

PRELIMINARY OFFICIAL STATEMENT DATED FEBRUARY 10, 2026

NEW ISSUE

BOND ANTICIPATION NOTES

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

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

\$6,000,000

**ROCKLAND CENTRAL SCHOOL DISTRICT
SULLIVAN, ULSTER AND DELAWARE COUNTIES, NEW YORK**

GENERAL OBLIGATIONS

**\$6,000,000 Bond Anticipation Notes, 2026 Series A
(the "Notes")**

Dated: March 4, 2026

Due: July 30, 2026

The Notes will constitute general obligations of the Rockland Central School District, Sullivan Ulster and Delaware Counties, New York (the "District"). All the taxable real property within the District is subject to the levy of ad valorem taxes to pay the Notes and interest thereon, without limitation as to rate or amount. See "NATURE OF THE OBLIGATION" and "TAX LEVY LIMITATION LAW" herein.

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

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

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

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

The Notes are offered when, as and if issued and received by the purchaser(s) and subject to the receipt of the approving legal opinion as to the validity of the Notes of Orrick, Herrington & Sutcliffe LLP, New York, New York. It is anticipated that the Notes will be available for delivery through the facilities of DTC located in Jersey City, New Jersey, or as may be agreed upon with the purchaser, or about March 4, 2026.

ELECTRONIC BIDS for the Notes must be submitted on Fiscal Advisors Auction website ("Fiscal Advisors Auction") accessible via www.FiscalAdvisorsAuction.com, on February 18, 2026 by no later than 11:00 A.M. ET. Bids may also be submitted by facsimile at (315) 930-2354. No other form of electronic bidding services will be accepted. No phone bids will be accepted. Once the bids are communicated electronically via Fiscal Advisors Auction or via facsimile to the District, each bid will constitute an irrevocable offer to purchase the Notes pursuant to the terms provided in the Notice of Sale for the Notes.

February 10, 2026

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

**ROCKLAND CENTRAL SCHOOL DISTRICT
SULLIVAN, ULSTER AND DELAWARE COUNTIES, NEW YORK**

SCHOOL DISTRICT OFFICIALS

2025-2026 BOARD OF EDUCATION

ED GORR
President



GARY DAHLMAN
Vice President

TASSE NIFORATOS
NICOLE PARK
ROY ROGERS
CHRIS TULEWEIT
TOM WARD

* * * * *

KEITH LEWIS
Superintendent of Schools

JEFF FROEHLICH
Business Administrator

MARLYN PETERS
District Clerk

TINA DUTCHER
District Treasurer



FISCAL ADVISORS & MARKETING, INC.
Municipal Advisor



ORRICK, HERRINGTON & SUTCLIFFE, LLP
Bond Counsel

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

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PREPARED WITH THE ASSISTANCE OF



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OFFICIAL STATEMENT
of the
ROCKLAND CENTRAL SCHOOL DISTRICT
SULLIVAN, ULSTER AND DELAWARE COUNTIES, NEW YORK

Relating To
\$6,000,000 Bond Anticipation Notes, 2026 Series A

This Official Statement, which includes the cover page, has been prepared by the Rockland Central School District, Sullivan, Ulster and Delaware Counties, New York (the “School District” or “District”, “Counties”, each a “County”, and “State”, respectively) in connection with the sale by the School District of \$6,000,000 principal amount of Bond Anticipation Notes, 2026 Series A (referred to herein as the “Notes”).

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

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

NATURE OF THE OBLIGATION

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

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

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

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

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

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

“A pledge of the City’s faith and credit is both a commitment to pay and a commitment of the City’s revenue generating powers to produce the funds to pay. Hence, an obligation containing a pledge of the City’s “faith and credit” is secured by a promise both to pay and to use in good faith the City’s general revenue powers to produce sufficient funds to pay the principal and interest of the obligation as it becomes due. That is why

both words, “faith” and “credit” are used and they are not tautological. That is what the words say and this is what the courts have held they mean... So, too, although the Legislature is given the duty to restrict municipalities in order to prevent abuses in taxation, assessment, and in contracting of indebtedness, it may not constrict the City’s power to levy taxes on real estate for the payment of interest on or principal of indebtedness previously contracted... While phrased in permissive language, these provisions, when read together with the requirement of the pledge and faith and credit, express a constitutional imperative: debt obligations must be paid, even if tax limits be exceeded”.

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

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

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

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

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

THE NOTES

Description of the Notes

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

The Notes are dated March 4, 2026 and will mature, without the option of prior redemption, on July 30, 2026. Interest will be calculated on a 30-day month and 360-day year basis, payable at maturity.

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

No Optional Redemption

The Notes are not subject to redemption prior to maturity.

Purpose of Issue

The Notes are being issued pursuant to the Constitution and statutes of the State of New York, including among others, the Education Law and the Local Finance Law and a bond resolution adopted by the Board of Education on May 21, 2024 authorizing the issuance of \$12,000,000 serial bonds and bond anticipation notes to finance the construction of an addition and improvements to the School District building and related facilities (the “2023 Building Improvement Project”).

The proceeds of the Notes will provide \$6,000,000 new money for the 2023 Building Improvement Project.

BOOK-ENTRY-ONLY SYSTEM

The Depository Trust Company (“DTC”), New York, NY, will act as securities depository for the Notes, if so requested. The Notes will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered note certificate will be issued for each note bearing the same rate of interest and CUSIP number and will be deposited with DTC.

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

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

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

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

Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

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

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

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

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

Source: The Depository Trust Company.

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

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

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

Certificated Notes

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

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

THE SCHOOL DISTRICT

General Information

The Rockland Central School District is located in rural northwestern Sullivan County, with small portions of the District located in Ulster and Delaware Counties. The District encompasses all or portions of the Towns of Rockland, Fremont, Callicoon, Hancock, Andes, Neversink, Liberty, Hardenburg, and Colchester.

The District is approximately 60 miles from Binghamton, New York, and Scranton, Pennsylvania, and 125 miles northwest of New York City. The economy of the District is based primarily on agriculture, tourism, and small business. The District encompasses approximately 109 square miles.

Sullivan County Community College, Hartwick College, and The State University of New York at Oneonta, New Paltz, and at Binghamton are located within approximately 60 miles of the District. These institutions offer varying aspects of educational and social opportunities for staff, students, and community members. Sullivan County BOCES serves the school and adult population with many educational programs.

Police protection is provided by the New York State Police, which has a substation in Roscoe, and the Sullivan County Sheriff's department. Banking facilities are provided by Jeff Bank where branches are located in Livingston Manor. Gas and electricity are provided by New York State Electric and Gas Corporation (NYSEG).

Merger with Livingston Manor Central School District and Roscoe Central School District

As of July 1, 2025, The Roscoe Central School District has merged with Livingston Manor Central School District to form the Rockland Central School District.

Pursuant to provisions of the Education Law Section 315, the legal name of the former Livingston Manor Central School District and the former Roscoe Central School District which were centralized by the order of the Commissioner of Education dated November 14, 2024, approved by referendum conducted on December 19, 2024 and legally designated as the Livingston Manor Roscoe Central School District has been changed to the Rockland Central School District effective as of July 1, 2025.

Source: District officials.

District Population

The total population of the District is currently estimated to be 4,927. (Source: Source: U.S. Census Bureau 2020-24 American Community Survey 5-Year Estimates.)

Larger Employers

The larger employers located within the area in and around the District include:

<u>Name</u>	<u>Type</u>	<u>Number of Employees</u>
SDTC the Center for Discovery	Non-profit	1,723
Resorts World Catskills	Hotel/Gaming	1,090
Sullivan County Government	Local Government	937
NYSARC Inc	Non-profit	654
Garnet Health	Health	611
Rolling V Bus Corporation	Transportation	408
Villa Roma Resort	Tourism	273
Rockland Central School District	Public School	158
Roscoe Regional Rehab	Nursing Home	112
Rockland Central School District	Public School	66
Town of Rockland	Government	38

Source: 2024 County of Sullivan Annual Comprehensive Financial Report

Selected Wealth and Income Indicators

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

	<u>Per Capita Income</u>			<u>Median Family Income</u>		
	<u>2006-2010</u>	<u>2016-2020</u>	<u>2020-2024</u>	<u>2006-2010</u>	<u>2016-2020</u>	<u>2020-2024</u>
Towns of:						
Callicoon	\$ 26,138	\$ 34,437	\$ 72,488	\$ 63,750	\$ 92,083	\$ 112,054
Fremont	32,205	36,854	44,474	67,455	56,058	94,167
Rockland	28,778	26,754	44,944	57,143	73,672	92,829
Hancock	23,292	27,190	35,864	52,992	60,313	72,201
Colchester	21,150	30,465	39,837	48,750	73,631	78,301
Andes	32,656	38,157	63,081	55,917	92,750	114,861
Hardenburgh	22,299	57,204	172,169	63,750	93,438	108,750
Liberty	22,037	25,033	32,216	53,186	60,827	77,369
Neversink	25,076	39,303	56,113	64,231	74,613	94,630
Counties of:						
Sullivan	23,422	32,346	42,334	57,388	72,302	92,132
Delaware	22,928	28,139	37,564	53,590	65,755	78,872
Ulster	28,954	35,816	47,778	70,513	87,034	113,659
State of:						
New York	30,948	40,898	50,712	67,405	87,270	106,873

Source: U.S. Census Bureau, 2006-2010, 2016-2020 and 2020-2024 American Community Survey 5-year data estimates.

Note: The 2021-25 American Community Survey 5-year data estimates are unavailable as of the date of this Official Statement.

Unemployment Rate Statistics

Per capita income statistics are not available for the District as such. The smallest areas for which such statistics are available, which include the District, are Sullivan, Ulster and Delaware Counties. The figures set below with respect to said Counties and the State of New York are included for information only. It should not be inferred from the inclusion of such data in the Official Statement that the Counties or State are necessarily representative of the District, or vice versa.

	<u>Annual Averages</u>							
	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Sullivan County	4.2%	4.0%	8.8%	5.2%	3.5%	3.3%	3.6%	N/A
Delaware County	4.8	4.5	6.9	4.7	3.7	3.9	4.0	N/A
Ulster County	3.9	3.7	7.9	4.8	3.3	3.4	3.6	N/A
New York State	4.1	3.9	9.8	7.1	4.3	4.1	4.3	N/A

	<u>2025-26 Monthly Figures</u>											
	<u>2025</u>	<u>2025</u>	<u>2025</u>	<u>2025</u>	<u>2025</u>	<u>2025</u>	<u>2025</u>	<u>2025</u>	<u>2025</u>	<u>2025</u>	<u>2025</u>	<u>2026</u>
	<u>Feb</u>	<u>Mar</u>	<u>Apr</u>	<u>May</u>	<u>June</u>	<u>July</u>	<u>Aug</u>	<u>Sept</u>	<u>Oct</u>	<u>Nov</u>	<u>Dec</u>	<u>Jan</u>
Sullivan County	4.5%	3.9%	2.9%	2.8%	2.9%	3.4%	3.7%	3.6%	N/A	3.7%	3.6%	N/A
Delaware County	5.2	4.6	3.4	3.1	3.5	4.3	4.3	4.2	N/A	4.2	4.3	N/A
Ulster County	4.3	3.8	2.9	2.9	3.2	3.7	4.0	3.8	N/A	3.6	3.5	N/A
New York State	4.3	4.1	3.6	3.5	3.8	4.6	4.7	4.7	N/A	4.5	4.4	N/A

Note: Unemployment rates for October 2025, January 2026 and annual averages for 2025 are unavailable as of the date of this Official Statement.

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

Form of School Government

The Board of Education, which is the policy-making body of the District, consists of seven members with overlapping three-year terms so that, as nearly as possible, an equal number is elected to the Board each year. Each Board member must be a qualified voter of the District and no Board member may hold certain other district offices or position while serving on the Board of Education. The President and the Vice President are selected by the Board members.

Budgetary Procedures and Recent Budget Votes

Pursuant to the Education Law, the Board of Education annually prepares a detailed statement of estimated sums necessary for the various expenditures of the School District for the ensuing fiscal year (tentative budget) and distributes that statement not less than fourteen days prior to the date on which the School District's annual meeting is conducted, at which time such tentative budget is voted upon. Notice of the annual meeting is published as required by statute with a first publication not less than forty-five days prior to the day of such meeting. If the qualified voters at the annual meeting approve the tentative budget, the Board of Education, by resolution, adopts it as the budget of the School District for the ensuing fiscal year.

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

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

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

Recent Budget Vote Results

The budget for the 2025-26 fiscal year was approved by the qualified voters on May 20, 2025 by a vote of 339 to 206.

The adopted budget represents a \$903,510, or 2.89% increase, of the two districts' combined 2024-25 budgets. The proposal includes a tax levy of \$14,955,556, a **decrease** of \$843,687, or **-5.34%**. To help decrease the tax levy, the budget utilized one-third of State incentive aid (\$1,077,516), \$836,171 in fund balance, and \$220,483 in reserves. The 2024-25 true tax rate per \$1,000 is \$10.71 for former Livingston Manor Central School District residents and \$9.11 for former Roscoe Central School District residents, with a combined rate of \$10.03 for the District. The estimated true tax rate for 2025-26 would be \$9.50 per \$1,000. This is based on current assessed values and equalization rates, which will change for 2025-26. There will be no board elections in July 2026, as board elections took place in February 2026.

Investment Policy

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

Consistent with the above statutory limitations, it is the District's current policy to invest in: (1) Savings Accounts, Now Accounts or Money Market Accounts of designated banks, (2) Certificates of Deposit issued by a bank or trust company located and authorized to do business in New York State, (3) Demand Deposit Accounts in a bank or trust company authorized to do business in New York State, (4) Obligations of New York State, (5) Obligations of the United States Government (U.S. Treasury Bills and Notes), (6) Repurchase Agreements involving the purchase and sale of direct obligations of the United States.

The District is not authorized to invest in reverse repurchase agreements or similar derivative type investments.

State Aid

The District receives financial assistance from the State in the form of State aid for operating, building and other purposes at various times throughout its fiscal year, pursuant to formulas and payment schedules set forth by statute. In its adopted budget for the 2025-26 fiscal year, approximately 47.3% of the revenues of the District are estimated to be received in the form of State aid. While the State has a constitutional duty to maintain and support a system of free common schools that provides a "sound basic education" to children of the State, there can be no assurance that the State appropriation for State aid to school districts will be continued in future years, either pursuant to existing formulas or in any form whatsoever.

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

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

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

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

The amount of State aid to school districts can vary from year to year and is dependent in part upon the financial condition of the State. During the 2011 to 2019 fiscal years of the State, State aid to school districts was paid in a timely manner; however, during the State's 2010 and 2020 fiscal years, State budgetary restrictions resulted in delayed payments of State aid to school districts in the State. In addition, the availability of State aid and the timeliness of payment of State aid to school districts could be affected by a delay in the adoption of the State budget, which is due at the start of the State's fiscal year of April 1. With the exception of the State's fiscal year 2025-26 Enacted Budget (which was adopted on May 9, 2025, thirty-eight (38) days after the April 1 deadline, the State's fiscal year 2024-25 Enacted Budget (which was adopted on April 22, 2024, twenty-one (21) days after the April 1 deadline) and the State's fiscal year 2023-24 Enacted Budget (which was adopted on May 2, 2023, thirty-one (31) days after the April 1 deadline), the State's budget has been adopted by April 1 or shortly thereafter for over ten (10) years. No assurance can be given that the State will not experience delays in the adoption of the budget in future fiscal years. Significant delays in the adoption of the State budget could result in delayed payment of State aid to school districts in the State which could adversely affect the financial condition of school districts in the State.

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

Federal aid received by the State.

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

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

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

Building Aid

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

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

Pursuant to the provisions of Chapter 760 of the Laws of 1963, the District is eligible to receive a Building Aid Estimate from the New York State Department of Education. Since the gross indebtedness of the District is within the debt limit, the District is not required to apply for a Building Aid Estimate. Based on 2026-27 preliminary building aid ratios, the District expects to receive State building aid of approximately 68.8% of debt service on State Education Department approved expenditures from July 1, 2004 to the present.

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

State aid history:

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

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

closures prior to the announcement of the closure of schools for the remainder of the 2019-20 year. Under the budget, local governments also received full restoration of proposed cuts to Aid and Incentives for Municipalities (AIM) funding, and full restoration of \$10.3 million in proposed Video Lottery Terminal (VLT) aid cuts, where applicable.

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

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

School district fiscal year (2024-2025): The State's 2024-25 Enacted Budget provided \$35.9 billion in State funding to school districts for the 2024-25 school year, the highest level of State aid ever at that time (assuming the State aid amount agreed to as described in the following paragraphs is the amount ultimately enacted). This represented an increase of \$1.3 billion compared to the 2023-24 school year and included a \$934 million or 3.89 percent Foundation Aid increase. The State's 2024-25 Enacted Budget maintained the "save harmless" provision, which ensured a school district receives at least the same amount of Foundation Aid as it received in the prior year. The State's 2024-25 Enacted Budget also authorized a comprehensive study by the Rockefeller Institute and the State Department of Education to develop a modernized school funding formula.

School district fiscal year (2025-2026): The State's 2025-26 Enacted Budget includes approximately \$37.6 billion in State funding to school districts for the 2025-2026 school year, an estimated year-to-year funding increase of \$1.7 billion. The State's 2025-26 Budget provides an estimated \$26.3 billion in Foundation Aid, a year over year increase of \$1.42 billion and includes a 2% minimum increase in Foundation Aid to all school districts. As part of the 2025-26 Enacted State Budget, the Governor and Legislature made targeted adjustments to the Foundation Aid formula. While the formula itself remains largely intact, the budget includes a hold harmless provision ensuring that no district receives less Foundation Aid than in the prior year. Additionally, all districts are guaranteed at least a 2% year-over-year increase in Foundation Aid. The enacted budget also includes formula modifications intended to provide enhanced support for high-need and disadvantaged 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.

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

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

A case related to the Campaign for Fiscal Equity, Inc. v. State of New York was heard on appeal on May 30, 2017 in New Yorkers for Students’ Educational Rights v. State of New York (“NYSER”) and a consolidated case on the right to a sound basic education. The NYSER lawsuit asserts that the State has failed to comply with the original decision in the Court of Appeals in the CFE case, and asks the Court of Appeals to require the State to develop new methodologies, formulas and mechanisms for determining State aid, to fully fund the foundation aid formula, to eliminate the supermajority requirement for voter approval of budgets which increase school district property tax levies above the property tax cap limitation, and related matters. On June 27, 2017, the Court of Appeals held that the plaintiffs causes of action were properly dismissed by the earlier Appellate Division decision except insofar as two causes of action regarding accountability mechanisms and sufficient State funding for a “sound basic education” as applicable solely to the school districts in New York City and Syracuse. The Court emphasized its previous ruling in the CFE case that absent “gross education inadequacies”, claims regarding state funding for a “sound basic education” must be made on a district-by-district basis based on the specific facts therein. On October 14, 2021 Governor Hochul announced that New York State reached an agreement to settle and discontinue the *NYSER* case, following through on the State's commitment to fully fund the current Foundation Aid formula to New York’s school districts over three years and ending the State's prior opposition to providing such funding. The litigation, which has been ongoing since 2014, sought to require New York State to fully fund the Foundation Aid formula that was put into place following the CFE cases, and had been previously opposed by the State. Foundation Aid was created in 2007 and takes school district wealth and student need into account to create an equitable distribution of state funding to schools, however, New York State has never fully funded Foundation Aid. The new settlement requires New York State to phase-in full funding of Foundation Aid by the FY 2024 budget. In the FY 2022 Enacted State Budget approved in April 2022, the Executive and Legislature agreed to fully fund Foundation Aid by the FY 2024 and FY 2025 budget and enacted this commitment into law. A breakdown of currently anticipated Foundation Aid funding is available below:

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

State Aid Revenues

The following table illustrates the percentage of total General Fund revenues of the **Livingston Manor Central School District** for the below fiscal years comprised of State aid.

<u>Fiscal Year</u>	<u>Total Revenues</u> ⁽¹⁾	<u>Total State Aid</u>	<u>Percentage of Total Revenues Consisting of State Aid</u>
2020-2021	\$ 16,967,599	\$ 7,206,957	42.47%
2021-2022	18,500,823	8,219,273	44.43
2022-2023	19,711,285	8,307,379	42.15
2023-2024	19,741,938	7,424,881	37.61
2024-2025	19,318,506	7,804,676	40.40

⁽¹⁾ Does not include interfund transfers where applicable.

Source: Audited financial statements of the Livingston Manor Central School District for the 2020-21 through 2024-25 fiscal years. This table is not audited.

The following table illustrates the percentage of total General Fund revenues of the **Roscoe Central School District** for the below fiscal years comprised of State aid.

<u>Fiscal Year</u>	<u>Total Revenues</u> ⁽¹⁾	<u>Total State Aid</u>	<u>Percentage of Total Revenues Consisting of State Aid</u>
2020-2021	\$ 9,435,300	\$ 3,195,291	33.87%
2021-2022	9,706,209	3,355,801	34.57
2022-2023	10,273,743	3,599,904	35.04
2023-2024	10,332,484	3,633,637	35.17
2024-2025	10,482,021	3,489,993	33.30

⁽¹⁾ Does not include interfund transfers where applicable.

Source: Audited financial statements of the Roscoe Central School District for the 2020-21 through 2024-25 fiscal years. This table is not audited.

The following table illustrates the percentage of total General Fund revenues of the **Rockland Central School District** for the 2025-26 Adopted Budget comprised of State aid.

<u>Fiscal Year</u>	<u>Total Revenues</u> ⁽¹⁾	<u>Total State Aid</u>	<u>Percentage of Total Revenues Consisting of State Aid</u>
2025-2026 (Budgeted)	\$ 31,078,326 ⁽²⁾	\$ 14,685,020	47.25%

⁽¹⁾ Does not include interfund transfers where applicable.

⁽²⁾ Does not include \$836,171 of appropriated fund balance or \$220,483 use of reserves.

Source: 2025-26 Adopted Budget of the Rockland Central School District. This table is not audited.

District Facilities

The District currently operates the following facilities:

<u>Name</u>	<u>Grades</u>	<u>Capacity</u>	<u>Year(s) Built</u>
Rockland Elementary School	Pre K-6	400	1939, 1961 ⁽¹⁾ , 2002
Rockland Middle/High School	7-12	600	1939, 1960 ⁽²⁾ , 1967 ⁽³⁾

⁽¹⁾ The additions in 1961 consisted of a cafeteria with a capacity of 125 and additions for grades K-6 with a capacity of 125.

⁽²⁾ “PTA” addition in 1960 housed grades Pre K- 2 in the previous Livingston Manor CSD structure.

⁽³⁾ “1967” addition housed grades 5-6, new gymnasium, music room and science rooms.

Enrollment Trends

<u>Roscoe Central School District</u>		<u>Livingston Manor Central School District</u>	
<u>School Year</u>	<u>Actual Enrollment</u>	<u>School Year</u>	<u>Actual Enrollment</u>
2020-2021	222	2020-2021	398
2021-2022	211	2021-2022	405
2022-2023	208	2022-2023	383
2023-2024	192	2023-2024	371
2024-2025	186	2024-2025	385

Rockland Central School District Actual and Projected Enrollment

<u>School Year</u>	<u>Actual Enrollment</u>	<u>School Year</u>	<u>Projected Enrollment</u>
2025-2026	594	2026-2027	572
		2027-2028	563
		2028-2029	545
		2029-2030	535
		2030-2031	517

Note: Figures above reflect K-12 enrollment.

Source: District officials.

Employees

The District employs 158 part and full-time employees. The number of members, the collective bargaining units which represent them, and their current contract expiration dates are as follows:

<u>Number of Members</u>	<u>Union Representation</u>	<u>Contract Expiration Date</u>
95	Rockland Teachers’ Association	June 30, 2025 ⁽¹⁾
52	Civil Service Employees’ Association (CSEA)	June 30, 2025 ⁽¹⁾

⁽¹⁾ Currently in negotiations.

Source: District officials.

Status and Financing of Employee Pension Benefits

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

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

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

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

The actual contributions for the fiscal years 2020-21 through and including 2024-25 for the **Livingston Manor Central School District** are as follows:

<u>Fiscal Year</u>	<u>ERS</u>	<u>TRS</u>
2020-2021	\$ 165,465	\$ 459,517
2021-2022	172,079	510,575
2022-2023	143,112	539,870
2023-2024	215,027	563,188
2024-2025	176,708	636,845

The actual contributions for the fiscal years 2020-21 through and including 2024-25 for the **Roscoe Central School District** are as follows:

<u>Fiscal Year</u>	<u>ERS</u>	<u>TRS</u>
2020-2021	\$ 128,612	\$ 349,300
2021-2022	125,462	343,390
2022-2023	109,488	338,592
2023-2024	103,672	306,331
2024-2025	120,037	301,426

The budgeted contributions for the 2025-26 fiscal year for the **Rockland Central School District** are as follows:

<u>Fiscal Year</u>	<u>ERS</u>	<u>TRS</u>
2025-2026 (Budgeted)	\$ 344,925	\$ 1,040,250

Source: District officials.

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

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

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

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

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

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

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

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

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

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

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

Other Post-Employment Benefits

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

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

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

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

The following outlines the changes to the Total OPEB Liability during the below fiscal years for **Livingston Manor Central School District**, by source

	2023	2024
Balance beginning at June 30:	<u>\$ 19,282,185</u>	<u>\$ 18,092,194</u>
<u>Changes for the year:</u>		
Service cost	688,282	677,826
Interest	811,314	775,790
Differences between expected and actual experience	(2,040,368)	(282,036)
Changes in assumptions or other inputs	9,546	(1,741,034)
Changes of benefit terms	-	-
Benefit payments	<u>(658,765)</u>	<u>(692,530)</u>
Net Changes	<u>\$ (1,189,991)</u>	<u>\$ (1,261,984)</u>
Balance ending at June 30:	<u>2024</u>	<u>2025</u>
	<u>\$ 18,092,194</u>	<u>\$ 16,830,210</u>

The following outlines the changes to the Total OPEB Liability during the below fiscal years for **Roscoe Central School District**, by source

	2023	2024
Balance beginning at June 30:	<u>\$ 11,136,761</u>	<u>\$ 11,136,351</u>
<u>Changes for the year:</u>		
Service cost	555,849	541,023
Interest	477,894	483,262
Differences between expected and actual experience	(638,534)	(837,684)
Changes in assumptions or other inputs	(150,472)	(987,268)
Changes of benefit terms	-	-
Benefit payments	<u>(245,147)</u>	<u>(401,053)</u>
Net Changes	<u>\$ (410)</u>	<u>\$ (1,201,720)</u>
Balance ending at June 30:	<u>2024</u>	<u>2025</u>
	<u>\$ 11,136,351</u>	<u>\$ 9,934,631</u>

Source: Audited financial statements of the school districts. The above table is not audited. For additional information see "APPENDIX – E & F" attached hereto.

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

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

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

Financial Statements

The District retains independent Certified Public Accountants. The last audit report for the Livingston Manor Central School District covers the period ending June 30, 2025 may be found attached hereto as “APPENDIX – E” to this Official Statement. The last audit report for the Roscoe Central School District covers the period ending June 30, 2025 may be found attached hereto as “APPENDIX – F” to this Official Statement. The Rockland Central School District will complete its first audit as a merged district beginning with the fiscal year ending June 30, 2026. Certain financial information of the District can be found attached as Appendices to the Official Statement

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

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

New York State Comptroller Reports of Examination

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

The State Comptroller’s office has not released any audit reports of either the Livingston Manor Central School District not the Roscoe Central School District within the last five years. There are currently no pending audits of either school district, nor the Rockland Central School District by the State Comptroller’s office as of the date of this Official Statement.

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

The State Comptroller’s Fiscal Stress Monitoring System

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

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

The reports of the State Comptroller for the past three fiscal years of the former **Roscoe Central School District** are as follows:

<u>Fiscal Year Ending:</u>	<u>Stress Designation</u>	<u>Fiscal Score</u>
2025	No Designation	20.0
2024	Susceptible Fiscal Stress	26.7
2023	Susceptible Fiscal Stress	26.7

The reports of the State Comptroller for the past three fiscal years of the former **Livingston Manor Central School District** are as follows:

<u>Fiscal Year Ending:</u>	<u>Stress Designation</u>	<u>Fiscal Score</u>
2025	No Designation	0.0
2024	No Designation	0.0
2023	No Designation	0.0

Note: The Fiscal Score for the 2024-25 fiscal year has not been calculated for Rockland Central School District as of the date of this of this Official Statement.

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

Other Information

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

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

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

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

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

TAX INFORMATION

Taxable Valuations

Livingston Manor Central School District

<u>Fiscal Year Ending June 30:</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>
Towns of:					
Andes	\$ 24,843,768	\$ 25,834,250	\$ 25,274,452	\$ 27,494,642	\$ 28,317,249
Colchester	79,218	73,593	63,081	70,777	74,226
Callicoon	27,359,733	23,320,377	26,647,815	28,085,834	31,080,343
Liberty	19,392,098	17,585,000	15,661,197	16,908,301	18,485,650
Neversink	810,421	774,271	775,640	769,840	824,197
Rockland	184,280,780	172,339,274	162,187,271	166,220,832	193,697,185
Hardenburgh	66,606,943	60,118,397	58,960,334	68,525,144	43,223,054
Total Assessed Values	<u>\$ 323,372,961</u>	<u>\$ 300,045,162</u>	<u>\$ 289,569,790</u>	<u>\$ 308,075,370</u>	<u>\$ 315,701,904</u>
State Equalization Rates					
Towns of:					
Andes	100.00%	100.00%	82.75%	75.00%	70.00%
Colchester	2.96%	2.82%	2.33%	2.16%	2.10%
Callicoon	57.10%	44.40%	38.20%	34.00%	33.00%
Liberty	72.00%	63.30%	49.36%	41.60%	37.59%
Neversink	3.30%	3.00%	2.70%	2.40%	2.25%
Rockland	60.00%	52.50%	42.90%	35.75%	34.50%
Hardenburgh	60.00%	55.00%	49.50%	51.59%	34.00%
Total Taxable Full Valuation	<u>\$ 545,073,380</u>	<u>\$ 572,128,217</u>	<u>\$ 660,635,775</u>	<u>\$ 793,043,018</u>	<u>\$ 912,546,399</u>

Roscoe Central School District

<u>Fiscal Year Ending June 30:</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>
Towns of:					
Callicoon	\$ 9,003,597	\$ 9,152,863	\$ 9,086,640	\$ 9,321,689	\$ 9,451,858
Fremont	61,614,326	62,404,015	62,631,594	62,795,838	66,324,347
Rockland	67,339,471	67,134,564	67,454,771	67,368,046	67,712,100
Hancock	5,545,805	5,541,885	5,597,238	5,612,438	5,567,409
Colchester	2,999,508	3,012,858	3,021,360	3,019,602	3,027,822
Total Assessed Values	<u>\$ 146,502,707</u>	<u>\$ 147,246,185</u>	<u>\$ 147,791,603</u>	<u>\$ 148,117,613</u>	<u>\$ 152,083,536</u>
State Equalization Rates					
Towns of:					
Callicoon	61.20%	57.10%	44.40%	38.20%	34.00%
Fremont	64.00%	62.00%	50.00%	41.50%	32.50%
Rockland	63.50%	60.00%	52.50%	42.90%	35.75%
Hancock	12.50%	11.72%	10.83%	8.39%	8.35%
Colchester	2.92%	2.96%	2.82%	2.33%	2.16%
Total Taxable Full Valuation	<u>\$ 364,119,872</u>	<u>\$ 377,643,561</u>	<u>\$ 433,037,012</u>	<u>\$ 529,243,698</u>	<u>\$ 628,131,473</u>

Rockland Central School District

<u>Fiscal Year Ending June 30:</u>	<u>2025-2026</u>
Towns of:	
Callicoon	\$ 42,451,240
Fremont	65,515,600
Rockland	269,351,249
Hancock	5,580,589
Colchester	3,119,654
Andes	30,033,330
Hardenburgh	65,387,697
Liberty	20,482,659
Neversink	885,287
Total Assessed Values	<u>\$ 502,807,305</u>
State Equalization Rates	
Towns of:	
Callicoon	33.00%
Fremont	32.50%
Rockland	34.50%
Hancock	8.00%
Colchester	1.72%
Andes	70.00%
Hardenburgh	34.00%
Liberty	37.59%
Neversink	2.25%
Total Taxable Full Valuation	<u>\$ 1,691,144,687</u>

Source: District officials.

Tax Rate Per \$1,000 (Assessed)

Livingston Manor Central School District

<u>Fiscal Year Ending June 30:</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>
Towns of:					
Andes	\$ 16.24	\$ 15.71	\$ 16.87	\$ 15.99	\$ 15.30
Colchester	548.78	557.00	599.25	555.27	509.87
Callicoon	28.45	35.38	36.55	35.28	32.46
Liberty	22.56	24.81	28.29	28.83	28.48
Neversink	492.24	523.57	517.13	499.74	475.88
Rockland	27.07	29.92	32.57	33.55	31.04
Hardenburgh	27.07	28.56	28.21	23.25	31.49

Roscoe Central School District

<u>Fiscal Year Ending June 30:</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>
Towns of:					
Callicoon	\$ 24.57	\$ 25.86	\$ 28.67	\$ 24.72	\$ 26.78
Fremont	23.50	23.81	25.46	22.77	28.02
Rockland	23.68	24.61	24.24	22.05	25.47
Hancock	120.30	125.97	117.52	113.17	109.06
Colchester	515.00	498.76	451.33	632.11	523.35

Source: District officials.

Rockland Central School District

<u>Fiscal Year Ending June 30:</u>	<u>2025-2026</u>
Towns of:	
Callicoon	\$ 26.78
Fremont	27.20
Rockland	25.65
Hancock	110.48
Colchester	513.87
Andes	12.63
Hardenburgh	26.00
Liberty	23.51
Neversink	25.65

Tax Levy and Tax Collection Record

Livingston Manor Central School District

<u>Fiscal Year Ending June 30:</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>
Total Tax Levy	\$ 8,854,185	\$ 8,986,479	\$ 9,227,503	\$ 9,511,641	\$ 9,771,185
Amount Uncollected ⁽¹⁾	N/A	N/A	N/A	N/A	N/A
% Uncollected	N/A	N/A	N/A	N/A	N/A

Roscoe Central School District

<u>Fiscal Year Ending June 30:</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>
Total Tax Levy	\$ 5,475,629	\$ 5,575,273	\$ 5,511,505	\$ 5,689,531	\$ 6,028,058
Amount Uncollected ⁽¹⁾	1,156,800	N/A	1,028,506	1,299,688	1,329,534
% Uncollected	21.13%	N/A	18.66%	22.84%	22.06%

Rockland Central School District

<u>Fiscal Year Ending June 30:</u>	<u>2025-2026</u>
Total Tax Levy	\$ 14,955,556
Amount Uncollected ⁽¹⁾	2,340,596
% Uncollected	15.65%

⁽¹⁾ The District is made whole on any uncollected taxes by the respective Counties. See "Tax Collection Procedure" herein.

Tax Collection Procedure

Tax payments are due September 1st. There is no penalty charge for the first thirty days after taxes are due, but a 2% penalty is charged from October 1st to October 31st, and a 3% penalty is charged from November 1st. On or about November 15th, uncollected taxes are returnable to the Counties of Sullivan, Ulster and Delaware for collection. The District receives this amount of uncollected taxes from said County prior to the end of the District's fiscal year, thereby assuring 100% tax collection annually.

Real Property Tax Revenues

The following table illustrates the percentage of total General Fund revenues of the **Livingston Manor Central School District** for the below fiscal years comprised of Real Property Taxes and Tax Items.

<u>Fiscal Year</u>	<u>Total Revenues</u> ⁽¹⁾	<u>Total Real Property Taxes & Tax Items</u>	<u>Percentage of Total Revenues Consisting of Real Property Taxes</u>
2020-2021	\$ 16,967,599	\$ 8,893,286	52.41%
2021-2022	18,500,823	9,029,121	48.80
2022-2023	19,711,285	9,268,209	47.02
2023-2024	19,741,938	9,543,014	48.34
2024-2025	19,318,506	9,806,027	50.76

⁽¹⁾ Does not include interfund transfers where applicable.

Source: Audited financial statements of the Livingston Manor Central School District for the 2020-21 through 2024-25 fiscal years. This table is not audited.

The following table illustrates the percentage of total General Fund revenues of the **Roscoe Central School District** for the below fiscal years comprised of Real Property Taxes and Tax Items.

<u>Fiscal Year</u>	<u>Total Revenues</u> ⁽¹⁾	<u>Total Real Property Taxes & Tax Items</u>	<u>Percentage of Total Revenues Consisting of Real Property Taxes</u>
2020-2021	\$ 9,435,300	\$ 5,495,156	58.24%
2021-2022	9,706,209	5,613,799	57.84
2022-2023	10,273,743	5,538,937	53.91
2023-2024	10,332,484	5,718,062	55.34
2024-2025	10,482,021	6,055,148	57.77

⁽¹⁾ Does not include interfund transfers where applicable.

Source: Audited financial statements of the Roscoe Central School District for the 2020-21 through 2024-25 fiscal years. This table is not audited.

The following table illustrates the percentage of total General Fund revenues of the **Rockland Central School District** for the 2025-26 Adopted Budget comprised of Real Property Taxes and Tax Items.

<u>Fiscal Year</u>	<u>Total Revenues</u> ⁽¹⁾	<u>Total Real Property Taxes & Tax Items</u>	<u>Percentage of Total Revenues Consisting of Real Property Taxes</u>
2025-2026 (Budgeted)	\$ 31,078,326 ⁽²⁾	\$ 15,024,056	48.34%

⁽¹⁾ Does not include interfund transfers where applicable.

⁽²⁾ Does not include \$836,171 of appropriated fund balance or \$220,483 use of reserves.

Source: 2025-26 Adopted Budget of the Rockland Central School District. This table is not audited.

Larger Taxpayers - 2025 Assessment Roll for 2025-26 District Tax Roll

<u>Name</u>	<u>Type</u>	<u>Taxable Assessed Valuation</u>
State of New York	State Land	\$ 43,402,559
NYSEG	Utility	5,879,913
Dellipaoli, Andrew	Individual	1,013,305
DJA Real Estate Associates LLC	Commercial	731,300
Marcy Timber LLC	Commercial	234,600
Timberlake Camp West	Commercial	165,100
Roscoe Regional Holding LLC	Commercial	101,700
Blue Mountain Associates, LLC	Commercial	41,876

The larger taxpayers listed have a total taxable assessed valuation of \$51,570,353, which represents 3.1% of the tax base of the District for the 2025-26 fiscal year.

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

Note: The information above represents the larger taxpayers in Delaware County. Information for the larger taxpayers in Sullivan County is not available as of the date of this Official Statement.

Source: District tax rolls.

STAR – School Tax Exemption

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

STAR – School Tax Exemption. The STAR (School Tax Relief) program provides State-funded exemptions from school property taxes to homeowners for their primary residences. Homeowners over 65 years of age with household adjusted gross incomes, less the taxable amount of total distributions from individual retirement accounts and individual retirement annuities (“STAR Adjusted Gross Income”) of \$107,300 or less for the 2025-26 school year, increased annually according to a cost of living adjustment, are eligible for a “full value” exemption of the first \$86,100 for the 2025-26 school year (adjusted annually). Other homeowners with household STAR Adjusted Gross income not in excess of \$250,000 (\$500,000 in the case of a STAR credit, as discussed below) are eligible for a \$30,000 “full value” exemption on their primary residence.

Part A of Chapter 60 of the Laws of 2016 of the State of New York (“Chapter 60”) gradually converts the STAR program from a real property tax exemption to a personal income tax credit. Chapter 60 prohibits new STAR exemptions from being granted unless at least one of the applicants held title to the property on the taxable status date of the assessment roll that was used to levy school district taxes for the 2015-16 school year (generally, March 1, 2015), and the property was granted a STAR exemption on that assessment roll. A taxpayer who is eligible for the new credit will receive a check from the State equal to the amount by which the STAR exemption would have reduced his or her school tax bill. A homeowner who owned his or her home on the taxable status date for the assessment roll used to levy taxes for the 2015-16 school year, and who received a STAR exemption on that roll, may continue to receive a STAR exemption on that home as long as he or she still owns and primarily resides in it. No further action is required (unless the homeowner has been receiving Basic STAR and wants to apply for Enhanced STAR, which is permissible).

The 2019-20 Enacted State Budget made several changes to the STAR program, which went into effect immediately. The changes were intended to encourage homeowners to switch from the STAR exemption to the STAR credit. The income limit for the exemption was lowered to \$250,000, compared with a \$500,000 limit for the credit. The amount of the STAR exemption remains the same each year, while the amount of the STAR credit can increase up to two percent annually.

\$443,0471 of the District’s \$14,955,556 school tax levy for the 2025-26 fiscal year is expected to be exempt by the STAR Program. The District received full reimbursement of such exempt taxes from the State in January 2026.

Additional Tax Information

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

Senior citizens' exemptions are offered to those who qualify.

The total valuation of the District is estimated to be categorized as follows: Residential-45% and Commercial-55%.

The estimated total annual property tax bill of a \$100,000 market value residential property located in the District is approximately \$3,173 including County, Town, School District and Fire District taxes.

TAX LEVY LIMITATION LAW

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

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

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

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

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

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

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

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

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.

STATUS OF INDEBTEDNESS

Constitutional Requirements

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

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

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

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

General. The District is further subject to constitutional limitation by the general constitutionally imposed duty of the State Legislature to restrict the power of taxation and contracting indebtedness to prevent abuses in the exercise of such power; however, as has been noted under “NATURE OF OBLIGATION,” the State Legislature is prohibited by a specific constitutional provision from restricting the power of the District to levy taxes on real estate for the payment of interest on or principal of indebtedness theretofore contracted. There is no constitutional limitation on the amount that may be raised by the District by tax on real estate in any fiscal year to pay principal of and interest on all indebtedness, however, 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 increase is limited by the formulas set forth in such law. (See “TAX LEVY LIMITATION LAW” herein).

Statutory Procedure

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

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

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

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

In general, the Local Finance Law contains provisions providing the District with power to issue certain other short-term general obligation indebtedness including revenue and tax anticipation notes, in anticipation of the collection of a specific type of revenue, and budget or deficiency notes when necessary.

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

Debt Limit. The District has the power to contract indebtedness for any District purpose authorized by the Legislature of the State of New York provided the aggregate principal amount thereof shall not exceed ten per centum of the full valuation of the taxable real estate 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 estate for the last completed assessment roll and applying thereto the equalization rate which such assessed valuation bears to the full valuation; such rate is determined by the State Office of Real Property Services. The Legislature prescribes the manner by which such rate shall be determined.

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

- (1) Such obligations are authorized for a purpose for which the District is not authorized to expend money, or
- (2) There has not been substantial compliance with the provisions of law which should have been complied within the authorization of such obligations and an action contesting such validity, is commenced within twenty days after the date of such publication or,
- (3) Such obligations are authorized in violation of the provisions of the Constitution.

Except on rare occasions the District complies with this estoppel procedure. It is a procedure that is recommended by Bond Counsel, but it is not an absolute legal requirement.

Debt Outstanding End of Fiscal Year

Livingston Manor Central School District

<u>Fiscal Years Ending June 30th:</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Bonds	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Bond Anticipation Notes	0	0	0	0	0
Lease Liabilities	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Debt Outstanding	<u>\$ 0</u>				

Source: Audited financial statements of the Livingston Manor Central School District. Table itself is not audited.

Roscoe Central School District

<u>Fiscal Years Ending June 30th:</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Bonds	\$ 2,035,000	\$ 1,540,000	\$ 1,300,000	\$ 1,055,000	\$ 795,000
Bond Anticipation Notes	0	0	0	0	0
Lease Liabilities ⁽¹⁾	<u>0</u>	<u>33,166</u>	<u>17,534</u>	<u>3,195</u>	<u>31,418</u>
Total Debt Outstanding	<u>\$ 2,035,000</u>	<u>\$ 1,573,166</u>	<u>\$ 1,317,534</u>	<u>\$ 1,058,195</u>	<u>\$ 826,418</u>

⁽¹⁾ Such obligations are subject to appropriation but does not involve a pledge of faith and credit of the school district, and therefore do not technically constitute indebtedness of the school district. Such obligations are, however, counted against the debt limit of the school district. (See "Other Obligations" herein.)

Source: Audited financial statements of the Roscoe Central School District. Table itself is not audited.

Details of Outstanding Indebtedness

The following table sets forth the indebtedness of the District as of February 10, 2026.

<u>Type of Indebtedness</u>	<u>Maturity</u>	<u>Amount</u>
<u>Bonds</u>	2026-2029	\$ 795,000
<u>Bond Anticipation Notes:</u>		
2024 Capital Project	July 30, 2026	<u>975,000</u>
	Total	<u>\$ 1,770,000</u>

Debt Statement Summary

Summary of Indebtedness, Debt Limit and Net Debt-Contracting Margin as of February 10, 2026:

Full Valuation of Taxable Real Property.....	\$	1,691,144,687
Debt Limit 10% thereof.....		169,114,468

Inclusions: ⁽¹⁾

Bonds.....	\$	795,000
Bond Anticipation Notes (BANs):		<u>975,000</u>
Total Inclusions prior to issuance of the Notes		<u>1,770,000</u>
Less: BANs being redeemed from appropriations		0
Add: New money proceeds of the Notes		<u>6,000,000</u>
Total Net Inclusions after issuance of the Notes	\$	7,770,000

Exclusions:

State Building Aid ⁽³⁾	\$	<u>0</u>
Total Exclusions.....	\$	<u>0</u>

Total Net Indebtedness <u>after issuance of the Notes</u>	\$	<u>7,770,000</u>
Net Debt-Contracting Margin	\$	<u>161,344,468</u>
The percent of debt contracting power exhausted is		4.59%

⁽¹⁾ Pursuant to the Provisions of Chapter 760 of the Laws of New York State of 1963, the School District receives aid on existing bonded debt. Since the gross indebtedness of the School District is within the debt limit, the School District is not required to apply for a Building aid Estimate. Over the years the building aid ratio has been adjusted based on State legislative changes with an effective date tied to voter authorization dates. Based on 2026-27 preliminary Building Aid Ratios, the School District anticipates State Building aid of 68.8% for debt service on SED approved expenditures from July 1, 2004 to the present. The School District has no reason to believe that it will not ultimately receive all of the Building aid it anticipates, however, no assurance can be given as to when and how much Building aid the School District will receive in relation to its capital project indebtedness.

⁽¹⁾ The above debt statement summary does not include any outstanding lease or installment purchase obligations, which are subject to appropriation but do not involve a pledge of faith and credit of the District, and therefore do not technically constitute indebtedness of the District. Such obligations are, however, counted against the debt limit of the District. The District remains within its debt limit after taking into account the outstanding balance of such obligations. (See “Other Obligations” herein.)

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

Bonded Debt Service

A schedule of bonded debt service may be found attached hereto as “APPENDIX – B.”

Cash Flow Borrowings

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

Capital Project Plans

On May 13, 2023, the qualified voters of the former Roscoe Central School District approved a proposition authorizing the District to undertake a capital improvement project consisting of the reconstruction of flood walls and the walk bridge at School District campus (the “Flood Wall Project”), at a maximum estimated cost of \$7,000,000 to be financed with the issuance of up to \$7,000,000 serial bonds and bond anticipation notes. The District intends to borrow for this project in the near future to meet construction cash flow needs.

On May 13, 2023, the qualified voters of the former Roscoe Central School District approved a second proposition authorizing the District to undertake a capital improvement project consisting of the construction of an addition and improvements to the School District building and related facilities (the “2023 Building Improvement Project”), at a maximum estimated cost of \$21,000,000, to be financed in part with State building aid, the expenditure of \$5,000,000 of 2005 Capital Reserve Fund monies and the issuance of up to \$12,000,000 serial bonds and bond anticipation notes. Proceeds of the Notes will provide original financing for the 2023 Building Improvement Project.

On May 21, 2024, the qualified voters of the former Roscoe Central School District approved a proposition authorizing the District to undertake a capital improvement project consisting of the construction of improvements to and reconstruction of the School District building (the “2024 Capital Project”) at a maximum estimated cost of \$1,700,000, to be financed in part with the expenditure of \$725,000 of Capital Reserve Fund monies and the issuance of up to \$975,000 serial bonds and bond anticipation notes. On August 28, 2025, the District issued \$975,000 bond anticipation notes which provided original financing for the 2024 Capital Project.

Other than as stated above, there are currently no other capital projects authorized or contemplated at this time.

Other Obligations

The following is a summary of the District’s debt service requirements for its lease liabilities as of June 30, 2025:

<u>Fiscal Year Ending</u>	<u>Principal</u>	<u>Interest</u>
2026	\$ 13,358	\$ 760
2027	13,765	353
2028	<u>4,295</u>	<u>52</u>
Minimum Lease Payments	<u>\$ 31,418</u>	<u>\$ 1,165</u>

Source: Audited financial statements of the former Roscoe Central School District. The former Livingston Manor Central School District has no outstanding lease liabilities as of June 30, 2025.

The indebtedness noted in this section is subject to appropriation but does not involve a pledge of faith and credit of the District, and therefore does not technically constitute indebtedness of the District. Such obligations do however count towards the debt limit of the District. The District remains within its debt limit after taking into account the outstanding balance of such obligations.

Estimated Overlapping Indebtedness

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

<u>Municipality</u>	<u>Status of Debt as of</u>	<u>Gross Indebtedness</u> ⁽¹⁾	<u>Exclusions</u> ⁽²⁾	<u>Net Indebtedness</u>	<u>District Share</u>	<u>Applicable Indebtedness</u>
County of:						
Sullivan	6/29/2025	\$ 95,350,000 ⁽³⁾	\$ 2,365,000	\$ 92,985,000	2.51%	\$ 2,333,924
Delaware	12/31/2024	3,485,000 ⁽³⁾	-	3,485,000	2.29%	79,807
Ulster	10/21/2025	158,251,723 ⁽³⁾	10,767,283	147,484,440	2.55%	3,760,853
Town of:						
Callicoon	12/31/2024	533,332 ⁽⁴⁾	- ⁽⁵⁾	533,332	4.16%	22,187
Fremont	12/31/2024	- ⁽⁴⁾	- ⁽⁵⁾	-	37.97%	-
Rockland	12/31/2024	- ⁽⁴⁾	- ⁽⁵⁾	-	25.05%	-
Colchester	12/31/2024	354,120 ⁽⁴⁾	- ⁽⁵⁾	354,120	11.89%	42,105
Hancock	12/31/2024	325,588 ⁽⁴⁾	- ⁽⁵⁾	325,588	10.25%	33,373
Andes	12/31/2024	1,211,006 ⁽⁴⁾	- ⁽⁵⁾	1,211,006	1.19%	14,411
Hardenburgh	12/31/2024	- ⁽⁴⁾	- ⁽⁵⁾	-	20.62%	-
Liberty	12/31/2024	2,398,400 ⁽⁴⁾	- ⁽⁵⁾	2,398,400	6.94%	166,449
Neversink	12/31/2024	- ⁽⁴⁾	- ⁽⁵⁾	-	0.29%	-
Total:						<u>\$ 6,453,107</u>

Notes:

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

Debt Ratios

The following table sets forth certain ratios relating to the District's indebtedness as of February 10, 2026.

	<u>Amount</u>	<u>Per Capita</u> ^(a)	<u>Percentage of Full Value</u> ^(b)
Net Indebtedness ^(c)	\$ 7,770,000	\$ 1,577.02	0.46%
Net Indebtedness Plus Net Overlapping Indebtedness ^(d)	14,223,107	2,886.77	0.84

- (a) The 2024 estimated population of the District is 4,927. (See "THE SCHOOL DISTRICT – Population" herein.)
- (b) The District's full value of taxable real estate for the 2025-26 fiscal year is \$1,691,144,687. (See "TAX INFORMATION – Taxable Assessed Valuations" herein.)
- (c) See "Debt Statement Summary" herein for the calculation of Net Indebtedness.
- (d) Estimated net overlapping indebtedness is \$6,453,107. (See "Estimated Overlapping Indebtedness" herein.)

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

SPECIAL PROVISIONS AFFECTING REMEDIES UPON DEFAULT

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

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

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

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

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

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

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

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

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

No Past Due Debt. No principal of or interest on District indebtedness is past due. To the best knowledge of current District officers, the District has never defaulted on the payment of the principal of and interest on any indebtedness.

MARKET AND RISK FACTORS

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

The financial and economic condition of the 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 and in other jurisdictions, including, for example, the seeking by a municipality or large taxable property owner of remedies pursuant to the Federal Bankruptcy Code or otherwise, will not occur which might affect the market price of and the market for the Notes. If a significant default or other financial crisis should occur in the affairs of the State or another jurisdiction or any of its agencies or political subdivisions thereby further impairing the acceptability of obligations issued by borrowers within the State, both the ability of the 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 is dependent in part on financial assistance from the State. However, if the State should experience difficulty in borrowing funds in anticipation of the receipt of State taxes and revenues in order to pay State aid to municipalities and school districts in the State, including the District, in any year, the District may be affected by a delay, until sufficient taxes have been received by the State to make State aid payments to the District. In some years, the District has received delayed payments of State aid which resulted from the State’s delay in adopting its budget and appropriating State aid to municipalities and school districts, and consequent delay in State borrowing to finance such appropriations. (See also “THE DISTRICT - State Aid”).

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

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.

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

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.

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

Future legislative proposals, if enacted into law, or clarification of the Code or court decisions may cause interest on the Notes to be subject, directly or indirectly, to federal income taxation or to be subject to or exempted from state income taxation, or otherwise prevent the beneficial owners of the Notes from realizing the full current benefit of the tax status of such interest. No assurance can be given that pending or future legislation or amendments to the Code, if enacted into law, or any proposed legislation or amendments to the Code, will not adversely affect the value of the Notes, or the tax status of interest on the Notes. See "TAX MATTERS" herein. Prospective purchasers of the Notes should consult their own tax advisors regarding any pending or proposed federal or state tax legislation, regulations or litigation, and regarding the impact of future legislation, regulations or litigation, as to which Bond Counsel expresses no opinion.

Cybersecurity

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

TAX MATTERS

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

To the extent the issue price of any maturity of the Notes is less than the amount to be paid at maturity of such Notes (excluding amounts stated to be interest and payable at least annually over the term of such Notes), the difference constitutes "original issue discount," the accrual of which, to the extent properly allocable to each owner thereof, is treated as interest on the Notes which is excluded from gross income for federal income tax purposes and exempt from State of New York personal income taxes. For this purpose, the issue price of a particular maturity of the Notes is the first price at which a substantial amount of such maturity of the Notes is sold to the public (excluding bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers). The original issue discount with respect to any maturity of the Notes accrues daily over the term to maturity of such Notes on the basis of a constant interest rate compounded semiannually (with straight-line interpolations between compounding dates). The accruing original issue discount is added to the adjusted basis of such Notes to determine taxable gain or loss upon disposition (including sale, redemption, or payment on maturity) of such Notes. Owners of the Notes should consult their own tax advisors with respect to the tax consequences of

ownership of Notes with original issue discount, including the treatment of owners who do not purchase such Notes in the original offering to the public at the first price at which a substantial amount of such Notes is sold to the public.

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

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

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

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

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

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

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

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

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

LEGAL MATTERS

Legal matters incident to the authorization, issuance and sale of the Notes are subject to the approving legal opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel. Bond Counsel expects to deliver such opinion at the time of issuance of the Notes substantially in the form set forth in "APPENDIX – D" hereto.

LITIGATION

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

CONTINUING DISCLOSURE

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

Historical Continuing Disclosure Compliance

The District, and former Roscoe Central School District and Livingston Manor Central School District, are in compliance, in all material respects, within the last five years with all previous undertakings made pursuant to the Rule 15c2-12.

MUNICIPAL ADVISOR

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

CUSIP IDENTIFICATION NUMBERS

The Municipal Advisor intends to provide the purchaser of the issue with CUSIP identification numbers, in compliance with MSRB Rule G-34, (a)(i) (A)-(H). As is further discussed in Rule G-34 the purchaser, as the "dealer who acquires" the issue, is responsible for the registration fee to the CUSIP Bureau for this service. It is anticipated that CUSIP (an acronym that refers to Committee on Uniform Security Identification Procedures) identification numbers will be printed on the Notes. All expenses in relation to the printing of CUSIP numbers on the Notes will be paid for by the District; provided, however, the District assumes no responsibility for any CUSIP Service Bureau charge or other charge that may be imposed for the assignment of such numbers.

RATINGS

The Notes are NOT rated. The purchaser of the Notes may choose to have a rating completed after the sale at the expense of the purchaser pending the approval of the District, including any fees to be incurred by the District, as such rating action will result in a material event notification to be posted to EMMA and possible supplementation of the Final Official Statement which is required by the District's Continuing Disclosure Undertakings. (See "APPENDIX – C", attached hereto).

The District, nor the former Livingston Manor Central School District nor Roscoe Central School District, does not have a current issuer or long-term bond rating with any rating agency at this time.

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

MISCELLANEOUS

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

Statements in the Official Statement, and the documents included by specific reference, that are not historical facts are "forward-looking statements", within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, and as defined in the Private Securities Litigation Reform Act of 1995, which involve a number of risks and uncertainties, and which are based on the Rockland Central School District management's beliefs as well as assumptions made by, and information currently available to, the Rockland Central School District's management and staff. Because the statements are based on expectations about future events and economic performance and are not statements of fact, actual results may differ materially from those projected. Important factors that could cause future results to differ include legislative and regulatory changes; changes in the economy, and other factors discussed in this and other documents that the Rockland Central School District's files with EMMA. When used in Rockland Central School District documents or oral presentation, the words "anticipate", "believe", "intend", "plan", "foresee", "likely", "estimate", "expect", "objective", "projection", "forecast", "goal", "will", or "should", or similar words or phrases are intended to identify forward-looking statements.

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

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

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

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

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

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

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

The District's contact information is as follows: Mr. Jeff Froehlich, School Business Manager, 19 School Street, Livingston Manor, P.O. Box 947, New York, 127758, Phone: (845) 439-4400 ext. 7100, Email: jeff.froehlich@rcsd.us.

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

ROCKLAND CENTRAL SCHOOL DISTRICT

Dated: February 10, 2026

ED GORR
PRESIDENT OF THE BOARD OF EDUCATION AND
CHIEF FISCAL OFFICER

GENERAL FUND

Balance Sheets

<u>Fiscal Years Ending June 30:</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
<u>ASSETS</u>					
Unrestricted Cash	\$ 19,427	\$ 5,502,331	\$ 7,084,376	\$ 5,235,076	\$ 5,452,288
Restricted Cash	7,681,771	7,681,771	9,666,316	8,946,693	9,206,082
State and Federal Aid Receivable	4,934,088	931,295	543,007	200,647	186,892
Due from Other Governments	232,838	196,344	261,671	461,654	407,783
Due from Other Funds	1,321,595	1,766,427	1,097,914	1,253,749	1,250,561
Accounts Receivable	9,128	11,674	14,118	-	30,896
	<u> </u>				
TOTAL ASSETS	<u>\$ 14,198,847</u>	<u>\$ 16,089,842</u>	<u>\$ 18,667,402</u>	<u>\$ 16,097,819</u>	<u>\$ 16,534,502</u>
<u>LIABILITIES AND FUND EQUITY</u>					
Accounts Payable	\$ 146,771	\$ 190,234	\$ 538,206	\$ 202,797	\$ 348,607
Accrued Liabilities	3,566	28,381	50,722	5,714	1,249
Due to Other Funds	212,289	-	4,000,000	4,219,440	3,786,641
Due to Other Governments	431,825	479,552	959,687	259,321	649,531
Due to Teachers' Retirement System	494,386	555,465	592,794	625,636	719,040
Due to Employees' Retirement System	33,245	42,899	49,818	93,751	46,378
	<u> </u>				
TOTAL LIABILITIES	<u>1,322,082</u>	<u>1,296,531</u>	<u>6,191,227</u>	<u>5,406,659</u>	<u>5,551,446</u>
<u>FUND EQUITY</u>					
Nonspendable	\$ 125,916	\$ 93,155	\$ 211,974	\$ 202,563	\$ 54,108
Restricted	7,681,771	7,681,771	9,666,316	8,946,693	9,206,082
Assigned	676,526	1,331,495	948,300	731,819	1,036,978
Unassigned	4,392,552	5,686,890	1,649,585	810,085	685,888
	<u> </u>				
TOTAL FUND EQUITY	<u>12,876,765</u>	<u>14,793,311</u>	<u>12,476,175</u>	<u>10,691,160</u>	<u>10,983,056</u>
TOTAL LIABILITIES and FUND EQUITY	<u>\$ 14,198,847</u>	<u>\$ 16,089,842</u>	<u>\$ 18,667,402</u>	<u>\$ 16,097,819</u>	<u>\$ 16,534,502</u>

Source: Audited financial reports of the District. Summary itself not audited.

GENERAL FUND

Balance Sheets

<u>Fiscal Years Ending June 30:</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
ASSETS					
Unrestricted Cash	\$ 13,071	\$ 200	\$ 200	\$ 200	\$ 135,820
Restricted Cash	547,508	1,588,857	1,353,011	1,956,120	2,465,345
Taxes Receivable, Net	-	-	-	348,086	-
Accounts Receivable	-	-	6,114	11,440	10,648
State and Federal Aid Receivable	2,187,969	471,616	91,180	65,297	132,823
Due from Other Governments	351,965	568,569	656,969	692,923	745,159
Due from Other Funds	801,377	563,790	1,491,291	1,241,346	736,407
TOTAL ASSETS	\$ 3,901,890	\$ 3,193,032	\$ 3,598,765	\$ 4,315,412	\$ 4,226,202
LIABILITIES AND FUND EQUITY					
Accounts Payable	\$ 152,949	\$ 247,558	\$ 143,833	\$ 127,092	\$ 165,450
Accrued Liabilities	3,997	3,311	14,427	34,656	175
Due to Other Funds	-	-	64,947	422,491	-
Due to Other Governments	276,435	213,138	444,465	170,625	454,517
Due to Teachers' Retirement System	349,300	385,329	433,052	353,894	354,372
Due to Employees' Retirement System	41,253	27,042	38,887	25,055	45,410
TOTAL LIABILITIES	823,934	876,378	1,139,611	1,133,813	1,019,924
FUND EQUITY					
Nonspendable	\$ 185,273	\$ 182,508	\$ 299,221	\$ -	\$ 148,881
Restricted	1,588,857	1,588,857	1,353,011	2,465,345	2,465,345
Assigned	447,352	444,207	17,482	277,080	205,876
Unassigned	856,474	101,082	789,440	439,174	386,176
TOTAL FUND EQUITY	3,077,956	2,316,654	2,459,154	3,181,599	3,206,278
TOTAL LIABILITIES and FUND EQUITY	\$ 3,901,890	\$ 3,193,032	\$ 3,598,765	\$ 4,315,412	\$ 4,226,202

Source: Audited financial reports of the District. Summary itself not audited.

GENERAL FUND

Revenues, Expenditures and Changes in Fund Balance

<u>Fiscal Years Ending June 30:</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
REVENUES					
Real Property Taxes	\$ 8,465,205	\$ 8,629,426	\$ 8,882,172	\$ 9,160,423	\$ 9,433,550
Other Tax Items	428,081	399,695	386,037	382,591	372,477
Nonproperty Taxes	-	-	-	-	-
Charges for Services	22,166	64,991	82,595	212,037	428,148
Use of Money & Property	6,886	9,582	399,599	745,014	839,745
Sale of Property and Compensation for Loss	1,104	49,159	3,566	2,540	1,600
Miscellaneous	735,181	862,711	1,573,894	1,761,807	410,201
Interfund Revenues	-	-	-	2,983	-
Revenues from State Sources	7,206,957	8,219,273	8,307,379	7,424,881	7,804,676
Revenues from Federal Sources	102,019	265,986	76,043	49,662	28,109
Total Revenues	\$ 16,967,599	\$ 18,500,823	\$ 19,711,285	\$ 19,741,938	\$ 19,318,506
Other Sources:					
Interfund Transfers	\$ -	\$ -	\$ 3,589	\$ 55,696	\$ 3,843
Retirement System Credits	-	-	-	-	-
Total Revenues and Other Sources	16,967,599	18,500,823	19,714,874	19,797,634	19,322,349
EXPENDITURES					
General Support	\$ 1,748,030	\$ 2,025,905	\$ 2,371,794	\$ 2,545,186	\$ 2,863,808
Instruction	8,964,789	10,028,384	10,043,605	8,963,554	10,342,999
Pupil Transportation	1,005,546	1,050,028	1,348,104	1,236,164	1,436,902
Employee Benefits	3,023,906	3,271,347	3,533,157	3,344,262	4,066,626
Debt Service	-	9,640	9,640	-	-
Total Expenditures	\$ 14,742,271	\$ 16,385,304	\$ 17,306,300	\$ 16,089,166	\$ 18,710,335
Other Uses:					
Interfund Transfers	6,687	198,973	4,725,710	5,493,483	320,118
Total Expenditures and Other Uses	14,748,958	16,584,277	22,032,010	21,582,649	19,030,453
Excess (Deficit) Revenues Over Expenditures	2,218,641	1,916,546	(2,317,136)	(1,785,015)	291,896
FUND BALANCE					
Fund Balance - Beginning of Year	10,658,124	12,876,765	14,793,311	12,476,175	10,691,160
Prior Period Adjustments (net)	-	-	-	-	-
Fund Balance - End of Year	\$ 12,876,765	\$ 14,793,311	\$ 12,476,175	\$ 10,691,160	\$ 10,983,056

Source: Audited financial reports of the District. Summary itself not audited.

GENERAL FUND

Revenues, Expenditures and Changes in Fund Balance

<u>Fiscal Years Ending June 30:</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
REVENUES					
Real Property Taxes	\$ 5,240,738	\$ 5,371,929	\$ 5,316,606	\$ 5,499,583	\$ 5,839,146
Other Tax Items	254,418	241,870	222,331	218,479	216,002
Nonproperty Taxes	-	-	-	-	-
Charges for Services	475,671	483,567	469,100	455,365	538,780
Use of Money & Property	2,691	1,477	29,115	79,705	72,576
Sale of Property and Compensation for Loss	-	2,013	9,000	11,789	-
Miscellaneous	211,685	207,283	616,352	426,328	312,907
Interfund Revenues	-	-	-	-	-
Revenues from State Sources	3,195,291	3,355,801	3,599,904	3,633,637	3,489,993
Revenues from Federal Sources	54,806	42,269	11,335	7,598	12,617
Total Revenues	<u>\$ 9,435,300</u>	<u>\$ 9,706,209</u>	<u>\$ 10,273,743</u>	<u>\$ 10,332,484</u>	<u>\$ 10,482,021</u>
Other Sources:					
Interfund Transfers	\$ -	\$ -	\$ 15,776	\$ 46,410	\$ 42,688
Retirement System Credits	-	-	-	-	-
Total Revenues and Other Sources	<u>9,435,300</u>	<u>9,706,209</u>	<u>10,289,519</u>	<u>10,378,894</u>	<u>10,524,709</u>
EXPENDITURES					
General Support	\$ 1,376,475	\$ 1,464,571	\$ 1,608,351	\$ 1,573,000	\$ 1,685,991
Instruction	4,601,295	5,282,261	5,538,740	4,731,840	5,234,628
Pupil Transportation	697,622	885,818	871,234	814,663	1,023,722
Employee Benefits	2,038,790	2,103,795	2,019,928	1,806,273	2,067,791
Debt Service	583,699	596,281	328,859	321,812	323,711
Total Expenditures	<u>\$ 9,297,881</u>	<u>\$ 10,332,726</u>	<u>\$ 10,367,112</u>	<u>\$ 9,247,588</u>	<u>\$ 10,335,843</u>
Other Uses:					
Interfund Transfers	<u>10,396</u>	<u>134,785</u>	<u>116,043</u>	<u>408,861</u>	<u>164,187</u>
Total Expenditures and Other Uses	<u>9,308,277</u>	<u>10,467,511</u>	<u>10,483,155</u>	<u>9,656,449</u>	<u>10,500,030</u>
Excess (Deficit) Revenues Over Expenditures	<u>127,023</u>	<u>(761,302)</u>	<u>(193,636)</u>	<u>722,445</u>	<u>24,679</u>
FUND BALANCE					
Fund Balance - Beginning of Year	2,950,933	3,077,956	2,652,790 ⁽¹⁾	2,459,154	3,181,599
Prior Period Adjustments (net)	-	-	-	-	-
Fund Balance - End of Year	<u>\$ 3,077,956</u>	<u>\$ 2,316,654</u>	<u>\$ 2,459,154</u>	<u>\$ 3,181,599</u>	<u>\$ 3,206,278</u>

⁽¹⁾ The beginning year General Fund balance was increased by \$336,136 and Due from Other Funds was increased \$336,136 for a reimbursement of prior year expenditures that should have been paid by the Special Aid fund. The statement of net position increased \$336,136.

GENERAL FUND

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

<u>Fiscal Years Ending June 30:</u>	2025		
	<u>Original</u>	<u>Revised</u>	<u>Audited</u>
	<u>Budget</u>	<u>Budget</u>	<u>Actual</u>
<u>REVENUES</u>			
Real Property Taxes	\$ 9,371,185	\$ 9,445,800	\$ 9,433,550
Other Tax Items	442,750	368,135	372,477
Nonproperty Taxes	-	-	-
Charges for Services	310,000	310,000	428,148
Use of Money & Property	315,000	315,000	839,745
Sale of Property and Compensation for Loss	-	-	1,600
Miscellaneous	950,153	950,153	414,044
Interfund Revenues	-	-	-
Revenues from State Sources	8,173,032	8,173,032	7,804,676
Revenues from Federal Sources	40,000	40,000	28,109
Total Revenues	\$ 19,602,120	\$ 19,602,120	\$ 19,322,349
Other Sources:			
Interfund Transfers	-	-	-
Prior Year Encumbrances	-	81,819	-
Appropriated Fund Balance	650,000	650,000	-
Appropriated Reserves	-	-	-
Total Revenues and Other Sources	20,252,120	20,333,939	19,322,349
<u>EXPENDITURES</u>			
General Support	\$ 3,089,142	\$ 3,165,150	\$ 2,863,808
Instruction	11,395,172	11,264,693	10,342,999
Pupil Transportation	1,346,119	1,439,946	1,436,902
Employee Benefits	4,131,837	4,067,314	4,066,626
Debt Service	9,850	9,850	-
Total Expenditures	\$ 19,972,120	\$ 19,946,953	\$ 18,710,335
Other Uses:			
Interfund Transfers	280,000	386,986	320,118
Total Expenditures and Other Uses	20,252,120	20,333,939	19,030,453
Excess (Deficit) Revenues Over Expenditures	-	-	291,896
<u>FUND BALANCE</u>			
Fund Balance - Beginning of Year	-	-	10,691,160
Prior Period Adjustments (net)	-	-	-
Fund Balance - End of Year	\$ -	\$ -	\$ 10,983,056

Note: The 2025-26 Adopted Budget was prepared for the fully merged Rockland Central School District. See "APPENDIX-A6" herein.

Source: Audited financial report and budgets of the District. Summary itself not audited.

GENERAL FUND

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

Fiscal Years Ending June 30:	2025		
	Original Budget	Revised Budget	Audited Actual
REVENUES			
Real Property Taxes	\$ 6,028,058	\$ 5,848,250	\$ 5,839,146
Other Tax Items	35,000	204,808	216,002
Nonproperty Taxes	-	-	-
Charges for Services	479,052	514,052	538,780
Use of Money & Property	-	35,000	72,576
Sale of Property and Compensation for Loss	-	11,440	-
Miscellaneous	520,000	460,000	312,907
Interfund Revenues	-	-	-
Revenues from State Sources	3,482,350	3,482,350	3,489,993
Revenues from Federal Sources	18,000	18,000	12,617
Total Revenues	\$ 10,562,460	\$ 10,573,900	\$ 10,482,021
Other Sources:			
Interfund Transfers	-	-	42,688
Prior Year Encumbrances	-	27,080	-
Appropriated Fund Balance	416,890	250,000	-
Appropriated Reserves	-	166,890	-
Total Revenues and Other Sources	10,979,350	11,017,870	10,524,709
EXPENDITURES			
General Support	\$ 1,741,250	\$ 1,810,705	\$ 1,685,991
Instruction	5,637,485	5,522,865	5,234,628
Pupil Transportation	950,000	1,028,906	1,023,722
Employee Benefits	2,309,500	2,164,486	2,067,791
Debt Service	323,615	323,778	323,711
Total Expenditures	\$ 10,961,850	\$ 10,850,740	\$ 10,335,843
Other Uses:			
Interfund Transfers	17,500	167,130	164,187
Total Expenditures and Other Uses	10,979,350	11,017,870	10,500,030
Excess (Deficit) Revenues Over Expenditures	-	-	24,679
FUND BALANCE			
Fund Balance - Beginning of Year	-	-	3,181,599
Prior Period Adjustments (net)	-	-	-
Fund Balance - End of Year	\$ -	\$ -	\$ 3,206,278

Note: The 2025-26 Adopted Budget was prepared for the fully merged Rockland Central School District. See "APPENDIX-A6" herein.

Source: Audited financial report of the District. Summary itself not audited.

GENERAL FUND

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

Fiscal Years Ending June 30:	2025			2026
	Original Budget	Revised Budget	Audited Actual	Adopted Budget
REVENUES				
Real Property Taxes	\$ -	\$ -	\$ -	\$ 14,955,556
Other Tax Items	-	-	-	68,500
Nonproperty Taxes	-	-	-	-
Charges for Services	-	-	-	144,250
Use of Money & Property	-	-	-	475,000
Sale of Property and Compensation for Loss	-	-	-	-
Miscellaneous	-	-	-	750,000
Interfund Revenues	-	-	-	-
Revenues from State Sources	-	-	-	14,685,020
Revenues from Federal Sources	-	-	-	-
Total Revenues	\$ -	\$ -	\$ -	\$ 31,078,326
Other Sources:				
Interfund Transfers	-	-	-	-
Prior Year Encumbrances	-	-	-	-
Appropriated Fund Balance	-	-	-	836,171
Appropriated Reserves	-	-	-	220,483
Total Revenues and Other Sources	-	-	-	32,134,980
EXPENDITURES				
General Support	\$ -	\$ -	\$ -	\$ 5,734,210
Instruction	-	-	-	16,265,431
Pupil Transportation	-	-	-	3,099,760
Employee Benefits	-	-	-	6,560,579
Debt Service	-	-	-	-
Total Expenditures	\$ -	\$ -	\$ -	\$ 31,659,980
Other Uses:				
Interfund Transfers	-	-	-	475,000
Total Expenditures and Other Uses	-	-	-	32,134,980
Excess (Deficit) Revenues Over Expenditures	-	-	-	-
FUND BALANCE				
Fund Balance - Beginning of Year	-	-	-	-
Prior Period Adjustments (net)	-	-	-	-
Fund Balance - End of Year	\$ -	\$ -	\$ -	\$ -

Note: The District will prepare its first audit as a fully merged school district beginning with fiscal year ending June 30, 2026.

Source: 2025-26 Adopted Budget of the District. Summary itself not audited.

BONDED DEBT SERVICE

<u>Fiscal Year Ending June 30th</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 225,000	\$ 38,745	\$ 263,745
2027	180,000	28,500	208,500
2028	190,000	19,500	209,500
<u>2029</u>	<u>200,000</u>	<u>10,000</u>	<u>210,000</u>
TOTALS	\$ 795,000	\$ 96,745	\$ 891,745

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

CURRENT BONDS OUTSTANDING

Fiscal Year Ending June 30th	2012			2015		
	School District Improvements			School District Improvements		
	Principal	Interest	Total	Principal	Interest	Total
2026	\$ 50,000	\$ 1,495	\$ 51,495	\$ 175,000	\$ 37,250	\$ 212,250
2027	-	-	-	180,000	28,500	208,500
2028	-	-	-	190,000	19,500	209,500
2029	-	-	-	200,000	10,000	210,000
TOTALS	\$ 50,000	\$ 1,495	\$ 51,495	\$ 745,000	\$ 95,250	\$ 840,250

MATERIAL EVENT NOTICES

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

- (a) principal and interest payment delinquencies
- (b) non-payment related defaults, if material
- (c) unscheduled draws on debt service reserves reflecting financial difficulties
- (d) in the case of credit enhancement, if any, provided in connection with the issuance of the Notes, unscheduled draws on credit enhancements reflecting financial difficulties
- (e) substitution of credit or liquidity providers, or their failure to perform
- (f) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701 TEB) or other material notices or determinations with respect to the tax status of the Note, or other material events affecting the tax status of the Notes
- (g) modifications to rights of Note holders, if material
- (h) note calls, if material and tender offers
- (i) defeasances
- (j) release, substitution, or sale of property securing repayment of the Note
- (k) rating changes
- (l) bankruptcy, insolvency, receivership or similar event of the District
- (m) the consummation of a merger, consolidation, or acquisition involving the District or the sale of all or substantially all of the assets of the District, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material
- (n) appointment of a successor or additional trustee or the change of name of a trustee, if material
- (o) incurrence of a "financial obligation" (as defined in the rule) of the District, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the District, any of which affect noteholders, if material; and
- (p) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the District, any of which reflect financial difficulties.

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

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

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

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

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

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

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

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

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

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FORM OF BOND COUNSEL'S OPINION

February 10, 2026

Rockland Central School District,
Counties of Sullivan, Ulster and Delaware, New York,
State of New York

Re: Rockland Central School District, Sullivan Ulster and Delaware Counties, New York
\$6,000,000 Bond Anticipation Notes, 2026 Series A

Ladies and Gentlemen:

We have been requested to render our opinion as to the validity of \$6,000,000 Bond Anticipation Notes, 2026 Series A (the "Obligation"), of the Rockland Central School District, Sullivan Ulster and Delaware Counties, New York (the "Obligor"), dated March 4, 2026, numbered 1, of the denomination of \$6,000,000, bearing interest at the rate of ___% per annum, payable at maturity, and maturing July 30, 2026.

We have examined:

- (1) the Constitution and statutes of the State of New York;
- (2) the Internal Revenue Code of 1986, including particularly Sections 103 and 141 through 150 thereof, and the applicable regulations of the United States Treasury Department promulgated thereunder (collectively, the "Code");
- (3) an arbitrage certificate executed on behalf of the Obligor which includes, among other things, covenants, relating to compliance with the Code, with the owners of the Obligation that the Obligor will, among other things, (i) take all actions on its part necessary to cause interest on the Obligation not to be includable in the gross income of the owners thereof for Federal income tax purposes, including, without limitation, restricting, to the extent necessary, the yield on investments made with the proceeds of the Obligation and investment earnings thereon, making required payments to the Federal government, if any, and maintaining books and records in a specified manner, where appropriate, and (ii) refrain from taking any action which would cause interest on the Obligation to be includable in the gross income of the owners thereof for Federal income tax purposes, including, without limitation, refraining from spending the proceeds of the Obligation and investment earnings thereon on certain specified purposes (the "Arbitrage Certificate"); and
- (4) a certificate executed on behalf of the Obligor which includes, among other things, a statement that compliance with such covenants is not prohibited by, or violative of, any provision of local or special law, regulation or resolution applicable to the Obligor.

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

In our opinion:

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

- (b) The Obligor has the power to comply with its covenants with respect to compliance with the Code as such covenants relate to the Obligation; provided, however, that the enforceability (but not the validity) of such covenants may be limited by any applicable bankruptcy, insolvency or other law now existing or hereafter enacted by said State or the Federal government affecting the enforcement of creditors' rights.
- (c) Interest on the Obligation is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, and is exempt from personal income taxes imposed by the State of New York and any political subdivision thereof (including The City of New York). Interest on the Obligation is not a specific preference item for purposes of the federal individual alternative minimum tax. Interest on the Obligation included in adjusted financial statement income of certain corporations is not excluded from the federal corporate alternative minimum tax. We express no opinion regarding other tax consequences related to the ownership or disposition of, or the amount, accrual or receipt of interest on, the Obligation.

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

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

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

Very truly yours,

/s/ ORRICK, HERRINGTON & SUTCLIFFE LLP

LIVINGSTON MANOR CENTRAL SCHOOL DISTRICT

AUDITED FINANCIAL STATEMENTS

FISCAL YEAR ENDED JUNE 30, 2025

Such Financial Report and opinions were prepared as of date thereof and have not been reviewed and/or updated in connection with the preparation and dissemination of this Official Statement.

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

LIVINGSTON MANOR CENTRAL SCHOOL DISTRICT

FINANCIAL STATEMENTS
JUNE 30, 2025

LIVINGSTON MANOR CENTRAL SCHOOL DISTRICT
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INDEPENDENT AUDITORS' REPORT

To The Board of Education of the
Livingston Manor Central School District
Livingston Manor, New York

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Livingston Manor Central School District, New York, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of the Livingston Manor Central School District, New York, as of June 30, 2025, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Emphasis of Matter

As discussed in Note 15 to the financial statements, the Livingston Manor Central School District will no longer be in existence after June 30, 2025, due to a merger with the Roscoe Central School District. Beginning on July 1, 2025, all future activity will be reported as part of the Rockland Central School District. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Livingston Manor Central School District, New York's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Livingston Manor Central School District, New York's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and other required supplementary information on pages 5 through 10 and 49 through 54, respectively, be presented to supplement the basic financial statements. Such information, is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Livingston Manor Central School District, New York's financial statements as a whole. The accompanying combining non-major fund financial statements and other schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally

accepted in the United States of America. In our opinion, the combining non-major fund financial statements and other schedules are fairly stated in all material respects in relation to the financial statements as a whole.

Other Matters

The prior year summarized comparative information was derived from the District's June 30, 2024 financial statements and, in our report dated September 27, 2024, we expressed an unmodified opinion on the financial statements.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 15, 2025 on our consideration of the Livingston Manor Central School District, New York's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Livingston Manor Central School District, New York's internal control over financial reporting and compliance.

Cooper Arias, LLP

Mongaup Valley, New York
October 15, 2025

Livingston Manor Central School District

The following is a discussion and analysis of the School District's financial performance for the fiscal year ended June 30, 2025. This section is a summary of the School District's financial activity based on currently known facts, decisions or conditions. It is also based on both the government-wide and fund-based financial statements. The results of the current year are discussed in comparison with the prior year, with emphasis placed on the current year. This section is only an introduction and should be read in conjunction with the school District's financial statements, which immediately follow this section.

Financial Highlights

Key financial highlights for 2025 are as follows:

District-Wide Statements

- Tax revenues accounted for \$9,433,550 or 42.8% of total revenues. STAR Reimbursement made up an additional \$372,477 or 1.69% of total revenues. State and federal sources accounted for \$10,267,963 or 46.6% of total revenues.
- Total net position was \$4,884,454 at June 30, 2025, an increase of \$412,665 from the prior year.

Fund Financial Statements

- Among major funds, the General Fund had \$19,322,349 in total revenues, of which \$9,433,550 or 48.8% was made up of tax revenues and \$7,832,785 or 40.5% was made up of state and federal sources. The General Fund expenditures totaled \$19,030,453 for the year ended June 30, 2025. The General Fund's fund balance increased from \$10,691,160 at June 30, 2024 to \$10,983,056 at June 30, 2025. Of the total fund balance, \$1,036,978 was assigned for carryover encumbrances, \$54,108 was designated as non-current receivable, and \$9,206,082 was restricted for future expenditures, leaving \$685,888 as unassigned.

Using this Comprehensive Annual Report

This comprehensive and annual financial report consists of a series of financial statements and notes to those statements. The statements are organized so that the reader can understand the District as a whole, and then proceed to provide an increasingly detailed look at specific financial activities.

Reporting the District as a Whole

The Statement of Net Position and Statement of Activities

One of the most important questions asked about the District's finances is "Is the District better off or worse off as a result of the year's activities?" The Statement of Net Position and the Statement of Activities report information about the District as a whole and about its activities in a manner that helps to answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by private sector corporations. All of the current year's revenues and expenses are taken into consideration regardless of when the cash is received or paid.

These two statements report the District's net position and changes in it. The change in net position provides the reader a tool to assist in determining whether the District's financial health is improving or deteriorating. The reader will need to consider other non-financial factors such as property tax base, current property tax laws, student enrollment and facility conditions in arriving at their consultation regarding the overall health of the District.

Reporting the District's Most Significant Funds

Fund Financial Statements

The fund financial statements provide detailed information about the most significant funds - not the District as a whole. Some funds are required to be established by State statute, while many other funds are established by the District to help manage money for particular purposes and compliance with various grant provisions. The District's two types of funds, governmental and fiduciary, use different accounting approaches.

Government Funds

Most of the District's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. These funds are reported using an accounting method called modified accrual accounting, which measures cash and other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the District's general government operations and the basic services it provides.

Governmental fund information helps you determine whether there are more or less financial resources available to spend in the near future to finance the District's programs. The relationship (or difference) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is reconciled in the financial statements.

Reporting the District's Fiduciary Responsibilities

The District is the trustee or fiduciary for assets that belong to others such as the student activities funds. It is the District's responsibility to ensure that assets reported in these funds are being used for their intended purposes. The District's fiduciary activities are reported in a separate "Statement of Fiduciary Net Position" schedule, as the District may not use these assets to finance its operations.

The District as a Whole

There have been several years now that the governmental-wide financial statements using the full accrual basis of accounting have been used; therefore, a comparison with prior years is available. A comparative analysis will continue to be provided in future years.

Net Position

	June 30, 2025	June 30, 2024
Assets		
Current and Other Assets	\$ 20,730,688	\$ 20,386,623
Non-Current Assets	<u>11,744,905</u>	<u>10,455,167</u>
Total Assets	32,475,593	30,841,790
Total Deferred Outflows of Resources	6,170,556	8,206,105
Liabilities		
Current Liabilities	2,125,498	1,526,334
Long term Liabilities	<u>17,965,692</u>	<u>19,277,967</u>
Total Liabilities	20,091,190	20,804,301
Total Deferred Inflows of Resources	13,670,505	13,676,151
Net Position		
Net Investment in Capital Assets	10,843,212	10,455,167
Restricted	9,384,614	9,254,520
Unrestricted	<u>(15,343,372)</u>	<u>(15,142,244)</u>
Total Net Position	<u>\$ 4,884,454</u>	<u>\$ 4,567,443</u>

REVENUES

	2025	2024
Real Property Taxes	\$ 9,433,550	\$ 9,160,423
Other Tax Items	372,477	382,591
Charges For Services	468,462	310,990
Use of Money and Property	839,840	854,131
Sale of Property and Compensation for Loss	1,600	2,540
Miscellaneous Local Sources	410,202	1,736,176
State Sources	7,804,676	7,308,056
Federal Sources	28,109	49,662
Operating Grants and Contributions	2,630,596	2,134,844
Capital Grants and Contributions	39,435	206,042
Total Revenues and Other Sources	\$ 22,028,947	\$ 22,145,455

EXPENDITURES

	2025	2024
General Support	3,571,837	3,174,305
Instruction	15,826,227	14,090,402
Pupil Transportation	1,536,290	1,302,036
School Lunch	681,928	634,569
Debt Service	-	-
Total Expenditures	21,616,282	19,201,312
Change in Net Position	\$ 412,665	\$ 2,944,143

Governmental Activities

The laws in New York State require the need to seek voter approval for the general fund-operating budget. Without voter approval, school districts are placed on a contingency budget, which limits expenditures to those considered essential to maintain an educational program, preserve property and assure the health and safety of students and staff. The budgets for the 2023-2024 and 2024-2025 fiscal years have been approved by the voters. This allows the District to purchase the necessary equipment. School districts are dependent upon property taxes as a primary source of revenue. Since the District must rely heavily on voter approval for funding levels, management of resources is of paramount concern to District Administration and the voting public.

The District's Funds

Information about the School District's major funds starts on page 14. These funds are accounted for using the modified basis of accounting. All governmental funds had total revenues of \$22,028,947 and expenditures of \$22,284,046 exclusive of interfund transfers of \$323,961. The District realized a decrease in governmental fund balances of \$255,099 across all funds.

	2025 Fund Balance	2024 Fund Balance	Increase (Decrease)
General	\$ 10,983,056	\$ 10,691,160	\$ 291,896
Special Aid	-	-	-
School Lunch	(54,108)	-	(54,108)
Capital Projects (restated)	7,404,901	7,891,298	(486,397)
Miscellaneous Special Revenue	271,341	277,831	(6,490)
Total Governmental	\$ 18,605,190	\$ 18,860,289	\$ (255,099)

General Fund Budget Information

The District's budget is prepared in accordance with New York State law and is based on the modified accrual basis of accounting, utilizing cash receipts, disbursements and encumbrances. The most significant fund is the General Fund. Details of the General Fund budget activity are presented in the Required Supplementary Information beginning on page 49 of the financial statements.

General Fund Activity

The tables that follow assist in illustrating the financial activities of the General fund.

Revenues	2025 Amount	2024 Amount	Percentage Change
Real Property Taxes	9,433,550	9,160,423	2.98%
Other Tax Items	372,477	382,591	(2.64%)
Charges For Services	428,148	212,037	101.92%
Use of Money & Property	839,745	745,014	12.72%
Sale of Property & Compensation for Loss	1,600	2,540	(37.01%)
Miscellaneous Local Sources	410,201	1,761,807	(76.72%)
Interfund Revenues	-	2,983	(100%)
State Sources	7,804,676	7,424,881	5.12%
Federal Sources	28,109	49,662	(43.40%)
Total Revenues	19,318,506	19,741,938	(2.14%)

Overall revenues went down \$423,432 or 2.14% from last year. The property tax revenue, exclusive of STAR revenues, was up 2.98% and state sources were up 5.12%.

Expenditures	2025 Amount	2024 Amount	Percentage Change
General Support	\$ 2,863,808	\$ 2,545,186	12.52%
Instruction	10,342,999	8,963,554	15.39%
Pupil Transportation	1,436,902	1,236,164	16.24%
Employee Benefits	4,066,626	3,344,262	21.60%
Debt Service	-	-	
Interfund Transfers	320,118	5,493,483	(94.17%)
Total Expenditures	19,030,453	21,582,649	(11.83%)

Capital Assets

The District has \$10,843,212 invested in capital assets, net of \$8,464,342 in accumulated depreciation, as of June 30, 2025. Depreciation for the year ended June 30, 2025 was \$419,812.

Debt

The District did not have any long term installment debt or bonds for the year ended June 30, 2025

Factors Bearing on the District's Future

At the time these financial statements were prepared and audited, the District was aware of the following existing circumstances that could significantly affect its financial health in the future:

The Livingston Manor Central School District operations and existence ceased on 6/30/2025 due to merging via centralization with neighboring district, Roscoe Central School District. The new district formed by the merger is Rockland CSD and all future fiduciary responsibilities become the responsibility of the Rockland CSD.

Contacting the District's Financial Management

It is the intent of this report to provide the District's citizens, taxpayers, customers, investors and creditors with a general overview of the District ' s finances and to demonstrate the District' s accountability for the funds it receives. If you have any questions about this report or need additional information, contact the Business Office at Rockland Central School District (Formerly Livingston Manor Central School District), PO Box 947, Livingston Manor, NY 12758.

LIVINGSTON MANOR CENTRAL SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30,

	<u>2025</u>	<u>2024</u>
ASSETS		
Current Assets:		
Cash	\$ 9,831,370	\$ 9,450,540
Cash - Restricted	9,384,614	9,254,520
Accounts Receivable	30,896	1,040
Due From State and Federal	1,056,106	1,205,371
Due From Other Governments	414,803	461,654
Inventory	<u>12,899</u>	<u>13,498</u>
 Total Current Assets	 <u>20,730,688</u>	 <u>20,386,623</u>
 Non-Current Assets:		
Net Pension Asset	901,693	-
Capital Assets, net	<u>10,843,212</u>	<u>10,455,167</u>
 Total Non-Current Assets	 <u>11,744,905</u>	 <u>10,455,167</u>
 TOTAL ASSETS	 <u>32,475,593</u>	 <u>30,841,790</u>
 DEFERRED OUTFLOW OF RESOURCES		
Pensions	2,628,591	2,824,801
OPEB Liability	<u>3,541,965</u>	<u>5,381,304</u>
 TOTAL DEFERRED OUTFLOW OF RESOURCES	 <u>6,170,556</u>	 <u>8,206,105</u>

SEE ACCOMPANYNG NOTES AND AUDITORS' OPINION

LIVINGSTON MANOR CENTRAL SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30,

	<u>2025</u>	<u>2024</u>
LIABILITIES		
Current Liabilities:		
Accounts Payable	\$ 472,914	\$ 379,376
Accrued Liabilities	1,249	5,879
Other Liabilities	4,147	5,747
Due To Other Governments	663,447	259,321
Due To TRS	719,040	625,636
Due To ERS	46,378	93,751
Unearned Revenues	<u>218,323</u>	<u>156,624</u>
 Total Current Liabilities	 <u>2,125,498</u>	 <u>1,526,334</u>
 LIABILITIES		
Non-Current Liabilities		
Due Within One Year:		
Total OPEB Liability	700,000	675,000
Due Beyond One Year:		
Compensated Absences	399,939	319,540
Net Pension Liability	735,543	866,233
Total OPEB Liability	<u>16,130,210</u>	<u>17,417,194</u>
 Total Non-Current Liabilities	 <u>17,965,692</u>	 <u>19,277,967</u>
 TOTAL LIABILITIES	 <u>20,091,190</u>	 <u>20,804,301</u>
 DEFERRED INFLOWS OF RESOURCES		
Pensions	1,204,878	488,505
OPEB Liability	<u>12,465,627</u>	<u>13,187,646</u>
 TOTAL DEFERRED INFLOWS OF RESOURCES	 <u>13,670,505</u>	 <u>13,676,151</u>
 NET POSITION		
Net Investment in Capital Assets	10,843,212	10,455,167
Restricted	9,384,614	9,254,520
Unrestricted	<u>(15,343,372)</u>	<u>(15,142,244)</u>
 TOTAL NET POSITION	 <u>\$ 4,884,454</u>	 <u>\$ 4,567,443</u>

SEE ACCOMPANYNG NOTES AND AUDITORS' OPINION

LIVINGSTON MANOR CENTRAL SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2025

	<u>PROGRAM REVENUES</u>				NET (EXPENSE) REVENUE AND CHANGE IN NET POSITION	<u>2024</u>
<u>FUNCTIONS/PROGRAMS</u>	<u>EXPENSES</u>	<u>CHARGES FOR SERVICES</u>	<u>OPERATING GRANTS AND CONTRIBUTIONS</u>	<u>CAPITAL GRANTS AND CONTRIBUTIONS</u>		
General Support	\$ 3,571,837	\$ 418,606	\$ 75,575	\$ -	\$ (3,077,656)	\$ (2,969,801)
Instruction	15,826,227	9,542	2,027,391	39,435	(13,749,859)	(12,253,858)
Pupil Transportation	1,536,290		92,874	-	(1,443,416)	(1,236,164)
School Lunch Program	681,928	40,314	434,756	-	(206,858)	(89,613)
Debt Service	-	-	-	-	-	-
TOTAL FUNCTIONS/PROGRAMS	<u>21,616,282</u>	<u>468,462</u>	<u>2,630,596</u>	<u>39,435</u>	<u>(18,477,789)</u>	<u>(16,549,436)</u>
GENERAL REVENUES						
Real Property Tax					9,433,550	9,160,423
Other Tax Items					372,477	382,591
Investment Earnings					839,840	854,131
Sale Of Property and Compensation For Loss					1,600	2,540
Miscellaneous Local Sources					410,202	1,736,176
State Sources					7,804,676	7,308,056
Federal Sources					<u>28,109</u>	<u>49,662</u>
TOTAL GENERAL REVENUES					<u>18,890,454</u>	<u>19,493,579</u>
CHANGE IN NET POSITION					412,665	2,944,143
TOTAL NET POSITION-						
Beginning of Year - Restated					<u>4,471,789</u>	<u>1,682,660</u>
TOTAL NET POSITION-						
End of Year					<u>\$ 4,884,454</u>	<u>\$ 4,567,443</u>

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

LIVINGSTON MANOR CENTRAL SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2025
(WITH COMPARATIVE TOTALS FOR JUNE 30, 2024)

	<u>GENERAL</u>	<u>SPECIAL AID</u>	<u>SCHOOL LUNCH</u>	<u>CAPITAL</u>	<u>NON-MAJOR</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>	<u>2024</u>
ASSETS							
Cash	\$ 5,452,288	\$ -	\$ 45,789	\$ 4,019,296	\$ 313,997	\$ 9,831,370	\$ 9,450,540
Cash - Restricted	9,206,082		-	-	178,532	9,384,614	9,254,520
Accounts Receivable	30,896		-	-	-	30,896	1,040
Due From Other Funds	1,250,561	100,000	-	3,786,641	-	5,137,202	5,473,189
Due From State and Federal	186,892	685,673	39,826	143,715	-	1,056,106	1,205,371
Due From Other Governments	407,783	-	7,020	-	-	414,803	461,654
Inventories	-	-	12,899	-	-	12,899	13,498
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL ASSETS	<u>\$ 16,534,502</u>	<u>\$ 785,673</u>	<u>\$ 105,534</u>	<u>\$ 7,949,652</u>	<u>\$ 492,529</u>	<u>\$ 25,867,890</u>	<u>\$ 25,859,812</u>

SEE ACCOMPANYING NOTES AND AUDITOR'S OPINION

LIVINGSTON MANOR CENTRAL SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2025
(WITH COMPARATIVE TOTALS FOR JUNE 30, 2024)

	<u>GENERAL</u>	<u>SPECIAL AID</u>	<u>SCHOOL LUNCH</u>	<u>CAPITAL</u>	<u>NON-MAJOR</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>	<u>2024</u>
LIABILITIES AND FUND BALANCES							
LIABILITIES							
Accounts Payable	\$ 348,607	\$ 139	\$ -	\$ 124,168	\$ -	\$ 472,914	\$ 379,376
Accrued Liabilities	1,249	-	-	-	-	1,249	5,879
Due To Other Governments	649,531	13,916	-	-	-	663,447	259,321
Due To Other Funds	3,786,641	671,618	158,360	420,583	100,000	5,137,202	5,473,189
Due To Teachers' Retirement System	719,040	-	-	-	-	719,040	625,636
Due To Employees' Retirement System	46,378	-	-	-	-	46,378	93,751
Other Liabilities	-	-	-	-	4,147	4,147	5,747
Unearned Revenues	-	100,000	1,282	-	117,041	218,323	156,624
TOTAL LIABILITIES	<u>5,551,446</u>	<u>785,673</u>	<u>159,642</u>	<u>544,751</u>	<u>221,188</u>	<u>7,262,700</u>	<u>6,999,523</u>
FUND BALANCES							
Non-spendable:							
Inventory	-	-	12,899	-	-	12,899	13,498
Non-Current Receivable	54,108	-	-	-	-	54,108	202,563
Restricted:							
Insurance	268,481	-	-	-	-	268,481	268,481
Capital	6,087,160	-	-	-	-	6,087,160	5,827,771
Employee Benefit Accrual Liability	358,528	-	-	-	-	358,528	358,528
Unemployment Insurance	197,864	-	-	-	-	197,864	197,864
Worker's Compensation	168,141	-	-	-	-	168,141	168,141
Repair	1,234,006	-	-	-	-	1,234,006	1,234,006
Retirement Contributions - ERS	694,958	-	-	-	-	694,958	694,958
Retirement Contributions - TRS	196,944	-	-	-	-	196,944	196,944
Reserve for Scholarships	-	-	-	-	178,532	178,532	178,731
Assigned:							
Encumbrances	1,036,978	-	-	-	-	1,036,978	81,819
Appropriated	-	-	-	-	-	-	650,000
Unappropriated	-	-	-	7,811,810	92,809	7,904,619	8,192,961
Unassigned	685,888	-	(67,007)	(406,909)	-	211,972	594,024
TOTAL FUND BALANCES	<u>10,983,056</u>	<u>-</u>	<u>(54,108)</u>	<u>7,404,901</u>	<u>271,341</u>	<u>18,605,190</u>	<u>18,860,289</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 16,534,502</u>	<u>\$ 785,673</u>	<u>\$ 105,534</u>	<u>\$ 7,949,652</u>	<u>\$ 492,529</u>	<u>\$ 25,867,890</u>	<u>\$ 25,859,812</u>

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

LIVINGSTON MANOR CENTRAL SCHOOL DISTRICT
RECONCILIATION OF GOVERNMENTAL FUNDS
BALANCE SHEET WITH THE STATEMENT OF POSITION
JUNE 30, 2025
(WITH COMPARATIVE TOTALS FOR JUNE 30, 2024)

	<u>2025</u>	<u>2024</u>
Total Governmental Fund Balances	\$ 18,605,190	\$ 18,860,289
<p>Amounts reported for governmental activities in the statement of net position are different because:</p>		
<p>Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds. The cost of capital assets and accumulated depreciation at June 30, 2025 are \$19,307,554 and \$8,464,342, respectively.</p>		
	10,843,212	10,455,167
<p>Proportionate share of long-term asset and liability associated with participation in State Retirement Systems are not current financial resources or obligations and are not reported in the governmental funds.</p>		
Deferred Outflows of Resources	2,628,591	
Net Pension Asset	901,693	
Net Pension Liability	(735,543)	
Deferred Inflows of Resources	<u>(1,204,878)</u>	1,470,063
	1,589,863	
<p>Long-term asset and liability associated with the Total OPEB Liability are not current financial resources or obligations and are not reported in the governmental funds.</p>		
Deferred Outflows of Resources	3,541,965	
Deferred Inflows of Resources	(12,465,627)	
Total OPEB Liability	<u>(16,830,210)</u>	(25,898,536)
	(25,753,872)	
<p>Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds.</p>		
Compensated Absences	<u>(399,939)</u>	<u>(319,540)</u>
Net Position of Governmental Activities	<u>\$ 4,884,454</u>	<u>\$ 4,567,443</u>

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

LIVINGSTON MANOR CENTRAL SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2025
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2024)

	GENERAL	SPECIAL AID	SCHOOL LUNCH	CAPITAL	NON-MAJOR	TOTAL GOVERNMENTAL FUNDS	2024
REVENUES							
Real Property Taxes	\$ 9,433,550	\$ -	\$ -	\$ -	\$ -	\$ 9,433,550	\$ 9,160,423
Other Tax Items	372,477	-	-	-	-	372,477	382,591
Charges For Services	428,148	-	-	-	-	428,148	212,037
Use of Money and Property	839,745	-	3	-	92	839,840	854,131
Sale of Property and Compensation For Loss	1,600	-	-	-	-	1,600	2,540
Miscellaneous Local Sources	410,201	-	80,504	-	154,350	645,055	2,025,280
Interfund Revenues	-	-	-	-	-	-	2,983
State Sources	7,804,676	247,020	86,410	39,435	-	8,177,541	7,910,462
Federal Sources	28,109	1,794,470	267,843	-	-	2,090,422	1,565,480
Sales	-	-	40,314	-	-	40,314	29,528
TOTAL REVENUES	19,318,506	2,041,490	475,074	39,435	154,442	22,028,947	22,145,455
OTHER SOURCES							
Interfund Transfer In	3,843	35,118	150,000	135,000	-	323,961	5,549,179
TOTAL REVENUES AND OTHER SOURCES	19,322,349	2,076,608	625,074	174,435	154,442	22,352,908	27,694,634
EXPENDITURES							
General Support	2,863,808	75,576	-	-	-	2,939,384	2,689,620
Instruction	10,342,999	1,904,314	-	-	160,932	12,408,245	10,185,387
Pupil Transportation	1,436,902	92,875	-	-	-	1,529,777	1,302,036
Employee Benefits	4,066,626	-	115,105	-	-	4,181,731	3,628,948
Cost of Sales	-	-	564,077	-	-	564,077	565,068
Capital Outlay	-	-	-	660,832	-	660,832	1,364,396
TOTAL EXPENDITURES	18,710,335	2,072,765	679,182	660,832	160,932	22,284,046	19,735,455
OTHER USES							
Interfund Transfer Out	320,118	3,843	-	-	-	323,961	5,549,179
TOTAL EXPENDITURES AND OTHER USES	19,030,453	2,076,608	679,182	660,832	160,932	22,608,007	25,284,634
NET CHANGE IN FUND BALANCE	291,896	-	(54,108)	(486,397)	(6,490)	(255,099)	2,410,000
FUND BALANCE - Beginning of Year (Restated)	10,691,160	-	-	7,891,298	277,831	18,860,289	16,509,649
FUND BALANCE - End of Year	\$ 10,983,056	\$ -	\$ (54,108)	\$ 7,404,901	\$ 271,341	\$ 18,605,190	\$ 18,860,289

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

LIVINGSTON MANOR CENTRAL SCHOOL DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2025
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2024)

	<u>2025</u>	<u>2024</u>
Total Net Change in Fund Balances – Governmental Funds	\$ (255,099)	\$ 2,410,000
<p>Amounts reported for governmental activities in the statement of activities are different because:</p>		
<p>Capital outlays are reported in governmental funds as expenditures. However, on the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current fiscal year.</p>		
Depreciation Expenses	(419,812)	
Capital Outlay	<u>807,857</u>	1,103,251
	388,045	
<p>In the statement of activities, certain operating expenses are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is a reduction in the reconciliation; when paid amount exceeds the earned amount, the difference is an addition to the reconciliation.</p>		
Compensated Absences	15,255	(8,900)
<p>(Increases) decreases in proportionate share of net pension asset/liability reported in the statement of activities do not provide for, or require the use of, current financial resources and, therefore, are not reported as revenues or expenditures in the governmental funds.</p>		
Teachers' Retirement System	150,834	
Employees' Retirement System	<u>(31,034)</u>	(408,106)
	119,800	
<p>(Increases) decreases in total OPEB Liability reported in the statement of activities do not provide for, or require the use of, current financial resources and, therefore, are not reported as revenues or expenditures in the governmental funds.</p>		
Total OPEB Liability	<u>144,664</u>	<u>(152,102)</u>
Change in Net Position of Governmental Activities	<u>\$ 412,665</u>	<u>\$ 2,944,143</u>

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

LIVINGSTON MANOR CENTRAL SCHOOL
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2025

	<u>CUSTODIAL FUND</u>
ASSETS	
Cash	\$ _____ -
TOTAL ASSETS	_____ -
NET POSITION	
Restricted for Individuals, Organizations or Other Governments	_____ -
TOTAL NET POSITION	\$ _____ -

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

LIVINGSTON MANOR CENTRAL SCHOOL DISTRICT
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
YEAR ENDED JUNE 30, 2025

	<u>CUSTODIAL FUND</u>
ADDITIONS	
Taxes Collected For Other Governments	\$ <u>242,916</u>
TOTAL ADDITIONS	<u>242,916</u>
DEDUCTIONS	
Taxes Paid To Other Governments	<u>242,916</u>
TOTAL DEDUCTIONS	<u>242,916</u>
Change in Net Position	-
NET POSITION - Beginning Of Year	<u>-</u>
NET POSITION - End Of Year	<u><u>\$ -</u></u>

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

LIVINGSTON MANOR CENTRAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Livingston Manor Central School District have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the District's accounting policies are described below.

A. **Financial Reporting Entity**

The Livingston Manor Central School District is governed by the Education Law and other laws of the State of New York. The governing body is the Board of Education. The scope of activities included within the accompanying financial statements are those transactions which comprise School District operations, and are governed by, or significantly influenced by, the Board of Education.

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

The financial reporting entity includes all funds, account groups, functions and organizations over which the School District officials exercise oversight responsibility. Oversight responsibility is determined on the basis of the financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations and accountability for fiscal matters.

1. Included in the Reporting Entity

Based on the foregoing criteria and the significant factors presented below, the following organizations, functions or activities are included in the reporting entity:

a. The Extraclassroom Activity Funds

The Extraclassroom Activity Funds of the Livingston Manor Central School District represent funds of the students of the School District. The Board of Education exercises general oversight of these funds. The Extraclassroom Activity Funds are independent of the School District with respect to its financial transactions, and the designation of student management. The activity is reported in the Miscellaneous Special Revenue Fund of the School District. Separate audited financial statements (cash basis) of the extraclassroom activity funds can be found within these financial statements.

LIVINGSTON MANOR CENTRAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Joint Venture

The Livingston Manor Central School District is one of the eight component school districts in the Sullivan County Board of Cooperative Educational Services (BOCES). A BOCES is a voluntary, cooperative association of School Districts in a geographic area that share planning, services, and programs which provide educational and support activities.

BOCES are organized under Section 1950 of the Education Law. A BOCES Board is considered a corporate body. All BOCES property is held by the BOCES Board as a corporation (Section 1950(6)). In addition, BOCES Boards also are considered municipal corporations to permit them to contract with other municipalities on a cooperative basis under Section 119-n(a) of the General Municipal Law.

A BOCES budget is comprised of separate budgets for administrative, program and capital costs. Each component school district's share of administrative and capital costs is determined by resident public school district's enrollment as defined in Education Law Section 1950(4)(b)(7).

There is no authority or process by which a school district can terminate its status as a BOCES component. In addition, component School Districts pay tuition or a service fee for programs in which its students participate. Members of a BOCES Board are nominated and elected by their component member boards in accordance with provisions of Section 1950 of the Education Law. Separate audited financial statements can be obtained by contacting the BOCES' business office.

C. Basis of Presentation

1. District-wide statements:

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

LIVINGSTON MANOR CENTRAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the District’s governmental activities. Direct expenses are those that are specifically associated with and are clearly identifiable to a particular function. Program revenues include charges paid by the recipients of goods or services offered by the programs, and grants and contributions that are restricted to meeting the operation or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

2. Fund financial statements

The fund statements provide information about the District’s funds, including fiduciary funds. Separate statements for each fund category (governmental and fiduciary) are presented. The emphasis of fund financial statements is on major governmental funds each displayed in a separate column.

The District reports the following major governmental funds:

a. General Fund

The General Fund is the principal operating fund of the School District and is used to account for all financial resources except those required to be accounted for in another fund.

b. Special Revenue Fund

Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than expendable trusts, or major capital projects) that are legally restricted to expenditure for specified purposes. Special revenue funds include the following funds:

1. Special Aid Fund – used to account for special operating projects or programs supported in whole, or in part, with federal funds or state or local grants.
2. School Lunch Fund – used to account for transactions of the School District lunch, breakfast, and milk programs.

LIVINGSTON MANOR CENTRAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c. *Capital Projects Fund*

The Capital Projects Fund is used to account for and report financial resources to be used for the acquisition, construction or renovation of major capital facilities or equipment.

The District reports the following non-major governmental funds:

a. *Miscellaneous Special Revenue Fund*

This fund is used to account for the proceeds of specific revenue sources that are restricted to expenditures for specified purposes.

Additionally, the District reports the following fund type:

a. *Fiduciary Fund*

This fund is used to account for assets held by the government in a trustee or custodial capacity.

Custodial Fund – used to account for fiduciary activities that are not required to be reported in a private-purpose trust fund.

D. **Basis of Accounting/Measurement Focus**

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

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

LIVINGSTON MANOR CENTRAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

E. **Property Taxes**

1. **Calendar**

Real property taxes are levied annually by the Board of Education no later than September 1st, and become a lien on September 1st. Taxes are collected during the period commencing September 1st and ending November 4th.

2. **Enforcement**

Uncollected real property taxes are subsequently enforced by the County of Sullivan. An amount representing uncollected real property taxes transmitted to the County for enforcement is paid by the County to the School District no later than the forthcoming April 1st.

F. **Budgetary Procedures And Budgetary Accounting**

1. **Budget Policies**

The budget policies are as follows:

- a. The School District administration prepares a proposed budget for approval by the Board of Education for the following governmental fund types:
 - I. General Fund
- b. The proposed appropriation budget for the General Fund is approved by the voters within the District.
- c. Appropriations are adopted at the program level.
- d. Appropriations established by adoption of the budget constitute a limitation on expenditures and encumbrances which may be incurred. Appropriations lapse at the fiscal year end. Supplemental appropriations may occur subject to legal restrictions, if the Board approves them because of a need which exists which was not determined at the time the budget was adopted.

LIVINGSTON MANOR CENTRAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The District had the following no supplemental appropriations during the year.

2. Encumbrances

Encumbrances accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded for budgetary control purposes to reserve that portion of the applicable appropriations, is employed as a control in preventing over-expenditure of established appropriations. Open encumbrances are reported as assigned fund balance since they do not constitute expenditures or liabilities and will be honored through budget appropriations in the subsequent year.

3. Budget Basis of Accounting

Budgets are adopted annually on a basis consistent with accounting principles generally accepted in the United States of America. Appropriations authorized for the current year are increased by the amount of encumbrances carried forward from the prior year.

G. Cash and Cash Equivalents

For financial statement purposes, the District considers all highly liquid investments of three months or less as cash equivalents.

H. Inventory

Inventories of food and/or supplies in the School Lunch Fund are recorded at cost or, in the case of surplus food, at stated value which approximates market. Purchases of inventoriable items in other funds are recorded as expenditures at the time of purchase.

I. Accounts Receivable

Accounts receivable are shown gross, with uncollectible amounts recognized under the direct write-off method. No allowance for uncollectible accounts has been provided since it is believed that such allowance would be immaterial.

LIVINGSTON MANOR CENTRAL SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Capital Assets

J. The District has established a formal system of accounting for its capital assets. Purchased or constructed capital assets are reported at cost. Donated capital assets are valued at their acquisition value on the date received. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. The School District does not possess any infrastructure. The capitalization threshold used by the District is \$5,000.

All reported capital assets except for land and construction in progress are depreciated. Depreciation is computed using the straight-line method over the following estimated useful lives:

<u>ASSET CLASS</u>	<u>ESTIMATED USEFUL LIVES</u>
School Buildings	50
Site Improvements	20
Furniture & Equipment	5-20

In the fund financial statements, fixed assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Fixed assets are not capitalized and related depreciation is not reported in the fund financial statements.

K. **Unearned Revenue**

Unearned revenues arise when potential revenues do not meet both the measurable and available criteria for recognition in the current period. Unearned revenues also arise when sources are received by the School District before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both recognition criteria are met, or when the School District has legal claim to the resources, the liability for unearned revenues is removed and revenues are recognized.

L. **Vested Employee Benefits**

The District employees are granted vacation in varying amounts, based primarily on length of service and service position. Some earned benefits may be forfeited if not taken within varying time periods. Sick leave eligibility and accumulation is specified in negotiated labor contracts, and in individual employment contracts. Upon retirement, employees may receive a payment based on unused accumulated sick leave, based on contractual provisions.

LIVINGSTON MANOR CENTRAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Consistent with GASB Statement 101, Accounting for Compensated Absences, an accrual for accumulated sick leave is included in the compensated absences liability at year-end. The compensated absences liability is calculated on the pay rates in effect at year-end.

For the District-wide Statements, the current portion is the amount estimated to be used in the following year, in accordance with GAAP. For the governmental funds, in the Fund Financial Statements, all of the compensated absences are considered long-term and therefore, are not a fund liability and represents a reconciling item between the fund level and District-wide presentations.

District employees participate in the New York State Employees' Retirement System and the New York State Teachers' Retirement System. In addition to providing pension benefits, the District provides health insurance coverage and survivor benefits for retired employees and their survivors. Substantially all of the District's employees may become eligible for these benefits if they reach retirement age while working for the District. Health care benefits are provided through plans whose premiums are based on the benefits paid during the year. The cost of providing post-retirement benefits is shared between the District and the retired employee. The District recognizes the cost of providing health insurance by recording its share of insurance premiums as an expenditure in the year paid. In the District-wide statements, the liability is reported at actuarially calculated amounts (See Note 10).

M. **Interfund Activity**

The amounts reported on the Statement of Net Position for due to and due from other funds represents amounts due between different fund types (governmental activities and fiduciary funds). Eliminations have been made for amounts due to and due from within the same fund type. A detailed description of the individual fund balances at year-end is provided subsequently in these Notes.

N. **Equity Classifications**

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

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

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

LIVINGSTON MANOR CENTRAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Unrestricted – reports all other net position that does not meet the definition of the above two classifications and is deemed to be available for general use by the District.

Order of Use of Net Position:

When an expense is incurred for which both restricted and unrestricted resources are available, the Board will assess the current financial condition of the District and determine which classification of net position will be charged.

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

Non-spendable – includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. Non-spendable fund balance as of June 30, 2025 includes the inventory recorded in the School Lunch Fund of \$12,899 and non-current receivables in the General Fund of \$54,108.

Restricted – includes amounts with constraints placed on the use of resources either externally imposed by creditors, grantors, contributors or laws or regulations of other governments; or imposed by law through constitutional provisions or enabling legislation. All encumbrances of funds other than the General Fund are classified as restricted fund balance. The District has established the following restricted fund balances:

Insurance

This reserve is used to pay liability, casualty and other types of losses, except losses incurred for which insurance may be purchased or other types of reserves may be established. The reserve may be established by Board action and funded by budgetary appropriations or such other funds as may be legally appropriated. This reserve is accounted for in the General Fund.

Capital

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

LIVINGSTON MANOR CENTRAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Unemployment Insurance

Used to pay the cost of reimbursement to the State Unemployment Insurance Fund for payments made to claimants where the employer has elected to use the benefit reimbursement method. The reserve may be established by Board action and is funded by budgetary appropriations and such other funds as may be legally appropriated. This reserve is accounted for in the General Fund.

Employee Benefit Accrued Liability

Used to reserve funds for the payment of any accrued employee benefit due an employee upon termination. The reserve is established by a majority vote of the Board of Education and is funded by budgetary appropriations and such other funds that may be legally appropriated. This reserve is accounted for in the General Fund.

Workers' Compensation

Used to pay for compensation benefits and other expenses authorized by Article 2 of the Workers' Compensation Law. The reserve may be established by Board action, and is funded by budgetary appropriations and such other funds as may be legally appropriated. Within sixty days after the end of any fiscal year, excess amounts may either be transferred to another reserve or the excess applied to the appropriations of the next succeeding fiscal year's budget. The reserve is accounted for in the General Fund.

Retirement Contribution

Used to pay contributions to the NYS Employee Retirement System and the NYS Teacher Retirement System. The reserve is accounted for in the General Fund.

Scholarships

Used to pay scholarships with funds stipulated by donors for that purpose. This reserve is accounted for in the Miscellaneous Special Revenue Fund.

LIVINGSTON MANOR CENTRAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Repairs

According to General Municipal Law 6-d, this must be used to pay the cost of repairs to capital improvements or equipment, which repairs are of a type not recurring annually. The Board of Education, without voter approval, may establish a repair reserve fund by a majority vote of its members.

Voter approval is required to fund this reserve (opinion of the New York State Comptroller 81-401). Expenditures from this reserve may be made only after a public hearing has been held, except in emergency situations. If no hearing is held, the amount expended must be repaid to the reserve fund over the next two subsequent fiscal years. This reserve is accounted for in the General Fund.

Committed – includes amounts that can only be used for a specific purpose pursuant to constraints imposed by formal action of the District’s highest level of decision making authority before the end of the fiscal year, and requires the same level of formal action to remove the constraint. The Board of Education is the decision making authority that can, by resolution prior to the end of the fiscal year, commit fund balance. The District has no committed fund balances as of June 30, 2025.

Assigned – includes amounts that are subject to a purpose constraint that represents an intended use established by the government’s highest level of decision making authority, or by their designated official. The purpose of the assignment must be narrower than the purpose of the General Fund and, in funds other than the General Fund, assigned fund balance represents the residual amount of fund balance. Assigned fund balance generally includes encumbrances in the General Fund and appropriated fund balance. The Board of Education is the decision making authority that can, by resolution, assign fund balance. The District reported encumbrances of \$1,036,978 as assigned fund balance in the General Fund as of June 30, 2025.

Unassigned – represents the residual classification for the General Fund, and could report a surplus or deficit. In funds other than the General Fund, the unassigned classification should be used only to report a deficit fund balance resulting from overspending for specific purposes for which amounts had been restricted, committed or assigned.

NYS Real Property Tax Law 1318 limits the amount of unexpended surplus funds a school district can retain to no more than 4% of the district’s General Fund budget for the ensuing

LIVINGSTON MANOR CENTRAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

fiscal year. Non-spendable and restricted fund balance of the General Fund are excluded from the 4% limitation. Amounts appropriated for the subsequent year and encumbrances are also excluded from the 4% limitation.

Order of Use of Fund Balance:

When resources are available from multiple fund balance classifications, the Board will assess the current financial condition of the District and then determine the order of application of expenditures to which fund balance classification will be charged.

O. **Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

P. **New Accounting Standards**

The District has adopted all current Statements of the Governmental Accounting Standards Board (GASB) that are applicable. At June 30, 2025, the District implemented the following new standards issued by GASB:

GASB 101 – *Compensated Absences*

GASB 102 – *Certain Risk Disclosures*

Q. **Future Accounting Standards**

The Governmental Accounting Standards Board (GASB) has issued the following standards that will become effective in future fiscal years:

GASB 103 – *Financial Reporting Model Improvements*, effective for the year ending June 30, 2026.

GASB 104 – *Disclosure of Certain Capital Assets*, effective for the year ending June 30, 2026

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

LIVINGSTON MANOR CENTRAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

R. **Deferred Outflows/Inflows of Resources**

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. The government has three items that qualify for reporting in this category. The first item is related to pensions reported in the district-wide Statement of Net Position. This represents the effect of the net change in the District's proportion of the collective net pension asset or liability and difference during the measurement period between the District's contributions and its proportionate share of total contributions to the pension systems not included in pension expense. The second item is the District contributions to the pension systems (TRS and ERS Systems) and OPEB subsequent to the measurement date. The third item relates to OPEB reporting in the district-wide Statement of Net Position. This represents the effect of the net change in the actual and expected experience. The District reports \$2,628,591 in deferred outflows of resources related to pensions and \$3,541,965 in deferred outflows of resources related to the Total OPEB Liability as of June 30, 2025.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has two items that qualify for reporting in this category. The first item is related to pensions reported in the district-wide Statement of Net Position. This represents the effect of the net change in the District's proportion of the collective net pension liability (ERS System) and difference during the measurement periods between the District's contributions and its proportionate share of total contributions to the pension system not included in pension expense. The second item is related to OPEB reported in the district-wide Statement of Net Position. This represents the effect of the net changes of assumptions or other inputs. The District reports \$1,204,878 in deferred inflows of resources related to pensions and \$12,465,627 in deferred inflows of resources related to the Total OPEB Liability as of June 30, 2025.

The reporting of deferred outflows of resources and deferred inflows of resources related to pensions resulted in a net increase of \$1,423,713 to unrestricted net position as of June 30, 2025.

The reporting of deferred outflows of resources and deferred inflows of resources related to the total OPEB liability resulted in a net decrease of \$8,923,662 to unrestricted net position as of June 30, 2025.

LIVINGSTON MANOR CENTRAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 2 – EXPLANATION OF CERTAIN DIFFERENCES BETWEEN GOVERNMENTAL
FUND STATEMENTS AND DISTRICT-WIDE STATEMENT

Due to the differences in the measurement focus and basis of accounting used in the governmental fund statements and the District-wide statements, certain financial transactions are treated differently. The differences result primarily from the economic focus of the Statement of Activities, compared with the current financial resources focus of the governmental funds. These differences are reconciled in the financial statements.

1. Total fund balances of governmental funds vs. net position of governmental activities:

Total fund balances of the District’s governmental funds differs from “net position” of governmental activities reported in the Statement of Net Position. The difference primarily results from the additional long-term economic focus of the Statement of Net Position versus the solely current financial resources focus of the governmental fund balance sheet.

2. Statement of Revenues, Expenditures and Changes in Fund Balance vs. Statement of Activities:

Differences between the governmental funds Statement of Revenues, Expenditures and Changes in Fund Balance and the Statement of Activities fall into one of three broad categories:

- a) Long-term revenue differences:

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

LIVINGSTON MANOR CENTRAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 2 – EXPLANATION OF CERTAIN DIFFERENCES BETWEEN GOVERNMENTAL
FUND STATEMENTS AND DISTRICT-WIDE STATEMENT (Continued)

b) Capital related differences:

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

c) Long-term debt transaction differences:

Long-term debt transaction differences occur because both interest and principal payments are recorded as expenditures in the governmental fund statements, whereas interest payments are recorded in the Statement of Activities as incurred, and principal payments are recorded as a reduction of liabilities in the Statement of Net Position.

NOTE 3 – PARTICIPATION IN BOCES

During the year ended June 30, 2025, the Livingston Manor Central School District was billed \$3,294,760 for BOCES administrative and program costs. General purpose financial statements for Sullivan County BOCES are available from the BOCES administrative office at 15 Sullivan Avenue, Suite 1W, Liberty, NY 12754.

The School District's share of BOCES income amounted to \$541,853.

NOTE 4 – CASH AND INVESTMENTS

The Livingston Manor Central School District investment policies are governed by State statutes. In addition, the District has its own written investment policy. Livingston Manor Central School District monies must be deposited in FDIC-Insured commercial banks or trust companies located within the State. The Treasurer is authorized to use demand accounts and certificates of deposit. Permissible investments include obligations of the U.S. Treasury and U.S. Agencies, repurchase agreements, and obligations of New York State or its localities.

LIVINGSTON MANOR CENTRAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 4 – CASH AND INVESTMENTS (Continued)

Collateral is required for time deposits and certificates of deposit not covered by federal deposit insurance. Obligations that may be pledged as collateral are obligations of the United States and its agencies and obligations of New York State and states other than New York and their municipalities and school districts.

The District’s aggregate cash balances include balances not covered by depository insurance at year end, collateralized as follows:

Collateralized with securities held by the pledging financial
institution, or its trust department, but not in the District’s name. \$ 19,287,813

NOTE 5– CAPITAL ASSETS

Capital asset balances and activity for the year ended June 30, 2025 were as follows:

	<u>BEGINNING BALANCE</u>	<u>ADDITIONS</u>	<u>RETIREMENTS/ RECLASSIFICATIONS</u>	<u>ENDING BALANCE</u>
Governmental Activities:				
Capital assets that are not depreciated:				
Land	\$ 36,000	\$ -	\$ -	\$ 36,000
Construction In Progress	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Capital Assets that are not depreciated	<u>36,000</u>	<u>-</u>	<u>-</u>	<u>36,000</u>
Capital assets that are depreciated:				
Building and Improvements	17,311,598	660,832	-	17,972,430
Furniture and Equipment	<u>1,157,145</u>	<u>147,025</u>	<u>5,046</u>	<u>1,299,124</u>
Total depreciable historical cost	<u>18,468,743</u>	<u>807,857</u>	<u>5,046</u>	<u>19,271,554</u>
Less accumulated depreciation:				
Building and Improvements	7,157,077	382,385	-	7,539,462
Furniture and Equipment	<u>892,499</u>	<u>37,427</u>	<u>5,046</u>	<u>924,880</u>
Total Accumulated Depreciation	<u>8,049,576</u>	<u>419,812</u>	<u>5,046</u>	<u>8,464,342</u>
Total historical cost, net	<u>\$ 10,455,167</u>	<u>\$ 388,045</u>	<u>\$ -</u>	<u>\$ 10,843,212</u>
Depreciation expense was charged to Governmental functions as follows:				
General Support		\$ 410,878		
Instruction		2,421		
School Lunch		<u>6,513</u>		
		<u>\$ 419,812</u>		

LIVINGSTON MANOR CENTRAL SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2025

NOTE 6 – INTERFUND TRANSACTIONS

Interfund balances at June 30, 2025 are as follows:

	<u>INTERFUND RECEIVABLE</u>	<u>INTERFUND PAYABLE</u>	<u>INTERFUND REVENUES</u>	<u>INTERFUND EXPENDITURES</u>
General Fund	\$ 1,250,561	\$ 3,786,641	\$ 3,843	\$ 320,118
Special Aid Fund	100,000	671,618	35,118	3,843
School Lunch Fund	-	158,360	150,000	-
Capital Fund	3,786,641	420,583	135,000	-
Miscellaneous Special Revenue	<u>-</u>	<u>100,000</u>	<u>-</u>	<u>-</u>
Total Governmental Activities	<u>\$ 5,137,202</u>	<u>\$ 5,137,202</u>	<u>\$ 323,961</u>	<u>\$ 323,961</u>

Interfund receivables and payables, other than between governmental activities and fiduciary funds, are eliminated on the Statement of Net Position.

The District typically transfers funds from the General Fund to the School Lunch Fund to cover the shortfall in the annual budget and to the Special Aid Fund to cover expenses that are not reimbursed by Federal or State Grants.

The District transfers investment income earned in the Capital Projects Fund to the General Fund for the purpose of making future debt service payments.

The District loans resources between funds for the purpose of relieving cash flow issues.

NOTE 7 – INVENTORY

Inventory in the School Lunch Fund at June 30, 2025 consisted of the following:

Food and supplies	<u>\$ 12,899</u>
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NOTE 8 - LIABILITIES

A. Pension Plans

1. General Information

The Livingston Manor Central School District participates in New York State and Local Employee’s Retirement System (ERS), and the New York State Teachers’ Retirement System (TRS). These Systems are cost sharing multiple employer public employee retirement systems. The Systems offer a wide range of plans and benefits which are related to years of service and final average salary, vesting of retirement benefits, death and disability.

LIVINGSTON MANOR CENTRAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 8 – LIABILITIES (Continued)

2. Plan Descriptions

a. Teachers' Retirement System (TRS)

As an employer, you make contributions to the New York State Teachers' Retirement System, a cost sharing, multiple employer defined benefit pension plan administered by the New York State Teachers' Retirement Board. The System provides benefits to plan members and beneficiaries as authorized by the Education Law and Retirement and Social Security Law of the State of New York. The New York State TRS issued a publicly available financial report that contains financial statements and required supplementary information for the System. The report may be obtained by writing to the New York State Teachers' Retirement System, 10 Corporate Woods Drive, Albany, NY 12211-2395.

b. Employees' Retirement System (ERS)

The New York State and Local Employees' Retirement System provides retirement benefits as well as death and disability benefits. Obligations of employers and employees to contribute, and benefits to employees are governed by the New York State Retirement and Social Security Law (NYRSSL). The system issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the New York State and Local Retirement System, Gov. Alfred E. Smith State Office Building, Albany, New York 12244.

3. Funding Policy

Plan members who joined the Systems before July 27, 1976 are not required to make contributions. Those joining after July 27, 1976 and prior to January 1, 2010, with less than ten years of service, are required to contribute 3% of their salary.

Those joining the NYSERS on or after January 1, 2010 and before April 1, 2012, contribute 3% of their salary throughout their entire working career. Those joining after April 1, 2012 contribute 3% of their salary through March 31, 2013, and beginning April 1, 2013, contribute at rates ranging from 3% to 6%, dependent upon their salary, for their entire working career.

LIVINGSTON MANOR CENTRAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 8 – LIABILITIES (Continued)

Those joining the NYSTRS on or after January 1, 2010 and before April 1, 2012 contribute 3.5% of their salary throughout their entire working career. Those joining on or after April 1, 2012 are required to contribute between 3% and 6%, dependent on their salary, for their entire working career.

For the NYSTRS, employers are required to contribute at an actuarially determined rate, currently 10.11% of the annually covered payroll for the fiscal year ended June 30, 2025. Rates applicable to the fiscal years ended June 30, 2024 and 2023, were 9.76% and 10.29%, respectively. For the NYSERS, the NYS Comptroller annually certifies the actuarially determined rates expressed used in computing the employers’ contributions based on salaries paid during the Systems’ fiscal year ending March 31.

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

	<u>ERS</u>	<u>TRS</u>
2025	\$ 176,708	\$ 636,845
2024	215,027	563,188
2023	143,112	539,870

B. Indebtedness

1. Long-Term Debt

a. Long-Term Debt Interest

Interest Expense on long-term debt consisted of the following:

Interest Paid	<u>\$ _____</u>
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b. Changes

The changes in the School District’s indebtedness during the year ended June 30, 2025 are summarized as follows:

	<u>BALANCE</u> <u>06/30/24</u>	<u>ADDITIONS</u>	<u>DELETIONS</u>	<u>BALANCE</u> <u>06/30/25</u>	<u>AMOUNTS</u> <u>DUE WITHIN</u> <u>ONE YEAR</u>
Compensated Absences (Restated)	\$ 415,191	\$ -	\$ 15,255	\$ 399,936	\$ -
Total OPEB Liability	<u>18,092,194</u>	<u>1,453,616</u>	<u>2,715,600</u>	<u>16,830,210</u>	<u>700,000</u>
TOTAL	<u>\$ 18,507,385</u>	<u>\$ 1,453,616</u>	<u>\$ 2,730,855</u>	<u>\$ 17,230,146</u>	<u>\$ 700,000</u>

Additions and deletions to compensated absences are shown net since it is impractical to determine those amounts separately.

LIVINGSTON MANOR CENTRAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 8 – LIABILITIES (Continued)

Short-Term Debt

The District had no short-term debt activity for the year ended June 30, 2025.

NOTE 9 – COMMITMENTS AND CONTINGENCIES

Risk Financing and Related Insurance

The Livingston Manor Central School District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; injuries to employees; errors and omissions; natural disasters, etc. These risks are covered by commercial insurance purchased from independent third parties.

Other Items

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

NOTE 10 – POST EMPLOYMENT HEALTH INSURANCE BENEFITS

General Information about the OPEB Plan

Plan Description - The healthcare plan is a defined benefit OPEB plan, provides OPEB for all permanent full-time employees of the District. The plan is a pay as you go funding plan. The plan is a single-employer defined benefit OPEB plan administered by the District. Article 11 of the State Compiled Statutes grants the authority to establish and amend the benefit terms and financing requirements to the Board of Education. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

Benefits Provided – The District provides eligible actives, retirees and dependents post-employment medical and prescription drug coverage through the DEHIC plan. The benefit terms vary based on the union contract that governs the employee and years of service with the District. The District also reimburses the cost of Medicare Part B premiums to both retirees and spouses. Employees depending on the bargaining unit, are required to contribute towards their health insurance on a sliding scale from 35% if they retire at 55 years and at least 14 years with the District. The District contributes the full cost of benefits for all other retirees. Upon the death of a retiree, the surviving spouse will contribute 25-50% of the premium.

LIVINGSTON MANOR CENTRAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 10 – POST EMPLOYMENT HEALTH INSURANCE BENEFITS (Continued)

Employees Covered by Benefit Terms – At June 30, 2023, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	46
Inactive employees entitled to but not yet receiving benefit payments	-
Active Employees	<u>84</u>
	<u>130</u>

Total OPEB Liability

The District’s total OPEB liability of \$16,830,210 was measured as of June 30, 2025, using an actuarial valuation as of June 30, 2023.

Actuarial Assumptions and Other Inputs – The total OPEB liability in the actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified.

Measurement Date	June 30, 2023
Discount Rate	4.81%
Inflation	2.70%
Initial Healthcare Cost Trend Rate	6.50%
Ultimate Healthcare Cost Trend Rate	4.14%

The discount rate was based on the S&P 20 – Year Municipal High Grade Bond Index.

Mortality rates were based on Pub 2010 Teachers, General Employees Headcount Weighted Table projected fully generationally using MP-2021.

Changes in the Total OPEB Liability

Balance at June 30, 2024	\$ 18,092,194
Changes for the Year -	
Service Cost	677,826
Interest	775,790
Changes of Benefit Terms	-
Differences between expended and actual experience	(282,036)
Changes in assumptions or other inputs	(1,741,034)
Benefit Payments	<u>(692,530)</u>
Net Changes	<u>(1,261,984)</u>
Balance at June 30, 2025	<u>\$ 16,830,210</u>

LIVINGSTON MANOR CENTRAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 10 – POST EMPLOYMENT HEALTH INSURANCE BENEFITS (Continued)

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

	1% Decrease <u>(3.81%)</u>	Current Assumption <u>(4.81%)</u>	1% Increase <u>(5.81%)</u>
Total OPEB Liability	\$ <u>19,882,935</u>	\$ <u>16,830,210</u>	\$ <u>14,425,639</u>

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

	1% Decrease	Current Assumption	1% Increase
Total OPEB Liability	\$ <u>14,049,090</u>	\$ <u>16,830,210</u>	\$ <u>20,482,393</u>

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

For the year ended June 30, 2025, the District recognized OPEB expense of \$547,866. At June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 994,717	\$ 5,627,995
Changes of assumptions or other inputs	<u>2,547,248</u>	<u>6,837,632</u>
Total	<u>\$ 3,541,965</u>	<u>\$ 12,465,627</u>

LIVINGSTON MANOR CENTRAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 10 – POST EMPLOYMENT HEALTH INSURANCE BENEFITS (Continued)

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

2026	\$ (887,342)
2027	(974,298)
2028	(2,637,819)
2029	(2,450,850)
2030	(1,213,736)
Thereafter	<u>(759,617)</u>
TOTAL	<u>\$ (8,923,662)</u>

NOTE 11 – PENSION REPORTING FOR ASSETS/LIABILITIES AND DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

Pension Plan Descriptions and Benefits Provided

Detailed descriptions of the New York State and Local Employees’ Retirement System (ERS) and the New York State Teachers’ Retirement (TRS) are included in Note 9-A to the financial statements.

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

At June 30, 2025, the District reported the following asset/(liability) for its proportionate share of the net pension asset/(liability) for each of the Systems. The net pension asset/(liability) was measured as of March 31, 2025 for ERS and June 30, 2024 for TRS. The total pension asset/(liability) used to calculate the net pension asset/(liability) was determined by an actuarial valuation. The District’s proportion of the net pension asset/(liability) was based on a projection of the District’s long-term share of contributions to the Systems relative to the projected contributions of all participating members, actuarially determined. This information was provided by the ERS and TRS Systems in reports provided to the District.

	<u>ERS</u>	<u>TRS</u>
Actuarial valuation date	April 1, 2024	June 30, 2023
Net pension asset/(liability)	\$ (735,543)	\$ 901,693
District’s portion of the Plan’s total net pension asset/(liability)	0.0042900 %	0.030222 %

LIVINGSTON MANOR CENTRAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 11 – PENSION REPORTING FOR ASSETS/LIABILITIES AND DEFERRED
OUTFLOWS/INFLOWS OF RESOURCES (Continued)

For the year ended June 30, 2025, the District recognized pension expense of \$207,732 for ERS and \$489,314 for TRS. At June 30, 2025, the District reported deferred outflows/inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>		<u>Deferred Inflows of Resources</u>	
	<u>ERS</u>	<u>TRS</u>	<u>ERS</u>	<u>TRS</u>
Differences between expected and actual experience	\$ 182,567	\$ 970,958	\$ 8,612	\$ -
Changes of assumptions	30,847	539,395	-	90,731
Net difference between projected and actual earnings on pension plan investments	57,709	-	-	1,001,858
Changes in proportion and differences between the District's contributions and proportionate share of contributions	120,819	43,073	-	103,677
District's contributions subsequent to the measurement date	<u>46,378</u>	<u>636,845</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 438,320</u>	<u>\$ 2,190,271</u>	<u>\$ 8,612</u>	<u>\$ 1,196,266</u>

District contributions subsequent to the measurement date of \$46,378 for ERS and \$636,845 for TRS, will be recognized as a reduction of the net pension liability in the year ending June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

	<u>ERS</u>	<u>TRS</u>
Year ended:		
2025	\$ -	\$ (478,354)
2026	168,851	1,091,837
2027	222,632	(192,474)
2028	(34,269)	(212,308)
2029	26,116	110,962
Thereafter	<u>-</u>	<u>37,497</u>
TOTAL	<u>\$ 383,330</u>	<u>\$ 357,160</u>

LIVINGSTON MANOR CENTRAL SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2025

NOTE 11 – PENSION REPORTING FOR ASSETS/LIABILITIES AND DEFERRED
 OUTFLOWS/INFLOWS OF RESOURCES (Continued)

Actuarial Assumptions

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

	<u>ERS</u>		<u>TRS</u>	
	<u>Current Year</u>	<u>Prior Year</u>	<u>Current Year</u>	<u>Prior Year</u>
Measurement date	March 31, 2025	March 31, 2024	June 30, 2024	June 30, 2023
Actuarial valuation date	April 1, 2024	April 1, 2023	June 30, 2023	June 30, 2022
Interest rate	5.9%	5.9%	6.95%	6.95%
Salary scale	4.3%	4.4%	1.95%-5.18%	1.95%-5.18%
Cost of Living Adjustments	1.5%	1.5%	1.3%	1.3%
Inflation rate	2.9%	2.9%	2.40%	2.40%

For ERS, annuitant mortality rates are based on April 1, 2015-March 31, 2020 System’s experience with adjustments for mortality improvements based on Society of Actuaries’ Scale MP-2021. For TRS, annuitant mortality rates are based on plan member experience with adjustments for mortality improvements based on Society of Actuaries Scale MP-2021, applied on a generational basis.

For ERS, the actuarial assumptions used in the April 1, 2024 valuation are based on the results of an actuarial experience study for the period April 1, 2015-March 31, 2020. For TRS, the actuarial assumptions used in the June 30, 2023 valuation are based on the results of an actuarial experience study for the period July 1, 2015-June 30, 2020.

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

LIVINGSTON MANOR CENTRAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 11 – PENSION REPORTING FOR ASSETS/LIABILITIES AND DEFERRED
OUTFLOWS/INFLOWS OF RESOURCES (Continued)

	<u>ERS</u>	<u>TRS</u>
Measurement date	March 31, 2025	June 30, 2024
Asset Type:		
Domestic Equity	3.54%	6.6%
International Equity	6.57	7.4
Real Estate	4.95	6.3
Opportunistic/ARS Portfolio	5.25	-
Domestic fixed income securities	-	2.6
Global Bonds	-	2.5
Global Equities	-	6.9
Private Debt	-	5.9
Private Equities	7.25	10.0
High Yield Bonds	-	4.8
Real Estate Debt	-	3.9
Cash Equivalents	0.25	0.5
Credit	5.40	-
Real Assets	5.55	-
Fixed Income	2.00	-

Discount Rate

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

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

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

LIVINGSTON MANOR CENTRAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 11 – PENSION REPORTING FOR ASSETS/LIABILITIES AND DEFERRED
OUTFLOWS/INFLOWS OF RESOURCES (Continued)

<u>ERS</u>	1% Decrease (4.90%)	Current Assumption (5.90%)	1% Increase (6.90%)
Employer’s proportionate share of the net pension asset (liability)	<u>\$ (2,128,755)</u>	<u>\$ (735,543)</u>	<u>\$ 427,789</u>
	1% Decrease (5.95%)	Current Assumption (6.95%)	1% Increase (7.95%)
<u>TRS</u> Employer’s proportionate share of the net pension asset (liability)	<u>\$ (4,164,973)</u>	<u>\$ 901,963</u>	<u>\$ 5,162,895</u>

Pension Plan Fiduciary Net Position

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

Valuation date	<u>ERS (in thousands)</u> April 1, 2024	<u>TRS</u> June 30, 2023
Employers’ total pension liability	\$ 247,600,329	\$ 142,837,826,765
Plan Net Position	<u>230,454,512</u>	<u>145,821,434,780</u>
Employer’s net pension asset/(liability)	<u>\$ (17,145,727)</u>	<u>\$ 2,983,608,315</u>
Ration of plan net position to the Employer’s total pension asset/(liability)	93.08%	102.1%

Payables to the Pension Plan

For ERS, employer contributions are paid annually based on the System’s fiscal year which ends on March 31st. Accrued retirement contributions as of June 30 represent the projected employer contribution for the period of April 1 through June 30 based on paid ERS wages multiplied by the employer’s contribution rate, by tier. Accrued retirement contributions as of June 30, 2025 amounted to \$46,378.

For TRS, employer and employee contributions for the fiscal year ended June 30 are paid to the System in September, October, and November through a state aid intercept. Accrued retirement contributions as of June 30 represent employee and employer contributions for the fiscal year based on paid TRS wages multiplied by the employer’s contribution rate, by tier and employee contributions for the fiscal year as reported to the TRS System. Accrued retirement contributions as of June 30, 2025 amounted to \$719,040.

LIVINGSTON MANOR CENTRAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 12 – EVENTS OCCURRING AFTER REPORTING DATE

The District has evaluated events and transactions that occurred between June 30, 2025 and October 15, 2025, which is the date the financial statements were available to be issued, for possible disclosure and recognition in the financial statements.

NOTE 13 – TAX ABATEMENTS

The District is subject to a tax abatement agreement entered into by the Sullivan County Industrial Development Agency pursuant to Title I of Article 18-A of the General Municipal Law of the State of New York. For the year ended June 30, 2025, the District received \$14,166 in tax abatement payments, which resulted in abated property taxes totaling \$3,555.

NOTE 14 – RESTATED BALANCES

The beginning net position in the statement of activities has been decreased by \$95,651 to account for the new liability criteria for compensated absences in accordance with GASB 101. The restatement increases the previous year's Compensated Absences and decreases the previous year's Unrestricted Net Position by \$95,651, and has no effect on the governmental funds financial statements.

NOTE 15 – DISTRICT MERGER

On December 19, 2024, the voters in the Livingston Manor Central School District approved a merger with the Roscoe Central School District. As a result of the merger, the Livingston Manor Central School District will no longer be in existence after June 30, 2025 and, beginning on July 1, 2025, all activity will be combined with the activity of the Roscoe Central School District under the name of the newly created Rockland Central School District.

LIVINGSTON MANOR CENTRAL SCHOOL DISTRICT
 REQUIRED SUPPLEMENTARY INFORMATION
 STATEMENT OF REVENUES, OTHER SOURCES, EXPENDITURES, OTHER USES AND CHANGES IN FUND BALANCE -
 GENERAL FUND
 FOR THE YEAR ENDED JUNE 30, 2025
 (WITH COMPARATIVE ACTUALS FOR THE YEAR ENDED JUNE 30, 2024)

	<u>ORIGINAL</u> <u>BUDGET</u>	<u>REVISED</u> <u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u> <u>FAVORABLE</u> <u>(UNFAVORABLE)</u>	<u>2024</u>
REVENUES					
Local Sources:					
Real Property Taxes	\$ 9,371,185	\$ 9,445,800	\$ 9,433,550	\$ (12,250)	\$ 9,160,423
Other Tax Items	442,750	368,135	372,477	4,342	382,591
Charges For Services	310,000	310,000	428,148	118,148	212,037
Use of Money and Property	315,000	315,000	839,745	524,745	745,014
Sale of Property & Compensation For Loss	-	-	1,600	1,600	2,540
Miscellaneous Local Sources	950,153	950,153	410,201	(539,952)	1,761,807
Interfund Revenues	-	-	-	-	2,983
State Sources:					
Basic Formula	7,014,288	7,014,288	6,555,321	(458,967)	6,053,750
Lottery Aid	500,000	500,000	591,443	91,443	668,846
BOCES	590,000	590,000	541,853	(48,147)	615,848
Other	68,744	68,744	116,059	47,315	86,437
Federal Aid	40,000	40,000	28,109	(11,891)	49,662
Interfund Revenues	-	-	3,843	3,843	55,696
TOTAL REVENUES AND OTHER SOURCES	<u>19,602,120</u>	<u>19,602,120</u>	<u>19,322,349</u>	<u>(279,771)</u>	<u>19,797,634</u>
FUND BALANCE					
Appropriated Fund Balance	650,000	650,000			
Prior Year Encumbrances	-	81,819			
Appropriated Reserves	-	-			
TOTAL FUND BALANCE	<u>650,000</u>	<u>731,819</u>			
TOTAL REVENUES, OTHER FINANCING SOURCES AND FUND BALANCE	<u>\$ 20,252,120</u>	<u>\$ 20,333,939</u>			

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

LIVINGSTON MANOR CENTRAL SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
STATEMENT OF REVENUES, OTHER SOURCES, EXPENDITURES, OTHER USES AND CHANGES IN FUND BALANCE - COMPARED TO
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2025
(WITH COMPARATIVE ACTUALS FOR THE YEAR ENDED JUNE 30, 2024)

	ORIGINAL BUDGET	REVISED BUDGET	ACTUAL	ENCUMBRANCES	UNECUMBERED BALANCES	2024
EXPENDITURES						
General Support						
Board of Education	\$ 134,025	\$ 135,861	\$ 133,196	\$ 2,629	\$ 36	\$ 122,772
Central Administration	220,675	251,825	241,006	1,290	9,529	202,933
Finance	546,691	590,542	541,595	8,420	40,527	491,552
Staff	101,480	139,431	125,538	13,893	-	101,569
Central Services	1,676,571	1,652,822	1,458,686	135,392	58,744	1,246,391
Special Items	407,600	394,669	363,787	2	30,880	379,969
Instructional:						
Instruction, Administration, and Improvement	586,113	648,234	604,034	628	43,572	534,989
Teaching:						
Regular School	4,821,870	5,107,759	5,082,884	24,875	-	4,361,189
Programs For Children With Handicapped						
Conditions	4,412,951	3,772,249	3,071,399	700,850	-	2,717,826
Occupational Education	224,338	173,738	122,564	49,400	1,774	113,009
Instructional Media	593,214	515,490	483,717	31,755	18	495,932
Pupil Services	756,686	1,047,223	978,401	67,844	978	740,609
Pupil Transportation	1,346,119	1,437,846	1,436,902	-	944	1,236,164
Community Services	2,100	2,100	-	-	2,100	-
Employee Benefits	4,131,837	4,067,314	4,066,626	-	688	3,344,262
Debt Service						
Principal	9,500	9,500	-	-	9,500	-
Interest	350	350	-	-	350	-
	<u>19,972,120</u>	<u>19,946,953</u>	<u>18,710,335</u>	<u>1,036,978</u>	<u>199,640</u>	<u>16,089,166</u>
TOTAL EXPENDITURES						
OTHER USES						
Interfund Transfers Out	<u>280,000</u>	<u>386,986</u>	<u>320,118</u>	<u>-</u>	<u>66,868</u>	<u>5,493,483</u>
	<u>\$ 20,252,120</u>	<u>\$ 20,333,939</u>	<u>19,030,453</u>	<u>\$ 1,036,978</u>	<u>\$ 266,508</u>	<u>21,582,649</u>
TOTAL EXPENDITURES AND OTHER USES						
NET CHANGE IN FUND BALANCE			291,896			(1,785,015)
FUND BALANCE - Beginning of Year			<u>10,691,160</u>			<u>12,476,175</u>
FUND BALANCE - End of Year			<u>\$ 10,983,056</u>			<u>\$ 10,691,160</u>

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

LIVINGSTON MANOR CENTRAL SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY
YEAR ENDED JUNE 30, 2025

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Service Cost	\$ 677,826	\$ 688,282	\$ 970,560	\$ 1,554,207	\$ 1,552,047	\$ 569,292	\$ 489,947	\$ 516,496
Interest	775,790	811,314	859,274	698,511	707,104	596,229	594,229	557,838
Changes of Benefit Terms	-	-	-	556,892	-	-	1,027,457	-
Differences Between Expected and Actual Experience	(282,036)	(2,040,368)	(3,601,572)	(1,836,494)	(1,817,896)	3,978,859	-	-
Changes of Assumptions	(1,741,034)	9,546	(2,054,441)	(8,060,401)	322,180	9,329,270	-	(777,506)
Benefit Payments	<u>(692,530)</u>	<u>(658,765)</u>	<u>(385,349)</u>	<u>(404,360)</u>	<u>(440,979)</u>	<u>(452,176)</u>	<u>(663,731)</u>	<u>(685,366)</u>
Net Change in Total OPEB Liability	(1,261,984)	1,189,991	(4,211,528)	(7,491,645)	322,456	14,021,474	1,447,902	(388,538)
Beginning Total OPEB Liability	<u>\$ 18,092,194</u>	<u>19,282,185</u>	<u>23,493,713</u>	<u>30,985,358</u>	<u>30,662,902</u>	<u>16,641,428</u>	<u>15,193,526</u>	<u>15,582,064</u>
Ending Total OPEB Liability	<u>\$ 16,830,210</u>	<u>\$ 18,092,194</u>	<u>\$ 19,282,185</u>	<u>\$ 23,493,713</u>	<u>\$ 30,985,358</u>	<u>\$ 30,662,902</u>	<u>\$ 16,641,428</u>	<u>\$ 15,193,526</u>
Covered Employee Payroll	<u>\$ 7,770,180</u>	<u>\$ 7,148,677</u>	<u>\$ 5,735,968</u>	<u>\$ 5,683,513</u>	<u>\$ 5,884,866</u>	<u>\$ 5,500,900</u>	<u>\$ 5,287,030</u>	<u>\$ 3,586,077</u>
Total OPEB Liability as a Percentage of Covered Payroll	216.6%	253.1%	336.2%	413.4%	526.50%	557.40%	314.80%	423.68%

Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

LIVINGSTON MANOR CENTRAL SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2025

Changes of Benefit Terms

None

Changes of Assumptions or Other Inputs

The change in the discount rate is as follows:

June 30, 2024 Measurement Date:	4.21%
June 30, 2025 Measurement Date:	4.81%

Trust Assets

There are no assets accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75 to pay related benefits.

LIVINGSTON MANOR CENTRAL SCHOOL DISTRICT
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION ASSET/LIABILITY
 YEAR ENDED JUNE 30, 2025

TRS System	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
The District's proportion of the net pension asset (liability)	0.030222%	0.028407%	0.029409%	0.028408%	0.028655%	0.028474%	0.028203%	0.029114%	0.029296%	0.028403%
The District's proportionate share of the net pension asset (liability)	\$901,693	\$ (324,860)	\$ (564,335)	\$ 4,922,880	\$ (791,814)	\$ 739,762	\$ 509,992	\$ 221,296	\$ (313,774)	\$ 2,950,128
The District's covered employee payroll	5,770,366	5,246,553	5,209,958	4,821,793	4,863,657	4,752,811	4,594,015	4,613,633	4,520,683	4,266,460
The District's proportionate share of the net pension asset (liability) as a percentage of covered employee payroll	15.63%	10.19%	11.22%	102.10%	16.28%	15.56%	11.10%	4.80%	6.94%	69.15%
Plan Fiduciary net position as a percentage of the total pension liability	102.1%	99.2%	98.60%	113.20%	97.8%	102.17%	101.53%	100.66%	99.01%	110.46%
ERS System	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
The District's proportion of the net pension liability	0.0042900%	0.0036768%	0.0065595%	0.0033103%	0.0032268%	0.0032655%	0.0036782%	0.0036238%	0.0038406%	0.0038966%
The District's proportionate share of the net pension liability	\$ (735,543)	\$ (541,373)	\$ (763,298)	\$ 270,601	\$ (3,213)	\$ (864,724)	\$ (260,608)	\$ (116,975)	\$ (360,875)	\$ (625,419)
The District's covered employee payroll	1,478,483	1,304,201	1,202,477	1,170,752	1,106,177	1,032,519	1,055,431	1,054,534	1,035,547	977,685
The District's proportionate share of the net pension liability as a percentage of covered employee payroll	49.75%	41.50%	63.48%	23.11%	0.29%	83.7%	24.7%	11.09%	34.85%	63.97%
Plan Fiduciary net position as a percentage of the total pension liability	93.08%	93.88%	90.78%	103.65%	99.95%	86.39%	96.27%	98.24%	94.7%	90.7%

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

LIVINGSTON MANOR CENTRAL SCHOOL DISTRICT
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF EMPLOYER'S PENSION CONTRIBUTIONS
 YEAR ENDED JUNE 30, 2025

TRS System

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Contractually required contribution	\$ 636,845	\$ 563,188	\$ 539,870	\$ 510,575	\$ 459,517	\$ 430,920	\$ 504,749	\$ 450,213	\$ 540,718	\$ 599,442
Contribution in relation to the contractually required contribution	<u>636,845</u>	<u>563,188</u>	<u>539,870</u>	<u>510,575</u>	<u>459,517</u>	<u>430,920</u>	<u>504,749</u>	<u>450,213</u>	<u>540,718</u>	<u>599,442</u>
Contribution deficiency (excess)	<u>\$ -</u>									
Contribution as a percentage of covered employee payroll	10.11%	9.76%	10.29%	9.80%	9.53%	8.86%	10.62%	9.08%	11.72%	13.26%

ERS System

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Contractually required contribution	\$ 176,708	\$ 215,027	\$ 143,112	\$ 172,079	\$ 165,465	\$ 152,821	\$ 146,859	\$ 153,805	\$ 158,029	\$ 182,967
Contribution in relation to the contractually required contribution	<u>176,708</u>	<u>215,027</u>	<u>143,112</u>	<u>179,079</u>	<u>165,465</u>	<u>152,821</u>	<u>146,859</u>	<u>153,805</u>	<u>158,029</u>	<u>182,967</u>
Contribution deficiency (excess)	<u>\$ -</u>									
Contribution as a percentage of covered employee payroll	11.95%	16.49%	11.90%	14.67%	14.96%	14.80%	13.91%	14.59%	15.26%	18.71%

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

LIVINGSTON MANOR CENTRAL SCHOOL DISTRICT
 COMBINING BALANCE SHEET
 NON-MAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2025

	<u>MISCELLANEOUS SPECIAL REVENUE</u>	<u>TOTAL NON-MAJOR GOVERNMENTAL FUNDS</u>
ASSETS		
Cash	\$ 313,997	\$ 313,997
Cash - Restricted	<u>178,532</u>	<u>178,532</u>
TOTAL ASSETS	<u>\$ 492,529</u>	<u>\$ 492,529</u>
LIABILITIES AND FUND BALANCES		
LIABILITIES		
Due to Other Fund	\$ 100,000	\$ 100,000
Unearned Revenue	117,041	117,041
Other Liabilities	<u>4,147</u>	<u>4,147</u>
TOTAL LIABILITIES	<u>221,188</u>	<u>221,188</u>
FUND BALANCES		
Restricted:		
Reserve for Scholarships	178,532	178,532
Assigned:		
Unappropriated	<u>92,809</u>	<u>92,809</u>
TOTAL FUND BALANCES	<u>271,341</u>	<u>271,341</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 492,529</u>	<u>\$ 492,529</u>

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

LIVINGSTON MANOR CENTRAL SCHOOL DISTRICT
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 NON-MAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2025

	<u>MISCELLANEOUS SPECIAL REVENUE</u>	<u>TOTAL NON-MAJOR GOVERNMENTAL FUNDS</u>
REVENUES		
Use of Money and Property	\$ 92	\$ 92
Miscellaneous Local Sources	<u>154,350</u>	<u>154,350</u>
 TOTAL REVENUES	 <u>154,442</u>	 <u>154,442</u>
 EXPENDITURES		
Instruction	<u>160,932</u>	<u>160,932</u>
 TOTAL EXPENDITURES	 <u>160,932</u>	 <u>160,932</u>
 NET CHANGE IN FUND BALANCE	 (6,490)	 (6,490)
 FUND BALANCE - Beginning of Year	 <u>277,831</u>	 <u>277,831</u>
 FUND BALANCE - End of Year	 <u>\$ 271,341</u>	 <u>\$ 271,341</u>

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

LIVINGSTON MANOR CENTRAL SCHOOL DISTRICT
SCHEDULE OF CHANGE FROM ADOPTED BUDGET TO FINAL BUDGET
YEAR ENDED JUNE 30, 2025

ADOPTED BUDGET	\$ 20,252,120
ADDITIONS:	
Encumbrances From Prior Year	81,819
Appropriated Reserves	-
Supplemental Appropriations	<u>-</u>
FINAL BUDGET	<u>\$ 20,333,939</u>

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

LIVINGSTON MANOR CENTRAL SCHOOL DISTRICT
REAL PROPERTY TAX LIMIT
YEAR ENDED JUNE 30, 2025

SECTION 1318 OF REAL PROPERTY TAX LAW CALCULATION

2025-2026 Voter Approved Expenditure Budget

Maximum allowed (4% of 2025-2026 Budget)

General Fund Balance subject to Section 1318 of Real
Property Tax Law:

Unrestricted Fund Balance:

Assigned Fund Balance

Unassigned Fund Balance

Total Unrestricted Fund Balance

Less:

Appropriated Fund Balance

Encumbrances included in Assigned Fund Balance

Total Adjustments

General Fund Balance subject to Section 1318 of Real
Property Tax Law:

Actual Percentage

NOTE – This schedule is not applicable for the year ended June 30, 2025 because of the merger that took place between Livingston Manor Central School District and a neighboring school district effective July 1, 2025. See Note 15 for more details on the merger.

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

LIVINGSTON MANOR CENTRAL SCHOOL DISTRICT
SCHEDULE OF PROJECT EXPENDITURES
CAPITAL PROJECTS FUND
YEAR ENDED JUNE 30, 2025

<u>PROJECT TITLE</u>	<u>I EXPENDITURES TO DATE I</u>					<u>I METHODS OF FINANCING I</u>				<u>FUND BALANCE 6/30/25</u>
	<u>ORIGINAL APPROPRIATIONS</u>	<u>REVISED APPROPRIATIONS</u>	<u>PRIOR YEARS</u>	<u>CURRENT YEAR</u>	<u>TOTAL</u>	<u>UNEXPENDED BALANCE</u>	<u>LOCAL SOURCES</u>	<u>STATE SOURCES</u>	<u>TOTAL</u>	
Smart Schools Bond Act	\$ 617,438	\$ 617,438	\$ 440,190	\$ 39,435	\$ 479,625	\$ 137,813	\$ -	\$ 420,265	\$ 420,265	\$ (59,360)
Capital Improvements- Emergency Boiler	820,000	820,000	557,640	-	557,640	262,360	534,662	-	534,662	(22,978)
Capital Improvements Building And Improvements	21,000,000	21,000,000	1,015,151	283,859	1,299,010	19,700,990	9,109,012	-	9,109,012	7,810,002
Capital Improvements Wall Project	7,000,000	7,000,000	120,225	204,346	324,571	6,675,429	-	-	-	(324,571)
Camera	35,000	35,000	-	34,704	34,704	296	35,000	-	35,000	296
Capital Project	100,000	100,000	-	<u>98,488</u>	98,488	1,512	100,000	-	100,000	<u>1,512</u>
				<u>\$ 660,832</u>						<u>\$ 7,404,901</u>

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

LIVINGSTON MANOR CENTRAL SCHOOL DISTRICT
NET INVESTMENT IN CAPITAL ASSETS
JUNE 30, 2025

Capital Assets, Net	\$ 10,843,212
Less: Related Debt	<u> -</u>
Net Investment in Capital Assets	<u>\$ 10,843,212</u>

SEE ACCOMPANYING NOTES AND AUDITORS' REPORT

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

To the Board of Education of the
Livingston Manor Central School District
Livingston Manor, New York

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Livingston Manor Central School District, New York as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Livingston Manor Central School District, New York's basic financial statements and have issued our report thereon dated October 15, 2025.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and other Matters

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

Purpose of this Report

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

Cooper Arias, LLP

Mongaup Valley, New York
October 15, 2025

INDEPENDENT AUDITORS' REPORT

To The President and Board Members of
The Board of Education
Livingston Manor Central School District
Livingston Manor, New York

We have audited the accompanying statements of assets, liabilities and fund balance – cash basis, of the Extraclassroom Activity Funds of the Livingston Manor Central School District as of June 30, 2025, and the related statements of cash receipts, disbursements and changes in fund balance – cash basis for the year then ended, and the related notes to the financial statements, which collectively comprise the financial statements of the Extraclassroom Activity Funds of the Livingston Manor Central School District as listed in the table of contents.

In our opinion, the financial statements referred to above presents fairly, in all material respects, the financial position – cash basis, of the Extraclassroom Activity Funds of the Livingston Manor Central School District as of June 30, 2025, and the changes in financial position – cash basis, for the year then ended in accordance with the basis of accounting described in Note 2.

Basis for Opinion

We draw attention to Note 2 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to that matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the cash basis of accounting described in Note 2; and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Extraclassroom Activity Funds of the Livingston Manor Central School District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

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

This report is intended solely for the information and use of the school board governing body and management of the Extraclassroom Activity Funds of Livingston Manor Central School District, and for filing with the various offices and agencies of the State of New York. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

Cooper Arias, LLP

Mongaup Valley, New York
October 15, 2025

LIVINGSTON MANOR CENTRAL SCHOOL DISTRICT
EXTRACLASSROOM ACTIVITY FUND
STATEMENT OF ASSETS, LIABILITIES, AND FUND BALANCE-CASH BASIS
JUNE 30, 2025

ASSETS	
Cash	<u>\$ 92,809</u>
TOTAL ASSETS	<u>\$ 92,809</u>
FUND BALANCE	<u>\$ 92,809</u>

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

LIVINGSTON MANOR CENTRAL SCHOOL DISTRICT
EXTRACLASSROOM ACTIVITY FUND
STATEMENT OF CASH RECEIPTS, DISBURSEMENTS
AND CHANGES IN FUND BALANCE- CASH BASIS
FOR THE YEAR ENDED JUNE 30, 2025

<u>ACTIVITY</u>	CASH & FUND BALANCE <u>07/01/24</u>	<u>RECEIPTS</u>	<u>DISBURSEMENTS</u>	CASH & FUND BALANCE <u>6/30/25</u>
Class of 2028	\$ -	\$ 4,862	\$ 2,668	\$ 2,194
Class of 2027	8,673	15,609	8,190	16,092
Class of 2026	8,488	26,676	12,913	22,251
Class of 2025	26,438	14,174	39,902	710
Class of 2024	6,552	144	797	5,899
Class of 2023	711	97	240	568
Concert Band	3,046	648	79	3,615
Drama Club	10,187	-	-	10,187
Future Farmers of America	5,658	23,381	28,297	742
National Honor Society	1,546	-	127	1,419
H.S. Student Council	10,085	3,822	6,951	6,956
M.S. Student Council	3,345	115	477	2,983
Yearbook	2,701	6,422	1,056	8,067
Ski Club	5,322	19,158	21,702	2,778
Tech	581	2,182	2,059	704
School Store	738	-	-	738
Sales Tax	3,788	8,698	9,638	2,848
FCCLA	1,177	5,717	2,912	3,982
Interest	64	12	-	76
	<u>99,100</u>	<u>131,717</u>	<u>138,008</u>	<u>92,809</u>
TOTALS	<u>\$ 99,100</u>	<u>\$ 131,717</u>	<u>\$ 138,008</u>	<u>\$ 92,809</u>

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

LIVINGSTON MANOR CENTRAL SCHOOL DISTRICT
HIGH SCHOOL EXTRACLASSROOM ACTIVITY FUND
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 1 - DESCRIPTION OF OPERATIONS

Student activity funds are defined by the New York State Education Department as “funds raised other than by taxation, or through charges of a Board of Education, for, by or in the name of a school, student body or any subdivision thereof.”

Activity funds are raised and expended by student bodies to promote the general welfare, education, and morale of all pupils, and to finance the normal, legitimate extracurricular activities of the student body organization.

The Superintendent of the District has responsibility and authority to implement all policies and rules pertaining to the supervision and administration of school activity funds in accordance with established policies and rules of the District’s Board of Education.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The books and records of the High School Extraclassroom Activity Fund of Livingston Manor Central School District are maintained on the cash basis of accounting. Consequently, receipts and related assets are recognized when received rather than when earned, and disbursements are recognized when paid rather than when the obligation is incurred.

Interest Income

Interest income earned on the bank account during the year has been allocated to each of the funds equally.

Bank Charges

All bank service charges have been charged to the respective activity fund.

Inactive Accounts

The District’s policy is to transfer account balance of inactive clubs to the Student Council Fund.

ROSCOE CENTRAL SCHOOL DISTRICT

AUDITED FINANCIAL STATEMENTS

FISCAL YEAR ENDED JUNE 30, 2025

Such Financial Report and opinions were prepared as of date thereof and have not been reviewed and/or updated in connection with the preparation and dissemination of this Official Statement.

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

ROSCOE CENTRAL SCHOOL DISTRICT
GENERAL PURPOSE FINANCIAL STATEMENTS

JUNE 30, 2025

ROSCOE CENTRAL SCHOOL DISTRICT
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INDEPENDENT AUDITORS' REPORT

To The Board of Education of the
Roscoe Central School District
Roscoe, New York

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Roscoe Central School District, New York, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of the Roscoe Central School District, New York, as of June 30, 2025, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Emphasis of Matter

As discussed in Note 16 to the financial statements, the Roscoe Central School District will no longer be in existence after June 30, 2025, due to a merger with the Livingston Manor Central School District. Beginning on July 1, 2025, all future activity will be reported as part of the Rockland Central School District. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Roscoe Central School District, New York's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management’s discussion and analysis and other required supplementary information on pages 5 through 12 and 55 through 60, respectively, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

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

Other Matters

The prior year summarized comparative information was derived from the District’s June 30, 2024 financial statements and, in our report dated October 3, 2024, we expressed an unmodified opinion on the financial statements.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 13, 2025 on our consideration of the Roscoe Central School District, New York's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Roscoe Central School District, New York's internal control over financial reporting and compliance.

Cooper Arias, LLP

Mongaup Valley, New York
October 13, 2025

**Roscoe Central School
District**

6 Academy Street
Roscoe, NY 12776

Phone (607) 498-4126

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Management Discussion and Analysis

Roscoe Central School District

Year Ended June 30, 2025

Roscoe Central School District

The following is a discussion and analysis of the School District's financial performance for the fiscal year ended June 30, 2025. The section is a summary of the School District's financial activity based on currently known facts, decisions or conditions. It is also based on both the government-wide and fund-based financial statements. The results of the current year are discussed in comparison with the prior year, with emphasis placed on the current year. This section is only an introduction and should be read in conjunction with the School District's financial statements, which immediately follow this section.

Financial Highlights

Key financial highlights for 2024 are as follows:

District-Wide Statements

- Tax revenues accounted for \$6,055,148 or 53% of total revenues. State and Federal sources accounted for \$4,251,387 or 37% of total revenues.
- Total net position was a negative \$6,452,686 at June 30, 2025, down \$43,833 from the prior year's amount.

Fund Financial Statements

- Among major funds, the General Fund had \$10,524,709, in total revenues, of which \$6,055,148 or 58% was made up of tax revenues and \$3,502,610 or 33% was made up of state and federal sources. The General Fund expenditures totaled \$10,500,030 for the year ended June 30, 2025. The General Fund's fund balance increased from \$3,181,599 at June 30, 2024 to \$3,206,278 at June 30, 2025. Of the total fund balance, \$0 was designated to reduce the subsequent year's tax levy, \$148,881 was non spendable, \$2,465,345 was reserved for future expenditures, \$205,876 reserved for encumbrances, leaving \$386,176 as unassigned.

Using this Comprehensive Annual Report

This comprehensive and annual financial report consists of a series of financial statements and notes to those statements. The statements are organized so that the reader can understand the District as a whole, and then proceed to provide an increasingly detailed look at specific financial activities.

Reporting the District as a Whole

The Statement of Net Position and Statement of Activities

One of the most important questions asked about the District's finances is "Is the District better off or worse off as a result of the year's activities?" The Statement of Net Position and the Statement of Activities report information about the District as a whole and about its activities in a manner that helps to answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by private sector corporations. All of the current year's revenues and expenses are taken into consideration regardless of when the cash is received or paid.

These two statements report the District's net position and changes in it. The change in net position provides the reader a tool to assist in determining whether the District's financial health is improving or deteriorating. The reader will need to consider other non-financial factors such as property tax base, current property tax laws, student enrollment and facility conditions in arriving at their consultation regarding the overall health of the District.

Reporting the District's Most Significant Funds

Fund Financial Statements

The fund financial statements provide detailed information about the most significant funds – not the District as a whole. Some funds are required to be established by State statute, while many other funds are established by the District to help managed money for particular purposes and compliance with various grant provisions. The District's two types of funds, governmental and fiduciary, use different accounting approaches.

Government Funds

Most of the District's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. These funds are reported using an accounting method called modified accrual accounting, which measures cash and other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the District's general government operations and the basic services it provides.

Governmental fund information helps you determine whether there are more or less financial resources available to spend in the near future to finance the District's programs. The relationship (or difference) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is reconciled in the financial statements.

Reporting the District’s Fiduciary Responsibilities

The District is the trustee or fiduciary for assets that belong to others. It is the District’s responsibility to ensure that these assets are being used for their intended purposes. The District’s fiduciary activities are reported in a separate “Statement of Fiduciary Net Position” schedule, as the District may not use these assets to finance its operations.

The District as a Whole

A comparative analysis of the District’s government-wide activity is as follows:

	<u>2025</u>	<u>2024</u>
Assets		
Current Assets	\$ 4,189,394	\$ 4,101,493
Right To Use Assets, net	31,418	3,195
Net Pension Asset	490,453	0
Capital Assets, Net	<u>5,686,423</u>	<u>5,940,232</u>
Total Assets	<u>10,397,688</u>	<u>10,044,920</u>
Deferred Outflows of Resources		
Pensions	1,502,927	1,899,317
OPEB Liabilities	<u>3,678,630</u>	<u>4,781,554</u>
Total Deferred Outflows of Resources	<u>5,181,557</u>	<u>6,680,871</u>
Liabilities		
Current Liabilities	1,056,469	803,793
Long Term Liabilities	<u>11,645,903</u>	<u>12,923,603</u>
Total Liabilities	<u>12,702,372</u>	<u>13,727,396</u>
Deferred Inflows of Resources		
Pensions	733,910	464,610
OPEB Liabilities	<u>8,595,649</u>	<u>8,510,397</u>
Total Deferred Inflows of Resources	<u>9,329,559</u>	<u>8,975,007</u>
Net Investment in Capital Assets	4,891,423	4,885,232
Restricted	2,581,876	2,577,217
Unrestricted	<u>(13,925,985)</u>	<u>(13,439,061)</u>
Total Net Position	<u>\$ (6,452,686)</u>	<u>\$ (5,976,612)</u>

REVENUES

	2025	2024
Real Property Taxes	\$ 5,839,146	\$ 5,499,583
Other Tax Items	216,002	218,479
Charges for Services	550,790	468,671
Use of Money and Property	76,440	84,002
Sale of Property and Compensation for Loss	0	11,789
Miscellaneous Local Sources	312,632	423,878
State & Federal Sources	3,502,610	3,641,235
Operating Grants and Contributions	839,576	1,473,951
Capital Grants and Contributions	0	196,831
Total Revenues	<u>\$ 11,337,196</u>	<u>\$ 12,018,419</u>

EXPENDITURES

General Support	\$ 2,603,860	\$ 2,421,335
Instruction	7,315,966	8,113,398
Pupil Transportation	1,081,868	868,553
Debt Service	50,980	62,015
School Lunch Program	<u>328,355</u>	<u>299,725</u>
Total Expenditures	<u>\$ 11,381,029</u>	<u>\$ 11,765,026</u>
Change in Net Position	<u>\$ (43,833)</u>	<u>\$ 253,393</u>

Governmental Activities

The laws in New York State require the need to seek voter approval for the general fund-operating budget. Without voter approval, school districts are placed on a contingency budget, which limits expenditures to those considered essential to maintain an educational program, preserve property and assure the health and safety of students and staff. The budget for the 2024-2025 has been approved by the voters. This allows the district to purchase the necessary equipment.

School districts are dependent upon property taxes as a primary source of revenue. Since the District must rely heavily on voter approval for funding levels, management of resources is of paramount concern to District Administration and the voting public.

The District's Funds

Information about the School District's major funds starts on page 16. These funds are accounted for using the modified accrual basis of accounting. All governmental funds had total revenues of \$11,377,652 and expenditures of \$11,542,925, exclusive of interfund transactions of \$206,878. The District realized a decrease in governmental fund balances of \$165,273 across all funds.

	<u>2025 Fund Balance</u>	<u>2024 Fund Balance</u>	<u>Increase (Decrease)</u>
General	\$ 3,206,278	\$ 3,181,599	\$ 24,679
Special Aid	-	-	-
School Lunch	(148,881)	(4,559)	(144,322)
Non-Major	<u>77,142</u>	<u>122,772</u>	<u>(45,630)</u>
Total Governmental	<u>\$ 3,134,539</u>	<u>\$ 3,299,812</u>	<u>\$ (165,273)</u>

General Fund Budget Information

The District's budget is prepared in accordance with New York State law and is based on the modified accrual basis of accounting, utilizing cash receipts, disbursements and encumbrances. The most significant fund is the General Fund. The original adopted budget and budget modifications throughout the year are presented in the Required Supplementary Information on pages 55-56.

General Fund Activity

The tables that follow assist in illustrating the financial activities of the General Fund.

<u>Revenues</u>	<u>2025 Amount</u>	<u>2024 Amount</u>
Real Property Taxes	\$ 5,839,146	\$ 5,499,583
Other Tax Items	216,002	218,479
Charges For Services	538,780	455,365
Use of Money & Property	72,576	79,705
Sale of Property & Compensation for Loss	0	11,789
Miscellaneous	312,907	426,328
State Sources	3,489,993	3,633,637
Federal Sources	12,617	7,598
Interfund Transfer	<u>42,688</u>	<u>46,410</u>
Total Revenues	<u>\$10,524,709</u>	<u>\$10,378,894</u>

<u>Expenditures</u>	<u>2025 Amount</u>	<u>2024 Amount</u>
General Support	\$ 1,685,991	\$ 1,573,000
Instruction	5,234,628	4,731,840
Pupil Transportation	1,023,722	814,663
Employee Benefits	2,067,791	1,806,273
Debt Service	323,711	321,812
Interfund Transfers	<u>164,187</u>	<u>408,861</u>
Total Expenditures	<u>\$ 10,500,030</u>	<u>\$ 9,656,449</u>

Capital Assets

The District has \$5,686,423 invested in capital assets, net of \$6,994,932 in accumulated depreciation, as of June 30, 2025. Depreciation for the year ended June 30, 2025 was \$461,203.

Debt

As of June 30, 2025, the District has \$795,000 in outstanding bonds and \$31,418 in lease liabilities. The District paid \$50,716 in interest throughout the year.

Factors Bearing on the District's Future

At the time these financial statements were prepared and audited, the District was aware of the following existing circumstances that could significantly affect its financial health in the future:

- The Roscoe CSD operations and existence ceased on 6/30/2025 due to merging via centralization with neighboring district, Livingston Manor Central School. The new district formed by the merger is Rockland CSD and all future fiduciary responsibilities become the responsibility of the Rockland CSD.

Contacting the District's Financial Management

It is the intent of this report to provide the District's citizens, taxpayers, customers, investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the funds it receives. If you have any questions about this report or need additional information, contact the Business Office at Rockland Central School District (formally Roscoe Central School District), PO Box 947, Livingston Manor, NY 12778.

ROSCOE CENTRAL SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30,

	<u>2025</u>	<u>2024</u>
ASSETS		
Current Assets:		
Cash	\$ 233,007	\$ 67,802
Cash - Restricted	2,581,876	2,067,992
Taxes Receivable	-	348,086
Accounts Receivable	10,648	11,440
Due From State and Federal	614,715	900,914
Due From Other Governments	745,159	692,923
Inventory	3,989	12,336
Total Current Assets	4,189,394	4,101,493
Non-Current Assets:		
Net Pension Asset	490,453	-
Right to Use Asset, net	31,418	3,195
Capital Assets, net	5,686,423	5,940,232
Total Non-Current Assets	6,208,294	5,943,427
TOTAL ASSETS	10,397,688	10,044,920
DEFERRED OUTFLOW OF RESOURCES		
Pensions	1,502,927	1,899,317
OPEB Liability	3,678,630	4,781,554
TOTAL DEFERRED OUTFLOW OF RESOURCES	5,181,557	6,680,871

SEE ACCOMPANYNG NOTES AND AUDITORS' OPINION

ROSCOE CENTRAL SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30,

	<u>2025</u>	<u>2024</u>
LIABILITIES		
Current Liabilities:		
Accounts Payable	184,773	183,490
Accrued Liabilities	1,789	36,768
Due To Other Governments	461,890	170,755
Due To TRS	354,372	353,894
Due To ERS	45,410	35,591
Unearned Revenues	<u>8,235</u>	<u>23,295</u>
 Total Current Liabilities	 <u>1,056,469</u>	 <u>803,793</u>
 LIABILITIES		
Non-Current Liabilities		
Due Within One Year:		
Bonds Payable	225,000	260,000
Lease Payable	13,358	3,195
Total OPEB Liability	405,000	250,000
Compensated Absences	65,000	-
Due Beyond One Year:		
Bonds Payable	570,000	795,000
Lease Payable	18,060	-
Total OPEB Liability	9,529,631	10,886,351
Compensated Absences	367,781	44,987
Net Pension Liability	<u>452,073</u>	<u>684,070</u>
 Total Non-Current Liabilities	 <u>11,645,903</u>	 <u>12,923,603</u>
 TOTAL LIABILITIES	 <u>12,702,372</u>	 <u>13,727,396</u>
 DEFERRED INFLOWS OF RESOURCES		
Pensions	733,910	464,610
OPEB Liability	<u>8,595,649</u>	<u>8,510,397</u>
 TOTAL DEFERRED INFLOWS OF RESOURCES	 <u>9,329,559</u>	 <u>8,975,007</u>
 NET POSITION		
Net Investment in Capital Assets	4,891,423	4,885,232
Restricted	2,581,876	2,577,217
Unrestricted	<u>(13,925,985)</u>	<u>(13,439,061)</u>
 TOTAL NET POSITION	 <u>\$ (6,452,686)</u>	 <u>\$ (5,976,612)</u>

SEE ACCOMPANYNG NOTES AND AUDITORS' OPINION

ROSCOE CENTRAL SCHOOL DISTRICT
 STATEMENT OF ACTIVITIES
 YEAR ENDED JUNE 30, 2025
 (WITH COMPARATIVE NET AMOUNTS FOR THE YEAR ENDED JUNE 30, 2024)

	<u>PROGRAM REVENUES</u>				NET (EXPENSE) REVENUE AND CHANGE IN NET POSITION	<u>2024</u>
<u>EXPENSES</u>	<u>CHARGES FOR SERVICES</u>	<u>OPERATING GRANTS AND CONTRIBUTIONS</u>	<u>CAPITAL GRANTS AND CONTRIBUTIONS</u>			
FUNCTIONS/PROGRAMS						
General Support	\$ 2,603,860	\$ 326,076	\$ 36,548	\$ -	\$ (2,241,236)	\$ (2,033,538)
Instruction	7,315,966	212,704	601,133	-	(6,502,129)	(6,606,158)
Pupil Transportation	1,081,868	-	44,951	-	(1,036,917)	(816,086)
Debt Service	50,980	-	-	-	(50,980)	(62,015)
School Lunch Program	328,355	12,010	156,944	-	(159,401)	(107,776)
TOTAL FUNCTIONS/PROGRAMS	<u>11,381,029</u>	<u>550,790</u>	<u>839,576</u>	<u>-</u>	<u>(9,990,663)</u>	<u>(9,625,573)</u>
GENERAL REVENUES						
Real Property Tax					5,839,146	5,499,583
Other Tax Items					216,002	218,479
Use of Money and Property					76,440	84,002
Sale Of Property and Compensation For Loss					-	11,789
Miscellaneous Local Sources					312,632	423,878
State Sources					3,489,993	3,633,637
Federal Sources					<u>12,617</u>	<u>7,598</u>
TOTAL GENERAL REVENUES					<u>9,946,830</u>	<u>9,878,966</u>
CHANGE IN NET POSITION					(43,833)	253,393
TOTAL NET POSITION-						
Beginning of Year (Restated)					<u>(6,408,853)</u>	<u>(6,230,005)</u>
TOTAL NET POSITION-						
End of Year					<u>\$ (6,452,686)</u>	<u>\$ (5,976,612)</u>

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

ROSCOE CENTRAL SCHOOL DISTRICT
 BALANCE SHEET
 GOVERNMENTAL FUNDS
 JUNE 30, 2025
 (WITH COMPARATIVE TOTALS FOR JUNE 30, 2024)

	<u>GENERAL</u>	<u>SPECIAL AID</u>	<u>SCHOOL LUNCH</u>	<u>NON-MAJOR FUNDS</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>	<u>2024</u>
ASSETS						
Cash	\$ 135,820	\$ 10,388	\$ -	\$ 86,799	\$ 233,007	\$ 67,802
Cash - Restricted	2,465,345	-	-	116,531	2,581,876	2,067,992
Taxes Receivable	-	-	-	-	-	348,086
Accounts Receivable	10,648	-	-	-	10,648	11,440
Due From Other Funds	736,407	-	56,200	-	792,607	1,469,262
Due From State and Federal	132,823	470,058	11,834	-	614,715	900,914
Due From Other Governments	745,159	-	-	-	745,159	692,923
Inventories	-	-	3,989	-	3,989	12,336
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL ASSETS	<u>\$ 4,226,202</u>	<u>\$ 480,446</u>	<u>\$ 72,023</u>	<u>\$ 203,330</u>	<u>\$ 4,982,001</u>	<u>\$ 5,570,755</u>

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

ROSCOE CENTRAL SCHOOL DISTRICT
 BALANCE SHEET
 GOVERNMENTAL FUNDS
 JUNE 30, 2025
 (WITH COMPARATIVE TOTALS FOR JUNE 30, 2024)

	<u>GENERAL</u>	<u>SPECIAL AID</u>	<u>SCHOOL LUNCH</u>	<u>NON-MAJOR FUNDS</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>	<u>2024</u>
LIABILITIES AND FUND BALANCES						
LIABILITIES						
Accounts Payable	\$ 165,450	\$ 6,038	\$ 6,027	\$ 7,258	\$ 184,773	\$ 183,490
Accrued Liabilities	175	-	-	-	175	34,656
Due To Other Governments	454,517	-	7,373	-	461,890	170,755
Due To Other Funds	-	474,408	206,670	111,529	792,607	1,469,262
Due To Teachers' Retirement System	354,372	-	-	-	354,372	353,894
Due To Employees' Retirement System	45,410	-	-	-	45,410	35,591
Unearned Revenues	-	-	834	7,401	8,235	23,295
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL LIABILITIES	1,019,924	480,446	220,904	126,188	1,847,462	2,270,943
FUND BALANCES						
Non-spendable:						
Inventory	-	-	3,989	-	3,989	12,336
Non-Current Receivable	148,881	-	-	-	148,881	-
Restricted:						
Employee Benefit Accrual Liability	243,328	-	-	-	243,328	243,328
Capital	1,463,314	-	-	-	1,463,314	1,463,314
Repair	376,710	-	-	-	376,710	376,710
Retirement Contributions - ERS	326,632	-	-	-	326,632	326,632
Retirement Contributions - TRS	55,361	-	-	-	55,361	55,361
Scholarships	-	-	-	116,531	116,531	111,872
Assigned:						
Encumbrances	205,876	-	-	-	205,876	27,080
Appropriated	-	-	-	-	-	250,000
Unappropriated	-	-	-	70,357	70,357	49,243
Unassigned	386,176	-	(152,870)	(109,746)	123,560	383,936
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL FUND BALANCES	3,206,278	-	(148,881)	77,142	3,134,539	3,299,812
TOTAL LIABILITIES AND FUND BALANCES	\$ 4,226,202	\$ 480,446	\$ 72,023	\$ 203,330	\$ 4,982,001	\$ 5,570,755

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

ROSCOE CENTRAL SCHOOL DISTRICT
 RECONCILIATION OF GOVERNMENTAL FUND BALANCES
 TO THE STATEMENT OF NET POSITION
 JUNE 30, 2025
 (WITH COMPARATIVE TOTALS FOR JUNE 30, 2024)

	<u>2025</u>	<u>2024</u>
Total Fund Balances – Governmental Funds	\$ 3,134,539	\$ 3,299,812
<p>Amounts reported for governmental activities in the statement of net position are different because:</p>		
<p>Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds. The cost of capital assets and accumulated depreciation at June 30, 2025 are \$12,681,355 and \$6,994,932, respectively.</p>	5,686,423	5,940,232
<p>Leased assets used in governmental activities are expensed in the initial year of the lease term in the governmental funds. In the full accrual financials, the assets are capitalized and amortized over the term of the lease. The cost of leased assets and accumulated amortization at June 30, 2025 are \$40,456 and \$9,038 respectively.</p>	31,418	3,195
<p>Proportionate share of long-term asset and liability associated with participation in State Retirement Systems are not current financial resources or obligations and are not reported in the governmental funds.</p>		
<p>Net Pension Asset</p>	490,453	
<p>Deferred Outflows of Resources</p>	1,502,927	
<p>Net Pension Liability</p>	(452,073)	
<p>Deferred Inflows of Resources</p>	<u>(733,910)</u>	750,637
	807,397	
<p>Long-term asset and liability associated with the Total OPEB Liability are not current financial resources or obligations and are not reported in the governmental funds.</p>		
<p>Deferred Outflows of Resources</p>	3,678,630	
<p>Total OPEB Liability</p>	(9,934,631)	
<p>Deferred Inflows of Resources</p>	<u>(8,595,649)</u>	(14,865,194)
	(14,851,650)	
<p>Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds.</p>		
<p>Serial Bonds</p>	(795,000)	
<p>Compensated Absences</p>	(432,781)	
<p>Leases Payable</p>	<u>(31,418)</u>	(1,103,182)
	(1,259,199)	
<p>Accrued interest on debt is reported in the statement of net position, regardless of when due. In the governmental funds, interest is not reported until it is due.</p>	<u>(1,614)</u>	<u>(2,112)</u>
Net Position of Governmental Activities	<u>\$ (6,452,686)</u>	<u>\$ (5,976,612)</u>

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

ROSCOE CENTRAL SCHOOL DISTRICT
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 GOVERNMENTAL FUNDS
 YEAR ENDED JUNE 30, 2025
 (WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2024)

	<u>GENERAL</u>	<u>SPECIAL AID</u>	<u>SCHOOL LUNCH</u>	<u>NON-MAJOR FUNDS</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>	<u>2024</u>
REVENUES						
Real Property Taxes	\$ 5,839,146	\$ -	\$ -	\$ -	\$ 5,839,146	\$ 5,499,583
Other Tax Items	216,002	-	-	-	216,002	218,479
Charges For Services	538,780	-	-	-	538,780	455,365
Use of Money and Property	72,576	-	-	3,864	76,440	84,002
Sale of Property and Compensation For Loss	-	-	-	-	-	11,789
Miscellaneous Local Sources	312,907	-	-	90,524	403,431	494,899
State Sources	3,489,993	72,473	44,114	-	3,606,580	4,024,148
Federal Sources	12,617	519,360	112,830	-	644,807	1,216,848
Sales	-	-	12,010	-	12,010	13,306
TOTAL REVENUES	10,482,021	591,833	168,954	94,388	11,337,196	12,018,419
OTHER SOURCES						
Lease Proceeds	-	-	-	40,456	40,456	-
Interfund Transfer In	42,688	79,840	4,559	79,791	206,878	455,271
TOTAL REVENUES AND OTHER SOURCES	10,524,709	671,673	173,513	214,635	11,584,530	12,473,690
EXPENDITURES						
General Support	1,685,991	36,548	-	-	1,722,539	1,642,460
Instruction	5,234,628	557,211	-	68,615	5,860,454	5,753,230
Pupil Transportation	1,023,722	56,189	-	-	1,079,911	867,130
Employee Benefits	2,067,791	20,482	33,764	-	2,122,037	1,956,913
Debt Service						
Principal	272,233	-	-	-	272,233	259,339
Interest	51,478	-	-	-	51,478	62,473
Cost of Sales	-	-	284,071	-	284,071	273,130
Capital Outlay	-	-	-	150,202	150,202	243,018
TOTAL EXPENDITURES	10,335,843	670,430	317,835	218,817	11,542,925	11,057,693
OTHER USES						
Interfund Transfer Out	164,187	1,243	-	41,448	206,878	455,271
TOTAL EXPENDITURES AND OTHER USES	10,500,030	671,673	317,835	260,265	11,749,803	11,512,964
NET CHANGE IN FUND BALANCE	24,679	-	(144,322)	(45,630)	(165,273)	960,726
FUND BALANCE - Beginning of Year	3,181,599	-	(4,559)	122,772	3,299,812	2,339,086
FUND BALANCE - End of Year	\$ 3,206,278	\$ -	\$ (148,881)	\$ 77,142	\$ 3,134,539	\$ 3,299,812

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

ROSCOE CENTRAL SCHOOL DISTRICT
 RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
 TO THE STATEMENT OF ACTIVITIES
 YEAR ENDED JUNE 30, 2025
 (WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2024)

	<u>2025</u>	<u>2024</u>
Total Net Change in Fund Balances – Governmental Funds	\$ (165,273)	\$ 960,726
<p>Amounts reported for governmental activities in the statement of activities are different because:</p>		
<p>Capital outlays are reported in governmental funds as expenditures. However, on the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current fiscal year.</p>		
Depreciation Expense	(461,203)	
Capital Outlay	<u>207,394</u>	(212,494)
<p>Repayments of principal on debt are expenditures in the governmental funds, but the repayment reduces the liabilities in the statement of net position and is not reported in the statement of activities.</p>		
Serial Bonds	260,000	
Leases	<u>(12,233)</u>	259,339
<p>In the statement of activities, long-term liabilities are reported when the liability is incurred regardless of when the payments are due. In the governmental funds, expenditures for these items are reported by the amount of financial resources used (paid).</p>		
Compensated Absences	44,447	67,382
<p>(Increases) decreases in proportionate share of net pension asset/liability reported in the statement of activities do not provide for, or require the use of, current financial resources and, therefore, are not reported as revenues or expenditures in the governmental funds.</p>		
Teachers' Retirement System	62,731	
Employees' Retirement System	<u>(5,971)</u>	(453,087)
<p>In the governmental funds, proceeds of long term debt are reported as revenues. In the statement of net position, the proceeds increase the long term liability, and no revenue is recognized in the statement of activities</p>		
Lease Proceeds	<u>(40,456)</u>	-

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

ROSCOE CENTRAL SCHOOL DISTRICT
 RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
 TO THE STATEMENT OF ACTIVITIES
 YEAR ENDED JUNE 30, 2025
 (WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2024)

(Continued)

	<u>2025</u>	<u>2024</u>
(Increases) decreases in the total OPEB liability reported in the statement of activities do not provide for, or require the use of, current financial resources and, therefore, are not reported as revenues or expenditures in the governmental funds.		
Total OPEB Liability	\$ 13,544	\$ (354,592)
In the governmental funds, leased assets are expensed in the initial year of the lease. In the full accrual financials, the asset is capitalized as a "right to use" asset and amortized over the term of the lease.		
Right to use Asset	40,456	
Amortization Expense	<u>(12,233)</u>	(14,339)
In the statement of activities, interest on long-term debt is accrued, regardless of when due. In the governmental funds, interest is reported when due.		
Current Year Accrued Interest	(1,614)	
Prior Year Accrued Interest	<u>2,112</u>	<u>458</u>
Change in Net Position of Governmental Activities	<u>\$ (43,833)</u>	<u>\$ 253,393</u>

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

ROSCOE CENTRAL SCHOOL DISTRICT
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2025

	CUSTODIAL <u>FUND</u>
ASSETS	
Cash	\$ <u> -</u>
TOTAL ASSETS	<u> -</u>
NET POSITION	
Restricted for Individuals, Organizations or Other Governments	<u> -</u>
TOTAL NET POSITION	<u>\$ <u> -</u></u>

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

ROSCOE CENTRAL SCHOOL DISTRICT
 STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
 FIDUCIARY FUNDS
 YEAR ENDED JUNE 30, 2025

	CUSTODIAL <u>FUND</u>
ADDITIONS	
Taxes Collected For Other Governments	\$ <u>99,930</u>
TOTAL ADDITIONS	<u>99,930</u>
DEDUCTIONS	
Taxes Paid To Other Governments	<u>99,930</u>
TOTAL DEDUCTIONS	<u>99,930</u>
Change in Net Position	-
NET POSITION - Beginning Of Year	<u>-</u>
NET POSITION - End Of Year	<u><u>\$ -</u></u>

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

ROSCOE CENTRAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Roscoe Central School District have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the District’s accounting policies are described below.

A. **Financial Reporting Entity**

The Roscoe Central School District is governed by the Education Law and other laws of the State of New York. The governing body is the Board of Education. The scope of activities included within the accompanying financial statements are those transactions which comprise School District operations, and are governed by, or significantly influenced by, the Board of Education.

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

The financial reporting entity includes all funds, account groups, functions and organizations over which the School District officials exercise oversight responsibility. Oversight responsibility is determined on the basis of the financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations and accountability for fiscal matters.

1. **Included in the Reporting Entity**

Based on the foregoing criteria and the significant factors presented below, the following organizations, functions or activities are included in the reporting entity:

a. **Extraclassroom Activity Funds**

The Extraclassroom Activity Funds of the Roscoe Central School District represent funds of the students of the School District. The Board of Education exercises general oversight of these funds. The Extraclassroom Activity Funds are independent of the School District with respect to its financial transactions, and the designation of student management. The activity is reported in the Miscellaneous Special Revenue Fund of the School District. Separate audited general purpose financial statements (cash basis) of the Extraclassroom Activity Funds are included in these financial statements.

ROSCOE CENTRAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Joint Venture

The Roscoe Central School District is one of the eight component school districts in the Sullivan County Board of Cooperative Educational Services (BOCES). A BOCES is a voluntary, cooperative association of School Districts in a geographic area that share planning, services, and programs which provide educational and support activities.

BOCES are organized under Section 1950 of the New York State Education Law. A BOCES Board is considered a corporate body. All BOCES property is held by the Board as a corporation (Section 1950(6)). In addition, BOCES Boards also are considered municipal corporations to permit them to contract with other municipalities on a cooperative basis under Section 119-n(a) of the New York State General Municipal Law.

A BOCES budget is comprised of separate budgets for administrative, program and capital costs. Each component school district's share of administrative and capital costs is determined by resident public school district's enrollment as defined in Education Law Section 1950(4)(b)(7).

There is no authority or process by which a school district can terminate its status as a BOCES component. In addition, component School Districts pay tuition or a service fee for programs in which its students participate. Members of a BOCES Board are nominated and elected by their component member boards in accordance with provisions of Section 1950 of the Education Law. Separate audited financial statements can be obtained by contacting the BOCES' business office.

C. Basis of Presentation

1. District-wide statements:

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

ROSCOE CENTRAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the District’s governmental activities. Direct expenses are those that are specifically associated with and are clearly identifiable to a particular function.

Program revenues include charges paid by the recipients of goods or services offered by the programs, and grants and contributions that are restricted to meeting the operation or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

2. Fund financial statements

The fund statements provide information about the District’s funds, including fiduciary funds. Separate statements for each fund category (governmental and fiduciary) are presented. The emphasis of fund financial statements is on major governmental funds each displayed in a separate column. The District reports the following major Governmental Funds:

a. General Fund

The General Fund is the principal operating fund of the School District and is used to account for all financial resources except those required to be accounted for in another fund.

b. Special Revenue Fund

Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than expendable trusts, or major capital projects) that are legally restricted to expenditure for specified purposes. Special revenue funds include the following funds:

1. Special Aid Fund – used to account for special operating projects or programs supported in whole, or in part, with federal funds or state or local grants.
2. School Lunch Fund – used to account for transactions of the School District lunch, breakfast, and milk programs.

ROSCOE CENTRAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The District reports the following non- major governmental funds:

a. *Capital Projects Fund*

The Capital Projects Fund is used to account for and report financial resources to be used for the acquisition, construction or renovation of major capital facilities or equipment.

b. *Miscellaneous Special Revenue Fund*

This fund is used to account for the proceeds of specific revenue sources that are restricted to expenditures for specified purposes.

Additionally, the District reports the following fund type:

a. *Fiduciary Fund*

This fund is used to account for assets held by the government in a trustee or custodial capacity.

Custodial Fund – used to account for fiduciary activities that are not required to be reported in a private-purpose trust fund.

D. **Basis of Accounting/Measurement Focus**

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

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

ROSCOE CENTRAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

E. **Property Taxes**

1. Calendar

Real property taxes are levied annually by the Board of Education no later than September 1st, and become a lien on September 1st. Taxes are collected during the period commencing September 1st and ending November 4th.

2. Enforcement

Uncollected real property taxes are subsequently enforced by the County of Sullivan. An amount representing uncollected real property taxes transmitted to the County for enforcement is paid by the County to the School District no later than the forthcoming April 1st.

F. **Budgetary Procedures And Budgetary Accounting**

1. Budget Policies

The budget policies are as follows:

- a. The School District administration prepares a proposed budget for approval by the Board of Education for the following governmental fund types:

- I. General Fund

- b. The proposed appropriation budget for the General Fund is approved by the voters within the District.
 - c. Appropriations are adopted at the program level.

ROSCOE CENTRAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

- d. Appropriations established by adoption of the budget constitute a limitation on expenditures and encumbrances which may be incurred. Appropriations lapse at the fiscal year end. Supplemental appropriations may occur subject to legal restrictions, if the Board approves them because of a need which exists which was not determined at the time the budget was adopted. The following supplemental appropriations occurred during the year.

Instruction	<u>\$ 11,440</u>
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2. Encumbrances

Encumbrances accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded for budgetary control purposes to reserve that portion of the applicable appropriations, is employed as a control in preventing over-expenditure of established appropriations. Open encumbrances do not constitute expenditures or liabilities and will be honored through budget appropriations in the subsequent year. Encumbrances are reported as assigned fund balance in the General Fund.

3. Budget Basis of Accounting

Budgets are adopted annually on a basis consistent with accounting principles generally accepted in the United States of America. Appropriations authorized for the current year are increased by the amount of encumbrances carried forward from the prior year.

G. Cash and Cash Equivalents

For financial statement purposes, the District considers all highly liquid investments of three months or less as cash equivalents.

H. Inventory

Inventories of food and/or supplies in the School Lunch Fund are recorded at cost on a first-in, first-out basis or, in the case of surplus food, at stated value which approximates market. Purchases of inventoriable items in other funds are recorded as expenditures at the time of purchase.

ROSCOE CENTRAL SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

I. Accounts Receivable

Accounts receivable are shown gross, with uncollectible amounts recognized under the direct write-off method. No allowance for uncollectible accounts has been provided since it is believed that such allowance would be immaterial.

J. Capital Assets

The District has established a formal system of accounting for its capital assets. Purchased or constructed capital assets are reported at cost. Donated capital assets are valued at their acquisition value on the date received. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. The capitalization threshold used by the District is \$500.

All reported capital assets except for land and construction in progress are depreciated. Depreciation is computed using the straight-line method over the following estimated useful lives:

<u>ASSET CLASS</u>	<u>ESTIMATED USEFUL LIVES</u>
School Buildings	50
Site Improvements	20
Machinery & Equipment	5-20
Vehicles	8

In the fund financial statements, fixed assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Fixed assets are not capitalized and related depreciation is not reported in the fund financial statements.

K. Unearned Revenue

Unearned revenues arise when potential revenues do not meet both the measurable and available criteria for recognition in the current period. Unearned revenues also arise when sources are received by the School District before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both recognition criteria are met, or when the School District has legal claim to the resources, the liability for unearned revenues is removed and revenues are recognized.

ROSCOE CENTRAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

L. **Vested Employee Benefits**

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

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

Consistent with GASB Statement 101, Compensated Absences, an accrual for accumulated sick leave is included in the compensated absences liability at year-end. The compensated absences liability is calculated on the pay rates in effect at year-end. For the district-wide Statements, the current portion is the amount estimated to be used in the following year, in accordance with GAAP. For the governmental funds, in the fund financial statements, all of the compensated absences are considered long-term and therefore, are not a fund liability and represents a reconciling item between the fund level and district-wide presentations.

District employees participate in the New York State Employees' Retirement System and the New York State Teachers' Retirement System. In addition to providing pension benefits, the District provides health insurance coverage and survivor benefits for retired employees and their survivors. Substantially all of the District's employees may become eligible for these benefits if they reach retirement age while working for the District. Health care benefits are provided through plans whose premiums are based on the benefits paid during the year.

The cost of providing post-retirement benefits is shared between the District and the retired employee. The District recognizes the cost of providing health insurance by recording its share of insurance premiums as an expenditure in the year paid. In the district-wide statements, the liability is reported at actuarially calculated amounts (See Note 11).

M. **Interfund Activity**

The amounts reported on the Statement of Net Position for due to and due from other funds represents amounts due between different fund types (governmental activities and fiduciary funds). Eliminations have been made for amounts due to and due from within the same fund type. A detailed description of the individual fund balances at year-end is provided subsequently in these Notes.

ROSCOE CENTRAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

N. **Equity Classifications**

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

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

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

Unrestricted – reports all other net position that does not meet the definition of the above two classifications and is deemed to be available for general use by the District.

Order of Use of Net Position:

When an expense is incurred for which both restricted and unrestricted resources are available, the Board will assess the current financial condition of the District and determine which classification of net position will be charged.

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

Non-spendable – includes amounts that cannot be spent because they are either not spendable form or legally or contractually required to be maintained intact. Non-spendable fund balances include the inventory recorded in the School Lunch Fund of \$3,989 and non-current receivables of \$148,881 in the General Fund.

Restricted – includes amounts with constraints placed on the use of resources either externally imposed by creditors, grantors, contributors or laws or regulations of other governments; or imposed by law through constitutional provisions or enabling legislation. All encumbrances of funds other than the General Fund are classified as restricted fund balance. The District has established the following restricted fund balances:

Capital

Used to pay the cost of any object or purpose for which bonds may be issued. Voter authorization is required for both establishment of the reserve and payments from the reserve. This reserve is accounted for in the General Fund.

ROSCOE CENTRAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Employee Benefit Accrued Liability

Used to reserve funds for the payment of any accrued employee benefit due to an employee upon termination. The reserve is established by a majority vote of the Board of Education and is funded by budgetary appropriations and such other funds that may be legally appropriated. This reserve is accounted for in the General Fund.

Repair

Used to pay the cost of repairs to capital improvements or equipment. The Board of Education may establish the reserve by majority vote. Voter approval is required to fund the reserve and expenditures may only be made after a public hearing. This reserve was created, but not yet funded, and is accounted for in the General Fund.

Scholarships

Used to pay scholarships with funds stipulated by donors for that purpose. This reserve is accounted for in the Miscellaneous Special Revenue Fund.

Retirement Contribution

Used to pay contributions to the NYS Employee Contribution Retirement System and the NYS Teacher Retirement System. The reserve is accounted for in the General Fund.

Committed – includes amounts that can only be used for a specific purpose pursuant to constraints imposed by formal action of the District’s highest level of decision making authority before the end of the fiscal year, and requires the same level of formal action to remove the constraint. The Board of Education is the decision making authority that can, by resolution prior to the end of the fiscal year, commit fund balance. The District has no committed fund balances as of June 30, 2025.

Assigned – includes amounts that are subject to a purpose constraint that represents an intended use established by the government’s highest level of decision making authority, or by their designated official. The purpose of the assignment must be narrower than the purpose of the General Fund, and in funds other than the General Fund, assigned fund balance represents the residual amount of fund balance. Assigned fund balance generally includes encumbrances in the General Fund and appropriated fund balance. The Board of Education is the decision making authority that can, by resolution, assign fund balance. The District reported \$205,876 in encumbrances as of June 30, 2025.

ROSCOE CENTRAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Unassigned – represents the residual classification for the General Fund, and could report a surplus or deficit. In funds other than the General Fund, the unassigned classification should be used only to report a deficit fund balance resulting from overspending for specific purposes for which amounts had been restricted, committed or assigned.

NYS Real Property Tax Law 1318 limits the amount of unexpended surplus funds a school district can retain to no more than 4% of the district’s General Fund budget for the ensuing fiscal year. Non-spendable and restricted fund balance of the General Fund are excluded from the 4% limitation. Amounts appropriated for the subsequent year and encumbrances are also excluded from the 4% limitation.

Order of Use of Fund Balance:

When resources are available from multiple fund balance classifications, the Board will assess the current financial condition of the District and then determine the order of application of expenditures to which fund balance classification will be charged.

O. **Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

P. **New Accounting Standards**

The District has adopted all current Statements of the Governmental Accounting Standards Board (GASB) that are applicable. At June 30, 2025, the District implemented the following new standards issued by GASB:

GASB 101 – *Compensated Absences*

GASB 102 – *Certain Risk Disclosures*

ROSCOE CENTRAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Q. Future Accounting Standards

The Governmental Accounting Standards Board (GASB) has issued the following standards that will become effective in future fiscal years:

GASB 103 – *Financial Reporting Model Improvements*, effective for the year ending June 30, 2026.

GASB 104 – *Disclosure of Certain Capital Assets*, effective for the year ending June 30, 2026

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

R. Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. The government has three items that qualify for reporting in this category. The first item is related to pensions reported in the district-wide Statement of Net Position. This represents the effect of the net change in the District's proportion of the collective net pension asset or liability and difference during the measurement period between the District's contributions and its proportionate share of total contributions to the pension systems not included in pension expense. The second item is the District contributions to the pension systems (TRS and ERS Systems) and OPEB subsequent to the measurement date. The third item relates to OPEB reporting in the district-wide Statement of Net Position. This represents the effect of the net change in the actual and expected experience. The District reports \$1,502,927 in deferred outflows of resources related to pensions and \$3,678,630 in deferred outflows of resources related to the Total OPEB Liability as of June 30, 2025.

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

ROSCOE CENTRAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The District has two items that qualify for reporting in this category. The first item is related to pensions reported in the district-wide Statement of Net Position. This represents the effect of the net change in the District’s proportion of the collective net pension liability (ERS System) and difference during the measurement periods between the District’s contributions and its proportionate share of total contributions to the pension system not included in pension expense. The second item is related to OPEB reported in the district-wide Statement of Net Position. This represents the effect of the net changes of assumptions or other inputs. The District reports \$733,910 in deferred inflows of resources related to pensions and \$8,595,649 in deferred inflows of resources related to the Total OPEB Liability as of June 30, 2025.

The reporting of deferred outflows of resources and deferred inflows of resources related to pensions resulted in a net increase of \$769,017 to unrestricted net position as of June 30, 2025.

The reporting of deferred outflows of resources and deferred inflows of resources related to the Total OPEB Liability resulted in a net decrease of \$4,917,019 to unrestricted net position as of June 30, 2025.

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. **Fund Balance**

The School Lunch Fund had a negative fund balance of \$148,881 at June 30, 2025. The deficit was caused by expenditures in excess of revenues and is funded by a loan from the General Fund.

The Capital Project Fund had a negative fund balance of \$109,746 at June 30, 2025. The deficit was caused by expenditures in excess of revenues and is funded by a loan from the General Fund.

ROSCOE CENTRAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 3 – EXPLANATION OF CERTAIN DIFFERENCES BETWEEN GOVERNMENTAL
FUND STATEMENTS AND DISTRICT-WIDE STATEMENT

Due to the differences in the measurement focus and basis of accounting used in the governmental fund statements and the District-wide statements, certain financial transactions are treated differently. The differences result primarily from the economic focus of the Statement of Activities, compared with the current financial resources focus of the governmental funds. These differences are reconciled in the financial statements.

1. Total fund balances of governmental funds vs. net position of governmental activities:

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

2. Statement of Revenues, Expenditures and Changes in Fund Balance vs. Statement of Activities:

Differences between the governmental funds statement of revenues, expenditures and changes in fund balance and the statement of activities fall into one of three broad categories:

- a) Long-term revenue differences:

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

- b) Capital related differences:

Capital related differences include the differences between proceeds for the sale of capital assets reported on governmental fund statements and the gain or loss on the sale of assets as reported on the Statement of Activities, and the difference between recording on expenditure for the purchase of capital items in the governmental

ROSCOE CENTRAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 3 – EXPLANATION OF CERTAIN DIFFERENCES BETWEEN GOVERNMENTAL
FUND STATEMENTS AND DISTRICT-WIDE STATEMENT (Continued)

fund statements and depreciation expense on those items as recorded in the Statement of Activities.

c) Long-term debt transaction differences:

Long-term debt differences occur because interest and principal payments are expenditures in the governmental fund statements, whereas interest payments are recorded in the Statement of Activities as incurred, and principal payments are recorded as a reduction of liabilities in the Statement of Net Position.

NOTE 4 – PARTICIPATION IN BOCES

During the year ended June 30, 2025, the Roscoe Central School District was billed \$2,097,545 for BOCES administrative and program costs. General purpose financial statements for Sullivan County are available from the BOCES administrative office at 15 Sullivan Avenue, Liberty, NY 12754.

The School District's share of BOCES income amounted to \$286,079.

NOTE 5 – CASH AND INVESTMENTS

The Roscoe Central School District investment policies are governed by State statutes. In addition the District has its own written investment policy. Roscoe Central School District monies must be deposited in FDIC-Insured commercial banks or trust companies located within the State. The treasurer is authorized to use demand accounts and certificates of deposit. Permissible investments include obligations of the U.S. Treasury and U.S. Agencies, repurchase agreements, and obligations of New York State or its localities.

Collateral is required for time deposits and certificates of deposit not covered by federal deposit insurance. Obligations that may be pledged as collateral are obligations of the United States and its agencies and obligations of New York State and states other than New York and their municipalities and school districts.

ROSCOE CENTRAL SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2025

NOTE 5 – CASH AND INVESTMENTS (Continued)

The District’s aggregate cash balances include balances not covered by depository insurance at year end, collateralized as follows:

Collateralized with securities held by the pledging financial institution, or its trust department, but not in the District’s name. \$ 2,118,838

NOTE 6 – CAPITAL ASSETS

Capital asset balances and activity for the year ended June 30, 2025 were as follows:

	<u>BEGINNING BALANCE</u>	<u>ADDITIONS</u>	<u>RETIREMENTS/ RECLASSIFICATIONS</u>	<u>ENDING BALANCE</u>
Governmental Activities:				
Capital Assets that are not depreciated				
Construction in Progress	\$ _____	109,745	\$ _____	\$ 109,745
Total non-depreciable historical cost	_____	109,745	_____	109,745
Capital assets that are depreciated:				
Building and Improvements	\$ 11,645,387	-	-	11,645,387
Machinery and Equipment	828,574	97,649	-	926,223
Total depreciable	12,473,961	97,649	-	12,571,610
Total historical cost	12,473,961	207,394	-	12,681,355
Less accumulated depreciation:				
Building and Improvements	6,055,847	412,288	-	6,468,135
Machinery and Equipment	477,882	48,915	-	526,797
Total Accumulated Depreciation	6,533,729	461,203	-	6,994,932
Total historical cost, net	<u>\$ 5,940,232</u>	<u>\$ (253,809)</u>	<u>\$ _____</u>	<u>\$ 5,686,423</u>
Depreciation expense was charged to Governmental functions as follows:				
General Support		\$ 446,247		
Instruction		4,694		
School Lunch		10,262		
		<u>\$ 461,203</u>		

ROSCOE CENTRAL SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2025

NOTE 7 – INTERFUND TRANSACTIONS

Interfund balances at June 30, 2025 are as follows:

	<u>INTERFUND RECEIVABLE</u>	<u>INTERFUND PAYABLE</u>	<u>INTERFUND REVENUES</u>	<u>INTERFUND EXPENDITURES</u>
General Fund	\$ 736,407	\$ -	\$ 164,187	\$ 42,688
School Lunch Fund	56,200	206,670	-	4,559
Special Aid Fund	-	474,408	1,243	79,840
Capital Fund	-	107,716	41,448	79,791
Miscellaneous Special Revenue Fund	-	<u>3,813</u>	-	-
Total Governmental Activities	<u>\$ 792,607</u>	<u>\$ 792,607</u>	<u>\$ 206,878</u>	<u>\$ 206,878</u>

Interfund receivables and payables, other than between governmental activities and fiduciary funds, are eliminated on the Statement of Net Position.

The District typically transfers funds from the General Fund to the School Lunch Fund to cover the shortfall in the annual budget and to the Special Aid Fund to cover expenses that are not reimbursed by Federal or State Grants. The District typically loans resources between funds for the purpose of relieving cash flow issues.

NOTE 8 – INVENTORY

Inventory in the School Lunch Fund at June 30, 2025 consisted of the following:

Food & Supplies	<u>\$ 3,989</u>
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NOTE 9 - LIABILITIES

A. Pension Plans and Post-Employment Benefits

1. General Information

The Roscoe Central School District participates in New York State and Local Employees' Retirement System (ERS), and the New York State Teachers' Retirement System (TRS). These Systems are cost sharing multiple employer, public employee retirement systems. The Systems offer a wide range of plans and benefits which are related to years of service and final average salary, vesting of retirement benefits, death and disability.

ROSCOE CENTRAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 9 – LIABILITIES (Continued)

2. Plan Descriptions

Teachers' Retirement System (TRS)

As an employer, you make contributions to the New York State Teachers' Retirement System, a cost sharing, multiple employer defined benefit pension plan administered by the New York State Teachers' Retirement Board. The System provides benefits to plan members and beneficiaries as authorized by the Education Law and Retirement and Social Security Law of the State of New York. The New York State TRS issued a publicly available financial report that contains financial statements and required supplementary information for the System. The report may be obtained by writing to the New York State Teachers' Retirement System, 10 Corporate Woods Drive, Albany, NY 12211-2395.

Employees' Retirement System (ERS)

The New York State and Local Employees' Retirement System provides retirement benefits as well as death and disability benefits. Obligations of employers and employees to contribute, and benefits to employees are governed by the New York State Retirement and Social Security Law (NYRSSL). The system issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the New York State and Local Retirement System, Gov. Alfred E. Smith State Office Building, Albany, New York 12244.

3. Funding Policy

Plan members who joined the Systems before July 27, 1976 are not required to make contributions. Those joining after July 27, 1976 and prior to January 1, 2010, with less than ten years of service, are required to contribute 3% of their salary.

Those joining the NYSERS on or after January 1, 2010 and before April 1, 2012, contribute 3% of their salary throughout their entire working career. Those joining after April 1, 2012 contribute 3% of their salary through March 31, 2013, and beginning April 1, 2013, contribute at rates ranging from 3% to 6%, dependent upon their salary, for their entire working career.

Those joining the NYSTRS on or after January 1, 2010 and before April 1, 2012 contribute 3.5% of their salary throughout their entire working career. Those joining on or after April 1, 2012 are required to contribute between 3% and 6%, dependent on their salary, for their entire working career.

ROSCOE CENTRAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 9 – LIABILITIES (Continued)

For the NYSTRS, employers are required to contribute at an actuarially determined rate, currently 10.11% of the annually covered payroll for the fiscal year ended June 30, 2025. Rates applicable to the fiscal years ended June 30, 2024 and 2023, were 9.76% and 10.29%, respectively. For the NYSERS, the NYS Comptroller annually certifies the actuarially determined rates expressed used in computing the employers’ contributions based on salaries paid during the Systems’ fiscal year ending March 31.

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

	<u>ERS</u>	<u>TRS</u>
2025	\$ 130,464	\$ 306,621
2024	100,375	306,332
2023	98,098	389,084

B. Indebtedness

1. Long-Term Debt

a. Long-Term Debt Interest

Interest expense on long-term debt consisted of the following:

Interest Paid	\$ 50,716
Less: Interest Accrued in the Prior Year	(2,112)
Plus: Interest Accrued in the Current Year	<u>1,614</u>
 Total Expense	 <u>\$ 50,218</u>

b. Changes

The changes in the School District’s indebtedness during the year ended June 30, 2025 are summarized as follows:

	<u>BALANCE</u> <u>07/01/24</u>	<u>ADDITIONS</u>	<u>DELETIONS</u>	<u>BALANCE</u> <u>06/30/25</u>	<u>AMOUNTS</u> <u>DUE WITHIN</u> <u>ONE YEAR</u>
Serial Bonds-General Obligations	\$ 145,000	\$ -	\$ 95,000	\$ 50,000	\$ 50,000
Serial Bonds-Direct Placement	910,000	-	165,000	745,000	175,000
Compensated Absences (Restated)	477,228	-	44,447	432,781	65,000
Total OPEB Liability	11,136,351	1,024,285	2,226,005	9,934,631	405,000
Lease Payable	<u>3,195</u>	<u>40,456</u>	<u>12,233</u>	<u>31,418</u>	<u>13,358</u>
 TOTAL	 <u>\$ 12,671,774</u>	 <u>\$ 1,064,741</u>	 <u>\$ 2,542,685</u>	 <u>\$ 11,193,830</u>	 <u>\$ 708,358</u>

Additions and deletions to compensated absences are shown net since it is impractical to determine those amounts separately.

ROSCOE CENTRAL SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2025

NOTE 9 – LIABILITIES (Continued)

c. Maturity

The following is a summary of maturity of indebtedness:

<u>PURPOSE</u>	<u>ISSUE DATE</u>	<u>FINAL MATURITY</u>	<u>INTEREST RATE</u>	<u>OUTSTANDING 06/30/25</u>
Capital Improvements	2012	2026	2.99%	\$ 50,000
Capital Improvements	2015	2029	5.00%	<u>745,000</u>
Total				<u>\$ 795,000</u>

The following is a summary of maturing debt service requirements.

<u>YEAR</u>	<u>GENERAL OBLIGATIONS</u>		<u>DIRECT PLACEMENT & DIRECT BORROWINGS</u>	
	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>
2026	\$ 50,000	\$ 1,495	\$ 175,000	\$ 37,250
2027	-	-	180,000	28,500
2028	-	-	190,000	19,500
2029	-	-	<u>200,000</u>	<u>10,000</u>
TOTAL	<u>\$ 50,000</u>	<u>\$ 1,495</u>	<u>\$ 745,000</u>	<u>\$ 95,250</u>

2. Short-Term Debt

The District had no short-term debt activity for the year ended June 30, 2025.

NOTE 10 – COMMITMENTS AND CONTINGENCIES

A. Risk Financing and Related Insurance

The Roscoe Central School District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; injuries to employees; errors and omissions; natural disasters, etc. These risks are covered by commercial insurance purchased from independent third parties.

B. Other Items

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

ROSCOE CENTRAL SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2025

NOTE 11 – POST EMPLOYMENT HEALTH INSURANCE BENEFITS

The District provides post-employment coverage to retired employees in accordance with the provisions of various employment contracts. The benefit levels, employee contributions and employer contributions are governed by the District’s contractual agreements.

General Information about the OPEB Plan

Plan Description - The healthcare plan is a defined benefit OPEB plan that provides benefits for employees of the District who have reached certain levels of employment with the District. The plan is a pay as you go funding plan. The plan is a single-employer defined benefit OPEB plan administered by the District. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

Benefits Provided – The District provides healthcare benefits for retirees, their dependents and surviving spouses. The benefit terms and contributions required by retirees vary based on the union contract that governs the employee, and years of service with the District. The District also reimburses the cost of Medicare Part B premiums to both retirees and covered spouses. Retirees and surviving spouses contribute at rates ranging from 50% to 100% of premiums depending on the type of coverage and the individual contractual terms.

Employees Covered by Benefit Terms – At June 30, 2025, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	24
Inactive employees entitled to but not yet receiving benefit payments	-
Active Employees	<u>46</u>
	<u><u>70</u></u>

ROSCOE CENTRAL SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2025

NOTE 11 – POST EMPLOYMENT HEALTH INSURANCE BENEFITS (Continued)

Total OPEB Liability

The District’s total OPEB liability of \$9,934,631 was measured as of June 30, 2025, using an actuarial valuation as of June 30, 2024.

Actuarial Assumptions and Other Inputs – The total OPEB liability in the actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified.

Measurement Date	June 30, 2025
Discount Rate	4.81%
Inflation	2.60%
Initial Healthcare Cost Trend Rate	6.50%
Ultimate Healthcare Cost Trend Rate	4.04%

The actuarial cost method used in the valuation was Entry Age Normal Level Percentage of salary.

The discount rate was based on the Bond Buyer 20 – G0 INDEX.

Mortality rates were based on PUB-2010 Headcount - Weighted Table with projected fully generationally using MP-2021 for employees participating in NYS ERS and NYS TRS.

Changes in the Total OPEB Liability

Balance at June 30, 2024		\$ 11,136,351
Changes for the Year -		
Service Cost	541,023	
Interest	483,262	
Changes of Benefit Terms	-	
Differences between expended and actual experience	(837,684)	
Changes in assumptions or other inputs	(987,268)	
Benefit Payments	<u>(401,053)</u>	
Net Changes		<u>(1,201,720)</u>
Balance at June 30, 2025		<u>\$ 9,934,631</u>

ROSCOE CENTRAL SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2025

NOTE 11 – POST EMPLOYMENT HEALTH INSURANCE BENEFITS (Continued)

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

	1% Decrease <u>(3.81%)</u>	Current Assumption <u>(4.81%)</u>	1% Increase <u>(5.81%)</u>
Total OPEB Liability	<u>\$ 11,621,513</u>	<u>\$ 9,934,631</u>	<u>\$ 8,588,326</u>

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

	1% Decrease	Current Assumption	1% Increase
Total OPEB Liability	<u>\$ 8,386,651</u>	<u>\$ 9,934,631</u>	<u>\$ 11,929,212</u>

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

For the year ended June 30, 2025, the District recognized OPEB expense of \$387,509. At June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows <u>of Resources</u>	Deferred Inflows <u>of Resources</u>
Differences between expected and actual experience	\$ 491,210	\$ 2,892,717
Changes of assumptions or other inputs	<u>3,187,420</u>	<u>5,702,932</u>
Total	<u>\$ 3,678,630</u>	<u>\$ 8,595,649</u>

ROSCOE CENTRAL SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2025

NOTE 11 – POST EMPLOYMENT HEALTH INSURANCE BENEFITS (Continued)

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

	2026	\$ (636,776)
	2027	(610,103)
	2028	(592,933)
	2029	(1,324,448)
	2030	(969,102)
	Thereafter	<u>(783,657)</u>
	TOTAL	<u>\$ (4,917,019)</u>

NOTE 12 – PENSION REPORTING FOR ASSETS/LIABILITIES AND DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

Pension Plan Descriptions and Benefits Provided

Detailed descriptions of the New York State and Local Employees’ Retirement System (ERS) and the New York State Teachers’ Retirement (TRS) are included in Note 9-A to the financial statements.

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

At June 30, 2025, the District reported the following asset/(liability) for its proportionate share of the net pension asset/(liability) for each of the Systems. The net pension asset/(liability) was measured as of March 31, 2025 for ERS and June 30, 2024 for TRS. The total pension asset/(liability) used to calculate the net pension asset/(liability) was determined by an actuarial valuation.

The District’s proportion of the net pension asset/(liability) was based on a projection of the District’s long-term share of contributions to the Systems relative to the projected contributions of all participating members, actuarially determined. This information was provided by the ERS and TRS Systems in reports provided to the District.

	<u>ERS</u>	<u>TRS</u>
Actuarial valuation date	April 1, 2024	June 30, 2023
Net pension asset/(liability)	\$ (452,073)	\$ 490,453
District’s portion of the Plan’s total net pension asset/(liability)	0.0026367%	0.016438%

ROSCOE CENTRAL SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2025

NOTE 12 – PENSION REPORTING FOR ASSETS/LIABILITIES AND DEFERRED
 OUTFLOWS/INFLOWS OF RESOURCES (Continued)

For the year ended June 30, 2025, the District recognized pension expense of \$99,298 for ERS and \$282,825 for TRS. At June 30, 2025, the District reported deferred outflows/inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>		<u>Deferred Inflows of Resources</u>	
	<u>ERS</u>	<u>TRS</u>	<u>ERS</u>	<u>TRS</u>
Differences between expected and actual experience	\$ 112,208	\$ 528,128	\$ 5,293	\$ -
Changes of assumptions	18,959	293,391	-	49,351
Net difference between projected and actual earnings on pension plan investments	35,468	-	-	544,936
Changes in proportion and differences between the District's contributions and proportionate share of contributions	19,546	143,197	57,262	77,068
District's contributions subsequent to the measurement date	<u>45,409</u>	<u>306,621</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 231,590</u>	<u>\$ 1,271,337</u>	<u>\$ 62,555</u>	<u>\$ 671,355</u>

District contributions subsequent to the measurement date of \$45,409 for ERS and \$306,621 for TRS will be recognized as a reduction of the net pension liability in the year ending June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

	<u>ERS</u>	<u>TRS</u>
2025	\$ -	\$ (250,159)
2026	74,101	602,354
2027	103,884	(93,856)
2028	(47,878)	(92,632)
2029	(6,481)	85,576
Thereafter	<u>-</u>	<u>42,078</u>
TOTAL	<u>\$ 123,626</u>	<u>\$ 293,361</u>

ROSCOE CENTRAL SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2025

NOTE 12 – PENSION REPORTING FOR ASSETS/LIABILITIES AND DEFERRED
 OUTFLOWS/INFLOWS OF RESOURCES (Continued)

Actuarial Assumptions

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

	<u>ERS</u>		<u>TRS</u>	
	<u>Current Year</u>	<u>Prior Year</u>	<u>Current Year</u>	<u>Prior Year</u>
Measurement date	March 31, 2025	March 31, 2024	June 30, 2024	June 30, 2023
Actuarial valuation date	April 1, 2024	April 1, 2023	June 30, 2023	June 30, 2022
Interest rate	5.9%	5.9%	6.95%	6.95%
Salary scale	4.3%	4.4%	1.95%-5.18%	1.95%-5.18%
Cost of Living Adjustments	1.5%	1.5%	1.3%	1.3%
Inflation rate	2.9%	2.9%	2.4%	2.40%

For ERS, annuitant mortality rates are based on April 1, 2015-March 31, 2020 System’s experience with adjustments for mortality improvements based on MP-2021. For TRS, annuitant mortality rates are based on plan member experience with adjustments for mortality improvements based on Society of Actuaries Scale MP-2021, applied on a generational basis.

For ERS, the actuarial assumptions used in the April 1, 2024 valuation are based on the results of an actuarial experience study for the period April 1, 2015-March 31, 2020. For TRS, the actuarial assumptions used in the June 30, 2023 valuation are based on the results of an actuarial experience study for the period July 1, 2015-June 30, 2020.

ROSCOE CENTRAL SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2025

NOTE 12 – PENSION REPORTING FOR ASSETS/LIABILITIES AND DEFERRED
 OUTFLOWS/INFLOWS OF RESOURCES (Continued)

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

Measurement date	<u>ERS</u> March 31, 2025	<u>TRS</u> June 30, 2024
Asset Type:		
Domestic Equity	3.54%	6.8%
International Equity	6.57	7.4
Real Estate	4.95	6.3
Opportunistic/ARS Portfolio	5.25	-
Domestic fixed income securities	-	2.6
Global Bonds	-	1.5
Global Equities	-	6.9
Private Debt	-	5.9
Private Equities	7.25	10.1
High Yield Bonds	-	4.8
Real Estate Debt	-	3.9
Cash Equivalents	0.25	0.5
Credit	5.40	-
Real Assets	5.55	-
Fixed Income	2.00	-

Discount Rate

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

ROSCOE CENTRAL SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2025

NOTE 12 – PENSION REPORTING FOR ASSETS/LIABILITIES AND DEFERRED
 OUTFLOWS/INFLOWS OF RESOURCES (Continued)

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

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

<u>ERS</u>	1% Decrease <u>(4.90%)</u>	Current Assumption <u>(5.90%)</u>	1% Increase <u>(6.90%)</u>
Employer’s proportionate share of the net pension asset (liability)	\$ <u>(1,308,356)</u>	\$ <u>(452,073)</u>	\$ <u>262,924</u>
	1% Decrease <u>(5.95%)</u>	Current Assumption <u>(6.95%)</u>	1% Increase <u>(7.95%)</u>
<u>TRS</u>			
Employer’s proportionate share of the net pension asset (liability)	\$ <u>(2,265,433)</u>	\$ <u>490,453</u>	\$ <u>2,808,227</u>

Pension Plan Fiduciary Net Position

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

	<u>ERS (in thousands)</u>	<u>TRS</u>
Valuation date	April 1, 2024	June 30, 2023
Employers’ total pension liability	\$ 247,600,329	\$ 142,837,826,465
Plan Net Position	<u>230,454,512</u>	<u>145,821,434,780</u>
Employer’s net pension asset/(liability)	\$ <u>(17,145,727)</u>	\$ <u>2,983,608,315</u>
Ration of plan net position to the Employer’s total pension asset/(liability)	93.08%	102.01%

ROSCOE CENTRAL SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2025

NOTE 12 – PENSION REPORTING FOR ASSETS/LIABILITIES AND DEFERRED
 OUTFLOWS/INFLOWS OF RESOURCES (Continued)

Payables to the Pension Plan

For ERS, employer contributions are paid annually based on the System’s fiscal year which ends on March 31st. Accrued retirement contributions as of June 30 represent the projected employer contribution for the period of April 1 through June 30 based on paid ERS wages multiplied by the employer’s contribution rate, by tier. Accrued retirement contributions as of June 30, 2025 amounted to \$45,409.

For TRS, employer and employee contributions for the fiscal year ended June 30, are paid to the System in September, October, and November through a state aid intercept. Accrued retirement contributions as of June 30 represent employee and employer contributions for the fiscal year ended June 30 based on paid TRS wages multiplied by the employer’s contribution rate by tier, and employee contributions for the fiscal year as reported to the TRS System. Accrued retirement contributions as of June 30, 2025 amounted to \$354,372.

NOTE 13 – LEASES

Liabilities

The District has entered into lease agreements that do not qualify as a short term lease or an installment purchase under GASB 87 and, therefore, have been reported as a liability equal to the present value of future minimum lease payments. The District’s current leases reported as long term liabilities are as follows:

<u>PURPOSE</u>	<u>START DATE</u>	<u>END DATE</u>	<u>INTEREST RATE</u>	<u>PAYMENT</u>	<u>OUTSTANDING 06/30/25</u>
Office Copier (3)	7/15/24	7/15/27	3.00%	\$ 825/month	\$ 19,958
Office Copier	4/15/25	4/15/28	3.00%	\$ 352/month	<u>11,460</u>
					<u>\$ 31,418</u>

The following is a summary of future minimum lease payments:

<u>YEAR</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>
2026	\$ 13,358	\$ 760
2027	13,765	353
2028	<u>4,295</u>	<u>52</u>
	<u>\$ 31,418</u>	<u>\$ 1,165</u>

ROSCOE CENTRAL SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2025

NOTE 13 – LEASES (Continued)

Interest expense on leases consisted of the following:

Interest Paid	\$ 762
Less: Interest Accrued In Prior Year	-
Plus: Interest Accrued In Current Year	<u>-</u>
 TOTAL EXPENSE	 <u>\$ 762</u>

Assets

The District has reported right to use assets as a result of implementing GASB 87. Right to use assets are initially reported at an amount equal to the initial lease liability, and amortized over the life of the related lease.

Right to use asset balances and activity for the year ended June 30, 2025 were as follows:

	<u>BEGINNING BALANCE</u>	<u>ADDITIONS</u>	<u>DELETIONS</u>	<u>ENDING BALANCE</u>
Right to use assets:				
Leased Copiers	<u>\$ 51,117</u>	<u>\$ 40,456</u>	<u>\$ 51,117</u>	<u>\$ 40,456</u>
Total right to use assets	<u>51,117</u>	<u>40,456</u>	<u>51,117</u>	<u>40,456</u>
Less accumulated amortization:				
Leased Copiers	<u>47,922</u>	<u>12,233</u>	<u>51,117</u>	<u>9,038</u>
Total Accumulated Amortization	<u>47,922</u>	<u>12,233</u>	<u>51,117</u>	<u>9,038</u>
Right to use assets, net	<u>\$ 3,195</u>	<u>\$ 28,223</u>	<u>\$ -</u>	<u>\$ 31,418</u>

Amortization expense was charged to
Governmental functions as follows:

General Support	<u>\$ 12,233</u>
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NOTE 14 – EVENTS OCCURRING AFTER REPORTING DATE

The District has evaluated events and transactions that occurred between June 30, 2025 and October 13, 2025, which is the date the financial statements were available to be issued, for possible disclosure and recognition in the financial statements.

ROSCOE CENTRAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 15 – RESTATED BALANCES

The beginning net position in the statement of activities has been decreased by \$432,241 to account for the new liability criteria for compensated absences in accordance with GASB 101. The restatement increases the previous year's Compensated Absences and decreases the previous year's Unrestricted Net Position by \$432,241, and has no effect on the governmental funds financial statements.

NOTE 16 – DISTRICT MERGER

On December 19, 2024, the voters in the Roscoe Central School District approved a merger with the Livingston Manor Central School District. As a result of the merger, the Roscoe Central School District will no longer be in existence after June 30, 2025 and, beginning on July 1, 2025, all activity will be combined with the activity of the Livingston Manor Central School District under the name of the newly created Rockland Central School District.

ROSCOE CENTRAL SCHOOL DISTRICT
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF REVENUES, OTHER SOURCES, EXPENDITURES, OTHER USES AND CHANGES IN FUND BALANCE
 COMPARED TO BUDGET - GENERAL FUND
 FOR THE YEAR ENDED JUNE 30, 2025
 (WITH COMPARATIVE ACTUALS FOR THE YEAR ENDED JUNE 30, 2024)

	ORIGINAL <u>BUDGET</u>	REVISED <u>BUDGET</u>	<u>ACTUAL</u>	VARIANCE FAVORABLE <u>(UNFAVORABLE)</u>	<u>2024</u>
REVENUES					
Local Sources:					
Real Property Taxes	\$ 5,778,058	\$ 5,848,250	\$ 5,839,146	\$ (9,104)	\$ 5,499,583
Other Tax Items	275,000	204,808	216,002	11,194	218,479
Charges For Services	514,052	514,052	538,780	24,728	455,365
Use of Money and Property	35,000	35,000	72,576	37,576	79,705
Sale of Property & Compensation For Loss	-	11,440	-	(11,440)	11,789
Miscellaneous Local Sources	460,000	460,000	312,907	(147,093)	426,328
State Sources:					
Basic Formula	2,869,750	2,869,750	2,892,629	22,879	2,885,538
Lottery Aid	220,000	220,000	229,243	9,243	236,914
BOCES	285,300	285,300	286,079	779	354,792
Other	107,300	107,300	82,042	(25,258)	156,393
Federal Aid	<u>18,000</u>	<u>18,000</u>	<u>12,617</u>	<u>(5,383)</u>	<u>7,598</u>
TOTAL REVENUES	10,562,460	10,573,900	10,482,021	(91,879)	10,332,484
OTHER SOURCES					
Interfund Transfers In	<u>-</u>	<u>-</u>	<u>42,688</u>	<u>(42,688)</u>	<u>46,410</u>
TOTAL REVENUES AND OTHER SOURCES	<u>10,562,460</u>	<u>10,573,900</u>	<u>10,524,709</u>	<u>\$ (49,191)</u>	<u>10,378,894</u>
FUND BALANCE					
Appropriated Fund Balance	250,000	250,000			
Prior Year Encumbrances	-	27,080			
Appropriated Reserves	<u>166,890</u>	<u>166,890</u>			
TOTAL FUND BALANCE	<u>416,890</u>	<u>443,970</u>			
TOTAL REVENUES, OTHER FINANCING SOURCES AND FUND BALANCE	<u>\$ 10,979,350</u>	<u>\$ 11,017,870</u>			

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

ROSCOE CENTRAL SCHOOL DISTRICT
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF REVENUES, OTHER SOURCES, EXPENDITURES, OTHER USES AND CHANGES IN FUND BALANCE
 COMPARED TO BUDGET - GENERAL FUND
 FOR THE YEAR ENDED JUNE 30, 2025
 (WITH COMPARATIVE ACTUALS FOR THE YEAR ENDED JUNE 30, 2024)

	ORIGINAL BUDGET	REVISED BUDGET	ACTUAL	ENCUMBRANCES	VARIANCE FAVORABLE (UNFAVORABLE)	2024
EXPENDITURES						
General Support						
Board of Education	\$ 15,650	\$ 24,488	\$ 22,047	\$ 1,960	\$ 481	\$ 19,233
Central Administration	400,323	439,181	438,509	-	672	403,350
Finance	230,932	279,764	275,031	1,510	3,223	235,757
Staff	131,881	126,005	119,110	3,817	3,078	104,309
Central Services	788,057	768,702	661,930	26,565	80,207	647,948
Special Items	174,407	172,565	169,364	409	2,792	162,403
Instructional:						
Instruction, Administration, and Improvement	251,803	227,511	222,603	955	3,953	248,048
Teaching:						
Regular School	2,209,020	2,058,045	1,958,898	65,872	33,275	1,837,570
Programs For Children With Handicapped Conditions	1,805,085	1,884,076	1,845,175	3,032	35,869	1,552,463
Occupational Education	382,111	371,700	367,081	1,231	3,388	334,258
Special Schools	-	5,000	1,797	208	2,995	4,640
Instructional Media	444,575	407,857	305,830	85,283	16,744	280,745
Pupil Services	544,892	568,676	533,244	11,315	24,117	474,116
Pupil Transportation	950,000	1,028,906	1,023,722	3,719	1,465	814,663
Employee Benefits	2,309,500	2,164,486	2,067,791	-	96,695	1,806,273
Debt Service:						
Principal	272,300	272,300	272,233	-	67	259,339
Interest	51,315	51,478	51,478	-	-	62,473
TOTAL EXPENDITURES	10,961,850	10,850,740	10,335,843	205,876	309,021	9,247,588
OTHER USES						
Interfund Transfers Out	17,500	167,130	164,187	-	2,943	408,861
TOTAL EXPENDITURES AND OTHER USES	\$ 10,979,350	\$ 11,017,870	\$ 10,500,030	\$ 205,876	\$ 311,964	9,656,449
NET CHANGE IN FUND BALANCE			24,679			722,445
FUND BALANCE - Beginning of Year			3,181,599			2,459,154
FUND BALANCE - End of Year			\$ 3,206,278			\$ 3,181,599

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

ROSCOE CENTRAL SCHOOL DISTRICT
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY
 YEAR ENDED JUNE 30, 2025

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Service Cost	\$ 541,023	\$ 555,849	\$ 870,429	\$ 1,210,454	\$ 724,514	\$ 468,718	\$ 201,418	\$ 210,118
Interest	483,262	477,894	569,962	430,909	360,993	421,437	312,984	289,939
Changes of Benefit Terms	-	-	-	-	-	-	-	-
Differences Between Expected and Actual Experience	(837,684)	(638,534)	(1,103,556)	(1,020,919)	(1,005,064)	(13,783)	1,637,376	-
Changes of Assumptions	(987,268)	(150,472)	(4,325,755)	(3,887,391)	3,328,776	3,489,298	1,816,220	(411,857)
Benefit Payments	<u>(401,053)</u>	<u>(245,147)</u>	<u>(207,223)</u>	<u>(276,895)</u>	<u>(283,418)</u>	<u>(302,885)</u>	<u>(328,622)</u>	<u>(276,562)</u>
Net Change in Total OPEB Liability	(1,201,720)	(410)	(4,196,143)	(3,543,842)	3,125,801	4,062,785	3,639,622	(188,362)
Beginning Total OPEB Liability	<u>11,136,351</u>	<u>11,136,761</u>	<u>15,332,904</u>	<u>18,876,746</u>	<u>15,750,945</u>	<u>11,688,160</u>	<u>8,048,784</u>	<u>8,237,146</u>
Ending Total OPEB Liability	<u>\$ 9,934,631</u>	<u>\$ 11,136,351</u>	<u>\$ 11,136,761</u>	<u>\$ 15,332,904</u>	<u>\$ 18,876,746</u>	<u>\$ 15,750,945</u>	<u>\$ 11,688,160</u>	<u>\$ 8,048,784</u>
Covered Employee Payroll	<u>\$ 3,714,445</u>	<u>\$ 3,949,973</u>	<u>\$ 4,169,280</u>	<u>\$ 4,095,002</u>	<u>\$ 3,949,158</u>	<u>\$ 3,397,000</u>	<u>\$ 3,222,244</u>	<u>\$ 2,855,656</u>
Total OPEB Liability as a Percentage of Covered Payroll	267.5%	279.1%	267.1%	374.4%	478.0%	463.7%	362.7%	281.85%

Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

ROSCOE CENTRAL SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2025

Changes of Benefit Terms

None

Changes of Assumptions or Other Inputs

The change in the discount rate is as follows:

June 30, 2024 Measurement Date:	4.21%
June 30, 2025 Measurement Date:	4.81%

Health care trend rates and methods have been updated as noted below.

- Medical and prescription drug trend rates have been updated based on the 2024 Getzen model, with an initial trend rate of 6.75% from 2024 to 2025, followed by 6.50% for 2025 to 2026, and decreasing to an ultimate rate of 4.04% by 2075.
- Medicare Part B trend rates have been updated based on the actual rate from 2024 to 2025 followed by projected Part B premium increases shown in the 2024 Medicare Trustees report, and decreasing to an ultimate rate of 4.04% by 2075.

There are no assets accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75 to pay related benefits.

ROSCOE CENTRAL SCHOOL DISTRICT
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION ASSET/LIABILITY
 YEAR ENDED JUNE 30, 2025

TRS System

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
The District's proportion of the net pension asset (liability)	0.016438%	0.020473%	0.020014%	0.019486%	0.016729%	0.016713%	0.016642%	0.0118000%	0.018130%	0.018371%
The District's proportionate share of the net pension asset (liability)	490,453	\$ (234,126)	\$ (384,045)	\$ 3,376,669	\$ (462,279)	\$ 434,198	\$ 300,924	\$ 136,818	\$ (194,179)	\$ 1,908,844
The District's covered employee payroll	3,138,646	3,781,188	3,545,513	3,350,986	2,839,511	2,789,630	2,710,731	2,851,412	2,797,629	2,760,516
The District's proportionate share of the net pension asset (liability) as a percentage of covered employee payroll	15.63%	6.19%	10.83%	100.77%	16.28%	15.56%	11.10%	4.80%	6.94%	69.15%
Plan Fiduciary net position as a percentage of the total pension liability	102.01%	99.20%	98.6%	113.20%	97.8%	102.17%	101.53%	100.66%	99.01%	110.46%

ERS System

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
The District's proportion of the net pension liability	0.0026367%	0.0030558%	0.0028657%	0.0029040%	0.0025373%	0.0024708%	0.0024770%	0.0029885%	0.0031423%	0.0031857%
The District's proportionate share of the net pension liability	(452,073)	(449,944)	\$ (614,531)	\$ 237,392	\$ (2,526)	\$ (654,277)	\$ (175,503)	\$ (96,451)	\$ (295,260)	\$ (511,319)
The District's covered employee payroll	820,745	854,273	799,618	849,774	763,650	693,954	688,542	796,340	770,015	786,460
The District's proportionate share of the net pension liability as a percentage of covered employee payroll	55.08%	52.67%	76.85%	27.94%	0.33%	94.28%	25.49%	12.11%	38.34%	65.02%
Plan Fiduciary net position as a percentage of the total pension liability	93.08%	93.88%	90.78%	103.65%	99.95%	86.39%	96.27%	98.24%	94.7%	90.7%

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

ROSCOE CENTRAL SCHOOL DISTRICT
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF EMPLOYER'S PENSION CONTRIBUTIONS
 YEAR ENDED JUNE 30, 2025

TRS System

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Contractually required contribution	\$ 306,621	\$ 306,332	\$ 389,054	\$ 347,460	\$ 319,349	\$ 251,581	\$ 296,259	\$ 265,652	\$ 334,303	\$ 370,966
Contribution in relation to the contractually required contribution	<u>306,621</u>	<u>306,332</u>	<u>389,084</u>	<u>347,460</u>	<u>319,349</u>	<u>251,581</u>	<u>296,259</u>	<u>265,652</u>	<u>334,303</u>	<u>370,966</u>
Contribution deficiency (excess)	<u>\$ -</u>									
Contribution as a percentage of covered employee payroll	10.11%	9.76%	10.29%	9.80%	9.53%	8.86%	10.62%	9.80%	11.72%	13.26%

ERS System

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Contractually required contribution	\$ 130,464	\$ 100,375	\$ 98,098	\$ 125,462	\$ 128,612	\$ 97,815	\$ 110,282	\$ 117,756	\$ 116,212	\$ 105,105
Contribution in relation to the contractually required contribution	<u>130,464</u>	<u>100,375</u>	<u>98,098</u>	<u>125,462</u>	<u>128,612</u>	<u>97,815</u>	<u>110,282</u>	<u>117,756</u>	<u>116,212</u>	<u>105,105</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Contribution as a percentage of covered employee payroll	15.90%	11.75%	12.27%	14.76%	16.84%	14.10%	16.02%	14.79%	15.09%	13.36%

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

ROSCOE CENTRAL SCHOOL DISTRICT
 COMBINING BALANCE SHEET
 NON-MAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2025

	<u>CAPITAL PROJECTS</u>	<u>MISCELLANEOUS SPECIAL REVENUE</u>	<u>TOTAL NON MAJOR GOVERNMENTAL FUNDS</u>
ASSETS			
Cash	\$ 3,470	\$ 83,329	\$ 86,799
Cash-Restricted	<u>-</u>	<u>116,531</u>	<u>116,531</u>
	.		
TOTAL ASSETS	<u>\$ 3,470</u>	<u>\$ 199,860</u>	<u>\$ 203,330</u>
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Due To Other Funds	107,716	3,813	111,529
Accounts Payable	5,500	1,758	7,258
Unearned Revenue	<u>-</u>	<u>7,401</u>	<u>7,401</u>
TOTAL LIABILITIES	<u>113,216</u>	<u>12,972</u>	<u>126,188</u>
FUND BALANCES			
Restricted:			
Scholarships	-	116,531	116,531
Assigned:			
Unappropriated	-	70,357	70,357
Unassigned	<u>(109,746)</u>	<u>-</u>	<u>(109,746)</u>
TOTAL FUND BALANCES	<u>(109,746)</u>	<u>186,888</u>	<u>77,142</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 3,470</u>	<u>\$ 199,860</u>	<u>\$ 203,330</u>

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

ROSCOE CENTRAL SCHOOL DISTRICT
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NON-MAJOR GOVERNMENTAL FUNDS
 YEAR ENDED JUNE 30, 2025

	<u>CAPITAL PROJECTS</u>	<u>MISCELLANEOUS SPECIAL REVENUE</u>	<u>TOTAL NON-MAJOR GOVERNMENTAL FUNDS</u>
REVENUES			
Use of Money and Property	\$ -	\$ 3,864	\$ 3,864
Miscellaneous Local Sources	-	90,524	90,524
	<hr/>	<hr/>	<hr/>
TOTAL REVENUES	-	94,388	94,388
OTHER FINANCING SOURCES			
Lease Proceeds	40,456	-	40,456
Interfund Transfers In	79,791	-	79,791
	<hr/>	<hr/>	<hr/>
TOTAL REVENUES AND OTHER FINANCING SOURCES	<u>120,247</u>	<u>94,388</u>	<u>214,635</u>
EXPENDITURES			
Instruction	-	68,615	68,615
Capital Outlay	150,202	-	150,202
	<hr/>	<hr/>	<hr/>
TOTAL EXPENDITURES	150,202	68,615	218,817
OTHER USES			
Interfund Transfer Out	41,448	-	41,448
	<hr/>	<hr/>	<hr/>
TOTAL EXPENDITURES AND OTHER USES	<u>191,650</u>	<u>68,615</u>	<u>260,265</u>
NET CHANGE IN FUND BALANCE	(71,403)	25,773	(45,630)
FUND BALANCE - Beginning of Year	<u>(38,343)</u>	<u>161,115</u>	<u>122,772</u>
FUND BALANCE - End of Year	<u>\$ (109,746)</u>	<u>\$ 186,888</u>	<u>\$ 77,142</u>

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

ROSCOE CENTRAL SCHOOL DISTRICT
SCHEDULE OF CHANGE FROM ADOPTED BUDGET TO FINAL BUDGET
GENERAL FUND
YEAR ENDED JUNE 30, 2025

ADOPTED BUDGET	\$ 10,979,350
ADDITIONS:	
Encumbrances From Prior Year	27,080
Supplemental Appropriations	11,440
Appropriated Reserve	<u> -</u>
FINAL BUDGET	<u>\$ 11,017,870</u>

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

ROSCOE CENTRAL SCHOOL DISTRICT
REAL PROPERTY TAX LIMIT
YEAR ENDED JUNE 30, 2025

SECTION 1318 OF REAL PROPERTY TAX LAW CALCULATION

Subsequent Year Voter Approved Expenditure Budget

Maximum allowed (4% of Budget)

General Fund Balance subject to Section 1318 of Real
Property Tax Law:

Unrestricted Fund Balance:

Assigned Fund Balance

Unassigned Fund Balance

Total Unrestricted Fund Balance

Less:

Appropriated Fund Balance

Encumbrances included in Assigned Fund Balance

Total Adjustments

General Fund Balance subject to Section 1318 of Real
Property Tax Law:

Actual Percentage

NOTE – This schedule is not applicable for the year ended June 30, 2025 because of the merger that took place between Roscoe Central School District and a neighboring school district effective July 1, 2025. See Note 16 for more details on the merger.

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

ROSCOE CENTRAL SCHOOL DISTRICT
 SCHEDULE OF PROJECT EXPENDITURES
 CAPITAL PROJECTS FUND
 YEAR ENDED JUNE 30, 2025

PROJECT TITLE	ORIGINAL APPROPRIATIONS	EXPENDITURES				UNEXPENDED BALANCE	METHODS OF FINANCING				FUND BALANCE JUNE 30, 2025
		REVISED APPROPRIATIONS	PRIOR YEARS	CURRENT YEARS	TOTAL		LOCAL SOURCES	STATE AID	PROCEEDS OF OBLIGATIONS	TOTAL	
Auditorium	\$ 250,000	\$ 250,000	\$ 219,159	\$ -	\$ 219,159	\$ -	\$ 219,159	\$ -	\$ -	\$ 250,000	\$ -
Capital Improvements	1,200,000	1,200,000	1,190,777	-	1,190,777	-	415,777	239,408	535,592	1,190,777	-
Capital Improvements	3,856,000	3,856,500	3,717,637	-	3,717,637	138,863	1,356,137	-	2,361,500	3,717,637	-
Smart Schools Bond Act	256,761	256,761	289,194	-	289,194	(32,433)	46,187	243,007	-	289,194	-
Capital Improvements	100,000	100,000	100,338	-	100,338	(338)	100,338	-	-	100,338	-
Capital Improvement	100,000	100,000	98,917	-	98,917	-	98,917	-	-	98,917	-
2024 Capital Improvement	1,700,000	1,700,000	-	109,746	109,746	-	-	-	-	-	(109,746)
Lease	40,456	40,456	-	<u>40,456</u>	40,456	1,590,254	40,456	-	-	40,456	-
				<u>\$ 150,202</u>							<u>\$ (109,746)</u>

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

ROSCOE CENTRAL SCHOOL DISTRICT
NET INVESTMENT IN CAPITAL ASSETS,
JUNE 30, 2025

Capital Assets, Net	\$ 5,686,423
Less: Bonds Outstanding	<u>(795,000)</u>
Net Investment In Capital Assets	<u>\$ 4,891,423</u>

SEE ACCOMPANYING NOTES AND AUDITORS' REPORT

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

To the Board of Education of the
Roscoe Central School District
Roscoe, New York

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Roscoe Central School District, New York as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Roscoe Central School District, New York's basic financial statements and have issued our report thereon dated October 13, 2025.

Report on Internal Control Over Financial Reporting

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

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

A *significant deficiency* is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

Cooper Arias, LLP

Mongaup Valley, New York
October 13, 2025

INDEPENDENT AUDITORS' REPORT

To The President and Board Members of
The Board of Education
Roscoe Central School District
Roscoe, New York

Opinion

We have audited the accompanying statements of assets, liabilities and fund balance – cash basis, of the Extraclassroom Activity Funds of the Roscoe Central School District as of June 30, 2025, and the related statements of cash receipts, disbursements and changes in fund balance – cash basis for the year then ended, and the related notes to the financial statements, which collectively comprise the financial statements of the Extraclassroom Activity Funds of the Roscoe Central School District as listed in the table of contents.

In our opinion, the financial statements referred to above presents fairly, in all material respects, the financial position – cash basis, of the Extraclassroom Activity Funds of the Roscoe Central School District as of June 30, 2025, and the changes in financial position – cash basis, for the year then ended in accordance with the basis of accounting described in Note 2.

Basis for Opinions

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

Emphasis of Matter—Basis of Accounting

We draw attention to Note 2 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the cash basis of accounting described in Note 2; and for the design,

implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Extraclassroom Activity Funds of the Roscoe Central School District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

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

This report is intended solely for the information and use of the school board governing body and management of the Extraclassroom Activity Funds of Roscoe Central School District, and for filing with the various offices and agencies of the State of New York. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

Cooper Arias, LLP

Mongaup Valley, New York
October 13, 2025

ROSCOE CENTRAL SCHOOL DISTRICT
EXTRACLASSROOM ACTIVITY FUND
STATEMENT OF ASSETS, LIABILITIES, AND FUND BALANCE – CASH BASIS
JUNE 30, 2025

ASSETS	
Cash	<u>\$ 70,357</u>
TOTAL ASSETS	<u>\$ 70,357</u>
FUND BALANCE	<u>\$ 70,357</u>

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

ROSCOE CENTRAL SCHOOL DISTRICT
 EXTRACLASSROOM ACTIVITY FUND
 STATEMENT OF CASH RECEIPTS, DISBURSEMENTS
 AND CHANGES IN FUND BALANCE- CASH BASIS
 FOR THE YEAR ENDED JUNE 30, 2025

<u>ACTIVITY</u>	CASH & FUND BALANCE <u>6/30/24</u>	<u>RECEIPTS</u>	<u>DISBURSEMENTS</u>	CASH & FUND BALANCE <u>6/30/25</u>
Class of 2023	\$ 1,733	\$ 81	\$ -	\$ 1,814
Class of 2024	(263)	272	-	9
Class of 2025	5,752	5,039	9,105	1,686
Class of 2026	7,897	17,552	9,808	15,641
Class of 2027	9,122	9,121	1,758	16,485
Class of 2028	2,538	3,719	1,666	4,591
Class of 2029	1,949	1,521	1,358	2,112
Class of 2030	-	5,953	2,369	3,584
United Way Backpack	1,272	44	1,316	-
Honor Society	1,080	1,233	990	1,323
Music Fund	1,429	1,310	1,297	1,442
Sales Tax	1,927	2,578	2,599	1,906
Student Government	3,974	8,841	4,231	8,584
Yearbook	5,014	3,363	281	8,096
Drama Club	3,358	1,397	1,671	3,084
RCS Rap	2,437	83	2,520	-
Technology	24	-	24	-
	<hr/>	<hr/>	<hr/>	<hr/>
TOTALS	<u>\$ 49,243</u>	<u>\$ 62,107</u>	<u>\$ 40,993</u>	<u>\$ 70,357</u>

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

ROSCOE CENTRAL SCHOOL DISTRICT
EXTRACLASSROOM ACTIVITY FUND
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 1 - DESCRIPTION OF OPERATIONS

Student activity funds are defined by the New York State Education Department as “funds raised other than by taxation, or through charges of a Board of Education, for, by or in the name of a school, student body or any subdivision thereof.”

Activity funds are raised and expended by student bodies to promote the general welfare, education, and morale of all pupils, and to finance the normal, legitimate extracurricular activities of the student body organization.

The Superintendent of the District has responsibility and authority to implement all policies and rules pertaining to the supervision and administration of school activity funds in accordance with established policies and rules of the District’s Board of Education.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The books and records of the Extraclassroom Activity Fund of Roscoe Central School District are maintained on the cash basis of accounting. Consequently, receipts and related assets are recognized when received rather than when earned, and disbursements are recognized when paid rather than when the obligation is incurred.

Interest Income

Interest income earned on the bank account during the year has been allocated among the individual clubs.

Bank Charges

All bank service charges have been charged to the respective activity fund.

Inactive Accounts

The District’s policy is to transfer account balance of inactive clubs to the Student Council Fund.