts and things necessary or desirable to assure the exclusion of interest on the Notes from gross income under Section 103 of the Code.

Certain Collateral Federal Tax Consequences

The following is a brief discussion of certain collateral federal income tax matters with respect to the Notes. It does not purport to address all aspects of federal taxation that may be relevant to a particular owner of a Bond or a Note. Prospective investors, particularly those who may be subject to special rules, are advised to consult their own tax advisors regarding the federal tax consequences of owning and disposing of the Notes.

Prospective owners of the Notes should be aware that the ownership of such obligations may result in collateral federal income tax consequences to various categories of persons, such as corporations (including S corporations and foreign corporations), financial institutions, property and casualty and life insurance companies, individual recipients of Social Security and railroad retirement benefits, individuals otherwise eligible for the earned income tax credit, and taxpayers deemed to have incurred or continued indebtedness to purchase or carry obligations the interest on which is excluded from gross income for federal income tax purposes. Interest on the Notes may be taken into account in determining the tax liability of foreign corporations subject to the branch profits tax imposed by Section 884 of the Code.

Original Issue Discount

“Original issue discount” (“OID”) is the excess of the sum of all amounts payable at the stated maturity of a Bond or a Note (excluding certain “qualified stated interest” that is unconditionally payable at least annually at prescribed rates) over the issue price of that maturity. In general, the “issue price” of a maturity (a bond or note with the same maturity date, interest rate, and credit terms) means the first price at which at least 10 percent of such maturity was sold to the public, i.e., a purchaser who is not, directly or indirectly, a signatory to a written contract to participate in the initial sale of the Notes. In general, the issue price for each maturity of Notes is expected to be the initial public offering price set forth on the cover page of the Official Statement. Bond Counsel further is of the opinion that, for any Bond or Note having OID (a “Discount Obligation”), OID that has accrued and is properly allocable to the owners of the Discount Obligation under Section 1288 of the Code is excludable from gross income for federal income tax purposes to the same extent as other interest on the Bond or Note.

In general, under Section 1288 of the Code, OID on a Discount Obligation accrues under a constant yield method, based on periodic compounding of interest over prescribed accrual periods using a compounding rate determined by reference to the yield on that Discount Obligation. An owner's adjusted basis in a Discount Obligation is increased by accrued OID for purposes of determining gain or loss on sale, exchange, or other disposition of such Bond or Note. Accrued OID may be taken into account as an increase in the amount of tax-exempt income received or deemed to have been received for purposes of determining various other tax consequences of owning a Discount Obligation even though there will not be a corresponding cash payment.

Owners of Discount Obligations should consult their own tax advisors with respect to the treatment of original issue discount for federal income tax purposes, including various special rules relating thereto, and the state and local tax consequences of acquiring, holding, and disposing of Discount Obligations.

Bond Premium

In general, if an owner acquires a Bond or Note for a purchase price (excluding accrued interest) or otherwise at a tax basis that reflects a premium over the sum of all amounts payable on the bond or note after the acquisition date (excluding certain "qualified stated interest" that is unconditionally payable at least annually at prescribed rates), that premium constitutes "bond premium" on that bond or note (a "Premium Obligation"). In general, under Section 171 of the Code, an owner of a Premium Obligation must amortize the bond premium over the remaining term of the Premium Obligation, based on the owner's yield over the remaining term of the Premium Obligation determined based on constant yield principles (in certain cases involving a Premium Obligation callable prior to its stated maturity date, the amortization period and yield may be required to be determined on the basis of an earlier call date that results in the lowest yield on such bond). An owner of a Premium Obligation must amortize the bond premium by offsetting the qualified stated interest allocable to each interest accrual period under the owner's regular method of accounting against the bond premium allocable to that period. In the case of a tax-exempt Premium Obligation, if the bond premium allocable to an accrual period exceeds the qualified stated interest allocable to that accrual period, the excess is a nondeductible loss. Under certain circumstances, the owner of a Premium Obligation may realize a taxable gain upon disposition of the Premium Obligation even though it is sold or redeemed for an amount less than or equal to the owner's original acquisition cost. Owners of any Premium Obligation should consult their own tax advisors regarding the treatment of bond premium for federal income tax purposes, including various special rules relating thereto, and state and local tax consequences, in connection with the acquisition, ownership, amortization of bond premium on, sale, exchange, or other disposition of Premium Obligations.

Information Reporting and Backup Withholding

Information reporting requirements apply to interest paid on tax-exempt obligations, including the Notes. In general, such requirements are satisfied if the interest recipient completes, and provides the payor with, a Form W-9, "Request for Taxpayer Identification Number and Certification," or if the recipient is one of a limited class of exempt recipients. A recipient not otherwise exempt from information reporting who fails to satisfy the information reporting requirements will be subject to "backup withholding," which means that the payor is required to deduct and withhold a tax from the interest payment, calculated in the manner set forth in the Code. For the foregoing purpose, a "payor" generally refers to the person or entity from whom a recipient receives its payments of interest or who collects such payments on behalf of the recipient.

If an owner purchasing a Bond or Note through a brokerage account has executed a Form W-9 in connection with the establishment of such account, as generally can be expected, no backup withholding should occur. In any event, backup withholding does not affect the excludability of the interest on the Notes from gross income for federal income tax purposes. Any amounts withheld pursuant to backup withholding would be allowed as a refund or a credit against the owner's federal income tax once the required information is furnished to the Internal Revenue Service.

Miscellaneous

Tax legislation, administrative actions taken by tax authorities, or court decisions, whether at the federal or state level, may adversely affect the tax-exempt status of interest on the Notes under federal or state law or otherwise prevent beneficial owners of the Notes from realizing the full current benefit of the tax status of such interest. In addition, such legislation or actions (whether currently proposed, proposed in the future, or enacted) and such decisions could affect the market price or marketability of the Notes.

Prospective purchasers of the Notes should consult their own tax advisors regarding the foregoing matters.

CYBERSECURITY

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

LEGAL MATTERS

Legal matters incident to the authorization, issuance and sale of the Notes are subject to the approving legal opinion of Hawkins Delafield & Wood LLP, New York, New York, Bond Counsel. Bond Counsel's opinion will be in substantially the form attached hereto in Appendix D.

DISCLOSURE UNDERTAKING

In order to assist the purchaser(s) in complying with Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended ("Rule 15c2-12") with respect to the Notes, the District will execute an "Undertaking to Provide Notices of Events" substantially as set forth in Appendix E.

Prior Disclosure History

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

RATINGS

The Notes are not rated.

Moody's Investors Service, Inc. ("Moody's") has assigned "Aa3" to the outstanding uninsured bonds of the District.

Such ratings reflect only the view of such organization, and an explanation of the significance of such rating may be obtained only from Moody's, at the following address: 7 World Trade Center at 250 Greenwich Street, New York, NY 10007. There can be no assurance that such rating will continue for any specified period of time or that such rating will not be revised or withdrawn, if in the judgment of Moody's circumstances so warrant. Any such change or withdrawal of such rating may have an adverse effect on the market price of the Notes or the availability of a secondary market for the Notes.

MUNICIPAL ADVISOR

Capital Markets Advisors, LLC, Orchard Park, New York, (the "Municipal Advisor") has served as the independent Municipal Advisor to the District in connection with the sale of the Notes.

In preparing the Official Statement, the Municipal Advisor has relied upon governmental officials, and other sources, who have access to relevant data to provide accurate information for the Official Statement. The Municipal Advisor has not been engaged, nor has it undertaken, to independently verify the accuracy of such information. The Municipal Advisor is not a public accounting firm and has not been engaged by the District to compile, review, examine or audit any information in the Official Statement in accordance with accounting standards. The Municipal Advisor is not a law firm and does not provide legal advice with respect to this or any debt offerings of the District. The Municipal Advisor is an independent advisory firm and is not engaged in the business of underwriting, trading or distributing municipal securities or other public securities and therefore will not participate in the underwriting of the Notes.

ADDITIONAL INFORMATION

Additional information may be obtained from Mr. Paul Webster, Business Official, 165 Charles Street, Painted Post, NY 14870, phone: (607) 936-3704, x 2713, email: pwebster@cppasd.com or from the District's Municipal Advisor, Capital Markets Advisors, LLC, (716) 662-3910.

Any statements in this Official Statement involving matters of opinion or estimates, whether or not expressly so stated, are intended as such and not as representations of fact. No representation is made that any of such statements will be realized. This Official Statement is not to be construed as a contract or agreement between the District and the original purchasers or holders of any of the Notes.

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

CITY SCHOOL DISTRICT OF THE CITY OF CORNING Steuben, Schuyler and Chemung Counties, New York

By: _____
Kelley Bacalles
President of the Board of Education

DATED: March __, 2026

APPENDIX A

THE DISTRICT

General Information

The District, with a population of approximately 33,350 according to District Officials, has a land area of approximately 237 square miles and is situated primarily in the county of Steuben, with portions extending into Schuyler and Chemung counties. The District includes all of the city of Corning and the towns of Corning and Hornby; portions of the Towns of Big Flats, Bradford, Campbell, Catlin, Dix, Erwin, Lindley, Orange, Caton, and Southport; as well as all of the villages of Painted Post, Riverside and South Corning.

The city of Corning is located at the crossroads of Interstate 86, the east-west “Southern Tier Expressway,” and NYS Route 99, which runs north-south. The District is served by airlines operating out of the Chemung County Airport. Rail service is provided by Norfolk Southern-Conrail. Public utilities serving the District include NYS Electric & Gas Corporation, Corning Natural Gas Corporation, Columbia Gas of New York, Consolidated Gas Supply Corporation and Verizon New York Inc.

The District is generally rural in character with both agricultural and industrial development and major employers.

District Organization

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

The legislative power of the District is vested in the Board of Education, which consists of nine members, including the President and Vice President. Board members are elected for overlapping terms of three years. The administrative officers of the District, whose duty it is to implement the policies of the Board of Education and who are appointed by such Board, include the Superintendent of Schools, School Business Official, District Clerk and District Treasurer.

District Facilities

The District currently operates the following facilities:

TABLE 1
School Statistics

<u>Name of School</u>	<u>Grades</u>	<u>Year of Construction</u>	<u>State Rated Capacity</u>
Carder Elementary	K-5	1955	468
Smith Elementary	K-5	1957	426
Severn Elementary	K-5	1955	546
Erwin Valley Elementary	K-5	1957	292
Gregg Elementary	K-5	1952	378
Winfield Elementary	K-5	1957	405
High School	9-12	1963	3,420
Middle School	9-12	1963	<u>2,700</u>
Total Capacity			8,635

Source: District officials.

Financial Organization

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

Employees

There are approximately 942 persons employed by the District. The collective bargaining units which represent District employees and the expiration dates of current collective bargaining agreements are as follows:

TABLE 2
Employees

<u>Approximate # of Employees</u>	<u>Union</u>	<u>Contract Expiration Date</u>
21	Administrators/Supervisors' Association	6/30/2029
311	Civil Service Employees' Association	6/30/2027
147	Corning Teaching Assistant Association	6/30/2027
463	Corning Teachers' Association	6/30/2026

Source: District Officials

Employee Pension and Other Post-Employment Benefits

All non-teaching and non-certified administrative employees of the School District eligible for pension or retirement benefits under the Retirement and Social Security Law of the State of New York are members of the New York and Local Employees' Retirement System ("ERS").

Teachers and certified administrators are members of the New York State Teachers' Retirement System ("TRS"). Payments to the Teachers' Retirement System are deducted from the School District's State aid payments.

Both the ERS and the TRS are non-contributing with respect to members hired prior to July 27, 1976. The Retirement Systems are non-contributory with respect to members working ten or more years. All members working less than ten years must contribute 3% of gross annual salary toward the cost of retirement programs. Employees hired on or after April 1, 2013 have a variable contribution amount. See further details herein.

The following table details the actual contributions to ERS and TRS for the past four audited fiscal years and the 2026 Adopted Budget:

<u>Year Ended</u>	<u>ERS</u>	<u>TRS</u>
2026 Budget	\$1,716,603	\$4,201,645
2025	1,471,034	4,431,641
2024	1,247,407	4,288,455
2023	1,059,584	4,375,683
2022	1,436,403	4,051,066

On December 10, 2009, then former Governor Paterson signed into law a new Tier 5. The law is effective for new ERS and TRS employees hired after January 1, 2010. New ERS employees will now contribute 3% of their salaries and new TRS employees will contribute 3.5% of their salaries. There is no provision for these contributions to cease after a certain period of service.

On March 16, 2012, former Governor Cuomo signed into law the new Tier 6 pension program, effective for new ERS and TRS employees hired after April 1, 2012. The Tier 6 legislation provides for increased employee contribution rates of between 3% and 6%, an increase in the retirement age from 62 years to 63 years, a readjustment of the pension multiplier, and a change in the time period for final average salary calculation from 3 years to 5 years. Tier 6 employees will vest in the system after ten years of employment and will continue to make employee contributions throughout employment.

Pension reform legislation enacted in 2003 and 2004 changed the cycle of ERS billing to match budget cycles of the District. Under the previous method, the District was unsure of how much it paid to the system until after its budget was implemented. Under the current method the contribution for a given fiscal year will be based on the value of the pension fund on the prior April 1 instead of the following April 1 so that the District will be able to more accurately include the cost of the contribution into its budget. The reform legislation also (i) required the District to make a minimum contribution of 4.5% of payroll every year, including years in which the investment performance of the fund would make a lower contribution possible and (ii) moved the annual payment date for contributions from December 15th to February 1st, effective December 15, 2004.

The New York State ERS rate for 2023-24 was 13.1%. The 2024-25 ERS increased to 15.2%. The 2024-25 TRS rate is 10.1%. The 2025-26 ERS is estimated to be 16.5%. The 2025-26 TRS is estimated to be 9.6%.

Due to poor performance of the investment portfolio of the State Retirement System, New York State Comptroller Thomas DiNapoli has announced that the employer contribution rates for required pension contributions to the SRS will continue to increase. To help mitigate the impact of their ERS increases, legislation has been enacted that permits local governments and school districts to amortize a portion of such contributions. Under such legislation, local governments and school districts that choose to amortize a portion of their ERS contributions will be required to set aside and reserve funds with the SRS for certain future rate increases.

In Spring 2013, the State and TRS approved a Stable Contribution Option (“SCO”) that gives school districts the ability to better manage the spikes in Actuarially Required Contribution rates (“ARCs”). ERS followed suit and modified its existing SCO, which was adopted in 2010. Each plan allows school districts to pay the SCO amount in lieu of the ARC amount, which is higher, and defer the difference in payment amounts as described below. The plan, which was approved in former Governor Cuomo’s 2016-17 budget would let districts contribute 14.13% of employee costs toward pensions. The District has not opted into the pension smoothing plan.

The TRS SCO deferral plan is available to school districts. Under the TRS SCO plan, payment of the deferred amount will commence in year six of the program (2018-19) and continue for five years. School districts can elect to no longer participate in the plan at any time, resume paying the ARC and begin repayment of deferred amounts over five years. Under the ERS SCO, payment of deferred amounts begins the year immediately following the deferral and the repayment period is 12 years. Once made, the election to participate in the ERS SCO is permanent. However, the school districts can choose not to defer payment in any given year. In both plans, interest on the deferred amounts is based on the yield of 10-year U.S. Treasury securities plus 1%.

The primary benefit of participation in the SCO plans is the elimination of the uncertainty in the volatility of future pension contribution ARCs in the near term, thereby providing school districts with significant assistance in its ability to create a stable and reliable fiscal plan.

Effective July 1, 2017, the District adopted GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions (OPEB), which supersedes GASB Statement No. 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions.

The following table summarizes the District’s changes in the total OPEB Liability for the year ended June 30, 2025:

Balance at June 30, 2024	<u>\$317,668,645</u>
Changes for the year:	
Service Cost	11,354,706
Interest	12,495,758
Differences between expected and actual experience	-
Changes of assumptions or other inputs	-
Benefit payments	<u>(10,598,076)</u>
Net changes	<u>\$12,559,448</u>
Net OPEB obligation – end of year	<u>\$330,228,093</u>

Source: Audited Financial Statements

Investment Policy/Permitted Investments

Pursuant to State law, including Sections 10 and 11 of the General Municipal Law (the “GML”), the District is generally permitted to deposit moneys in banks and trust companies located and authorized to do business in the State. All such deposits, including special time deposit accounts and certificates of deposit, in excess of the amount insured under the Federal Deposit Insurance Act, are required to be secured in accordance with the provisions of and subject to the limitations of Section 10 of the GML.

The District may also temporarily invest moneys in: (1) obligations of the United States of America; (2) obligations guaranteed by agencies of the United States of America where the payment of principal and

interest are guaranteed by the United States of America; (3) obligations of the State of New York; (4) with the approval of the New York State Comptroller, in tax anticipation notes or revenue anticipation notes issued by any municipality, school district, or district corporation, other than those bonds issued by the District; (5) certificates of participation issued by political subdivisions of the State pursuant to Section 109-b(10) of the GML; or (6) in the case of moneys held in certain reserve funds established by the District pursuant to law, in obligations of the District.

All of the foregoing instruments and investments are required to be payable or redeemable at the option of the owner within such times as the proceeds will be needed to meet expenditures for purposes for which the moneys were provided and, in the case of instruments and investments purchased with the proceeds of bonds or notes, shall be payable or redeemable in any event, at the option of the owner, within two years of the date of purchase. Unless registered or inscribed in the name of the District, such instruments and investments must be purchased through, delivered to and held in custody of a bank or trust company in the State pursuant to a written custodial agreement as provided in Section 10 of the GML.

The Board of Education had adopted an investment policy and such policy conforms with applicable laws of the State governing the deposit and investment of public moneys. All deposits and investments of the District are made in accordance with such policy.

FINANCIAL FACTORS

Revenues

The District receives most of its revenue from a real property tax on all non-exempt real property situated within the District and State aid.

Property Tax

The following table sets forth total general fund revenues and real property tax revenues including other property tax items during the last five audited fiscal years and budgeted for the current fiscal year.

TABLE 3
Property Taxes

<u>Fiscal Year</u>	<u>Total Revenues</u>	<u>Real Property Taxes and Tax Items</u>	<u>Real Property Taxes as Percentage of Revenues</u>
2021	\$113,878,160	\$58,395,123	51.3%
2022	114,230,460	59,196,779	51.8%
2023	123,537,588	60,731,866	49.2%
2024	129,994,422	62,806,843	48.3%
2025	132,828,054	64,106,000	48.3%
2026 (<i>Budget</i>)	137,759,430	65,949,675	47.9%

Source: Audited Financial Statements of the District and the Adopted 202 Budget.

State Aid

The District receives appropriations from the State of State aid for operating, building and other purposes at various times throughout its fiscal year, pursuant to formulas and payment schedules set forth by statute. While the State has a constitutional duty to maintain and support a system of free common schools that provides a “sound basic education” to children of the State, there can be no assurance that the State appropriation for State aid to school districts will be continued in future years, either pursuant to existing formulas or in any form whatsoever. State aid appropriated and apportioned to the school districts can be paid only if the State has such monies available for such payment.

The following table sets forth the percentage of the District’s General Fund revenue comprised of State aid during the last five audited fiscal years and budgeted for the current fiscal year.

TABLE 4
State Aid Revenue

<u>Fiscal Year</u>	<u>Total Revenues</u>	<u>State Aid</u>	<u>State Aid to Revenues</u>
2021	\$113,878,160	\$51,393,905	45.1%
2022	114,230,460	52,129,565	45.6%
2023	123,537,588	57,226,979	46.3%
2024	129,994,422	61,945,492	47.7%
2025	132,828,054	64,650,021	48.7%
2026 (Budget)	137,759,430	69,043,555	50.1

Source: Audited Financial Statements of the District and the Adopted 202 Budget.

In addition to the amount of State Aid budgeted annually by the District, the State makes payments of STAR aid representing tax savings provided by school districts to their taxpayers under the STAR Program (See “STAR – School Tax Exemption” herein).

The amount of State aid to school districts is dependent in part upon the financial condition of the State. Due to the outbreak of COVID-19 the State initially declared a state of emergency and the Governor took steps designed to mitigate the spread and impacts of COVID-19, including closing schools and non-essential businesses for an extended period. The use of federal stimulus funds has allowed the State to avoid gap closing measures; however, the State may be required to implement gap closing measures in the future. Such actions may include, but are not limited to: reductions in State agency operations and/or delays or reductions in payments to local governments or other recipients of State aid including school districts in the State. If this were to occur, reductions in the payment of State aid could adversely affect the financial condition of school districts in the State, including the District

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

The State receives a substantial amount of federal aid for health care, education, transportation and other governmental purposes, as well as federal funding to respond to, and recover from, the COVID-19 pandemic, severe weather events and other disasters. Many of the policies that drive this federal aid may be subject to change under the federal administration and Congress. Current federal aid projections, and the assumptions on which they rely, are subject to revision. Reductions in federal funding levels could have a materially adverse impact on the State budget.

In addition to the potential fiscal impact of policies that may be proposed and adopted by the federal administration and Congress, the State budget may be adversely affected by other actions taken by the federal government, including audits, disallowances, and changes to federal participation rates or other Medicaid rules.

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

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

Recent Events Affecting New York School Districts

School district fiscal year (2021-2022): For the 2021-2022 school year, the State's Enacted budget provided \$29.5 billion in State funding to school districts for the 2021-2022 school year through School Aid, the highest level of State aid ever, supporting the operational costs of school districts that educate 2.5 million students statewide. This investment represented an increase of 11.3% (\$3.0 billion) compared to the 2020-2021 school year, including a \$1.4 billion (7.6%) Foundation Aid increase. The Enacted budget allocated \$13 billion of federal Elementary and Secondary School Emergency Relief and Governor's Emergency Education Relief funds to public schools. This funding, available for use over multiple years, helped schools safely reopen for in-person instruction, address learning loss, and respond to students' academic, social, and emotional needs due to the disruptions of the COVID-19 pandemic. The Budget allocated \$629 million of these funds to school districts as targeted grants to support efforts to address learning loss through activities such as summer enrichment and comprehensive after-school programs. In addition, the Budget used \$105 million of federal funds to expand access to full-day prekindergarten programs for four-year-old children in school districts statewide in the 2021-2022 school year.

School district fiscal year (2022-23): The Governor's Enacted budget provides \$31.5 billion in School Aid for the 2022-23 fiscal year, an increase of \$2.1 billion (7.2 percent) from \$29.1 billion 2021-22. Foundation Aid is increased by \$1.5 billion (7.7% increase), This is the second year of the Foundation Aid Formulation, a three-year phase-in of the restoration of the full Foundation Aid formula to finally fulfill the State's commitments from the Campaign for Fiscal Equity case from the early 2000s. The budget continues the expansion of full-day prekindergarten that will provide funding to 200 school districts with an increase of \$125 million from the 2022-23 fiscal year, and increase of 13%. The Budget also includes \$451 million increase in all other School Aid programs.

School district fiscal year (2023-24): The State budget provided \$34.5 billion in School Aid for the 2023-24 fiscal year, an increase of \$3.1 billion (10.0 percent). Foundation Aid is increased by \$2.7 billion (12.8 percent), This is the third year of the Foundation Aid Formulation, a three-year phase-in of the restoration of the full Foundation Aid formula to finally fulfill the State's commitments from the Campaign for Fiscal Equity case from the early 2000s. The budget continued the expansion of full-day prekindergarten that will provide funding to 200 school districts with an increase of \$1.2 million from the 2022-23 fiscal year. The total funding for the Universal Pre-Kindergarten included \$25 million in expansion grants supported by the American Rescue Plan Act.

School district fiscal year (2024-25): The Governor's Enacted State budget provided \$35.9 billion in School Aid, an increase of \$1.3 billion, including \$24.9 billion in Foundation Aid for the 2024-25 fiscal year. Governor Hochul is lowering the inflation factor from 4.1 percent to 2.8 percent in the formula to right-size funding for the 2024-25 school year. The Budget also commissioned a Rockefeller Institute study to examine the Foundation Aid formula to prepare for changes in following years.

School district fiscal year (2025-2026): For the 2025-2026 school year, the Enacted Budget provides \$37.6 billion in State funding to school districts, the highest level of State aid ever. This represents an increase of \$1.7 billion or 4.9 percent compared to the 2024-25 school year and includes a \$1.4 billion, or 5.9 percent, Foundation Aid increase. Although recommended to be phased-out in the previously mentioned report done by the Rockefeller Institute, the State's 2025-26 Enacted Budget maintains the "save harmless" provision, which ensures a school district receives at least the same amount of Foundation Aid as it received in the prior year. The State's 2025-26 Enacted Budget includes a 2% minimum increase in Foundation Aid to all school districts and makes a number of alterations to the Foundation Aid formula designed to reflect low-income student populations and provide additional aid to low-wealth school districts.

Provisions in the State's 2025-26 Enacted Budget grant the State Budget Director the authority to withhold all or some of the amounts appropriated therein, including amounts that are to be paid on specific dates prescribed in law or regulation (such as State aid) if, on a cash basis of accounting, a "general fund imbalance" has or is expected to occur in fiscal year 2025-26. Specifically, the State's 2025-26 Enacted Budget provides that a "general fund imbalance" has occurred, and the State Budget Director's powers are activated, if any

State fiscal year 2025-26 quarterly financial plan update required by Subdivision 4 of Section 23 of the New York State Finance Law reflects, or if at any point during the final quarter of State fiscal year 2025-26 the State Budget Director projects, that estimated general fund receipts and/or estimated general fund disbursements have or will vary from the estimates included in the State's 2025-26 Enacted Budget financial plan required by sections 22 and 23 of the New York State Finance Law results in a cumulative budget imbalance of \$2 billion or more. Any significant reductions or delays in the payment of State aid could adversely affect the financial condition of school districts in the State.

The Enacted State Budget for the 2025-26 fiscal year provides \$68.92 million of Aid to the District, a 5.88% increase from the District's 2024-25 school year.

The District presently anticipates an increase in its State Aid related to Foundation Aid for its 2025-26 fiscal year in an amount of \$2,174,689.

It should also be noted that the School District receives federal aid for certain programs. In its last audited fiscal year, the School District received \$317,144 in such direct federal aid. It is not possible to predict whether such aid will continue in the future, or if continued, whether it will be funded at present levels.

The District cannot predict at this time whether there will be any reductions in and/or delays in the receipt of State aid during the District's 2025-26 fiscal year. The District believes that it would mitigate the impact of any delays or the reduction in State aid by reducing expenditures, increasing revenues, appropriating other available funds on hand, and/or by any combination of the foregoing.

The State Comptroller's Fiscal Stress Monitoring System

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

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

The most current applicable report of the State Comptroller designates the District as "No Designation" (see <https://www1.osc.state.ny.us/localgov/fiscalmonitoring/fsms.cfm>).

Independent Audit

The District retains Lumsden and McCormick LLP, CPA. as independent certified public accountants to audit its financial statements. Appendix C to the Official Statement presents a copy of the District's most recent audited financial report. In addition, the District is subject to audit by the State Comptroller to review compliance with legal requirements and the rules and regulations established by the State.

New York State Comptroller's Audit

Many school districts throughout the state can be subject to an audit of the New York State Office of the Comptroller ("OSC") pursuant to Article V, Section 1 of the State Constitution and the State Comptroller's authority as set forth in Article 3 of the New York State General Municipal Law.

On November 10, 2023, OSC, Division of Local Government and School Accountability released an audit of the District to review Claims Auditing. The audit was conducted to determine whether the Corning City School District (District) claims auditor properly audited and approved claims prior to payment.

The link to the most recent OSC report is as follows:

<https://www.osc.ny.gov/files/local-government/audits/2023/pdf/corning-city-school-district-2023M-105.pdf>

The OSC has not conducted any other audits of the District in the past five years.

Fund Structure and Accounts

The General Fund is the general operating fund for the District and is used to account for substantially all revenues and expenditures of the District. The District also maintains a special aid fund, school lunch fund and debt service fund. In addition, a capital projects fund is used to record capital facilities while a trust and agency fund accounts for assets received by the District in a fiduciary capacity.

Basis of Accounting

The District's governmental funds are accounted for on a modified accrual basis whereby revenues, other than those susceptible ("measurable" and "available" to finance current operations) to accrual, are recorded when received in cash. Revenues susceptible to accrual include real property taxes and State aid. The District generally records expenditures on the accrual basis when fund liabilities are incurred, except as follows: Interest on general obligation debt which is recorded when it becomes due. Unfunded pension costs are recognized as expenditure when billed by the State. Accumulated vacation and sick leave are also accounted for in the general long-term debt account group. Inventories are generally not recorded but expensed at the time of purchase; food and supplies in school lunch are inventoried and carried at values which approximate market. Fixed assets are recorded at replacement cost as determined by appraisal; there is no provision for depreciation expense.

Budgetary Procedure

The District's fiscal year begins on July 1 and ends on June 30. Starting in the fall or winter of each year, the District's financial plan and enrollment projection are reviewed and updated and the first draft of the next year's proposed budget is developed by the central office staff. During winter and early spring the budget is developed and refined in conjunction with the school building principals and department supervisors. Under current law, the budget is submitted to voter referendum on the third Tuesday in May each year.

On May 20, 2025 the qualified voters of the District rejected the District's budget for the 2025-2026 fiscal year. The District's Board of Education had a revote within the tax cap requiring a simple majority vote or a contingency budget on June 17, 2025 that was approved by the qualified voters of the District.

TAX INFORMATION

Real Property Tax Assessments and Rates

The District derives its power to levy an ad valorem real property tax from the State Constitution; methods and procedures to levy, collect and enforce this tax are governed by the Real Property Tax Law. Real property assessment rolls used by the District are prepared by the city of Corning and the towns which comprise the District. Assessment valuations are determined by the city and town assessors and the State Board of Equalization and Assessment which is responsible for certain utility and railroad property. In addition, the State Office of Equalization and Assessment annually establishes State Equalization Rates for all localities in the State, which are determined by statistical sampling of market sales/assessment studies. The equalization rates are used in the calculation and distribution of certain State aids and are used by many localities in the calculation or debt contracting and real property taxing limitations. The District is not subject to constitutional real property taxing limitations. (See, however, "The Tax Levy Limit Law" herein).

Table 5
Assessed and Full Valuation
Based on Special Equalization Rates

Assessment Roll Year:	2021	2022	2023	2024	2025
FYE:	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
City of Corning					
Assessed Value	\$638,941,972	\$643,806,808	\$822,079,936	\$819,208,296	\$829,057,715
Equalization Rate	90.00%	86.00%	100.00%	100.00%	99.00%
Full Value	\$709,935,524	\$748,612,567	\$822,079,936	\$819,208,296	\$837,432,035
Town of Big Flats					
Assessed Value	\$16,938,728	\$17,860,916	\$18,165,840	\$19,580,889	\$19,767,306
Equalization Rate	100.00%	91.71%	94.00%	88.42%	85.20%
Full Value	\$16,938,728	\$19,475,429	\$19,325,362	\$22,145,317	\$23,201,063
Town of Bradford					
Assessed Value	\$454,546	\$467,509	\$531,528	\$1,168,758	\$1,090,652
Equalization Rate	68.50%	68.50%	58.00%	100.00%	100.00%
Full Value	\$638,941,972	\$643,806,808	\$822,079,936	\$819,208,296	\$829,057,715
Town of Campbell					
Assessed Value	\$60,941,245	\$61,536,283	\$62,072,962	\$62,317,136	\$62,434,358
Equalization Rate	100.00%	96.00%	90.00%	87.50%	78.00%
Full Value	\$60,941,245	\$64,100,295	\$68,969,958	\$71,219,584	\$80,044,049
Town of Catlin					
Assessed Value	\$57,449,307	\$58,090,480	\$75,957,532	\$76,919,163	\$76,959,548
Equalization Rate	98.00%	89.00%	100.00%	100.00%	95.00%
Full Value	\$58,621,742	\$65,270,202	\$75,957,532	\$76,919,163	\$81,010,051
Town of Caton					
Assessed Value	\$162,367,485	\$163,313,000	\$164,662,303	\$164,171,771	\$163,944,060
Equalization Rate	86.00%	83.00%	77.00%	72.00%	68.00%
Full Value	\$188,799,401	\$196,762,651	\$213,847,147	\$228,016,349	\$241,094,206
Town of Corning					
Assessed Value	\$429,703,916	\$498,712,926	\$502,462,270	\$546,045,342	\$547,918,565
Equalization Rate	95.00%	100.00%	96.00%	92.00%	87.00%
Full Value	\$452,319,912	\$498,712,926	\$523,398,198	\$593,527,546	\$629,791,454
Town of Dix					
Assessed Value	\$14,455,359	\$13,904,284	\$14,147,624	\$21,891,853	\$22,227,456
Equalization Rate	100.00%	85.00%	77.00%	100.00%	97.50%
Full Value	\$14,455,359	\$16,357,981	\$18,373,538	\$21,891,853	\$22,797,391
Town of Erwin					
Assessed Value	\$632,238,497	\$651,179,701	\$660,991,766	\$801,789,594	\$802,163,076
Equalization Rate	100.00%	95.00%	89.00%	100.00%	95.00%
Full Value	\$632,238,497	\$685,452,317	\$742,687,378	\$801,789,594	\$844,382,185

Town of Hornby

Assessed Value	\$94,484,821	\$117,404,109	\$119,237,423	\$120,527,839	\$120,853,379
Equalization Rate	92.00%	100.00%	97.00%	96.50%	89.25%
Full Value	\$102,700,892	\$117,404,109	\$122,925,178	\$124,899,315	\$135,409,948

Town of Lindley

Assessed Value	\$122,643,408	\$122,801,783	\$122,876,429	\$122,478,364	\$122,352,881
Equalization Rate	89.45%	84.00%	77.00%	74.00%	70.00%
Full Value	\$137,108,338	\$146,192,599	\$159,579,778	\$165,511,303	\$174,789,830

Town of Orange

Assessed Value	\$20,307,955	\$25,956,342	\$25,574,914	\$25,594,587	\$25,994,855
Equalization Rate	100.00%	100.00%	87.00%	80.00%	77.75%
Full Value	\$20,307,955	\$25,956,342	\$29,396,453	\$31,993,234	\$33,433,897

Town of Southport

Assessed Value	\$1,690,553	\$1,786,021	\$1,776,587	\$1,771,885	\$1,771,223
Equalization Rate	100.00%	90.00%	85.00%	76.00%	73.00%
Full Value	\$1,690,553	\$1,984,468	\$2,090,102	\$2,331,428	\$2,426,333

Total:

Assessed Value	\$2,252,617,792	\$2,376,820,162	\$2,590,537,114	\$2,783,465,477	\$2,796,535,074
Full Value	\$2,396,721,717	\$2,586,964,381	\$2,799,546,986	\$2,960,621,738	\$3,106,903,094

Source: School Officials and State Office of Real Property Services.

Table 6
Tax Rates and Levy

FYE:	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
City of Corning	\$25.40	\$25.28	\$20.89	\$20.32	\$20.14
Town of Big Flats	22.86	23.71	22.22	22.98	23.40
Town of Bradford	33.38	31.76	36.06	20.33	19.94
Town of Campbell	22.86	22.65	23.21	23.22	25.56
Town of Catlin	23.32	24.43	20.89	20.32	20.99
Town of Caton	26.58	26.20	27.12	28.23	29.32
Town of Corning	24.06	21.74	21.76	22.09	22.92
Town of Dix	22.86	25.58	27.12	20.32	20.45
Town of Erwin	22.86	22.89	23.47	20.32	20.99
Town of Hornby	24.84	21.74	21.53	21.06	22.34
Town of Lindley	25.55	25.88	27.12	27.46	28.49
Town of Orange	22.86	21.74	24.01	25.40	25.65
Town of Southport	<u>22.85</u>	<u>24.16</u>	<u>24.57</u>	<u>26.72</u>	<u>27.32</u>
Tax Levy	<u>\$54,798,428</u>	<u>\$56,252,766</u>	<u>\$58,439,242</u>	<u>\$60,172,204</u>	<u>\$61,959,318</u>

Source: School Officials.

Tax Limit

The Constitution does not limit the amount that may be raised by the District-wide tax levy on real estate in any fiscal year. However, the Tax Levy Limit Law imposes a statutory limit on the amount of real property taxes that a school district may levy. (See “*The Tax Levy Limit Law*” herein).

The Tax Levy Limit Law

On June 24, 2011, Chapter 97 of the New York Laws of 2011 (herein referred to as the “Tax Levy Limit Law” or the “Law”) was signed by the Governor. The Tax Levy Limit Law modified previous law by imposing a limit on the amount of real property taxes that a school district may levy.

Prior to the enactment of the Law, there was no statutory limitation on the amount of real property taxes that a school district could levy if its budget had been approved by a simple majority of its voters. In the event the budget had been defeated by the voters, the school district was required to adopt a contingency budget.

Under a contingency budget, school budget increases were limited to the lesser of four percent (4%) of the prior year's budget or one hundred twenty percent (120%) of the consumer price index ("CPI").

Under the Tax Levy Limit Law, there is a limitation on the amount of tax levy growth from one fiscal year to the next. Such limitation is the lesser of (i) 2% or (ii) the annual percentage increase in the consumer price index, subject to certain exclusions as mentioned below and as described in the Law. A budget with a tax levy that does not exceed such limit will require approval by at least 50% of the voters. Approval by at least 60% of the voters will be required for a budget with a tax levy in excess of the limit. In the event the voters reject the budget, the tax levy for the school district's budget for the ensuing fiscal year may not exceed the amount of the tax levy for the prior fiscal year. School districts will be permitted to carry forward a certain portion of their unused tax levy limitation from a prior year.

The Law permits certain significant exclusions to the tax levy limit for school districts. These include taxes to pay the local share of debt service on bonds or notes issued to finance voter approved capital expenditures, such as the Notes, and the refinancing or refunding of such bonds or notes, certain pension cost increases, and other items enumerated in the Law. However, such exclusion does not apply to taxes to pay debt service on tax anticipation notes, revenue anticipation notes, budget notes and deficiency notes; and any obligations issued to finance deficits and certain judgments, including tax certiorari refund payments.

Tax Collection Procedure

The District's tax bills are sent out and collected by the District's appointed Tax Collector by the first business day of October. School taxes may be paid in full by October 31 without penalty or may be paid in two equal installments. If paid in installments, the first installment must be paid in full by October 31 to avoid penalty. After October 31 a penalty is added to the first installment as follows: 2% in November, 3% in December, 4% in January, 5% in February and 6% in March. The second installment may be paid in full by March 31 without penalty. The first installment plus any applicable penalties must be paid in full before the second installment may be paid. After March 31st unpaid taxes, along with a 7% penalty on uncollected first installment taxes and a 2% penalty on uncollected second installment taxes, are turned over by April 20 to the respective Chemung, Schuylers and Steuben County Treasurers for collection. Penalties increase by 1% for each subsequent month the tax remains unpaid. The Counties are permitted to collect and retain a 5% fee on delinquent school tax payments. The Counties are required by law to reimburse the District in full for such uncollected taxes and penalties prior to the end of the second fiscal year for which the taxes are levied.

The Counties are responsible for the collection of delinquent school taxes. The Counties may reimburse the District for unpaid school taxes from funds on hand or may borrow moneys pursuant to the Local Finance Law.

STAR – School Tax Exemption

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

For the 2025-26 school levy year, homeowners subject to certain household income limitations are eligible for an enhanced exemption and basic exemption as follows:

<u>Municipality:</u>	<u>Enhanced Exemption</u>	<u>Basic Exemption</u>
City of Corning	\$86,100	\$30,000
Town of Bradford	86,100	30,000
Town of Campbell	75,340	26,250
Town of Caton	61,990	21,600
Town of Corning	79,210	27,600
Town of Erwin	86,100	30,000
Town of Hornby	83,090	28,950
Town of Lindley	63,710	22,200
Town of Dix	86,100	30,460
Town of Orange	68,880	25,610
Town of Big Flats	76,130	26,530
Town of Catlin	86,100	30,000
Town of Southport	65,440	22,800

Date Certified: 04/10/2025

Source: Department of Taxation and Finance

Since the 2011-12 school tax bills, there has been a 2% limit on STAR savings increases, the savings results from the Basic or Enhanced STAR exemptions are limited to a 2% increase over the prior year. When school district initially calculates their tax bills, for each municipal segment they will compare the amount of STAR savings to the maximum. If the STAR savings exceeded the maximum, the school district will use the maximum when calculating tax bills for the segment.

The maximum savings for each of the municipalities for the 2025-26 fiscal year are as follows:

<u>Municipality:</u>	<u>Basic Maximum Savings</u>	<u>Enhanced Maximum Savings</u>
City of Corning	\$610	1,606
Town of Big Flats	611	1,606
Town of Bradford	653	1,549
Town of Campbell	627	1,615
Town of Catlin	620	1,606
Town of Caton	652	1,606
Town of Corning	636	1,588
Town of Dix	686	1,606
Town of Erwin	650	1,606
Town of Hornby	613	1,607
Town of Lindley	634	1,610
Town of Orange	686	1,606
Town of Southport	663	1,606

Updated: 04/15/2025

Source: Department of Taxation and Finance

The District expects to receive full reimbursement of such exempt taxes from the State during the 2025-26 fiscal year.

Largest Taxpayers for the 2025-26 Fiscal Year

The following table presents the taxable assessments of the District's largest taxpayers from the June 1, 2025 tax roll for the 2025-26 fiscal year.

**TABLE 7
Top Ten Largest Taxable Properties**

<u>Name</u>	<u>Type</u>	<u>Full Valuation</u> ⁽¹⁾	<u>% of Taxable Full Valuation</u> ⁽¹⁾
Corning, Inc.	Manufacturing	\$126,780,843	4.08%
NYS Electric & Gas Corporation	Utility	79,841,079	2.57%
Corning Natural Gas Corporation	Utility	74,710,673	2.40%
Empire Pipeline Inc	Utility	48,167,075	1.55%
Millennium Pipeline Co LLC	Utility	47,554,718	1.53%
Pennsylvania Lines LLC	Railroad	25,453,655	0.82%
Emerald Springs Apts. LLC	Real Estate	19,771,053	0.64%
Dominion Transmission	Utility	16,607,474	0.53%
Corning Hotel Owner LLC	Hospitality	10,429,293	0.34%
Wal Mart Real Estate	Retail	<u>10,421,053</u>	<u>0.34%</u>
		<u>\$459,736,916</u>	<u>14.80%</u>

⁽¹⁾ The District's total full valuation based on equalization rates for the fiscal year 2025-26 is \$3,106,903,094.

DISTRICT INDEBTEDNESS

Constitutional and Statutory Requirements

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

Purpose and Pledge

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

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

Payment and Maturity

Except for certain short-term indebtedness contracted in anticipation of taxes, or to be paid in one of the two fiscal years immediately succeeding the fiscal year in which such indebtedness was contracted, indebtedness shall be paid in annual installments commencing no later than two years after the date such indebtedness shall have been contracted and ending no later than the expiration of the period of probable usefulness of the object or purpose (as determined by statute) or, in the alternative, the weighted average period of probable usefulness of the several objects or purposes for which such indebtedness is to be contracted; no installment may be more than fifty per centum in excess of the smallest prior installment unless the District determines to issue debt amortized on the basis of substantially level or declining annual debt service. The District is required to provide an annual appropriation for the payment of interest due during the year on its indebtedness and for the amounts required in such year for amortization and redemption of its serial bonds and bond anticipation notes.

General

The District is further subject to constitutional limitation by the general constitutionally imposed duty on the State Legislature to restrict the power of taxation and contracting indebtedness to prevent abuses in the exercise of such power; however, the State Legislature is prohibited by a specific constitutional provision from restricting the power of the District to levy taxes on real estate for the payment of interest on or principal of indebtedness theretofore contracted. There is no constitutional limitation on the amount that may be raised

by the District by tax on real estate in any fiscal year to pay principal of and interest on all indebtedness. However, the Tax Levy Limit Law imposes a statutory limitation on the power of the District to increase its annual tax levy. The amount of such increases is limited by the formulas set forth in such law. (See “*The Tax Levy Limit Law*” herein).

Debt Limit

The District has the power to contract indebtedness for any District purpose so long as the principal amount thereof shall not exceed ten per centum of the full valuation of taxable real property of the District and subject to certain enumerated deductions such as State aid for building purposes. The statutory method for determining full valuation is by taking the assessed valuation of taxable real property for the last completed assessment roll and applying thereto the ratio which such assessed valuation bears to the full valuation as determined by the State Board of Equalization and Assessment. The State Legislature is required to prescribe the manner by which such ratio shall be determined.

Statutory Procedure

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

The Board of Education may adopt a bond resolution authorizing the expenditure of money for capital purposes and the issuance of notes in anticipation of the bonds, and such bond resolution is subject to the approval of the qualified electors of the District. The Local Finance Law provides a twenty-day statute of limitations after publication of a bond resolution, or summary thereof, together with a statutory form of notice which, in effect, estops legal challenges to the validity of obligations authorized by such bond resolution except for alleged constitutional violations. It is a procedure that is generally recommended by Bond Counsel, but it is not an absolute legal requirement. The District has complied with such procedure with respect to the Notes.

The Board of Education, as the finance board of the District, has the power to authorize the sale and issuance of Notes, including the Notes. However, such finance board may delegate the power to sell the Notes to the President of the Board of Education, the chief fiscal officer of the District, pursuant to the Local Finance Law.

Statutory Debt Limit and Net Indebtedness

The debt limit of the District is \$310,690,309 . This is calculated by taking 10% of the current full value of the taxable real property of the District.

TABLE 9
Statutory Debt Limit and Net Indebtedness
As of March 10, 2026

Full Valuation of Taxable Real Property	\$3,106,903,094
Debt Limit (10% of Full Valuation)	\$310,690,309
Inclusions:	
Serial Bonds	\$110,765,000
Bond Anticipation Notes	<u>38,674,000</u>
Total Inclusions	\$149,439,000
Exclusions:	
Building Aid ⁽¹⁾	<u>0</u>
Total Exclusions	\$ 0
Total Net Indebtedness	<u>\$149,439,000</u>
Net Debt-Contracting Margin	<u>\$161,251,309</u>
Percentage of Debt Contracting Margin Exhausted	<u>48.10%</u>

⁽¹⁾ The District anticipates receiving approximately 84.5% of State building aid on current bonded debt, as well as for indebtedness contracted for the Project. Small city school districts, such as the District, are not permitted to exclude such amount from the amount of Total Net Indebtedness.

Authorized but Unissued Indebtedness

On November 15, 2023 the bond resolution duly adopted by the Board of Education of the District, authorizing the issuance of \$80,847,038 serial bonds, and thereafter approved as a Bond Proposition by a majority of the qualified voters of the District present and voting at the Special District Meeting duly called and held on December 19, 2023, for the construction of additions, alterations and improvements to District facilities and the sites thereof. Following the issuance of the Notes, the District has \$43,347,038 authorized but unissued.

Short-Term Note Indebtedness

Following the issuance of the Notes, the District will have \$38,674,000 and \$4,000,000 in bond anticipation notes that mature on June 18, 2026 and April 1, 2027, respectively.

Other Long-Term Obligations

On July 9, 2020, August 12, 2021, and October 8, 2022, the District entered into an energy performance contracts (“EPC”) for various district-wide energy projects. The modifications were made to improve energy efficiency. The EPC carries an interest rate of 2.33%, 2.03%, and 2.97%, respectively and is payable semi-annually. The total outstanding balance for all EPCs on June 30, 2025 is \$6,930,763.

Overlapping and Underlying Debt

In addition to the District, other political subdivisions have the power to issue bonds and to levy taxes or cause taxes to be levied on taxable real property in the District. The real property taxpayers of the District are responsible for a proportionate share of outstanding debt obligations of these subdivisions. Such taxpayers' share of overlapping and underlying debt is based on the amount of the District's equalized property values taken as a percentage of each separate unit's total values. The following table presents the amount of overlapping and underlying debt and the District's share of this debt. Authorized but unissued debt has not been included.

TABLE 10
Statement of Direct and Overlapping Indebtedness

<u>Overlapping Units</u>	<u>Total Net Indebtedness</u>	<u>As of</u>	<u>Percentage Applicable</u>	<u>Applicable Net Indebtedness</u>
County of Chemung	\$25,405,710	06/30/2025	1.65%	\$419,194
County of Schuylers	1,348,559	12/31/23	2.12%	28,589
County of Steuben	2,822,293	06/30/24	34.75%	980,747
City of Corning	4,165,000	04/18/2025	100.00%	4,165,000
Town of Big Flats	560,000	12/31/2024	1.97%	11,032
Town of Bradford	0	12/31/2024	1.75%	0
Town of Campbell	2,268,439	12/31/2024	32.23%	731,118
Town of Catlin	382,696	12/31/2024	31.48%	120,473
Town of Caton	91,771	12/31/2024	99.33%	91,156
Town of Corning	4,800,019	12/31/2024	100.00%	4,800,019
Town of Dix	0	12/31/2024	4.67%	0
Town of Erwin	3,760,879	05/07/2025	95.45%	3,589,759
Town of Hornby	0	12/31/2024	100.00%	0
Town of Lindley	0	12/31/2024	99.66%	0
Town of Orange	42,834	12/31/2024	18.61%	7,971
Town of Southport	618,000	12/31/2024	0.36%	2,225
Village of Painted Post	794,200	05/31/2024	100.00%	794,200
Village of Riverside	0	05/31/2024	100.00%	0
Village of South Corning	3,065,000	05/31/2024	100.00%	<u>3,065,000</u>
Total Net Overlapping Debt				\$19,042,948
Net Direct Debt				<u>\$149,439,000</u>
Total Net Direct and Overlapping Debt				<u>\$168,481,948</u>

Source: State Comptroller's Special Report on Municipal Affairs or more recently published Official Statements

Debt Ratios

The following table presents certain debt ratios relating to the District's direct and overlapping indebtedness.

TABLE 11
Debt Ratios

	<u>Amount</u>	<u>Debt Per Capita</u> ⁽¹⁾	<u>Debt to Full Value</u> ⁽²⁾
Net Direct Debt	\$149,439,000	\$4,481	4.81%
Net Direct and Overlapping Debt	\$168,481,948	\$5,052	5.42%

⁽¹⁾ The population of the District is estimated by District officials to be approximately 33,350.

⁽²⁾ The District's full value of taxable real property for fiscal year 2025-26 is \$3,106,903,094 .

Debt Service Schedule

The following table shows the debt service requirements to maturity on all of the District's outstanding bonded indebtedness (as of March 10, 2026).

TABLE 12
Schedule of Principal and Interest on Long-Term Bond Indebtedness

<u>Fiscal Year</u> <u>Ending June 30</u>	<u>Total</u> <u>Principal</u>	<u>Total</u> <u>Interest</u>	<u>Total</u>
2026	\$11,810,000	\$3,570,967	\$15,380,967
2027	12,235,000	4,155,938	16,390,938
2028	9,465,000	3,553,738	13,018,738
2029	9,240,000	3,156,888	12,396,888
2030	8,315,000	2,763,800	11,078,800
2031	8,410,000	2,401,000	10,811,000
2032	7,910,000	2,057,900	9,967,900
2033	7,965,000	1,737,250	9,702,250
2034	8,265,000	1,437,800	9,702,800
2035	6,765,000	1,125,550	7,890,550
2036	7,055,000	836,050	7,891,050
2037	6,025,000	533,200	6,558,200
2038	5,070,000	292,200	5,362,200
2039	<u>2,235,000</u>	<u>89,400</u>	<u>2,324,400</u>
Total:	<u>\$110,765,000</u>	<u>\$27,711,681</u>	<u>\$138,476,681</u>

Note: Columns may not sum due to rounding.

Source: District Officials

ECONOMIC AND DEMOGRAPHIC DATA

School Enrollment Trends

The following table presents the past and projected school enrollment for the District.

TABLE 13
School Enrollment Trends

<u>Fiscal Year</u>	<u>Actual</u> <u>Enrollment</u>	<u>Fiscal Year</u>	<u>Projected</u> <u>Enrollment</u>
2023-24	4,422	2026-27	4,360
2024-25	4,430	2027-28	4,350
2025-26	4,378	2028-29	4,350

Source: District Officials

Population

The District estimates its population to be approximately 33,350. The following table presents population trends for the City, Counties and State, based upon recent census data.

TABLE 14
Population Trend

	<u>2010</u>	<u>2020</u>	<u>Percentage Change</u> <u>2010/2020</u>
City of Corning	11,183	10,551	(6.0%)
Steuben County	98,990	93,584	(5.8%)
Schuyler County	18,343	17,898	(2.5%)
Chemung County	88,830	84,148	(5.6%)
State	19,378,102	20,201,249	4.3%

Source: U.S. Census Bureau

Employment and Unemployment

The following tables provide information concerning employment and unemployment in the Counties and the State. Data provided for the Counties is not necessarily representative of the District.

TABLE 15
Civilian Labor Force
(Thousands)

	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Steuben County	39.5	39.4	39.0	38.0	38.9
Schuyler County	7.7	7.6	7.7	7.7	8.1
Chemung County	34.3	34.4	34.3	33.9	35.3
New York State	8,864.6	9,205.5	9,376.7	9,411.7	9,903.9

Source: New York State Department of Labor

Unemployment rates are not compiled for the District, but are available for the Counties and State. The following data is not necessarily representative of the District.

TABLE 16
Yearly Average Unemployment Rates

<u>Year</u>	<u>Steuben County</u>	<u>Schuyler County</u>	<u>Chemung County</u>	<u>State</u>
2021	5.0%	5.0%	5.1%	7.1%
2022	3.6%	3.7%	3.6%	4.3%
2023	3.8%	3.7%	3.7%	4.1%
2024	3.9%	4.1%	3.8%	4.3%
2025	4.0%	4.3%	3.8%	4.3%

Source: New York State Department of Labor

TABLE 17
Monthly Unemployment Rates

<u>Month</u>	<u>Steuben County</u>	<u>Schuyler County</u>	<u>Chemung County</u>	<u>State</u>
January 2025	5.0%	6.1%	4.4%	4.6%
February	5.2%	6.6%	4.7%	4.3%
March	4.5%	5.4%	4.2%	4.1%
April	3.2%	2.7%	3.2%	3.7%
May	2.9%	2.9%	3.0%	3.5%
June	3.2%	2.9%	3.3%	3.8%
July	3.7%	3.4%	3.7%	4.6%
August	3.9%	3.5%	4.0%	4.7%
September	3.9%	3.4%	3.9%	4.7%
November	4.0%	4.1%	3.8%	4.5%
December	4.3%	4.8%	3.7%	4.4%

Source: New York State Department of Labor

TABLE 18
Largest Employers

<u>Business</u>	<u>Type</u>	<u>Approx. # of Employees</u>
Corning Incorporated	Manufacturing	5,000
Arnot Ogden Medical Center	Medical	1,600
Corning CSD	Education	1,067
Gunlocke Co., Inc.	Manufacturing	886
Alstom Transportation	Manufacturing	839
Dresser Rand	Manufacturing	698
Corning Hospital	Medical	585
Upstate Farms	Manufacturing	445
Sitel	Business Services	400
World Kitchen	Manufacturing	350

Source: Corning Area Chamber of Commerce

LITIGATION

In common with other school districts, the District from time to time receives notices of claim and is party to litigation. In the opinion of the attorney for the District, unless otherwise set forth herein and apart from matters provided for by applicable insurance coverage, there are no claims or actions pending which, if determined against the District, would have an adverse material effect on the financial condition of the District.

End of Appendix A

APPENDIX B

**SUMMARY OF FINANCIAL
STATEMENTS AND BUDGETS**

CITY SCHOOL DISTRICT OF THE CITY OF CORNING
General Fund
Balance Sheets
Fiscal Year Ended June 30:

	<u>2024</u>	<u>2025</u>
<u>Assets:</u>		
Cash	\$14,696,202	\$14,388,209
Due From Other Governments	5,049,319	4,733,638
Accounts Receivable	349,039	218,759
Investments	15,694,019	15,694,019
State and Federal Aid Receivable	1,175,823	2,432,817
Due from other Funds	1,468,698	165,976
Inventory and Prepaid Deposits	444,600	1,078,800
Property Taxes Receivable	89,031	88,573
Total Assets	<u>\$38,966,731</u>	<u>\$38,800,791</u>
 <u>Liabilities and Fund Balance:</u>		
Accounts Payable	\$2,208,024	\$2,245,149
Accrued Liabilities	2,545,023	2,881,670
Due to Retirement Systems	5,286,744	5,614,881
Unavailable and Unearned Revenue	63,532	59,540
Total Liabilities	<u>10,103,323</u>	<u>10,801,240</u>
 <u>Fund Balance:</u>		
Nonspendable	2,217,852	2,085,035
Restricted	16,114,893	16,015,982
Assigned	5,008,263	4,130,064
Unassigned	5,522,400	5,768,470
	<u>28,863,408</u>	<u>27,999,551</u>
 Total Liabilities and Fund Balance	<u>\$38,966,731</u>	<u>\$38,800,791</u>

Source: Audited Financial Statements

CITY SCHOOL DISTRICT OF THE CITY OF CORNING
General Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Fiscal Year Ended June 30:

	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Revenues:					
Real Property Taxes	\$47,667,691	\$48,667,601	\$50,530,686	\$53,082,451	\$55,037,513
Real Property Tax Items	10,727,432	10,529,178	10,201,180	9,724,392	9,068,487
Charges for Services	617,486	525,607	487,834	455,611	549,825
Use of Money & Property	81,243	84,727	1,314,103	1,853,983	1,573,745
Sale of Prop. & Comp. for Loss	316,975	171,647	611,116	1,124,473	196,574
Miscellaneous	1,821,286	1,651,753	2,845,219	1,452,079	1,434,745
State Aid	51,393,905	52,129,565	57,226,979	61,945,492	64,650,021
Federal Aid	1,252,142	470,382	320,471	355,941	317,144
Total Revenues	<u>113,878,160</u>	<u>114,230,460</u>	<u>123,537,588</u>	<u>129,994,422</u>	<u>132,828,054</u>
Expenditures:					
General Support	13,200,025	12,768,853	14,402,154	14,508,311	15,672,061
Instruction	50,638,757	48,791,163	51,847,920	54,584,164	57,011,311
Pupil Transportation	6,155,987	6,231,381	6,611,771	7,065,873	7,219,788
Community Services	126,353	131,067	109,170	102,313	114,087
Employee Benefits	29,732,296	29,457,924	31,008,303	33,101,310	36,027,843
Debt Service	4,084,961	1,692,310	4,387,923	7,198,921	10,489,262
Total Expenditures	<u>103,938,379</u>	<u>99,072,698</u>	<u>108,367,241</u>	<u>116,560,892</u>	<u>126,534,352</u>
Excess of Revenues (Expenditures)	9,939,781	15,157,762	15,170,347	13,433,530	6,293,702
Other Financing Sources (Uses)					
Operating Transfer Out	<u>(8,905,163)</u>	<u>(12,319,304)</u>	<u>(11,475,249)</u>	<u>(11,966,805)</u>	<u>(7,157,559)</u>
Total Other Financing Sources (Uses)	<u>(8,905,163)</u>	<u>(12,319,304)</u>	<u>(11,475,249)</u>	<u>(11,966,805)</u>	<u>(7,157,559)</u>
Net Change in Fund Balances	1,034,618	2,838,458	3,695,098	1,466,725	(863,857)
Adjustments					
Fund Balance - Beg. of Year	<u>19,828,509</u>	<u>20,863,127</u>	<u>23,701,585</u>	<u>27,396,683</u>	<u>28,863,408</u>
Fund Balance - End of Year	<u>\$20,863,127</u>	<u>\$23,701,585</u>	<u>\$27,396,683</u>	<u>\$28,863,408</u>	<u>\$27,999,551</u>

Source: Audited Financial Statements
Summary not Audited

CITY SCHOOL DISTRICT OF THE CITY OF CORNING
General Fund
Statement of Estimated Revenues and Budget Appropriations
Fiscal Year Ending June 30:

	Adopted Budget <u>2024-25</u>	Adopted Budget <u>2025-26</u>
Estimated Revenues:		
Real Property Tax	\$60,172,204	\$61,959,318
Other Tax Items	3,889,077	3,990,357
Charges for Services	428,500	453,500
Use of money and property	853,000	853,000
Sale of property and compensation for loss	19,700	19,700
Miscellaneous	1,180,000	1,180,000
State Aid	64,759,488	69,043,555
Federal Aid	260,000	260,000
Subtotal Estimated Revenues	131,561,969	137,759,430
Other Sources:		
Interfund Transfers	3,100,000	3,475,000
Appropriated Fund Balance	3,400,000	3,000,000
Total Estimated Revenues & Other Sources	\$138,061,969	\$144,234,430
Appropriations:		
General Support	\$15,609,277	\$16,489,488
Instruction	59,823,351	59,701,268
Public Safety and Transportation	7,645,227	7,949,919
Community Services	120,766	126,075
Employee Benefits	36,743,612	39,533,030
Debt Service ⁽¹⁾	5,257,275	2,583,439
Total Appropriations:	125,199,508	126,383,219
Other Uses:		
Interfund Transfers ⁽²⁾	12,862,461	17,851,211
Total Appropriations and Other Uses:	\$138,061,969	\$144,234,430

⁽¹⁾ Budgetary appropriations for Debt Service include bond anticipation note principal and interest and interest on revenue and tax anticipation notes.

⁽²⁾ Budgetary appropriations for Interfund Transfers include principal of and interest on serial bonds, capital outlay project expenditures and transfers to special aid.

Source: School District Officials

APPENDIX C

**INDEPENDENT AUDITORS' REPORT
FOR THE FISCAL YEAR ENDED
June 30, 2025**

**Can be accessed on the Electronic Municipal Market Access (“EMMA”) website
of the Municipal Securities Rulemaking Board (“MSRB”)
at the following link:**

<https://emma.msrb.org/P21990008-P21516610-P21970888.pdf>

**The audited financial statements referenced above are hereby incorporated into the
attached Official Statement.**

*** Such Financial Statements and opinion are intended to be representative only as
of the date thereof. Lumsden & McCormick, LLP has not been requested by the
District to further review and/or update such Financial Statements or opinion in
connection with the preparation and dissemination of this Official Statement.**

APPENDIX D

FORM OF APPROVING LEGAL OPINION OF BOND COUNSEL

Hawkins Delafield & Wood LLP
140 Broadway
New York, New York 10005

April 1, 2026

The Board of Education of the
City School District of the City of Corning,
in the Counties of Steuben, Schuyler and Chemung, New York

Ladies and Gentlemen:

We have acted as Bond Counsel to the City School District of the City of Corning, in the Counties of Steuben, Schuyler and Chemung (the “District”), a school district of the State of New York, and have examined a record of proceedings relating to the authorization, sale and issuance of the \$4,000,000 Bond Anticipation Note-2026 (the “Note”), dated and delivered the date hereof.

In such examination, we have assumed the genuineness of all signatures, the authenticity of all documents submitted to us as originals and the conformity with originals of all documents submitted to us as copies thereof.

Based on and subject to the foregoing, and in reliance thereon, as of the date hereof, we are of the following opinions:

1. The Note is a valid and legally binding general obligation of the District for which the District has validly pledged its faith and credit and, unless paid from other sources, all the taxable real property within the District is subject to the levy of ad valorem real estate taxes to pay the Note and interest thereon without limitation as to rate or amount. The enforceability of rights or remedies with respect to such Note may be limited by bankruptcy, insolvency or other laws affecting creditors’ rights or remedies heretofore or hereafter enacted.

2. Under existing statutes and court decisions and assuming continuing compliance with certain tax certifications described herein, (i) interest on the Note is excluded from gross income for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the “Code”), and (ii) interest on the Note is not treated as a preference item in calculating the alternative minimum tax under the Code, however, interest on the Note is included in the “adjusted financial statement income” of certain corporations that are subject to the alternative minimum tax under Section 55 of the Code.

The Code establishes certain requirements which must be met subsequent to the issuance of the Note in order that the interest on the Note be and remain excluded from gross income for federal income tax purposes under Section 103 of the Code. These requirements include, but are not limited to, requirements relating to the use and expenditure of proceeds of the Note, restrictions on the investment of proceeds of the Note prior to expenditure and the requirement that certain earnings be rebated to the federal government. Noncompliance with such requirements may cause the interest on the Note to become subject to federal income taxation retroactive to the date of issuance thereof, irrespective of the date on which such noncompliance occurs or is ascertained.

On the date of issuance of the Note, the District will execute a Tax Certificate relating to the Note containing provisions and procedures pursuant to which such requirements can be satisfied. In executing the Tax Certificate, the District represents that it will comply with the provisions and procedures set forth therein and that it will do and perform all acts and things necessary or desirable to assure that the interest on the Note will, for federal income tax purposes, be excluded from gross income.

In rendering the opinion in this paragraph 2, we have relied upon and assumed (i) the material accuracy of the District's representations, statements of intention and reasonable expectations, and certifications of fact contained in the Tax Certificate with respect to matters affecting the status of the interest on the Note, and (ii) compliance by the District with the procedures and representations set forth in the Tax Certificate as to such tax matters.

3. Under existing statutes, interest on the Note is exempt from personal income taxes of New York State and its political subdivisions, including The City of New York.

We express no opinion as to any other federal, state or local tax consequences arising with respect to the Note, or the ownership or disposition thereof, except as stated in paragraphs 2 and 3 above. We render our opinion under existing statutes and court decisions as of the date hereof, and assume no obligation to update, revise or supplement our opinion to reflect any action hereafter taken or not taken, any fact or circumstance that may hereafter come to our attention, any change in law or interpretation thereof that may hereafter occur, or for any other reason. We express no opinion as to the consequence of any of the events described in the preceding sentence or the likelihood of their occurrence. In addition, we express no opinion on the effect of any action taken or not taken in reliance upon an opinion of other counsel regarding federal, state or local tax matters, including, without limitation, exclusion from gross income for federal income tax purposes of interest on the Note.

We give no assurances as to the adequacy, sufficiency or completeness of the Preliminary Official Statement and/or Official Statement relating to the Note or any proceedings, reports, correspondence, financial statements or other documents, containing financial or other information relative to the District, which have been or may hereafter be furnished or disclosed to purchasers of ownership interests in the Note.

Very truly yours,

/s/ Hawkins Delafield & Wood LLP

APPENDIX E

UNDERTAKING TO PROVIDE CONTINUING DISCLOSURE FOR THE NOTES

Section 1. Definitions

“EMMA” shall mean Electronic Municipal Market Access System implemented by the MSRB.

“Financial Obligation” shall mean “financial obligation” as such term is defined in the Rule.

“GAAP” shall mean generally accepted accounting principles as in effect from time to time in the United States.

“Holder” shall mean any registered owner of the Securities and any beneficial owner of Securities within the meaning of Rule 13d-3 under the Securities Exchange Act of 1934.

“Issuer” shall mean the City School District of the City of Corning, in the Counties of Steuben, Schuyler and Chemung, a School District of the State of New York.

“MSRB” shall mean the Municipal Securities Rulemaking Board established in accordance with the provisions of Section 15B(b)(1) of the Securities Exchange Act of 1934.

“Purchaser” shall mean the financial institution referred to in the Certificate of Determination, executed by the President of the Board of Education as of March 18, 2026.

“Rule 15c2-12” shall mean Rule 15c2-12 under the Securities Exchange Act of 1934, as amended through the date of this Undertaking, including any official interpretations thereof.

“Securities” shall mean the Issuer’s \$4,000,000 Bond Anticipation Note-2026, dated April 1, 2026, maturing on April 1, 2027, and delivered on the date hereof.

Section 2. Obligation to Provide Notices of Events. (a) The Issuer hereby undertakes, for the benefit of Holders of the Securities, to provide or cause to be provided to the Electronic Municipal Market Access (“EMMA”) System implemented by the Municipal Securities Rulemaking Board established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934, or any successor thereto or to the functions of such Board contemplated by the Undertaking, in a timely manner, not in excess of ten (10) business days after the occurrence of any such event, notice of any of the following events with respect to the Securities:

- (1) principal and interest payment delinquencies;
- (2) non-payment related defaults, if material;
- (3) unscheduled draws on debt service reserves reflecting financial difficulties;

- (4) unscheduled draws on credit enhancements reflecting financial difficulties;
- (5) substitution of credit or liquidity providers, or their failure to perform;
- (6) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices of determinations with respect to the tax status of the Securities, or other material events affecting the tax status of the Securities;
- (7) modifications to rights of Securities holders, if material;
- (8) Bond calls, if material, and tender offers;
- (9) defeasances;
- (10) release, substitution, or sale of property securing repayment of the Securities, if material;
- (11) rating changes;
- (12) bankruptcy, insolvency, receivership or similar event of the Issuer;

Note to clause (12): For the purposes of the event identified in clause (12) above, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Issuer in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or government authority has assumed jurisdiction over substantially all of the assets or business of the Issuer, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Issuer;

- (13) the consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- (14) appointment of a successor or additional trustee or the change of name of a trustee, if material;

- (15) Issuance of a financial obligation of the obligated person, if material, or agreement to covenants, events of default, remedies, priorities rights, or other similar terms of a financial obligation of the obligated person, any of which affect security holders, if material; and
- (16) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the obligated person, any of which reflect financial difficulties.

(b) Nothing herein shall be deemed to prevent the Issuer from disseminating any other information in addition to that required hereby in the manner set forth herein or in any other manner. If the Issuer disseminates any such additional information, the Issuer shall have no obligation to update such information or include it in any future materials disseminated hereunder.

(c) Nothing herein shall be deemed to prevent the Issuer from providing notice of the occurrence of certain other events, in addition to those listed above, if the Issuer determines that any such other event is material with respect to the Securities; but the Issuer does not undertake to commit to provide any such notice of the occurrence of any event except those events listed above.

Section 3. Remedies. If the Issuer shall fail to comply with any provision of this Undertaking, then any Holder of Securities may enforce, for the equal benefit and protection of all Holders similarly situated, by mandamus or other suit or proceeding at law or in equity, this Undertaking against the Issuer and any of the officers, agents and employees of the Issuer, and may compel the Issuer or any such officers, agents or employees to perform and carry out their duties under this Undertaking; provided that the sole and exclusive remedy for breach of this Undertaking shall be an action to compel specific performance of the obligations of the Issuer hereunder and no person or entity shall be entitled to recover monetary damages hereunder under any circumstances. Failure to comply with any provision of this Undertaking shall not constitute an event of default on the Securities.

Section 4. Parties in Interest. This Undertaking is executed to assist the Purchaser to comply with (b)(5) of the Rule and is delivered for the benefit of the Holders. No other person shall have any right to enforce the provisions hereof or any other rights hereunder.

Section 5. Amendments. Without the consent of any holders of Securities, the Issuer at any time and from time to time may enter into any amendments or changes to this Undertaking for any of the following purposes:

- (a) to comply with or conform to any changes in Rule 15c2-12 (whether required or optional);
- (b) to add a dissemination agent for the information required to be provided hereby and to make any necessary or desirable provisions with respect thereto;
- (c) to evidence the succession of another person to the Issuer and the assumption of any such successor of the duties of the Issuer hereunder;

- (d) to add to the duties of the Issuer for the benefit of the Holders, or to surrender any right or power herein conferred upon the Issuer;
- (e) to cure any ambiguity, to correct or supplement any provision hereof which may be inconsistent with any other provision hereof, or to make any other provisions with respect to matters or questions arising under this Undertaking which, in each case, comply with Rule 15c2-12 or Rule 15c2-12 as in effect at the time of such amendment or change;

provided that no such action pursuant to this Section 5 shall adversely affect the interests of the Holders in any material respect. In making such determination, the Issuer shall rely upon an opinion of nationally recognized bond counsel.

Section 6. Termination. This Undertaking shall remain in full force and effect until such time as all principal, redemption premiums, if any, and interest on the Securities shall have been paid in full or the Securities shall have otherwise been paid or legally defeased in accordance with their terms. Upon any such legal defeasance, the Issuer shall provide notice of such defeasance to the EMMA System. Such notice shall state whether the Securities have been defeased to maturity or to redemption and the timing of such maturity or redemption.

Section 7. Undertaking to Constitute Written Agreement or Contract. This Undertaking shall constitute the written agreement or contract for the benefit of Holders of Securities, as contemplated under Rule 15c2-12.

Section 8. Governing Law. This Undertaking shall be governed by the laws of the State of New York determined without regard to principles of conflict of law.

IN WITNESS WHEREOF, the undersigned has duly authorized, executed and delivered this Undertaking as of April 1, 2026.

CITY SCHOOL DISTRICT OF THE CITY OF CORNING

By _____
PRESIDENT OF THE BOARD OF EDUCATION