

PRELIMINARY OFFICIAL STATEMENT

NEW AND RENEWAL 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 be designated "qualified tax-exempt obligations" pursuant to Section 265(b)(3) of the Code.

\$2,043,045



WINDSOR CENTRAL SCHOOL DISTRICT BROOME COUNTY, NEW YORK GENERAL OBLIGATIONS

\$2,043,045 Bond Anticipation Notes, 2026
(the "Notes")

Dated: April 30, 2026

Due: April 30, 2027

The Notes are general obligations of the Windsor Central School District, Broome County, New York (the "School District" or "District"), all the taxable real property within which 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 OBLIGATION" and "TAX LEVY LIMITATION LAW" herein.

The Notes are not subject to redemption prior to maturity. At the option of the purchaser, the Notes will be issued as registered certificated notes or registered in the name of the purchaser. If such Notes are issued as registered in the name of the purchaser, principal of and interest on the Notes will be payable in Federal Funds. In such case, the Notes will be issued as registered in the name of the purchaser in denominations of \$5,000 or multiples thereof, except for one necessary odd denomination which is or includes \$8,045, as may be determined by such successful bidder.

Alternatively, if the Notes are issued as book-entry-only registered notes, the Notes will be registered in the name of Cede & Co. as nominee of The Depository Trust Company ("DTC"), New York, New York, which will act as the securities depository for the Notes. Noteholders will not receive certificates representing their ownership interest in the notes purchased if the purchaser elects to register the Notes. Such Notes will be issued in denominations of \$5,000 or multiples thereof, except for one necessary odd denomination which is or includes \$8,045, as may be determined by such successful bidder. If the Notes are issued as registered notes, payment of the principal of and interest on the Notes to the Beneficial Owner(s) of the Notes will be made by DTC Direct Participants and Indirect Participants in accordance with standing instructions and customary practices, as is now the case with municipal securities held for the accounts of customers registered in the name of the purchaser or registered in "street name". Payment will be the responsibility of such DTC Direct or Indirect Participants and the District, subject to any statutory and regulatory requirements as may be in effect from time to time. See "BOOK-ENTRY-ONLY SYSTEM" herein.

The Notes are offered when, as and if issued and received by the purchaser 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, Bond Counsel. 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, on or about April 30, 2026.

ELECTRONIC BIDS for the Notes must be submitted on Fiscal Advisors Auction website ("Fiscal Advisors Auction") accessible via www.fiscaladvisorsauction.com, on April 16, 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.

April 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.

**WINDSOR CENTRAL SCHOOL DISTRICT
BROOME COUNTY, NEW YORK**

SCHOOL DISTRICT OFFICIALS

2025-2026 BOARD OF EDUCATION

PETER NOWACKI
President



MARGO KIBBLER
Vice President

DAVE BIDWELL
MEGAN W. CARROLL
RHEA DEYO
MERISSA GAETA
TOM STARLEY

* * * * *

DR. JASON A. ANDREWS
Superintendent of Schools

TAYLOR GULEY
District Business Coordinator

 **Coughlin &
Gerhart LLP**
School District Attorney



FISCAL ADVISORS & MARKETING, INC.
Municipal Advisor



ORRICK, HERRINGTON & SUTCLIFFE LLP
Bond Counsel

No person has been authorized by Windsor 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 Windsor Central School District.

TABLE OF CONTENTS

	<u>Page</u>		<u>Page</u>
THE NOTES	1	SPECIAL PROVISIONS AFFECTING	
Description of the Notes	1	REMEDIES UPON DEFAULT	24
No Optional Redemption	1	MARKET AND RISK FACTORS	25
Purpose of Issue	1	TAX MATTERS	26
NATURE OF OBLIGATION	2	LEGAL MATTERS	28
BOOK-ENTRY-ONLY SYSTEM	3	LITIGATION	28
Certificated Notes	5	CONTINUING DISCLOSURE	28
THE SCHOOL DISTRICT	5	Historical Continuing Disclosure Compliance	28
General Information	5	MUNICIPAL ADVISOR	28
District Population	5	CUSIP IDENTIFICATION NUMBERS	28
Selected Wealth and Income Indicators	6	RATINGS	28
Five Largest Employers	6	MISCELLANEOUS	29
Unemployment Rate Statistics	6	APPENDIX – A	
Form of School Government	7	GENERAL FUND - Balance Sheets	
Budgetary Procedures and Recent Budget Votes	7	APPENDIX – A1	
Investment Policy	7	GENERAL FUND – Revenues, Expenditures and	
State Aid	8	Changes in Fund Balance	
State Aid Revenues	11	APPENDIX – A2	
District Facilities	11	GENERAL FUND – Revenues, Expenditures and	
Enrollment Trends	11	Changes in Fund Balance - Budget and Actual	
Employees	12	APPENDIX – B	
Status and Financing of Employee Pension Benefits	12	BONDED DEBT SERVICE	
Other Post-Employment Benefits	14	APPENDIX – B1-B2	
Other Information	15	CURRENT BONDS OUTSTANDING	
Financial Statements	15	APPENDIX – C	
New York State Comptroller Report of Examination	16	MATERIAL EVENT NOTICES	
The State Comptroller’s Fiscal Stress Monitoring System ...	16	APPENDIX – D	
TAX INFORMATION	17	FORM OF BOND COUNSEL’S OPINION	
Taxable Assessed Valuations	17	APPENDIX – E	
Tax Rate Per \$1,000 (Assessed)	17	AUDITED FINANCIAL STATEMENTS –	
Tax Collection Procedure	17	Fiscal Year Ended June 30, 2025	
Tax Levy and Tax Collection Record	17		
Real Property Tax Revenues	18		
Ten Largest Taxpayers 2025 for 2025-26 Tax Roll	18		
STAR – School Tax Exemption	19		
Additional Tax Information	19		
TAX LEVY LIMITATION LAW	20		
STATUS OF INDEBTEDNESS	20		
Constitutional Requirements	20		
Statutory Procedure	21		
Debt Outstanding End of Fiscal Year	21		
Details of Outstanding Indebtedness	22		
Debt Statement Summary	22		
Bonded Debt Service	23		
Capital Project Plans	23		
Cash Flow Borrowings	23		
Estimated Overlapping Indebtedness	23		
Debt Ratios	24		

PREPARED WITH THE ASSISTANCE OF



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

www.fiscaladvisors.com

OFFICIAL STATEMENT
of the
WINDSOR CENTRAL SCHOOL DISTRICT
BROOME COUNTY, NEW YORK

Relating To
\$2,043,045 Bond Anticipation Notes, 2026

This Official Statement, which includes the cover page and appendices, has been prepared by the Windsor Central School District, Broome County, New York (the "School District" or "District", "County", and "State", respectively) in connection with the sale by the District of \$2,043,045 principal amount of Bond Anticipation Notes, 2026 (the "Notes").

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

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

THE NOTES

Description of the Notes

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

The Notes will be dated April 30, 2026 and will mature April 30, 2027. The Notes are not subject to redemption prior to maturity. 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 either (i) registered certificated form 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 Local Finance Law and various bond resolutions adopted by the District authorizing serial bonds to finance the acquisition of buses. The proceeds of the Notes, along with \$504,750 available funds of the District, will redeem and partially renew \$1,712,795 bond anticipation notes currently outstanding and maturing on May 1, 2026, and will provide \$835,000 in new monies for the aforementioned purposes.

NATURE OF 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 INFORMATION - 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, ensuring the availability of the levy of property tax revenues to pay debt service. As the *Flushing National Bank* (1976) Court noted, the term “faith and credit” in its context is “not qualified in any way”. Indeed, in *Flushing National Bank v. Municipal Assistance Corp.*, 40 N.Y.2d 1088 (1977) the Court of Appeals described the pledge as a direct constitutional mandate. In *Quirk v. Municipal Assistance Corp.*, 41 N.Y.2d 644 (1977), the Court of Appeals stated that, while holders of general obligation debt did not have a right to particular revenues such as sales tax, “with respect to traditional real estate tax levies, the bondholders are constitutionally protected against an attempt by the State to deprive the city of those revenues to meet its obligations.” According to the Court in *Quirk*, the State Constitution “requires the city to raise real estate taxes, and without specification other revenues, if such a levy be necessary to repay indebtedness.”

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

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

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

BOOK-ENTRY-ONLY SYSTEM

The Depository Trust Company (“DTC”), New York, New York, 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, a limited-purpose trust company organized under the New York Banking Law, is 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(s) of the Notes, DTC may discontinue providing its services with respect to the Notes at any time by giving notice to the District and discharging its responsibilities with respect thereto under applicable law, or the District may terminate its participation in the system of book-entry-only system transfers through DTC at any time. In the event that such book-entry-only system is utilized by a purchaser(s) of the Notes upon issuance and later discontinued, the following provisions will apply:

The Notes will be issued in registered form in denominations of \$5,000 or integral multiples thereof except for one necessary odd denomination which is or includes \$8,045. Principal of and interest on the Notes will be payable at a principal corporate trust office of a bank or trust company located and authorized to do business in the State of New York to be named as fiscal agent by the District. The Notes will remain not subject to redemption prior to their stated final maturity date.

THE SCHOOL DISTRICT

General Information

The District is located in upstate New York in the eastern portion of the County of Broome. The City of Binghamton is approximately 15 miles west. The District encompasses approximately 119 square miles of land area. Major highways of service to the District include Interstate Route 81, U.S. Route 17 (I-86) and State highways 7 and 79.

The District is mixed in character, and is primarily commercial and industrial to the north and west near Binghamton and primarily residential and agricultural to the south and east near the Catskills. Professional and commercial services are available to residents in Binghamton. Commercial banking services are provided by M&T Bank in Kirkwood; and JPMorgan Chase Bank in Binghamton.

Many of the residents are employed at one of the more than 350 manufacturing firms in Broome County. Located in the District are L3 Communications, Link Simulation & Training, Frito Lay, Putnam Publishing Group, Willow Run Foods, and American Pipe & Plastics, Inc. Other firms in the County include International Business Machines Corporation (IBM) (manufacturing data-processing equipment and computer circuits), Universal Instruments Corporation (manufacturing printed circuit board assembly machines, component preparation machines, and semi-automatic wire termination machines), the Raymond Corporation (manufacturing narrow-aisle electric fork-lift trucks as well as Impress (recycling), Crowley Foods, and Rockwell Collins (aviation consultant). Additionally, Dick's Sporting Goods opened a 245,000 square foot addition to its distribution and fulfillment center facilities in Broome County Corporate Park, with an employment projection of 400-500 full-time jobs.

Police protection is afforded to residents through local and State agencies. Fire protection is provided by various volunteer fire departments.

District Population

The current estimated population of the District is 10,417. (Source: 2020-2024 American Community Survey 5-Year Estimates.)

THE REMAINDER OF THIS PAGE IS LEFT INTENTIONALLY BLANK

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 County listed below. The figures set below with respect to such Towns and County is included for information only. It should not be inferred from the inclusion of such data in the Official Statement that the Towns or the County is 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:						
Colesville	\$ 18,938	\$ 24,986	\$ 27,162	\$ 55,553	\$ 75,938	\$ 73,065
Kirkwood	24,661	28,127	31,025	60,313	61,750	86,961
Sanford	20,007	27,965	39,308	43,542	66,680	94,250
Windsor	21,418	28,655	36,849	47,472	79,620	81,667
County of						
Broome	24,314	29,721	35,860	57,545	69,596	85,817
State of:						
New York	30,948	40,898	50,712	67,405	87,270	106,873

Note: 2021-2025 American Community Survey estimates are not available as of the date of this Official Statement.

Source: 2006-2010, 2016-2020, and 2020-2024 5-Year American Community Survey estimates.

Five Largest Employers

The following is a list of the largest employers within Broome County where the District is located:

<u>Employer</u>	<u>Type</u>	<u>Approximate Number of Employees</u>
Binghamton University	Education	5,943
United Health Services	Private Hospital	5,428
Lockheed Martin	Technology	2,700
Broome County	Government	2,500
Our Lady of Lourdes Hospital	Private Hospital	2,311

Source: District officials.

Unemployment Rate Statistics

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

	<u>Annual Averages</u>						
	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Broome County	4.5%	8.3%	5.3%	3.9%	3.9%	4.0%	N/A
New York State	3.9%	9.8%	7.1%	4.3%	4.1%	4.3%	N/A

	<u>Monthly Figures</u>											
	<u>2025</u>					<u>2026</u>						
	<u>Mar</u>	<u>Apr</u>	<u>May</u>	<u>Jun</u>	<u>Jul</u>	<u>Aug</u>	<u>Sept</u>	<u>Oct</u>	<u>Nov</u>	<u>Dec</u>	<u>Jan</u>	<u>Feb</u>
Broome County	4.4%	3.3%	3.3%	3.7%	4.2%	4.5%	4.3%	N/A	4.1%	4.2%	N/A	N/A
New York State	4.1%	3.7%	3.5%	3.8%	4.6%	4.7%	4.7%	N/A	4.5%	4.4%	N/A	N/A

Note: Unemployment rates for the months of October 2025, January and February 2026 and the 2025 annual average for the County and State is not available 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 or causes to be prepared, a budget for the ensuing fiscal year. A public hearing on such budget is held not less than seven days and not more than fourteen days prior to the vote. The Board of Education causes notice of such public hearing to be published four times beginning seven weeks prior to the vote. After the public hearing, but not less than six days prior to the budget vote, the District must mail a school budget notice to all qualified voters which contains the total budget amount, the dollar and percentage increase or decrease in the proposed budget (or contingency budget) as compared to the current budget, the percentage increase or decrease in the consumer price index, the estimated property tax levy, the basic STAR exemption impact and the date, time and place of the vote.

After the budget hearing and subsequent notice, a referendum upon the question of the adoption of the budget is held on the third Tuesday in May each year. All qualified District residents are eligible to participate.

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 “School District Tax Cap”), then a majority vote is required for approval. If the proposed budget requires a tax levy that exceeds the School District 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 School District Tax Cap 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 District’s 2024-2025 budget was approved by voters of the District on May 21, 2024 by a vote of 296 to 92. The District’s adopted budget for the 2024-2025 fiscal year remained within the Tax Cap imposed by Chapter 97 of the Laws of 2011. The budget called for a tax levy increase of 4.90%, which was below the District’s allowable Tax Cap of 6.98%.

The District’s 2025-2026 budget was approved by voters of the District on May 20, 2025 by a vote of 204 to 134. The District’s adopted budget for the 2025-2026 fiscal year remained within the Tax Cap imposed by Chapter 97 of the Laws of 2011. The budget called for a tax levy increase of 2.26%, which was equal to the District’s allowable Tax Cap of 2.26%.

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 60.4% 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.

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 2026-2027 preliminary building aid ratios, the District State Building aid of approximately 83.2% for 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 Budget includes \$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 includes the use of \$13 billion of federal funds for emergency relief, along with the Governor's Emergency Education Relief, which includes, 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 are to be allocated to expand full-day kindergarten programs. Under the budget, school districts are to be 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.

School district fiscal year (2022-2023): The State's 2022-23 Enacted Budget provides \$31.5 billion in State funding to school districts for the 2022-23 school year, the highest level of State aid ever. This represents an increase of \$2.1 billion or 7.2 percent compared to the 2021-22 school year, and includes a \$1.5 billion or 7.7 percent Foundation Aid increase. The State's 2022-23 Enacted Budget also programs \$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, is 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 allocates \$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 increases 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%, which was the highest level of State aid to date. 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 established 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 was made to promote job readiness. An additional \$150 million was 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 provides \$35.9 billion in State funding to school districts for the 2024-25 school year, the highest level of State aid ever. This represents an increase of \$1.3 billion compared to the 2023-24 school year and includes a \$934 million or 3.89 percent Foundation Aid increase. The State’s 2024-25 Enacted Budget maintains the “save harmless” provision, which currently ensures a school district receives at least the same amount of Foundation Aid as it received in the prior year. The State’s 2024-25 Enacted Budget also authorizes a comprehensive study by the Rockefeller Institute and the State Department of Education to develop a modernized school funding formula.

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.

The State’s 2026-27 Executive Budget includes \$39.3 billion in State funding to school districts for the 2026-27 school year, an estimated year-to-year funding increase of \$1.6 billion. The State’s 2026-27 Executive Budget includes \$27 billion in Foundation Aid, an increase of \$779 million from 2025-26, and includes a 1% minimum increase in Foundation Aid to all school districts. The State’s 2026-27 Executive Budget also includes an increase of \$561 million in Universal Pre-Kindergarten Aid to ensure universal full-day Pre-K for all four-year-olds in the State by the start of the State’s 2029 fiscal year.

State Aid Litigation

In January 2001, the State Supreme Court issued a decision in *Campaign for Fiscal Equity v. New York* 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 Campaign for Fiscal Equity 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. (See both “*School district fiscal year (2022-2023)*” and the following paragraphs herein.)

A case related to the CFE 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 outlined 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.
- FY 2027 Executive Budget: \$27 billion in Foundation Aid, an increase of \$779 million from 2025-26, and a 1% minimum increase in Foundation Aid to all school districts.

The State’s 2025-26 Budget also made a number of alterations to the Foundation Aid formula to more accurately reflect low-income student populations and provide additional aid to low-wealth school districts.

State Aid Revenues

The following table illustrates the percentage of total revenues of the District for the below fiscal years comprised of State aid.

<u>Fiscal Year</u>	<u>Total State Aid</u>	<u>Total Revenues</u>	<u>Percentage of Total Revenues Consisting of State Aid</u>
2020-2021	\$ 23,394,582	\$ 42,189,651	55.45%
2021-2022	23,723,215	43,037,654	55.12
2022-2023	26,001,936	45,205,847	57.52
2023-2024	29,946,916	50,075,324	59.80
2024-2025	31,078,513	52,455,857	59.24
2025-2026 (Budgeted)	32,770,327	55,979,032 ⁽¹⁾	58.54

⁽¹⁾ Includes appropriated fund balance and reserves.

Source: Audited Financial Statements for the 2020-2021 through 2024-2025 fiscal years, and adopted budget of the District for the 2025-2026 fiscal years This table is not audited.

District Facilities

<u>Name</u>	<u>Grades</u>	<u>Capacity</u>	<u>Year(s) Built/Additions</u>
Windsor High School	9-12	1,600	1974, '01
Windsor Middle/Palmer Elementary	PK-8	850	1933, '52, '64
Floyd L. Bell Elementary	PK-5	730	1957, '69
C.R. Weeks Elementary	PK-5	760	1959, '63, '69

Source: District officials.

Enrollment Trends

<u>School Year</u>	<u>Actual Enrollment</u>	<u>School Year</u>	<u>Projected Enrollment</u>
2021-2022	1,680	2026-2027	1,650
2022-2023	1,634	2027-2028	1,650
2023-2024	1,632	2028-2029	1,650
2024-2025	1,592	2029-2030	1,650
2025-2026	1,563	2030-2031	1,650

Source: District officials.

Employees

The District employs a total of 311 full-time and 12 part-time employees with representation by the various bargaining units listed below:

<u>Number of Employees</u>	<u>Bargaining Unit</u>	<u>Contract Expiration Date</u>
165	Windsor Teachers' Association	June 30, 2026 ⁽¹⁾
87	Windsor School Related Professionals	June 30, 2026 ⁽¹⁾
51	Windsor Custodial and Transportation Staff	June 30, 2026 ⁽¹⁾
9	Windsor Administrators' Association	June 30, 2026 ⁽¹⁾
6	Unrepresented Support Staff	N/A
3	Windsor District Office Administrators Association	June 30, 2026 ⁽¹⁾
2	Unrepresented Administrators	N/A

⁽¹⁾Currently in negotiations.

Note: The WTA has settled for a one-year contract to be approved at the Board of Education meeting on April 24, 2026.

Source: District officials.

Status and Financing of Employee Pension Benefits

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

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

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

On March 16, 2012, the Governor signed into law the new Tier VI pension program, effective for new ERS and TRS employees hired after April 1, 2012. The Tier VI legislation provides for increased employee contribution rates of between 3% and 6% and contributions at such rates continue so long as such employee continues to accumulate pension credits, an increase in the retirement age from 62 years to 63 years, a readjustment of the pension multiplier, and a change in the time period for the final average salary calculation from 3 years to 5 years. 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 District is required to contribute at an actuarially determined rate. The contributions for the last five years and budgeted amounts for the 2025-2026 fiscal year are as follows:

<u>Fiscal Year</u>	<u>ERS</u>	<u>TRS</u>
2020-2021	\$ 401,743	\$ 1,311,984
2021-2022	375,000	1,240,383
2022-2023	364,046	1,376,456
2023-2024	393,153	1,374,394
2024-2025	522,444	1,450,639
2025-2026 (Budgeted)	625,000	1,526,256

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 offered an enhanced early retirement incentive for the 2025-26 fiscal year for the Windsor Administrators Association bargaining unit. The enhanced incentive increased the value of the remaining sick days from \$100 per day to \$300 per day plus \$2,000. Two District employees are expected to participate.

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. The District has established a TRS reserve fund.

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. For the fiscal year ended June 30, 2018, the District implemented GASB 75. The implementation of this statement requires District's 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 districts could amortize the OPEB liability over a period of years, whereas GASB 75 requires districts to report the entire OPEB liability on the statement of net position.

The District contracted with Questar III BOCES to calculate its actuarial valuation under GASB 75. The following outlines the changes to the Total OPEB Liability during the below fiscal years, by source.

	2023	2024
Balance beginning at July 1:	\$ 52,049,071	\$ 51,953,634
<u>Changes for the year:</u>		
Service cost	1,820,012	1,611,221
Interest	1,934,080	2,069,659
Differences between expected and actual experience	-	-
Changes in benefit terms	-	-
Effect of demographic gains or losses	-	(8,174,123)
Changes in assumptions or other inputs	(2,072,406)	(6,790,755)
Benefit payments	(1,777,123)	(1,821,135)
Net Changes	\$ (95,437)	\$ (13,105,133)
Balance ending at June 30:	\$ 51,953,634	\$ 38,848,501

Note: The above table is not audited. For additional information see "APPENDIX – E" attached hereto.

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

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

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

Other Information

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

The District has complied 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.

Financial Statements

The District retains independent Certified Public Accountants. The last audit report covers the period ending June 30, 2025 and is attached hereto as “APPENDIX – E”. 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 issues its financial statements in accordance with GASB Statement No. 34. This statement includes reporting of all assets including infrastructure and depreciation in the Government Wide Statement of Activities, as well as the Management’s Discussion and Analysis.

New York State Comptroller Reports of Examination

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

The State Comptroller’s office released its most recent audit report of the District on November 23, 2022. The purpose of the audit was to determine whether the District officials established adequate internal controls over fuel credit card purchasers and fuel inventory to help ensure fuel was used for District purposes and properly accounted for during the period July 1, 2020 through April 30, 2022. Key findings and recommendations of the audit report are summarized below.

Key Findings

District officials did not have adequate internal controls over fuel credit card purchases and fuel inventory, such as written policies and procedures. As a result, 18,369 gallons of fuel costing approximately \$38,300 are not accounted for.

- Employees used District credit cards to purchase fuel, but records were not always maintained to report who used the credit cards or what District vehicle or equipment was fueled.
- Officials did not confirm the District received the fuel it purchased when it was delivered.
- Officials did not establish adequate controls to safeguard diesel fuel stored in the District’s 10,000-gallon storage tank.

Key Recommendations

- Develop and adopt written policies and procedures for fuel usage.
- Reconcile fuel inventories and purchases and secure fuel credit cards and diesel fuel tank.

The District provided a response on November 17, 2022. A copy of the complete report can be found by visiting the Audits of Local Governments section of the Office of the State Comptroller website.

There are no other State Comptroller’s audits of the District published within the past five years, nor are there any that are currently in progress or pending release.

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.

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 below fiscal years of the District are as follows:

<u>Fiscal Year Ending In</u>	<u>Stress Designation</u>	<u>Fiscal Score</u>
2025	No Designation	16.7
2024	No Designation	13.3
2023	No Designation	13.3
2022	No Designation	13.3
2021	No Designation	20.0

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.

TAX INFORMATION

Taxable Assessed Valuations

<u>Fiscal Year Ending June 30:</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
Towns of:					
Colesville	\$ 1,773,114	\$ 1,791,357	\$ 1,784,663	\$ 1,836,208	\$ 1,853,097
Kirkwood	210,354,700	225,201,341	241,125,850	244,957,015	245,279,385
Sanford	14,385,119	14,378,271	14,417,691	15,736,024	15,833,404
Windsor	276,217,108	278,522,441	279,365,691	298,432,780	300,518,531
Total Assessed Values	<u>\$ 502,730,041</u>	<u>\$ 519,893,410</u>	<u>\$ 536,693,895</u>	<u>\$ 560,962,027</u>	<u>\$ 563,484,417</u>
State Equalization Rates					
Towns of:					
Colesville	7.60%	6.90%	6.00%	5.80%	5.50%
Kirkwood	63.00%	60.50%	61.00%	58.50%	54.25%
Sanford	56.00%	52.00%	46.00%	44.90%	41.20%
Windsor	63.00%	59.00%	52.00%	48.90%	42.50%
Total Taxable Full Valuation	<u>\$ 821,354,363</u>	<u>\$ 897,917,772</u>	<u>\$ 993,617,182</u>	<u>\$ 1,095,727,506</u>	<u>\$ 1,231,353,589</u>

Source: District officials.

Tax Rate Per \$1,000 (Assessed)

<u>Fiscal Year Ending June 30:</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
Towns of:					
Colesville	\$ 256.45	\$ 266.52	\$ 291.74	\$ 287.08	\$ 275.47
Kirkwood	30.94	30.40	28.70	28.46	27.92
Sanford	34.80	35.37	38.05	37.08	36.77
Windsor	30.94	31.17	33.66	34.05	35.65

Source: District officials.

Tax Collection Procedure

Tax payments are due September 5th. There is no penalty charge for the first thirty days after taxes are due, but a 2% penalty is charged from October 5th to October 31st. On November 15th, uncollected taxes are returnable to the County of Broome 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.

Tax Levy and Tax Collection Record

<u>Fiscal Year Ending June 30:</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
Total Tax Levy	\$ 16,008,579	\$ 16,512,665	\$ 17,392,622	\$ 18,244,860	\$ 18,656,541
Amount Uncollected ⁽¹⁾	832,779	795,181	920,530	981,152	N/A
% Uncollected	5.20%	4.82%	5.29%	5.38%	N/A

⁽¹⁾ The District receives 100% of its tax levy each year. See "Tax Collection Procedures" herein.

Source: District officials.

Real Property Tax Revenues

The following table illustrates the percentage of total revenues of the District for the below fiscal years comprised of Real Property Taxes.

<u>Fiscal Year</u>	<u>Total Revenues</u>	<u>Total Real Property Taxes & Tax Items</u>	<u>Percentage of Total Revenues Consisting of Real Property Tax & Tax Items</u>
2020-2021	\$ 42,189,651	\$ 16,361,641	38.78%
2021-2022	43,037,654	16,584,039	38.53
2022-2023	45,205,847	17,080,205	37.78
2023-2024	50,075,324	18,134,815	36.22
2024-2025	52,455,857	18,535,653	35.33
2025-2026 (Budgeted) ⁽¹⁾	54,182,032	18,974,538	35.01

⁽¹⁾ Includes appropriated fund balance and reserves.

Source: Audited Financial Statements for the 2020-2021 through 2024-2025 fiscal years, and adopted budget of the District for the 2025-2026 fiscal year. This table is not audited.

Ten Largest Taxpayers – 2025 Assessment Roll for 2025-26 District Tax Roll

<u>Name</u>	<u>Type</u>	<u>Taxable Assessed Valuation</u>
Laser Northeast Gathering	Utility	\$ 52,942,719
42 Binghamton LP	Manufacturing	35,184,800
Bluestone Wind	Utility	25,942,600
NYSEG	Utility	23,050,928
Millenium Pipeline ⁽¹⁾⁽²⁾	Utility	20,886,040
GMS Realty	Real Estate	18,940,000
Willow Run Foods	Distribution	15,971,900
Bluestone Gas	Utility	7,354,440
Frito Lay	Manufacturing	5,390,000
Kirkwood Warehouse Vendors	Distribution	4,750,000

- (1) Millennium Pipeline has filed a Notice of Petition contesting their full value assessment. There is a maximum potential tax liability of \$504,848 to the District should it be successful in its claim.
- (2) Millennium Pipeline has filed official Notices of Petitions contesting the Final Special Franchise Full Values that were determined by the NYS Board of Real Property Services (2010, 2011, 2012, 2013, 2014 and 2021).

See the following table for specifics:

<u>Fiscal Year Ending</u>	<u>Full Value</u>	<u>Requested Full Value</u>	<u>Potential Adjustment to Full Value</u>
2010	\$ 402,721	\$ 80,000	\$ (322,721)
2011	360,067	80,000	(280,067)
2012	380,057	80,000	(300,057)
2013	399,932	80,000	(319,932)
2014	399,932	80,000	(319,932)
2015	399,932	80,000	(319,932)
2016	399,932	80,000	(319,932)
2017	399,932	80,000	(319,932)
2018	399,932	80,000	(319,932)
2019	399,932	80,000	(319,932)
2020	399,932	80,000	(319,932)
2021	347,586	86,897	(260,689)
2022	347,586	86,897	(260,689)
2023	347,586	86,897	(260,689)
2024	347,586	86,897	(260,689)
2025	347,586	86,897	(260,689)
2026	347,586	86,897	(260,689)

The maximum potential liability of all current additional tax certiorari claims, excluding the Millennium claim listed above, is \$306,890. Including the Millennium claim listed above, the maximum potential liability of all current additional tax certiorari claims, is \$811,738. The Board of Education has approved to join the joint defense and cost-sharing effort regarding the Millenium Pipeline Special Franchise and Article 7 assessment challenges.

The ten larger taxpayers have an estimated assessed valuation of \$210,413,427, which represents 37.34% of the tax base of the District for the 2025-2026 fiscal year.

The District has established and funded a Tax Certiorari Reserve. The balance of the Tax Certiorari Reserve was \$256,358 as of June 30, 2025. The reserve can be drawn upon to safeguard and mitigate the financial impact of settlements of outstanding petitions. The Tax Certiorari Reserve is reviewed and adjusted annually in June, toward the end of the fiscal year. In addition, the District is authorized by the Local Finance Law to borrow to pay any such settlements.

The District currently does not have any other pending or outstanding tax certioraris that are known or believed to have a material impact on the District.

Source: District officials.

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. Homeowners over 65 years of age with household adjusted gross incomes, less the taxable amount of total distributions from individual retirement accounts and individual retirement annuities (“STAR Adjusted Gross Income”) of \$98,700 or less in the 2024-2025 school year, increased annually according to a cost of living adjustment, are eligible for a “full value” exemption of the first \$84,000 of the full value of a home for the 2024-2025 school year (adjusted annually). Other homeowners with household STAR Adjusted Gross income not in excess of \$250,000 (\$500,000 in the case of a STAR credit, as discussed below) are eligible for a \$30,000 “full value” exemption on their primary residence.

The 2019-2020 State Budget made several changes to the STAR program, which went into effect immediately. The changes are 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 received for the STAR exemption will remain the same each year, while the amount of the STAR credit can increase up to two percent annually. Homeowners with STAR Adjusted Gross Income of \$250,000 or less have the option to select the credit or the exemption.

The 2020-2021 State Budget further modified the STAR program. Under such legislation, property owners with property tax delinquencies greater than one year are not eligible for the Basic STAR exemption or the Basic STAR credit. Recipients of the Enhanced STAR exemptions and credits are not impacted by this program; they may continue to receive STAR benefits even if their property taxes are delinquent.

The 2022-2023 State Budget provided \$2.2 billion in State funding for a new one-year property tax relief credit, the Homeowner Tax Rebate Credit, for eligible low- and middle-income households, as well as eligible senior households. Under this program, basic STAR exemption and credit beneficiaries with incomes below \$250,000 and Enhanced STAR recipients are eligible for the property tax rebate where the benefit is a percentage of the homeowners’ existing STAR benefit.

The below table lists the basic and enhanced exemption amounts for the 2025-2026 District tax roll for the municipalities applicable to the District:

<u>Towns of:</u>	<u>Enhanced Exemption</u>	<u>Basic Exemption</u>	<u>Date Certified</u>
Colesville	\$ 4,990	\$ 1,740	4/10/2025
Kirkwood	50,370	17,550	4/10/2025
Sanford	38,660	13,470	4/10/2025
Windsor	42,100	14,670	4/10/2025

\$1,317,626 of the District’s \$18,244,860 school tax levy for 2024-2025 was exempted by the STAR Program. The District received full reimbursement of such exempt taxes from the State by January 2025.

Approximately \$1,241,016 of the District’s \$18,656,541 school tax levy for 2025-2026 is expected to be exempt by the STAR Program. The District anticipates receiving full reimbursement of such exempt taxes from the State by 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 estimated total annual District property tax bill of a \$100,000 assessed value residential property located in the District is approximately \$3,175.

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. It was set to expire on June 15, 2020; however, it has since been made permanent. 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, applicable to the Notes.

See "State Aid" for a discussion of the *New Yorkers for Students' Educational Rights v. State of New York* case which included 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 and Local Finance Law limit the power of the School District (and other municipalities and certain school districts of the State) to issue obligations and to otherwise contract indebtedness. Such constitutional and statutory limitations in summary form, and as generally applicable to the School District and the Notes, include the following:

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

The School District may contract indebtedness only for a school district purpose and shall pledge its faith and credit for the payment of the 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. The School District is required to provide an annual appropriation for the payment of interest due during the year on its indebtedness and for the amounts required in such year for amortization and redemption of its serial bonds and such required annual installments on its Notes.

Statutory Procedure

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

Debt Limit. The School District has the power to contract indebtedness for any school district purpose authorized by the legislature of the State 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 School District and subject to certain enumerated deductions and exclusions set forth in the Local Finance Law. The constitutional method for determining average full valuation is by taking the assessed valuation of taxable real estate for the last completed assessment roll and applying thereto the ratio (equalization ratio) which such assessed valuation bears to the full valuation; such ratio is determined by the State Office of Real Property Services.

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

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

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

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

The District has complied with this estoppel procedure in connection with the Notes.

The Board of Education, as the finance board of the School 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 School District, pursuant to the Local Finance Law.

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

Debt Outstanding End of Fiscal Year

<u>Fiscal Years Ending June 30th:</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Bonds	\$ 15,985,000	\$ 21,970,000	\$ 22,590,000	\$ 19,465,000	\$ 39,220,000
Bond Anticipation Notes	10,811,146	5,080,630	5,717,914	15,844,000	1,712,795
Other Debt ⁽¹⁾	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Debt Outstanding	<u>\$ 26,796,146</u>	<u>\$ 27,050,630</u>	<u>\$ 28,307,914</u>	<u>\$ 35,309,000</u>	<u>\$ 40,932,795</u>

⁽¹⁾ In 2022, the District implemented GASB Statement No. 87 for accounting and reporting leases. GASB Statement No. 87 requires the recognition of certain lease assets and liabilities for leases previously classified as operating leases along with the recognition of inflows and outflows of resources, as applicable.

Details of Outstanding Indebtedness

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

<u>Type of Indebtedness</u>	<u>Maturity</u>	<u>Amount</u>
<u>Bonds</u>	2026-2039	\$ 39,220,000
<u>Bond Anticipation Notes</u>		
Purchase of Buses	May 1, 2026	<u>1,712,795</u>
	Total Indebtedness	<u>\$ 40,932,795</u>

⁽¹⁾ To be redeemed and partially renewed at maturity with available funds of the District and the proceeds of the Notes.

Debt Statement Summary

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

Full Valuation of Taxable Real Property	\$ 1,231,353,589
Debt Limit 10% thereof	123,135,358

Inclusions:

Bonds.....	\$ 39,220,000	
Bond Anticipation Notes (BANs):.....	<u>1,712,795</u>	
Total Inclusions prior to issuance of the Notes	<u>40,932,795</u>	
Less: BANs being redeemed from appropriations	(504,750)	
Add: New money proceeds of the Notes	<u>835,000</u>	
Total Net Inclusions after issuance of the Notes		<u>\$ 41,278,045</u>

Exclusions:

State Building Aid ⁽¹⁾	\$ <u>0</u>	
Total Exclusions		<u>\$ 0</u>

Total Net Indebtedness	<u>\$ 41,263,045</u>
Net Debt-Contracting Margin	<u>\$ 81,872,313</u>
The percent of debt contracting power exhausted is	33.51%

⁽¹⁾ Pursuant to the Provisions of Chapter 760 of the Laws of New York State of 1963, the School District receives aid on existing bonded debt. Since the gross indebtedness of the School District is within the debt limit, the School District is not required to apply for a Building Aid Estimate. Over the years the building aid ratio has been adjusted based on State legislative changes with an effective date tied to voter authorization dates. Based on preliminary 2026-27 Preliminary Building Aid Ratios, the School District anticipates State building aid of 83.2% 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.

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

Bonded Debt Service

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

Capital Project Plans

The District typically issues bond anticipation notes annually for the purchase of buses and other transportation vehicles, pursuant to various authorizations of the District. Currently, \$1,712,795 bond anticipation notes are outstanding for such purpose and mature on May 1, 2026. The proceeds of the Notes, along with \$504,750 available funds of the District, will partially redeem and renew said currently outstanding bond anticipation notes, and will provide \$835,000 new monies for this purpose.

On March 31, 2026, by a vote of 198-35, District voters approved a capital project at a maximum cost of \$16,300,000, with \$1,900,000 from capital reserves. Borrowings for the project will be pursuant to approval from the State Education Department and as the project’s cash flow needs warrant.

As of the date of this Official Statement, there are presently no other capital projects authorized and unissued by the School District, nor are any contemplated.

Cash Flow Borrowings

The District has not issued revenue or tax anticipation notes nor budget or deficiency notes within the past five fiscal years, and does not expect to issue them in the foreseeable future.

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 respective municipalities.

<u>Municipality</u>	<u>Status of Debt as of</u>	<u>Gross Indebtedness</u> ⁽¹⁾	<u>District Share</u>	<u>Applicable Indebtedness</u>
County of:				
Broome	4/1/2025	\$ 179,616,581	8.01%	\$ 14,387,288
Town of:				
Colesville	12/31/2024	-	8.68%	-
Kirkwood	12/31/2024	1,345,000	76.52%	1,029,194
Sanford	12/31/2024	545,000	8.62%	46,979
Windsor	6/30/2024	8,845,106	99.60%	8,809,726
Village of:				
Windsor	5/31/2024	-	100.00%	-
Total:				<u>\$ 24,273,187</u>

⁽¹⁾ 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.

Note: Gross Indebtedness sourced from local government data provided by the State Comptroller’s office. Information regarding applicable exclusions, such as water debt, sewer debt, and budgeted appropriations for the municipalities and state building aid for the school districts is not available from source

Debt Ratios

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

	<u>Amount</u>	<u>Per Capita</u> ^(a)	<u>Percentage of Full Value</u> ^(b)
Net Indebtedness ^(c)	\$ 41,263,045	\$ 3,961.13	3.35%
Net Indebtedness Plus Gross Overlapping Indebtedness ^(d)	65,536,232	6,291.28	5.32

- (a) The 2024 estimated population of the District was 10,417. (See “THE SCHOOL DISTRICT – Population” herein.)
- (b) The District's full value of taxable real estate for the 2025-2026 fiscal year is \$1,231,353,589. (See “TAX INFORMATION – Taxable Assessed Valuations” herein.)
- (c) See "Debt Statement Summary" herein for the calculation of Net Direct Indebtedness.
- (d) Estimated gross overlapping indebtedness is \$24,273,187. (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. The District has never defaulted in the payment of the principal of and interest on any indebtedness.

MARKET AND RISK FACTORS

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

The financial condition of the 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 or in other jurisdictions in the country, including, for example, the seeking by a municipality or large taxable property owner of remedies pursuant to the Federal Bankruptcy Code or otherwise, will not occur which might affect the market price of and the market for the Notes. If a significant default or other financial crisis should occur in the affairs of the State or any of its agencies or political subdivisions thereby further impairing the acceptability of obligations issued by borrowers within the State, both the ability of the District to arrange for additional borrowings, and the market for and market value of outstanding debt obligations, including the Notes, could be adversely affected.

The District relies in part on State aid to fund its operations. There can be no assurance that the State appropriation for State aid to school districts will be continued in future years, either pursuant to existing formulas or in any form whatsoever. State aid appropriated and apportioned to the District can be paid only if the State has such monies available therefore. The availability of such monies and the timeliness of such payment may also be affected by a delay in the adoption of the State budget, the State's ability to borrow funds in anticipation of the receipt of State taxes in order to pay State aid to municipalities and school districts in the State, including the District, in any year, the impact to the State's economy and financial condition due to the novel coronavirus ("COVID-19") outbreak and other circumstances, including State fiscal stress. In several recent 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. In any event, State aid appropriated and apportioned to the District can be paid only if the State has such monies available therefore. 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. (See also "THE SCHOOL DISTRICT - State Aid").

The enactment of the Tax Levy Limitation Law, which imposes a tax levy limitation upon municipalities, school districts and fire districts in the State, including the District could have an impact 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.

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.

Federal Policy Risk. Federal policies on trade, immigration, and other topics can shift dramatically from one administration to another. From time to time, such shifts can result in reductions to the State's level of federal funding for a variety of social services, health care, public safety, transportation, public health, and other federally funded programs. There can be no prediction of future changes in federal policy or the potential impact on any related federal funding that the State may or may not receive in the future.

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. 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 bonds, like the Premium Notes, the interest on which is excluded from gross income for federal income tax purposes. However, the amount of tax-exempt interest received, and an owner's basis in a Premium Note, 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.

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 bonds 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 bonds 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 an 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.

There is no action, suit, proceedings or investigation, at law or in equity, before or by any court, public board or body pending or, to the best knowledge of the District, threatened against or affecting the District to restrain or enjoin the issuance, sale or delivery of the Notes or the levy and collection of taxes or assessments to pay same, or in any way contesting or affecting the validity of the Notes or any proceedings or authority of the District taken with respect to the authorization, issuance or sale of the Notes or contesting the corporate existence or boundaries 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, a description of which is attached hereto as “APPENDIX – C”.

Historical Continuing Disclosure Compliance

The District has maintained 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 municipal advisor to the District on matters relating to debt management. The Municipal Advisor is a municipal advisory and consulting organization and is not engaged in the business of underwriting, marketing, or trading municipal securities or any other negotiated instruments. The Municipal Advisor has provided advice as to the plan of financing and the structuring of the Notes. The advice on the plan of financing and the structuring of the Notes was based on materials provided by the 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 paid by the District to Fiscal Advisors are partially contingent on a successful closing of the Notes.

CUSIP IDENTIFICATION NUMBERS

It is anticipated that CUSIP (an acronym that refers to Committee on Uniform Security Identification Procedures) identification numbers will be printed on the Notes. All expenses in relation to the printing of CUSIP numbers on the Notes will be paid for by the District provided; however, the District assumes no responsibility for any CUSIP Service Bureau charge or other charge that may be imposed for the assignment of such numbers.

RATINGS

The Notes are not rated. The purchaser of the Notes may choose to request that a rating be assigned after the sale pending the approval of the District and applicable rating agency, and at the expense of the purchaser, including any rating agency and other fees to be incurred by the District, as such rating action may result in a material event notice to be posted to EMMA and/or the provision of a Supplement to the final Official Statement.

S&P Global Ratings, a business unit of Standard & Poor's Financial Services LLC ("S&P") has assigned its underlying rating of "A+" with a stable outlook to the District's outstanding bonds. The rating reflects only the view of S&P, and any desired explanation of the significance of such rating should be obtained from S&P, Public Finance Ratings, 55 Water Street, 38th Floor, New York, New York 10041, Phone: (212) 438-2118.

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 this Official Statement, and the documents included by specific reference, that are not historical facts are forward-looking statements, which are based on the District management's beliefs as well as assumptions made by, and information currently available to, the 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 District's files with the repositories. When used in District documents or oral presentation, the words "anticipate", "estimate", "expect", "objective", "projection", "forecast", "goal", or similar words are intended to identify forward-looking statements.

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

Orrick, Herrington & Sutcliffe LLP, New York, New York, Bond Counsel to the 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 assume 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: Taylor Guley, District Business Coordinator, Windsor Central School District, Administration Offices, 119 NY Route 79, Windsor, New York 13856, Phone: (607) 655-8215, Email: tguley@windsor-csd.org.

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

WINDSOR CENTRAL SCHOOL DISTRICT

Dated: April 10, 2026

**PRESIDENT OF THE BOARD OF EDUCATION AND
CHIEF FISCAL OFFICER**

GENERAL FUND

Balance Sheets

Fiscal Years Ending June 30:	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
ASSETS					
Unrestricted Cash	\$ 628,685	\$ 1,405,102	\$ 1,746,423	\$ 1,564,475	\$ 1,451,339
Restricted Cash	6,997,585	5,495,095	5,790,898	7,501,845	7,973,484
State and Federal Aid Receivable	1,479,927	713,048	686,945	1,270,722	2,417,579
Other Receivables	177,004	300,617	225,890	400,226	894,648
Due from Other Funds	1,022,241	1,344,847	1,339,895	1,105,785	699,276
Due from Other Governments	1,386,351	1,191,160	1,610,489	1,786,638	1,638,641
Due from Fiduciary Funds	-	-	-	-	-
Deferred Expenditures	415	-	-	-	-
Other	-	-	-	-	-
TOTAL ASSETS	\$ 11,692,208	\$ 10,449,869	\$ 11,400,540	\$ 13,629,691	\$ 15,074,967
LIABILITIES AND FUND EQUITY					
Accounts Payable	\$ 490,918	\$ 604,663	\$ 675,245	\$ 858,871	\$ 1,141,773
Accrued Liabilities	182,145	173,240	274,433	234,133	204,051
Notes Payable	-	-	-	-	-
Due to Fiduciary Funds	-	-	-	-	-
Due to Other Funds	73,493	37	42,777	14,727	117,319
Due to Other Governments	-	47	136	32	104
Due to Teachers' Retirement System	1,376,119	1,482,424	1,686,986	1,688,013	1,777,407
Due to Employees' Retirement System	121,980	84,719	110,877	132,194	163,482
Deferred Revenues	187,127	106,661	106,564	-	45
Compensated Absences	-	-	-	-	259,370
TOTAL LIABILITIES	\$ 2,431,782	\$ 2,451,791	\$ 2,897,018	\$ 2,927,970	\$ 3,663,551
FUND EQUITY					
Nonspendable	\$ 415	\$ -	\$ -	\$ -	\$ -
Restricted	6,997,585	5,495,095	5,790,898	7,501,845	7,973,484
Assigned	651,818	710,029	753,517	1,126,148	1,214,215
Unassigned	1,610,608	1,792,954	1,959,107	2,073,728	2,223,717
TOTAL FUND EQUITY	9,260,426	7,998,078	8,503,522	10,701,721	11,411,416
TOTAL LIABILITIES & FUND EQUITY	\$ 11,692,208	\$ 10,449,869	\$ 11,400,540	\$ 13,629,691	\$ 15,074,967

GENERAL FUND

Revenues, Expenditures and Changes in Fund Balance

Fiscal Years Ending June 30:	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
REVENUES					
Real Property Taxes	\$ 13,754,536	\$ 14,173,510	\$ 14,775,379	\$ 15,694,059	\$ 16,927,234
Real Property Tax Items	2,607,105	2,410,529	2,304,826	2,440,756	1,608,419
Charges for Services	280,232	372,476	378,859	261,311	479,851
Use of Money & Property	170,640	173,615	411,165	657,437	629,098
Sale of Property and Compensation for Loss	16,970	183,451	53,397	57,489	39,214
Miscellaneous	1,846,861	1,538,112	1,056,686	966,594	1,650,854
Revenues from State Sources	23,394,582	23,723,215	26,001,936	29,946,916	31,078,513
Revenues from Federal Sources	36,046	461,778	25,781	29,317	42,674
Total Revenues	<u>\$ 42,106,972</u>	<u>\$ 43,036,686</u>	<u>\$ 45,008,029</u>	<u>\$ 50,053,879</u>	<u>\$ 52,455,857</u>
Other Sources:					
Interfund Transfers	<u>82,679</u>	<u>968</u>	<u>197,818</u>	<u>21,445</u>	<u>171,783</u>
Total Revenues and Other Sources	<u>\$ 42,189,651</u>	<u>\$ 43,037,654</u>	<u>\$ 45,205,847</u>	<u>\$ 50,075,324</u>	<u>\$ 52,627,640</u>
EXPENDITURES					
General Support	\$ 4,238,670	\$ 4,804,673	\$ 4,761,686	\$ 4,837,061	\$ 5,242,666
Instruction	19,711,877	20,978,172	22,576,086	24,753,667	26,650,786
Pupil Transportation	1,693,083	1,836,930	2,004,089	2,091,633	2,308,118
Community Services	6,261	23,417	28,357	25,902	28,142
Employee Benefits	9,298,985	9,408,842	10,092,110	10,472,430	11,156,350
Debt Service	4,464,141	4,334,925	4,909,399	5,431,881	6,387,937
Total Expenditures	<u>\$ 39,413,017</u>	<u>\$ 41,386,959</u>	<u>\$ 44,371,727</u>	<u>\$ 47,612,574</u>	<u>\$ 51,773,999</u>
Other Uses:					
Interfund Transfers	<u>117,096</u>	<u>2,913,045</u>	<u>328,677</u>	<u>264,551</u>	<u>143,946</u>
Total Expenditures and Other Uses	<u>\$ 39,530,113</u>	<u>\$ 44,300,004</u>	<u>\$ 44,700,404</u>	<u>\$ 47,877,125</u>	<u>\$ 51,917,945</u>
Excess (Deficit) Revenues Over Expenditures	<u>2,659,538</u>	<u>(1,262,350)</u>	<u>505,443</u>	<u>2,198,199</u>	<u>709,695</u>
FUND BALANCE					
Fund Balance - Beginning of Year	6,600,888	9,260,428	7,998,079	8,503,522	10,701,721
Prior Period Adjustments (net)	-	-	-	-	-
Fund Balance - End of Year	<u>\$ 9,260,426</u>	<u>\$ 7,998,078</u>	<u>\$ 8,503,522</u>	<u>\$ 10,701,721</u>	<u>\$ 11,411,416</u>

GENERAL FUND

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

Fiscal Years Ending June 30:	2025			2026
	Original Budget	Final Budget	Actual	Adopted Budget
REVENUES				
Real Property Taxes	\$ 18,244,860	\$ 16,927,234	\$ 16,927,234	\$ 18,656,541
Real Property Tax Items	282,164	1,599,790	1,608,419	317,997
Charges for Services	302,000	302,000	479,851	508,500
Use of Money & Property	93,000	93,000	629,098	615,300
Sale of Property and Compensation for Loss	90,870	90,870	39,214	94,036
Miscellaneous	1,202,158	1,211,346	1,650,854	1,189,331
Revenues from State Sources	30,986,857	30,986,857	31,078,513	32,770,327
Revenues from Federal Sources	65,000	65,000	42,674	30,000
Total Revenues	\$ 51,266,909	\$ 51,276,097	\$ 52,455,857	\$ 54,182,032
Other Sources:				
Appropriated Fund Balance	900,000	900,000	-	900,000
Appropriated Reserves	941,093	941,093	-	845,000
Interfund Transfers	158,200	158,200	171,783	52,000
Total Revenues and Other Sources	\$ 53,266,202	\$ 53,275,390	\$ 52,627,640	\$ 55,979,032
EXPENDITURES				
General Support	\$ 5,727,213	\$ 5,868,006	\$ 5,242,666	\$ 7,429,274
Instruction	26,660,980	27,330,899	26,650,786	27,006,932
Pupil Transportation	2,359,941	2,480,012	2,308,118	2,463,484
Community Services	35,354	34,640	28,142	34,800
Employee Benefits	12,221,003	11,283,304	11,156,350	12,746,506
Debt Service	6,131,711	6,131,711	6,387,937	6,153,036
Total Expenditures	\$ 53,136,202	\$ 53,128,572	\$ 51,773,999	\$ 55,834,032
Other Uses:				
Interfund Transfers	130,000	146,818	143,946	145,000
Total Expenditures and Other Uses	\$ 53,266,202	\$ 53,275,390	\$ 51,917,945	\$ 55,979,032
Excess (Deficit) Revenues Over Expenditures	-	-	709,695	-
FUND BALANCE				
Fund Balance - Beginning of Year	-	-	10,701,721	-
Prior Period Adjustments (net)	-	-	-	-
Fund Balance - End of Year	\$ -	\$ -	\$ 11,411,416	\$ -

APPENDIX - B
Windsor CSD

BONDED DEBT SERVICE

Fiscal Year Ending June 30th	Principal	Interest	Total
2026	\$ 3,320,000	\$ 2,255,590	\$ 5,575,590
2027	2,925,000	1,775,206	4,700,206
2028	3,035,000	1,632,694	4,667,694
2029	3,140,000	1,484,519	4,624,519
2030	3,285,000	1,330,894	4,615,894
2031	3,455,000	1,169,444	4,624,444
2032	3,300,000	999,594	4,299,594
2033	2,635,000	837,594	3,472,594
2034	2,740,000	706,250	3,446,250
2035	2,815,000	569,250	3,384,250
2036	2,195,000	428,500	2,623,500
2037	2,300,000	318,750	2,618,750
2038	2,245,000	203,750	2,448,750
2039	1,830,000	91,500	1,921,500
TOTALS	\$ 39,220,000	\$ 13,803,533	\$ 53,023,533

CURRENT BONDS OUTSTANDING

Fiscal Year Ending June 30th	2017 A			2017		
	DASNY Bonds - Capital Project			Reconstruction		
	Principal	Interest	Total	Principal	Interest	Total
2026	\$ 740,000	\$ 289,844	\$ 1,029,844	\$ 130,000	\$ 24,713	\$ 154,713
2027	790,000	252,844	1,042,844	130,000	22,113	152,113
2028	850,000	213,344	1,063,344	130,000	19,350	149,350
2029	870,000	170,844	1,040,844	135,000	16,425	151,425
2030	915,000	127,344	1,042,344	140,000	13,050	153,050
2031	945,000	81,594	1,026,594	145,000	8,850	153,850
2032	670,000	34,344	704,344	150,000	4,500	154,500
2033	25,000	844	25,844	-	-	-
TOTALS	\$ 5,805,000	\$ 1,171,000	\$ 6,976,000	\$ 960,000	\$ 109,000	\$ 1,069,000

Fiscal Year Ending June 30th	2022A			2022C		
	DASNY Bonds - Capital Project			DASNY Bonds - Refunding of 2012A		
	Principal	Interest	Total	Principal	Interest	Total
2026	\$ 510,000	\$ 316,250	\$ 826,250	\$ 830,000	\$ 46,500	\$ 876,500
2027	535,000	290,750	825,750	70,000	5,000	75,000
2028	560,000	264,000	824,000	30,000	1,500	31,500
2029	585,000	236,000	821,000	-	-	-
2030	615,000	206,750	821,750	-	-	-
2031	650,000	176,000	826,000	-	-	-
2032	680,000	143,500	823,500	-	-	-
2033	715,000	109,500	824,500	-	-	-
2034	750,000	73,750	823,750	-	-	-
2035	725,000	36,250	761,250	-	-	-
TOTALS	\$ 6,325,000	\$ 1,852,750	\$ 8,177,750	\$ 930,000	\$ 53,000	\$ 983,000

CURRENT BONDS OUTSTANDING

Fiscal Year Ending June 30th	2023A			2025A		
	DASNY Bonds - Capital Project			DASNY Bonds - Capital Project		
	Principal	Interest	Total	Principal	Interest	Total
2026	\$ 195,000	\$ 158,250	\$ 353,250	\$ 915,000	\$ 1,420,033	\$ 2,335,033
2027	195,000	148,500	343,500	1,205,000	1,056,000	2,261,000
2028	205,000	138,750	343,750	1,260,000	995,750	2,255,750
2029	220,000	128,500	348,500	1,330,000	932,750	2,262,750
2030	230,000	117,500	347,500	1,385,000	866,250	2,251,250
2031	240,000	106,000	346,000	1,475,000	797,000	2,272,000
2032	250,000	94,000	344,000	1,550,000	723,250	2,273,250
2033	265,000	81,500	346,500	1,630,000	645,750	2,275,750
2034	280,000	68,250	348,250	1,710,000	564,250	2,274,250
2035	290,000	54,250	344,250	1,800,000	478,750	2,278,750
2036	305,000	39,750	344,750	1,890,000	388,750	2,278,750
2037	320,000	24,500	344,500	1,980,000	294,250	2,274,250
2038	170,000	8,500	178,500	2,075,000	195,250	2,270,250
2039	-	-	-	1,830,000	91,500	1,921,500
TOTALS	\$ 3,165,000	\$ 1,168,250	\$ 4,333,250	\$ 22,035,000	\$ 9,449,533	\$ 31,484,533

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 School District, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the School 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 School 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 District reserves the right to terminate its obligation to provide the aforescribed 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.

FORM OF BOND COUNSEL'S OPINION

April 30, 2026

Windsor Central School District,
County of Broome,
State of New York

Re: Windsor Central School District, Broome County, New York
\$2,043,045 Bond Anticipation Notes, 2026

Ladies and Gentlemen:

We have been requested to render our opinion as to the validity of an issue of \$2,043,045 Bond Anticipation Notes, 2026, (the "Obligations"), of the Windsor Central School District, County of Broome, State of New York (the "Obligor"), dated April 30, 2026 in the denomination of \$ _____, bearing interest at the rate of _____% per annum, payable at maturity, and maturing April 30, 2027.

We have examined:

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

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

In our opinion:

- (a) The Obligations have been authorized and issued in accordance with the Constitution and statutes of the State of New York and constitute valid and legally binding general obligations of the Obligor, all the taxable real property within which is subject to the levy of ad valorem taxes to pay the Obligations and interest thereon, without limitation as to rate or amount; provided, however, that the enforceability (but not the validity) of the Obligations: (i) may be limited by any applicable bankruptcy, insolvency or other law now existing or hereafter enacted by said State 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 Obligations; provided, however, that the enforceability (but not the validity) of such covenants may be limited by any applicable bankruptcy, insolvency or other law now existing or hereafter enacted by said State or the Federal government affecting the enforcement of creditors' rights.
- (c) Interest on the Obligations is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, and is exempt from personal income taxes imposed by the State of New York and any political subdivision thereof (including The City of New York). Interest on the Obligations is not a specific preference item for purposes of the federal individual alternative minimum tax. Interest on the Obligations included in adjusted financial statement income of certain corporations is not excluded from the federal corporate alternative minimum tax. We express no opinion regarding other tax consequences related to the ownership or disposition of, or the amount, accrual or receipt of interest on, the Obligations.

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

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

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

Very truly yours,

Orrick, Herrington & Sutcliffe LLP

**WINDSOR CENTRAL SCHOOL DISTRICT
BROOME COUNTY, NEW YORK**

AUDITED FINANCIAL STATEMENTS

FISCAL YEAR ENDED JUNE 30, 2025

The Audited Financial Statements, including opinion, were prepared as of date thereof and have not been reviewed and/or updated in connection with the preparation and dissemination of this Official Statement.

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

WINDSOR CENTRAL SCHOOL DISTRICT
FINANCIAL STATEMENTS
JUNE 30, 2025

WINDSOR CENTRAL SCHOOL DISTRICT

TABLE OF CONTENTS

<u>Statement Number</u>		<u>Page</u>
	Independent Auditors' Report	3-6
	Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	7-8
	Management's Discussion and Analysis	9-21
	Statement of Net Position	22
	Statement of Activities	23
	Balance Sheet - Governmental Funds	24
	Statement of Revenues, Expenditures and Changes in Fund Equity - Governmental Funds	25
	Reconciliation of Governmental Funds Balance Sheet to the Statement of Net Position	26
	Reconciliation of Governmental Funds Revenues, Expenditures, and Changes in Fund Equity to the Statement of Activities	27
	Notes to Financial Statements	28-62
REQUIRED SUPPLEMENTARY INFORMATION		
RS1	Schedule of Changes in Total OPEB Liability	64
RS2	Schedule of District's Contributions - NYSLRS Pension Plan	65
RS3	Schedule of District's Proportionate Share of the Net Pension (Asset) Liability-NYSLRS Pension Plan	66
RS4	Schedule of District's Contributions - NYSTRS Pension Plan	67
RS5	Schedule of District's Proportionate Share of the Net Pension (Asset) Liability-NYSTRS Pension Plan	68
RS6	Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual - General Fund	69-70
SUPPLEMENTARY INFORMATION		
SS7	Schedule of Change from Original Budget to Revised Budget and Section 1318 of Real Property Tax Law Limit Calculation	71
SS8	Schedule of Project Expenditures - Capital Projects Fund	72
SS9	Combined Balance Sheet-Non-Major Governmental Funds	73
SS10	Combined Statement of Revenues, Expenditures and Changes in Fund Balances Non-Major Governmental Funds	74
SS11	Net Investment in Capital Assets	75
REPORTS APPLICABLE TO THE SINGLE AUDIT ACT		
SS12	Schedule of Expenditures of Federal Awards	76
	Notes to Schedule of Expenditures of Federal Awards	77
	Schedule of Findings and Questioned Costs	78
	Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance; and Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance	79-81

VIEIRA & ASSOCIATES CPAs, P.C.

John B. Burtis, CPA*
Nicole R. Mayers, CPA
*Also Licensed in Pennsylvania

Scott M. Hotalen, CPA
Lisa D. Leard, CPA
Patrick J. Price, CPA (1967-2024)

INDEPENDENT AUDITORS' REPORT

Board of Education
Windsor Central School District
1191 NY Route 79
Windsor, NY 13865

Report on the Audit of the Financial Statements

Opinions

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

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

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards (GAS)*, 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 Windsor School District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Other Matter

As discussed in Note 1 to the financial statements, the District adopted Governmental Accounting Standards Board (GASB) Statement No. 101 - *Compensated Absences* and Governmental Accounting Standards Board (GASB) Statement No. 102 - *Certain Risk Disclosures*, during the year ended June 30, 2025. 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 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 Windsor Central District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and GAS, 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 Windsor 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.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Windsor Central School District's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the *management's discussion and analysis, schedule of changes in total OPEB liability, schedule of District's contributions-NYSLRS pension plan, schedule of proportionate share of the net pension liability - NYSLRS pension plan, schedule of District's contributions - NYSTRS pension plan, schedule of proportionate share of net pension liability/(asset) - NYSTRS pension plan, and*

schedule of revenues, expenditures and changes in fund balance - budget (non-GAAP Basis) and actual - General Fund on pages 9 through 21, and 64 through 70, be presented to supplement the basic financial statements. Such information, 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 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 Windsor Central School District's basic financial statements. The schedule of change from original budget to revised budget and the section 1318 of real property tax law limit calculation, schedule of project expenditures-capital projects fund, combined balance sheet - non-major governmental funds, combined statement of revenues, expenditures and changes in fund balances non-major governmental funds, and net investment in capital assets (supplementary information) and the schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements themselves 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 change from original budget to revised budget and the section 1318 real property tax law limit calculation, project expenditures-capital projects fund, combined balance sheet-non-major governmental funds, combined statement of revenues, expenditures and changes in fund balances - non-major governmental funds, and net investment in capital assets and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 9, 2025 on our consideration of Windsor Central School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Windsor Central School District's internal control over financial reporting or on compliance.

That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Windsor Central School District's internal control over financial reporting and compliance.

Vieira & Associates CPAs, P.C.

December 9, 2025
Endicott, New York

VIEIRA & ASSOCIATES

CPAs, P.C.

John B. Burtis, CPA*
Nicole R. Mayers, CPA
*Also Licensed in Pennsylvania

Scott M. Hotalen, CPA
Lisa D. Leard, CPA
Patrick J. Price, CPA (1967-2024)

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

INDEPENDENT AUDITORS' REPORT

Board of Education
Windsor Central School District
1191 NY Route 79
Windsor, NY 13865

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Windsor Central School District as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise Windsor Central School District's basic financial statements, and have issued our report thereon dated December 9, 2025.

Report on Internal Control Over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the 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 Windsor Central School District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

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

Vieira & Associates CPAs, P.C.

December 9, 2025
Endicott, New York

**WINDSOR CENTRAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2025**

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

FINANCIAL HIGHLIGHTS

- Total General Fund revenues exceeded expenditures by \$709,695 in 2024-2025, compared to revenues exceeding expenditures in the amount of \$2,198,199 in 2023-2024.
- The General Fund adjusted budgeted expenditures and other financing uses were underspent by \$1,043,230, while actual revenues and other financing sources came in under the adjusted budget by \$647,750.
- Capital asset equipment land and building additions during 2024-2025 amounted to \$9,968,130. Net depreciation expense totaled \$3,929,907.
- Long Term Indebtedness of the School District at June 30, 2025 in the amount of \$85,893,063 increased \$8,907,386 from June 30, 2024 due to the increase in Bonds and notes payable, unamortized bond premium, and net pension liability for NYSLRS. This is offset by a decrease in OPEB liability and net pension liability for NYSTRS. Due to GASB pronouncement No. 101 – *Compensated Absences*, there was a prior period adjustment in the amount of \$1,336,628 to increase compensated absences payable and restate the balance for June 30, 2024.
- Total fund balance in the General Fund, including reserves, was \$11,411,416 at June 30, 2025. Restricted fund balance of \$7,973,484 consisted of General Fund restricted reserves; assigned fund balance of \$1,214,215 which consisted of encumbrances of \$314,215 and appropriations to support the 2025-2026 budget of \$900,000. Unassigned fund balance was \$2,223,717, which is under the maximum limit (4% of 2025-2026 appropriations) permitted under New York State Real Property Tax.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

- The first two statements are District-wide financial statements that provide both short-term and long-term information about the School District's overall financial status.
- The remaining statements are Governmental Fund financial statements that focus on individual parts of the School District, reporting the School District's operations in greater detail than the District-wide financial statements. The Governmental Fund financial statements concentrate on the School District's most significant funds.

**WINDSOR CENTRAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2025**

The financial statements also include notes that explain some of the information in the statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the financial statements with a comparison of the School District's budget for the year and a Schedule of Changes in the School District's Total OPEB Liability and Related ratios related to the School District's unfunded actuarial liability for postemployment benefits and information related to the School District's pension obligations.

District-wide Financial Statements

The District-wide financial statements report information about the School District as a whole using accounting methods similar to those used by private-sector companies. The Statement of Net Position includes all of the School District's assets and liabilities. All of the current year's revenues and expenses are accounted for in the Statement of Activities regardless of when cash is received or paid.

The two District-wide financial statements report the School District's net position and how it has changed. Net Position – the difference between the School District's assets and liabilities – is one way to measure the School District's financial health or position. Over time, increases or decreases in the School District's net position are an indicator of whether its financial position is improving or deteriorating, respectively.

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

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

Governmental Fund Financial Statements

The Governmental Fund financial statements provide more detailed information about the School District's funds, focusing on its most significant or "Major" funds – not the School District as a whole. Funds are accounting devices the School District uses to keep track of specific sources of funding and spending on particular programs. The School District has two kinds of funds:

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

**WINDSOR CENTRAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2025**

FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT AS A WHOLE

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

Figure 1

<i>Condensed Statement of Net Position</i>	<i>Governmental Activities & Total School District</i>		<i>Total Dollar Change</i>
	<i>2023-2024</i>	<i>2024-2025</i>	<i>2024-2025</i>
	<i>Current assets and other assets</i>	\$ 19,521,511	\$ 22,500,194
<i>Net capital assets</i>	80,596,513	86,601,094	6,004,581
<i>Total assets</i>	100,118,024	109,101,288	8,983,264
<i>Deferred outflows of resources:</i>			
<i>Pensions</i>	7,773,725	6,645,891	(1,127,834)
<i>OPEB</i>	9,507,524	6,290,259	(3,217,265)
<i>Total Deferred Outflows</i>	17,281,249	12,936,150	(4,345,099)
<i>Current liabilities</i>	21,155,664	5,137,689	(16,017,975)
<i>Noncurrent liabilities</i>	76,985,677	85,893,063	8,907,386
<i>Total liabilities</i>	98,141,341	91,030,752	(7,110,589)
<i>Deferred inflows of resources</i>			
<i>Pensions</i>	1,518,306	3,047,564	1,529,258
<i>OPEB</i>	19,539,532	26,250,430	6,710,898
<i>State Aid</i>	0	259,370	259,370
<i>Other</i>	0	0	0
<i>Total Deferred Inflows</i>	21,057,838	29,557,364	8,499,526
<i>Invested in capital assets, net of debt</i>	49,140,232	45,047,593	(4,092,639)
<i>Other legal restrictions</i>	9,260,472	9,354,949	94,477
<i>Unrestricted (deficit)</i>	(60,200,610)	(52,953,220)	7,247,390
<i>Total net position</i>	\$ (1,799,906)	\$ 1,449,322	\$ 3,249,228

Total assets increased 9.0% in 2024-2025.

Deferred cash outflows decreased 25.1% and deferred cash inflows increased 40.4%. These are a result of changes in actuarial assumptions related to NYSTRS and NYSLRS pension plans, as well as changes in actuarial assumptions for the other postemployment benefits (OPEB) plan.

Total liabilities decreased by 7.2%. This is a result of a decrease in Bond Anticipation Notes payable, offset by an increase in bond and notes payable and unamortized bond premium.

As a result of the above, total net position changed from a deficit of \$1,799,906 to a surplus of \$1,449,322.

**WINDSOR CENTRAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2025**

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

Figure 2

Changes in Net Position	Governmental Activities & Total School District		Total Dollar Change
	2023-2024	2024-2025	2024-2025
REVENUES			
<i>Program revenues:</i>			
<i>Charges for service</i>	\$ 350,657	\$ 566,121	\$ 215,464
<i>Operating grants and contributions</i>	5,139,708	4,251,768	(887,940)
<i>General revenues:</i>			
<i>Real property taxes</i>	18,134,815	18,535,653	400,838
<i>State and federal sources</i>	29,976,233	31,121,187	1,144,954
<i>Use of money and property</i>	1,117,768	1,196,417	78,649
<i>Other general revenues</i>	1,112,461	1,741,286	628,825
Total revenues	55,831,642	57,412,432	1,580,790
PROGRAM EXPENSES			
<i>General support</i>	4,563,709	5,524,412	960,703
<i>Instruction</i>	27,422,928	29,037,517	1,614,589
<i>Pupil transportation</i>	2,112,038	2,324,862	212,824
<i>Community service</i>	25,902	28,142	2,240
<i>Employee benefits</i>	12,289,717	7,957,072	(4,332,645)
<i>Debt service</i>	1,780,344	2,040,531	260,187
<i>School food service</i>	1,445,149	1,423,278	(21,871)
<i>Scholarships</i>	4,450	4,450	0
<i>Other general expenditures</i>	176,194	223,820	47,626
<i>Depreciation and amortization</i>	3,157,106	4,262,492	1,105,386
Total expenses	52,977,537	52,826,576	(150,961)
CHANGE IN NET POSITION	2,854,105	4,585,856	1,731,751

Total revenues for the School District's Governmental Activities increased by \$1,580,790 or 2.8% while total expenditures decreased \$150,961 or 0.3%. The increase in revenue is mostly due to increases in state and federal sources, and other general revenues. The decrease in program expense is primarily due to employee benefits.

**WINDSOR CENTRAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2025**

Figures 3 and 4 show the percentage of sources of revenue for 2024-2025 and 2023-2024.

Figure 3

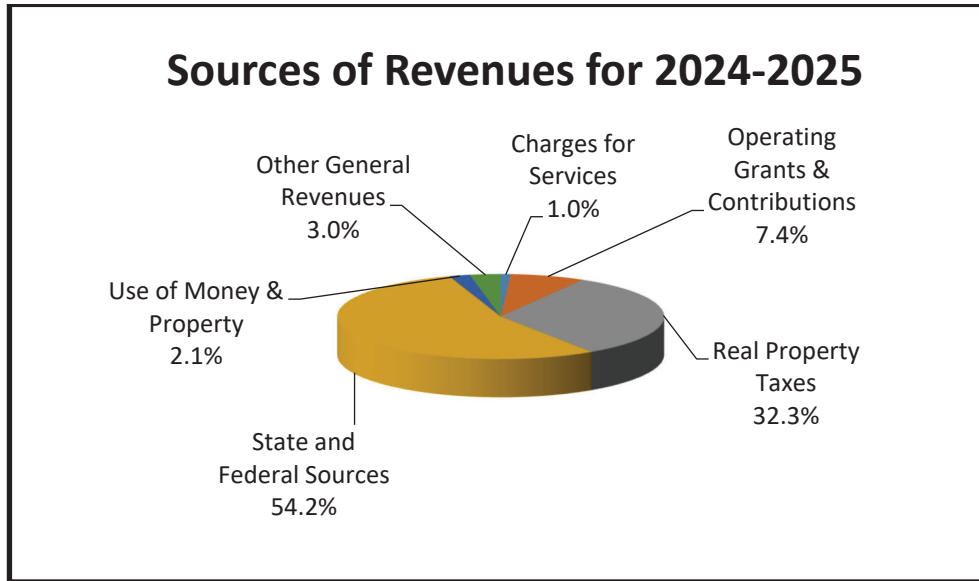
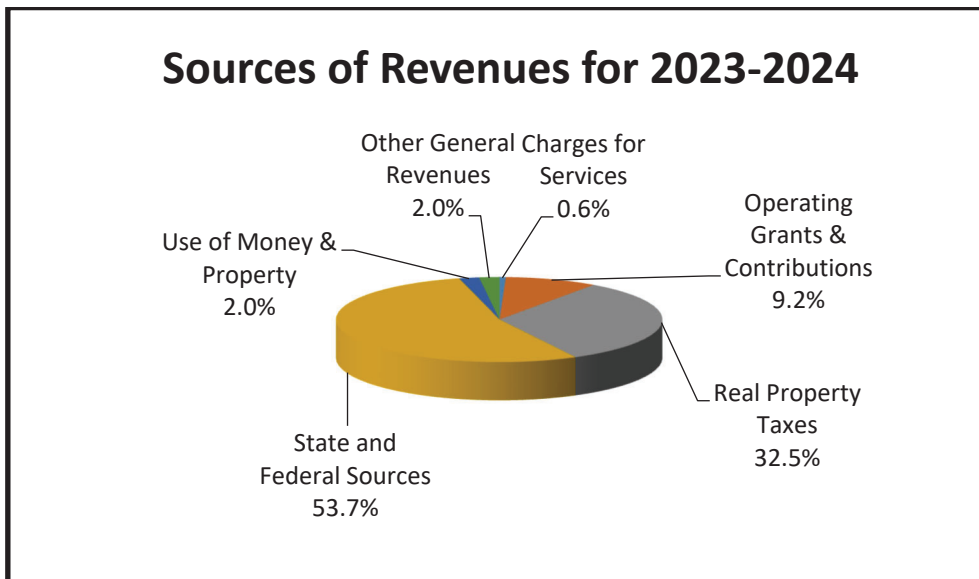


Figure 4



**WINDSOR CENTRAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2025**

Figures 5 and 6 present the cost for each of the School District's programs for 2024-2025 and 2023-2024.

Figure 5

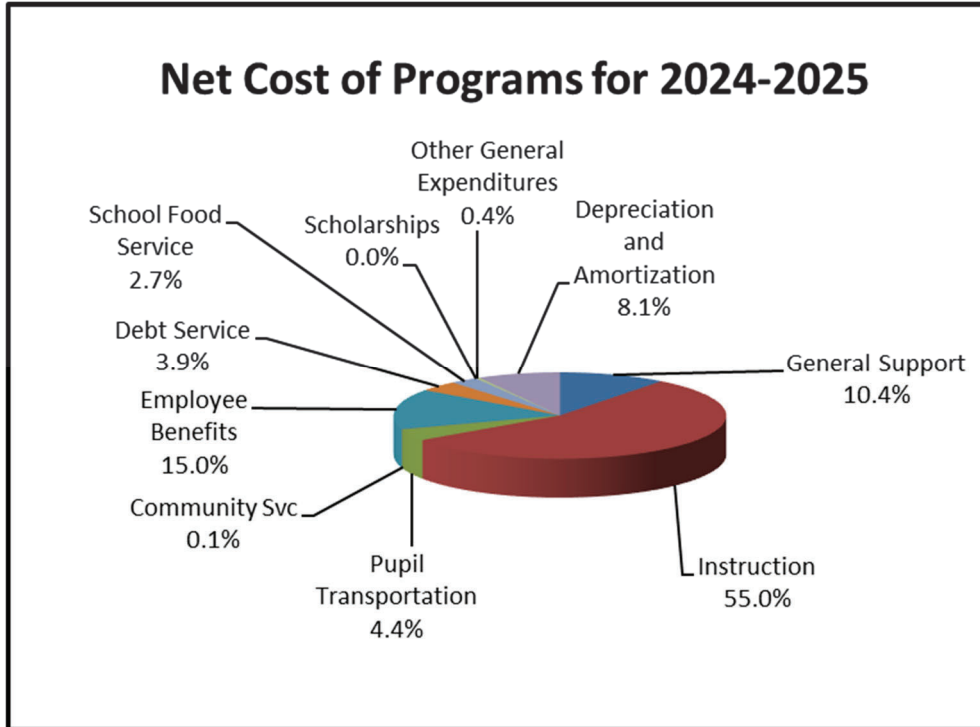
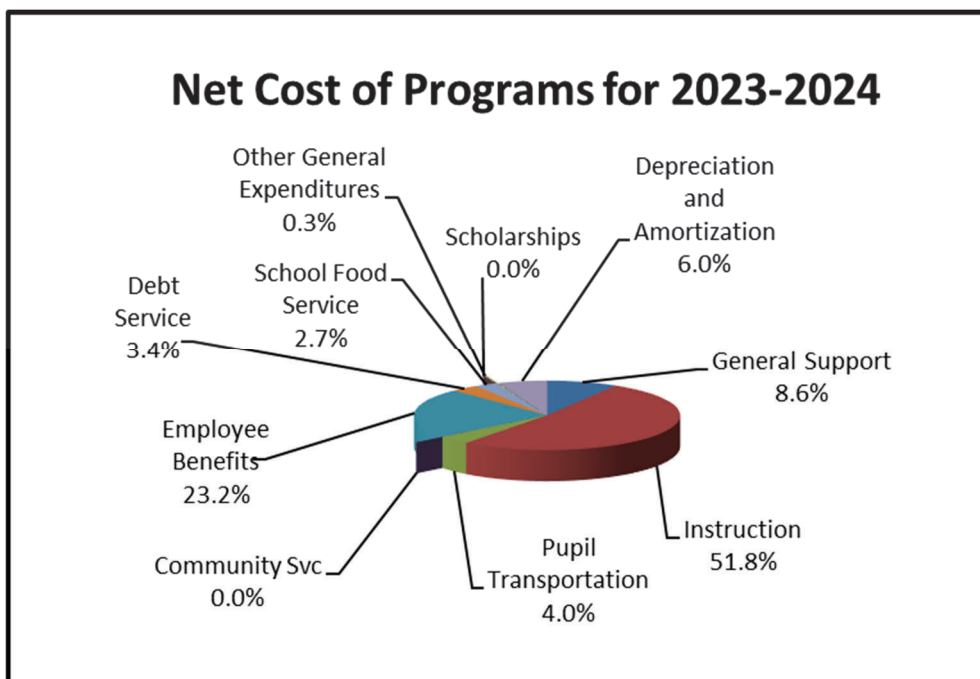


Figure 6



**WINDSOR CENTRAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2025**

FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT'S FUNDS

Figure 7 shows the changes in fund balances for the year for the School District's funds. As the School District completed the year, its governmental funds, as presented in the Balance Sheet, reported a combined total fund balance of \$14,128,045 which is above last year's total fund balance of (\$1,735,413).

Figure 7

Governmental Fund Balances	2023-2024	2024-2025	Total Dollar Change 2024-2025
<i>General Fund</i>	\$ 10,701,721	\$ 11,411,416	\$ 709,695
<i>Special Aid</i>	0	0	0
<i>School Food Service</i>	711,106	646,446	(64,660)
<i>Debt Service</i>	1,031,224	1,055,906	24,682
<i>Miscellaneous Special Revenue</i>	203,370	271,585	68,215
<i>Non-major Capital Projects</i>	(438,442)	(897,146)	(458,704)
<i>Buses</i>	0	0	0
<i>27.5M Capital Project</i>	<u>(13,944,392)</u>	<u>1,639,838</u>	<u>15,584,230</u>
Total Fund Balance	(1,735,413)	14,128,045	15,863,458

GENERAL FUND BUDGETARY HIGHLIGHTS

The difference between the original budget and the final amended budget was \$235,336 or 0.45% of total general fund expenditures and may be summarized as follows:

226,148.09	June 30, 2024 Encumbrance Carryover
6,488.26	Sean Murphy Studios (BOE Reso 10.3 Accepted 1/14/25)
2,500.00	BC Council of Churches (BOE Reso 10.1 Accepted 3/25/25)
200.00	Charities Aid Foundation of America (BOE Reso 9.1 Accepted 6/24/25)

235,336.35

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

- All transfers require superintendent approval; no transfers require BOE approval.
- Transfers over \$1,000 are reported to the BOE.

**WINDSOR CENTRAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2025**

Figure 8 summarizes the original and final budgets, the actual expenditures (including encumbrances), and variances for the year ending June 30, 2025.

Figure 8

Condensed Budgetary Comparison General Fund - 2024-2025	Original Budget	Revised Budget	Actual w/ Encumbrances	Total Dollar Variance
REVENUES				
<i>Real property taxes</i>	\$ 18,244,860	\$ 16,927,234	16,927,234	\$ 0
<i>Real property tax items</i>	282,164	1,599,790	1,608,419	8,629
<i>State and federal sources</i>	31,051,857	31,051,857	31,121,187	69,330
<i>All other - other financing sources</i>	1,688,028	1,697,216	2,799,017	1,101,801
<i>Total Revenues and Other Financing Sources</i>	\$ 51,266,909	\$ 51,276,097	\$ 52,455,857	\$ 1,179,760
<i>Transfer from other funds</i>	\$ 158,200	\$ 158,200	\$ 171,783	\$ 13,583
<i>Appropriated Fund Balances</i>	900,000	900,000	0	(900,000)
<i>Reserves</i>	941,093	941,093	0	(941,093)
<i>Budget Grand Total</i>	\$ 53,266,202	\$ 53,275,390	\$ 52,627,640	\$ (647,750)
EXPENDITURES				
<i>General Support</i>	5,727,213	5,868,006	5,407,532	460,474
<i>Instruction</i>	26,660,980	27,330,899	26,786,011	544,888
<i>Pupil transportation</i>	2,359,941	2,480,012	2,321,032	158,980
<i>Community services</i>	35,354	34,640	29,352	5,288
<i>Employee benefits</i>	12,221,003	11,283,304	11,156,350	126,954
<i>Debt service</i>	6,131,711	6,131,711	6,387,937	(256,226)
<i>Transfers to other funds</i>	130,000	146,818	143,946	2,872
<i>Total Expenditures, and Other Financing Uses</i>	\$ 53,266,202	\$ 53,275,390	\$ 52,232,160	\$ 1,043,230

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of June 30, 2025, the School District had invested in a broad range of capital assets. Capital assets had a net increase of \$6,004,577 over last year as shown in *Figure 9* below.

**WINDSOR CENTRAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2025**

Figure 9

Capital Assets (Net of Depreciation)	Government Activities & Total School District				
	Beg. Balance 7/1/2024	Additions	Retire.	Reclass./Adj.	End. Balance 6/30/2025
Land	\$ 433,601	\$ 0	\$ 0	\$ 0	\$ 433,601
CIP	18,269,167	9,465,538	0	(5,738,683)	21,996,022
Buildings	58,661,826	(3,372,410)	0	5,738,683	61,028,099
Equipment	3,231,923	(54,905)	(6,600)	(27,046)	3,143,372
Totals	\$ 80,596,517	\$ 6,038,223	\$ (6,600)	\$ (27,046)	\$ 86,601,094

Capital asset activity for the year ended June 30, 2025 included the following:

\$ 86,601,094	Ending Balance
\$ 80,596,517	Beginning Balance
\$ 6,004,577	Year to Year

\$ 426,555	Buses (3)
\$ 30,000	Plasma Cutter
\$ 46,037	Equipment Additions
<u>\$ 502,592</u>	Total Additions
\$ (6,600)	Retirements, net
\$ 9,465,538	Construction, net
\$ (27,046)	Adjustments
<u>\$ (3,929,907)</u>	Depreciation
\$ 6,004,577	

Debt Administration

Debt, both short and long-term, considered a liability of Governmental Activities, increased by \$5,623,795 in 2024-2025, as shown in *Figure 10*, primarily due to the issuance of a new Serial Bond. Total indebtedness represented 51.3% of the constitutional debt limit, exclusive of building aid estimates.

Figure 10

Outstanding Debt	Governmental Activities & Total School District		Total Dollar Change
	2023-2024	2024-2025	2024-2025
	Bond anticipation notes	\$ 15,844,000	\$ 1,712,795
Serial bonds	19,465,000	39,220,000	19,755,000
Totals	\$ 35,309,000	\$ 40,932,795	\$ 5,623,795

**WINDSOR CENTRAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2025**

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

The School District's bond rating is A+.

**WINDSOR CENTRAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2025**

Windsor Central School District

Factors Bearing on the District's Future

For the Year Ended June 30, 2025

- The ten largest taxpayers have a total taxable assessed valuation of approximately: \$210,413,427; an increase of \$278,828 as compared to the previous fiscal year. See table for more detail.

TOP 10 PROPERTY OWNERS	2023 ASSESSED VALUE	2024 ASSESSED VALUE	2025 ASSESSED VALUE
Laser Northeast Gathering	52,942,364	52,968,448	52,942,719
42 Binghamton LP	19,759,500	35,184,800	35,184,800
Bluestone Wind LLC	25,942,600	25,942,600	25,942,600
NYSEG	22,606,230	22,690,621	23,050,928
Millenium Pipeline	20,925,779	20,941,790	20,886,040
GMS Realty (Formerly HIP NY Development LLC)	7,543,000	18,940,000	18,940,000
Willow Run Foods	15,971,900	15,971,900	15,971,900
Bluestone Gas Corp of NY Inc	7,354,440	7,354,440	7,354,440
Frito Lay Inc.	5,390,000	5,390,000	5,390,000
Kirkwood Warehouse Investors, LLC	4,750,000	4,750,000	4,750,000
	183,185,813	210,134,599	210,413,427

NOTE: Information obtained from Assessors' Offices of Kirkwood, Windsor, Sandford, Colesville

- Total Restricted Fund Balance (Reserves) as of: 6/30/25 include:

Workers Compensation Reserve	553,137
Unemployment Insurance Reserve	222,291
Retirement Contributions Reserve	2,638,891
Retirement Contribution Sub Fund Reserve	1,520,026
Tax Certiorari Reserve	256,358
Employee Benefit Accrued Liability Reserve	349,894
Repair Reserve	539,812
Capital Reserve	<u>1,893,075</u>
Total Estimated Restricted Fund Balance (Reserves)	7,973,484

- Five vehicle(s) to transport students were purchased for a total cost of: \$799,963.85

The voter approved purchases are part of the WCSD's replacement schedule (approved by the board) designed to strategically maintain the fleet of vehicles. The vehicles consist of: 5 buses

**WINDSOR CENTRAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2025**

The District plans to send the following vehicles to auction to help offset the cost: 3 buses

- The District continued to make significant investments in the area of instructional technology by adding the following:

DESCRIPTION	COST
<u>Network/Administrative Technology Equipment (BOCES)</u> Includes network switches, wireless access points, network and website security, controllers, PCs	17,249
<u>Instructional Technology (BOCES)</u> Includes Chromebooks, Charging Stations, Document Cameras, Laptops, Interactive TV's, TV's, Apple TV's, Docking Stations, Device Accessories/Peripherals, etc.	275,038
<u>Instructional Technology (District)</u> Includes Chromebooks, Calculators, MacBooks, Interactive TV's, Device Accessories/Peripherals, etc.	58,906
TOTAL	

- Staff development continues to be an area of investment.

MAJOR DISTRICT-WIDE PROFESSIONAL DEVELOPMENT ACTIVITIES	COST
District Collaborative Professional Development	5,211
3-Day August Teacher Professional Development Days (staff, fees, presenters, food)	101,179
District-Wide Conferences, Workshops & Trainings throughout the School Year	6,359
School Curriculum Improvement & Associated Costs	200,257
TOTAL	313,006

Costs Include: BOCES management fees, consultant fees, substitute, vender contractual expenses, materials & supplies pertinent to trainings & registrations

**WINDSOR CENTRAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2025**

➤ Employer Contribution Rate (ECR)

PAYROLL YEAR	TEACHER RETIREMENT SYSTEM (TRS)	*EMPLOYEE RETIREMENT SYSTEM (ERS) (Blended Rate)
2021-22	9.80%	16.00%
2022-23	10.29%	11.60%
2023-24	9.76%	13.02%
2024-25	10.11%	14.74%
2025-26	9.59%	15.60%

*NOTE: ERS is a blended rate

The WCSD has received, been approved or is in the process of applying for significant federal funding:

- * **Bureau of Justice Assistance BJA Preventing School Violence (2023):** competitive grant was awarded to assist in improving and supporting students social, emotional wellness. The amount awarded totals \$862,177. Spending of this grant is in process.
- * **Office of Community Oriented Policing Services (COPS) School Violence Prevention Program (SVPP – 2021):** competitive grant received to improve security at schools and on school grounds through school safety programs.
- * **NYS Farm to School (2022):** Awarded to provide an in-depth educational experience in livestock farming for students. The amount awarded totals \$100,000. This grant is fully spent.
- * **Office of Community Oriented Policing Services (COPS) School Violence Prevention Program (SVPP – 2025):** Applied for this competitive grant in June 2025 for updating security infrastructure across the High School/District Office campus. Total application amount \$299,972.

NOTE: Funding streams listed above have specific restrictions and are one-time allocations.

CONTACTING THE SCHOOL DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide the Windsor Central School District's citizens, taxpayers, customers, investors and creditors with a general overview of the School District's finances and to demonstrate the School District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the District Office of the Windsor Central School District, 1191 NY Route 79, Windsor, New York 13865.

**WINDSOR CENTRAL SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2025**

ASSETS	<u>2025</u>
Cash	
Unrestricted	\$ 4,303,256
Restricted	9,292,375
Receivables	
State and Federal aid	3,283,744
Other	901,439
Due from other governments	1,638,641
Inventories	53,974
Proportionate share of net pension asset - TRS	2,378,015
Capital assets, net of accumulated depreciation	86,601,094
Intangible lease asset, net of accumulated amortization	<u>648,750</u>
Total Assets	<u>\$ 109,101,288</u>
Deferred outflows of resources	
Pensions	\$ 6,645,891
Other post employment benefits (OPEB)	6,290,259
Total Deferred Outflows of Resources	<u>12,936,150</u>
LIABILITIES	
Payables	
Accounts payable	\$ 1,158,496
Accrued liabilities	261,328
Due to other governments	469
Due to Teachers' Retirement System	1,777,407
Due to Employees' Retirement System	163,482
Notes payable	
Bond anticipation	1,712,795
Deferred credits	
Overpayments	45
Unearned revenues	63,667
Long-term liabilities	
Due and payable within one year	
Bonds payable	3,320,000
Due and payable after one year	
Bonds payable	35,900,000
Compensated absences payable	1,994,881
Other post employment benefits	38,848,501
Unamortized bond premium	3,853,247
Proportionate share of net pension liability - ERS	<u>1,976,434</u>
Total Liabilities	<u>91,030,752</u>
Deferred inflows of resources	
Pensions	\$ 3,047,564
Other post employment benefits (OPEB)	26,250,430
State Aid	259,370
Total Deferred Inflows of Resources	<u>29,557,364</u>
NET POSITION	
Investment in capital assets and	
Investment in intangible assets, net of related debt	\$ 45,047,593
Restricted for:	
Capital	-
Other legal restrictions	9,354,949
Unrestricted (deficit)	<u>(52,953,220)</u>
Total Net Position	<u>\$ 1,449,322</u>

See independent auditors' report and notes to financial statements

**WINDSOR CENTRAL SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2025**

	Expenses	Indirect Expenses Allocation	Program Revenues		Net (Expense) Revenue and Changes in Net Assets 2025
			Charges for Services	Operating Grants	
FUNCTIONS/PROGRAMS					
General support	\$ (5,524,412)	\$ (1,105,354)	\$ -	\$ -	\$ (6,629,766)
Instruction	(29,037,517)	(10,017,661)	479,851	2,395,735	(36,179,592)
Pupil transportation	(2,324,862)	(963,205)	-	-	(3,288,067)
Community service	(28,142)	(2,995)	-	-	(31,137)
Employee benefits	(7,957,072)	7,957,072	-	-	-
Debt service	(2,040,531)	-	-	-	(2,040,531)
Depreciation	(3,929,907)	3,929,907	-	-	-
Amortization	(332,585)	332,585	-	-	-
Scholarships	(4,450)	-	-	294,832	290,382
Other expenditures	(223,820)	-	-	-	(223,820)
School food service	(1,423,278)	(130,349)	86,270	1,561,201	93,844
	<u>\$ (52,826,576)</u>	<u>\$ -</u>	<u>\$ 566,121</u>	<u>\$ 4,251,768</u>	<u>\$ (48,008,687)</u>
GENERAL REVENUES					
Real property taxes	\$ 16,927,234	\$ -	\$ -	\$ -	\$ 16,927,234
Other tax items	1,608,419	-	-	-	1,608,419
Charges for services	479,851	-	(479,851)	-	-
Use of money and property	1,196,417	-	-	-	1,196,417
Sale of property and compensation for loss	5,568	-	-	-	5,568
Miscellaneous	1,735,718	-	-	-	1,735,718
State sources	32,301,106	-	-	(1,222,593)	31,078,513
Federal sources	2,558,989	-	-	(2,558,989)	-
Local sources	470,186	-	-	(470,186)	-
Sales - school lunch	86,270	-	(86,270)	-	-
Medicaid reimbursement	42,674	-	-	-	42,674
	<u>\$ 57,412,432</u>	<u>\$ -</u>	<u>\$ (566,121)</u>	<u>\$ (4,251,768)</u>	<u>52,594,543</u>
Change in Net Position					4,585,856
Total Net Position (Deficit) - Beginning of year					<u>(1,799,906)</u>
Prior Period Adjustment GASB 101*					<u>(1,336,628)</u>
Total Net Position (Deficit) - Beginning of year, as restated					(3,136,534)
Total Net Position (Deficit) - End of Year					<u>\$ 1,449,322</u>

* See Note 19

See independent auditors' report and notes to financial statements

**WINDSOR CENTRAL SCHOOL DISTRICT
BALANCE SHEETS - GOVERNMENTAL FUNDS
JUNE 30, 2025**

	Major				Non-Major	Total Governmental Funds 2025
	General	\$27.5 Million Capital Project	Special Aid	Debt Service		
ASSETS						
Cash						
Unrestricted	\$ 1,451,339	\$ 1,639,838	\$ 25,526	\$ -	\$ 1,186,553	\$ 4,303,256
Restricted	7,973,484	-	-	1,055,906	262,985	9,292,375
Receivables						
Due from other funds	699,276	-	-	-	116,469	815,745
State and Federal aid	2,417,579	-	744,062	-	122,103	3,283,744
Due from other governments	1,638,641	-	-	-	-	1,638,641
Other	894,648	-	-	-	6,791	901,439
Inventories	-	-	-	-	53,974	53,974
Total Assets	<u>\$ 15,074,967</u>	<u>\$ 1,639,838</u>	<u>\$ 769,588</u>	<u>\$ 1,055,906</u>	<u>\$ 1,748,875</u>	<u>\$ 20,289,174</u>
LIABILITIES						
Payables						
Accounts payable	\$ 1,141,773	\$ -	\$ 13,920	\$ -	\$ 2,803	\$ 1,158,496
Accrued liabilities	204,051	-	2,114	-	3,488	209,653
Due to other funds	117,319	-	698,426	-	-	815,745
Due to other governments	104	-	-	-	365	469
Due to Teachers' Retirement System	1,777,407	-	-	-	-	1,777,407
Due to Employees' Retirement System	163,482	-	-	-	-	163,482
Notes payable						
Bond anticipation	-	-	-	-	1,712,795	1,712,795
Deferred credits						
Overpayments	45	-	-	-	-	45
Unearned revenues	-	-	55,128	-	8,539	63,667
Total Liabilities	<u>3,404,181</u>	<u>-</u>	<u>769,588</u>	<u>-</u>	<u>1,727,990</u>	<u>5,901,759</u>
Deferred Cash Inflows	259,370	-	-	-	-	259,370
FUND BALANCES						
Non-spendable	-	-	-	-	53,974	53,974
Restricted	7,973,484	-	-	1,055,906	271,585	9,300,975
Assigned	1,214,215	3,206,253	-	-	1,407,170	5,827,638
Unrestricted	2,223,717	(1,566,415)	-	-	(1,711,844)	(1,054,542)
Total Fund Balances	<u>11,411,416</u>	<u>1,639,838</u>	<u>-</u>	<u>1,055,906</u>	<u>20,885</u>	<u>14,128,045</u>
Total Liabilities and Fund Balances	<u>\$ 15,074,967</u>	<u>\$ 1,639,838</u>	<u>\$ 769,588</u>	<u>\$ 1,055,906</u>	<u>\$ 1,748,875</u>	<u>\$ 20,289,174</u>

See independent auditors' report and notes to financial statements

**WINDSOR CENTRAL SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND EQUITY - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2025**

	Major					Total Governmental Funds 2025
	General	\$27.5 Million Capital Project	Special Aid	Debt Service	Non-Major	
REVENUES						
Real property taxes	\$ 16,927,234	\$ -	\$ -	\$ -	\$ -	\$ 16,927,234
Other tax items	1,608,419	-	-	-	-	1,608,419
Charges for services	479,851	-	-	-	-	479,851
Use of money and property	629,098	-	-	2,162,406	16,305	2,807,809
Sale of property and compensation for loss	39,214	-	-	-	-	39,214
Miscellaneous	1,650,854	-	-	-	84,864	1,735,718
State sources	31,078,513	-	807,868	-	414,725	32,301,106
Medicaid reimbursement	42,674	-	-	-	-	42,674
Federal sources	-	-	1,412,513	-	1,054,648	2,467,161
Local sources	-	-	175,354	-	294,832	470,186
Surplus food	-	-	-	-	91,828	91,828
Sales - school lunch	-	-	-	-	86,270	86,270
Total Revenues	52,455,857	-	2,395,735	2,162,406	2,043,472	59,057,470
EXPENDITURES						
General support	5,242,666	-	-	322,330	-	5,564,996
Instruction	26,650,786	-	2,422,190	-	-	29,072,976
Pupil transportation	2,308,118	-	16,744	-	-	2,324,862
Community service	28,142	-	-	-	-	28,142
Employee benefits	11,156,350	-	715	-	388,401	11,545,466
Debt service						
Principal	3,910,171	-	-	1,523,000	-	5,433,171
Interest	2,477,766	-	-	134,194	-	2,611,960
Scholarships	-	-	-	-	4,450	4,450
Other expenditures	-	-	-	-	223,820	223,820
Cost of sales	-	-	-	-	1,423,278	1,423,278
Capital outlay	-	8,929,770	-	-	1,219,292	10,149,062
Total Expenditures	51,773,999	8,929,770	2,439,649	1,979,524	3,259,241	68,382,183
Excess (Deficiency) of Revenues Over Expenditures	681,858	(8,929,770)	(43,914)	182,882	(1,215,769)	(9,324,713)
OTHER FINANCING SOURCES AND USES						
Proceeds from debt	-	22,035,000	-	-	-	22,035,000
Leases	-	-	-	-	256,971	256,971
Operating transfers (out)	(143,946)	-	-	(158,200)	(4,571)	(306,717)
Operating transfers in	171,783	-	43,914	-	91,020	306,717
Redeemed from appropriations	-	2,479,000	-	-	417,200	2,896,200
Total Other Sources (Uses)	27,837	24,514,000	43,914	(158,200)	760,620	25,188,171
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other (Uses)	709,695	15,584,230	-	24,682	(455,149)	15,863,458
Fund Balances - Beginning of year	10,701,721	(13,944,392)	-	1,031,224	476,034	(1,735,413)
Fund Balances - End of Year	<u>\$ 11,411,416</u>	<u>\$ 1,639,838</u>	<u>\$ -</u>	<u>\$ 1,055,906</u>	<u>\$ 20,885</u>	<u>\$ 14,128,045</u>

See independent auditors' report and notes to financial statements

WINDSOR CENTRAL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

NOTE 1: SUMMARY OF CERTAIN SIGNIFICANT ACCOUNTING POLICIES:

The financial statements of the Windsor Central School District (the "District") have been prepared in conformity with Generally Accepted Accounting Principles (GAAP) as applied to government units. Those principles are prescribed by the Governmental Accounting Standards Board ("GASB"), which is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Significant accounting principles and policies used by the District are described below:

A) Reporting entity:

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

The reporting entity of the District is based upon criteria set forth by GASB Statement 14, *The Financial Reporting Entity*, as amended by GASB Statement 39, *Component Units*, GASB 61, *The Financial Reporting Entity: Omnibus an Amendment of GASB No. 14 and No. 39*, GASB Statement 80 - *Blending Requirements for Certain Component Units an amendment of GASB Statement No. 14*, GASB No. 84 *Fiduciary Activities*. The financial reporting entity consists of the primary government, organizations for which the primary government is financially accountable and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

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

i) Extraclassroom Activity Funds:

The Extraclassroom Activity Funds of the District represent funds of the students of the District. The Board of Education exercises general oversight of these funds. The Extraclassroom Activity Funds are independent of the District with respect to its financial transactions and the designation of student management. Separate audited financial statements (cash basis) of the Extraclassroom Activity Funds can be found at the District's business office. The District accounts for assets held as an agent for various student organizations in the miscellaneous special revenue fund.

See independent auditors' report

WINDSOR CENTRAL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

B) Joint venture:

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

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

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

During the year, the District was billed \$10,071,203 for BOCES administrative and program costs.

The District's share of BOCES aid amounted to \$5,038,554.

Financial statements for the BOCES are available from the BOCES administrative office.

C) Basis of presentation:

i) District-wide statements:

The Statement of Net Position and the Statement of Activities present financial information about the District's governmental activities. These statements include the financial activities of the overall government in its entirety, except those that are fiduciary. 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 non-exchange transactions. Operating grants include operating specific and discretionary (either operating or capital) grants, while the capital grants column reflects capital-specific grants.

The Statement of Activities presents a comparison between direct expenses and 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,

See independent auditors' report

WINDSOR CENTRAL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund statements:

- ii) The fund statements provide information about the District's funds, including each type of fiduciary fund. 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. All remaining governmental funds are aggregated and reported as non-major funds.

The District reports the following major governmental funds:

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

Capital Projects Funds: These funds are used to account for the financial resources used for acquisition, construction, or major repair of capital facilities. For these funds, each capital project is assessed to determine whether it is a major or non-major fund. Those capital projects that are determined to be major are reported in separate columns in the financial statements. Those that are determined to be non-major are reported in the supplemental schedules either separately or in the aggregate.

Debt Service Fund: This fund accounts for the accumulation of resources and the payment of principal and interest on long-term general obligation debt of governmental activities. When a capital asset is sold and all or a portion of the bonds used to finance the capital asset are outstanding, this fund must be used to account for the proceeds from the sale of capital assets up to the balance of related bonds outstanding.

Special Revenue Funds: These funds account for the proceeds of specific revenue sources such as federal and state grants, that are legally restricted to expenditures for specified purposes, child nutrition and school store operations or other activities whose funds are restricted as to use. These legal restrictions may be imposed either by governments that provide the funds, or by outside parties. The Special Revenue Funds classified as major are:

- 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.

The District reports the following non-major governmental funds:

Special Revenue Funds: These funds account for the proceeds of specific revenue sources such as federal and state grants, that are legally restricted to expenditures for specified purposes, child nutrition and school store operations or other activities whose funds are restricted as to use. These legal restrictions may be imposed either by governments that provide the funds, or by outside parties. The Special Revenue Funds classified as non-major are:

See independent auditors' report

WINDSOR CENTRAL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

- School Food Service Fund: Used to account for transactions of the lunch, breakfast, and summer food service programs.
- Miscellaneous Special Revenue Fund: Used to account for and report those revenues that are restricted or committed to expenditures for specified purposes. Extraclassroom Activities are included in this fund. Extraclassroom funds are operated by and for the students of the District. The Board exercises general oversight of these funds. The Extraclassroom activity funds are independent of the District with respect to its financial transactions and the designation of student management. Scholarships are also included in the miscellaneous special revenue fund. Scholarship funds are collected that benefit annual third-party awards and scholarships for students.

Capital Projects Fund: Remaining capital projects not classified as a major governmental fund.

D) Measurement focus and basis of accounting:

Accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements. 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, State Aid, 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 State Aid is recognized in the fiscal year it is appropriated by the State. 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 ninety (90) days after the end of the fiscal year as it matches the liquidation of related obligations. Each school district should adopt an availability period for all revenues, except real property taxes, which must have a 60-day availability period. Fees and other similar revenues are not susceptible to accrual because generally they are not measurable until available. If expenditures are the prime factor for determining eligibility, revenues from Federal and State grants are accrued when the expenditure is made.

Expenditures are recorded when the related fund liability is incurred, except for the principal and interest on general long-term debt, claims and judgments, and compensated absences, pensions, and other post-employment

See independent auditors' report

WINDSOR CENTRAL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

benefits 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 resources.

E) Property taxes:

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

Uncollected real property taxes are subsequently enforced by the County in which the District is located. The County pays an amount representing uncollected real property taxes transmitted to the County for enforcement to the District no later than the following April 1.

F) Restricted Resources:

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

G) Inter-fund transactions:

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

In the district-wide statements, the amounts reported on the Statement of Net Position for inter-fund receivables and payables represent amounts due between different fund types (governmental activities and fiduciary funds). Eliminations have been made for all inter-fund receivables and payables between the funds, with the exception of those due from or to the fiduciary funds.

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

Refer to Note 11 for a detailed disclosure by individual fund for inter-fund receivables, payables, expenditures and revenues activity.

H) Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amount of assets, deferred outflows of resources, liabilities, and deferred inflows of resources, and disclosure of contingent assets and liabilities at the date of the financial statements and the

See independent auditors' report

WINDSOR CENTRAL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

reported revenues and expenses/expenditures during the reporting period. Actual results could differ from those estimates. Estimates and assumptions are made in a variety of areas, including computation of encumbrances, compensated absences, potential contingent liabilities and useful lives of long-lived assets.

I) Cash (and cash equivalents) and investments:

The District's cash and cash equivalents consist of cash on hand, demand deposits, and short-term investments with original maturities of three months or less from date of acquisition.

New York State law governs the District's investment policies. Resources must be deposited in FDIC-insured commercial banks or trust companies located within the State. Permissible investments include obligations of the United States Treasury, United States Agencies, repurchase agreements and obligations of New York State or its localities.

Collateral is required for demand and time deposits and certificates of deposit not covered by FDIC insurance. Obligations that may be pledged as collateral are obligations of the United States and its agencies and obligations of the State and its municipalities and Districts. Investments are stated at fair value.

J) Accounts receivable:

Receivables are shown net of an allowance for uncollectible accounts, when applicable. An allowance for uncollectible accounts represents the portion of accounts receivable that is not expected to be collected within 365 days. No allowance has been provided since it is believed that such allowance would not be material.

K) Inventories and prepaid items:

Inventories of food in the School Food Service 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 inventory items in other funds are recorded as expenditures at the time of purchase and are considered immaterial in amount.

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

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

See independent auditors' report

WINDSOR CENTRAL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

L) Other assets/restricted assets:

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

In the district-wide financial statements, bond discounts and premiums, and any prepaid bond issuance costs are deferred and amortized over the life of the debt issue. Bond issuance costs are recognized as an expense in the period incurred.

M) Capital assets:

Capital assets are reported at actual cost for acquisitions subsequent to June 30, 2003. For assets acquired prior to June 30, 2003, estimated historical costs, based on appraisals conducted by independent third-party professionals were used. Donated assets are reported at estimated fair market value at the time received.

Land and construction in process are not depreciated. Capitalization thresholds (the dollar value above which asset acquisitions are added to the capital asset accounts), depreciation methods, and estimated useful lives of capital assets reported in the District-wide statements are as follows:

	Capitalization Threshold	Depreciation Method	Estimated Useful Life
Buildings	\$ 5,000	SL	40
Building improvements	5,000	SL	25(VAR)
Site improvements	5,000	SL	25(VAR)
Furniture and equipment	5,000	SL	5-15(VAR)
Infrastructure	5,000	SL	N/A

N) Intangible lease and subscription assets:

Intangible lease and subscription assets are reported at the present value of remaining future lease payments to be made during the lease term. The discount rate utilized is either the interest rate implicit within the lease or subscription agreement, or if not readily determinable, the District's estimated incremental borrowing rate. The intangible lease and subscription assets are amortized over the shorter of the lease term or the useful life of the underlying asset.

Capitalization thresholds (the dollar value above which intangible lease and subscription asset acquisitions are added to the intangible lease and subscription asset accounts), amortization methods, and estimated useful lives of intangible lease and subscription assets reported in the District-Wide Financial Statements follow the same thresholds as noted for capital assets. See Note 6 for further detail.

O) Deferred Outflows and Inflows of Resources:

In addition to assets, the Statement of Net Position will sometimes report a
See independent auditors' report

WINDSOR CENTRAL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

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. If applicable, the District has four items that qualify for reporting in this category. First is the deferred charge on refunding reported in the government-wide Statement of Net Position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The second item is related to pensions reported in the district-wide Statement of Net Position. This represents the effect of the net change in the District's proportion of the collective net pension asset or liability and difference during the measurement period between the District's contributions and its proportionate share of total contributions to the pension systems not included in pension expense. The third item is the District's contributions to the pension systems (TRS and ERS Systems) and OPEB subsequent to the measurement date. The fourth 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.

In addition to liabilities, the Statement of Net Position or Balance Sheet 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 a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has four items that qualify for reporting in this category. First arises only under a modified accrual basis of accounting and is reported as unavailable revenue – property taxes. The second item is related to pensions reported in the district-wide Statement of Net Position. This represents the effect of the net change in the District's proportion of the collective net position liability (ERS System) and difference during the measurement periods between the District's contributions and its proportional share of total contributions to the pension systems not included in pension expense. The third item is revenues from grants received that have met all other eligibility requirements except those related to time restrictions. The fourth 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.

P) Pension obligations:

New York State and Local Employees' Retirement System (ERS) and the New York State Teachers' Retirement System (TRS) (the Systems).

Plan Descriptions and Benefits Provided

Teachers' Retirement System (TRS)

The District participates in the New York State Teachers' Retirement System (TRS). This is a cost-sharing multiple-employer retirement system. The System provides retirement benefits, as well as, death and disability benefits to plan members and beneficiaries as authorized by the Education Law and the Retirement and Social Security Law of the State of New York. The System is governed by a 10-member Board of Trustees. System benefits are established

See independent auditors' report

WINDSOR CENTRAL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

under New York State Law. Membership is mandatory and automatic for all full-time teachers, teaching assistants, guidance counselors and administrators employed in New York Public Schools and BOCES who elected to participate in TRS. Once a public employer elects to participate in the System, the election is irrevocable. The New York State Constitution provides that pension membership is a contractual relationship and plan benefits cannot be diminished or impaired. Benefits can be changed for future members only by enactment of a Statute. The New York State TRS issues a publicly available financial report that contains financial statements and required supplementary information for the System. The report and additional information may be obtained by writing to the New York State Teachers' Retirement System, 10 Corporate Woods Drive, Albany, NY 12211-2395 or by referring to the NYSTRS Comprehensive Annual Financial report which can be found on the System's website at www.nystrs.org.

Employees' Retirement System (ERS)

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

The Systems are noncontributory except for employees who joined after July 27, 1976, who contribute 3 percent of their salary for the first ten years of membership, and employees who joined on or after January 1, 2010 who generally contribute 3.0 to 3.5 percent of their salary for their entire length of service. In addition, employee contribution rates under ERS tier VI vary based on a sliding salary scale. For ERS, the Comptroller annually certifies the actuarially determined rates expressly used in computing the employers' contributions based on salaries paid during the Systems' fiscal year ending March 31. For TRS, contribution rates are established annually by the New York State Teachers' Retirement Board pursuant to Article 11 of the Education law.

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

See independent auditors' report

WINDSOR CENTRAL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

	<u>NYSERS</u>	<u>NYSTRS</u>
2024-2025	\$ 558,884	\$1,485,282
2023-2024	429,587	1,538,198
2022-2023	384,649	1,364,329

The District contributions made to the Systems were equal to 100 percent of the contributions required for each year. ERS has provided additional disclosures through entities that elected to participate in Chapter 260, 57, and 105.

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.

	ERS	TRS
Actuarial valuation date	4-1-24	6-30-23
Net pension (asset)/liability	\$1,976,434	\$(2,378,015)
District's portion of the Plan's total net pension (asset)/liability	0.0115273%	0.079703%

For the year ended June 30, 2025, the District recognized its proportionate share of pension expense of \$454,720 for ERS and \$1,307,295 for TRS. At June 30, 2025, the District's reported deferred outflows of resources and deferred inflows

See independent auditors' report

WINDSOR CENTRAL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

	Deferred Outflows of Resources		Deferred Inflows of Resources	
	ERS	TRS	ERS	TRS
Differences between expected and actual experience	\$ 490,564	\$ 2,560,685	\$ 23,140	\$ -
Changes in assumptions	82,888	1,422,535	-	239,284
Net difference between projected and actual earnings on pension plan investments	155,066	-	-	2,642,177
Changes in proportion and differences between the District's contributions and proportionate share of contributions	117,125	90,565	50,645	92,318
District's contributions subsequent to the Measurement date	<u>163,482</u>	<u>1,562,981</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 1,009,125</u>	<u>\$ 5,636,766</u>	<u>\$ 73,785</u>	<u>\$ 2,973,779</u>

District's contributions subsequent to the measurement date will be recognized as a reduction of the net pension (asset)/liability in the year ended March 31, 2025 for ERS and June 30, 2024 for TRS. Other amounts reported as deferred outflows of resources, and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

	ERS	TRS
Year ended June 30,		
2025	\$ -	\$(1,210,852)
2026	374,301	2,912,948
2027	537,747	(480,579)
2028	(155,407)	(547,555)
2029	15,215	301,160
2030	-	-
Thereafter	-	124,884

Actuarial Assumptions

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

	<u>ERS</u>	<u>TRS</u>
Measurement date	03-31-25	06-30-24
Actuarial valuation date	04-01-24	06-30-23

See independent auditors' report

WINDSOR CENTRAL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Interest rate	5.9%	6.95%
Salary Scale	4.4%	Based on experience
Decrement tables	Based on FY 2016-2020 experience	Based on 2015-2020 experience
Inflation rate	2.9%	2.4%
Projected Cost of Living Adjustments	1.5%	1.3%

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 July 1, 2015 - June 30, 2020 System’s experience with adjustments for mortality improvements based on Society of Actuaries Scale MP-2021.

The long term expected rate of return on pension plan investments was determined in accordance with Actuarial Standard of Practice (ASOP) No. 27, Selection of Economic Assumptions for Measuring Pension Obligations. ASOP No. 27 provides guidance on the selection of an appropriate assumed investment rate of return. Consideration was given to expected future real rates of return (expected returns, net of pension plan investment expense and inflation) for each major asset class as well as historical investment data and plan performance.

The long term expected 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 the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation are summarized below:

See independent auditors’ report

WINDSOR CENTRAL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Target Allocations

<u>ERS</u>	<u>Target Allocation</u> <u>2025</u>	<u>Long-term expected</u> <u>Real rate of return*</u> <u>2025</u>
Asset Class:		
Domestic equities	25.00%	3.54%
International equities	14.00%	6.57%
Private Equity	15.00%	7.25%
Real estate	12.00%	4.95%
Opportunistic/Absolute return strategies	3.00%	5.25%
Credit	4.00%	5.40%
Real assets	4.00%	5.55%
Fixed income	22.00%	2.00%
Cash	<u>1.00%</u>	0.25%
Total	100.00%	

* Real rate of return is net of the long-term inflation assumption of 2.9% for 2025

<u>TRS</u>	<u>Target Allocation</u> <u>2024</u>	<u>Long-term expected</u> <u>Real rate of return**</u> <u>2024</u>
Asset Class:		
Domestic equities	33.00%	6.60%
International equities	15.00%	7.40%
Global equity	4.00%	6.90%
Real estate equity	11.00%	6.30%
Private equity	9.00%	10.00%
Domestic fixed income	16.00%	2.60%
Global bonds	2.00%	2.50%
Private debt	2.00%	5.90%
Real estate debt	6.00%	3.90%
High yield bonds	1.00%	4.80%
Cash equivalents	<u>1.00%</u>	0.50%
Total	100.00%	

** Real rates of return are net of pension plan investment expenses and long-term inflation expectations.

Discount Rate

The discount rate used to calculate the total pension (asset)/liability was 5.9% for ERS and 6.95% for TRS. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based upon the assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension (asset)/liability.

Sensitivity of the Proportionate Share of the Net Pension (asset)/liability to the Discount Rate Assumption

The following presents the District's proportionate share of the net pension (asset)/liability as of June 30, 2025 calculated using the discount rate of 5.90%

See independent auditors' report

WINDSOR CENTRAL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

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:

	ERS		
	1% Decrease ▼ (4.9%)	Current Discount ▼ (5.9%)	1% Increase ▼ (6.9%)
	-----	-----	-----
Employer's proportionate share of the net pension liability/(asset)	\$ 5,720,049	\$ 1,976,434	\$ (1,149,487)
	TRS		
	1% Decrease ▼ (5.95%)	Current Discount ▼ (6.95%)	1% Increase ▼ (7.95%)
	-----	-----	-----
Employer's proportionate share of the net pension liability/(asset)	\$ 10,984,188	\$ (2,378,015)	\$ (13,615,986)

Changes of Assumptions

Changes of assumptions about future economic or demographic factors or other inputs are amortized over a closed period equal to the average of the expected service lives of all employees that are provided with pension benefits.

Collective Pension Expense

Collective pension expense includes certain current period changes in the collective net pension (asset)/liability, projected earnings on pension plan investments, and the amortization of deferred outflows of resources and deferred inflows of resources for the current period. The collective pension expense for the year ended June 30, 2025, is \$454,720 for ERS and \$1,307,295 for TRS.

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, 2025, represent the projected employer contribution for the period of April 1, 2025, through June 30, 2025, based on paid ERS wages multiplied by the employer’s contribution rate, by tier. Accrued retirement contributions as of June 30, 2025, amounted to \$163,482.

For TRS, employer and employee contributions for the fiscal year ended June 30, 2025, are paid to the System in September, October and November 2024 through a state aid intercept. Accrued retirement contributions as of June 30, 2025, represent employee and employer contributions for the fiscal year ended June 30, 2025, 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 \$1,777,407.

See independent auditors’ report

WINDSOR CENTRAL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Q) **Unearned credits:**

The District reports unearned credits on its statement of net position and its balance sheet. On the statement of net position, unearned credits arise when resources are received by the District before it has 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 District has legal claim to the resources, the liability for unearned revenues is removed and revenues are recorded.

Statute provides the authority for the District to levy taxes to be used to finance expenditures within the first 120 days of the succeeding fiscal year. Consequently, such amounts are recognized as revenue in the subsequent fiscal year, rather than when measurable and available. Many unearned revenues recorded in governmental funds are not recorded in the District-wide statements

R) **Employee benefits - Compensated Absences:**

Compensated absences consist of unpaid accumulated annual sick leave and vacation time.

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

Vacation eligibility and accumulation is specified in collective bargaining agreements in individual employment contracts. Some earned benefits may be forfeited if not taken within varying time periods. Employees are compensated for unused accumulated vacation leave through paid time off or cash payment upon retirement, termination, or death.

Certain collectively bargained agreements require these payments to be paid in the form of non-elective contributions into the employee's section 403(b) plan.

In the district-wide financial statements, the District recognizes a liability for compensated absences, including vacation and sick leave, when employees have earned the right to the leave and it is more likely than not that the leave will be used for time off or otherwise paid in cash, or settled through other means. The liability is measured at the employee's rate of pay at the reporting date, including salary-related payments such as social security and Medicare taxes.

In the fund statements, a liability is reported only for payments due for unused compensated absences for those employees that have obligated themselves to separate from service with the District by June 30th.

S) **Other benefits:**

District employees participate in the New York State Teachers' Retirement System or the New York State and Local Employees' Retirement System.

In addition to providing pension benefits, the District provides post-employment health insurance coverage and survivor benefits to retired employees and their

See independent auditors' report

WINDSOR CENTRAL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

survivors in accordance with the provision of various employment contracts in effect at the time of retirement. Substantially all of the District's employees may become eligible for these benefits if they reach normal 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 expenditure.

District employees may choose to participate in the District's elective deferred compensation plans established under Internal Revenue Code Sections 403(b) and 457.

T) Short-term debt:

The District may issue Revenue Anticipation Notes (RAN) and Tax Anticipation Notes (TAN), in anticipation of the receipt of revenues.

These notes are recorded as a liability of the fund that will actually receive the proceeds from the issuance of the notes. The RANs and TANs represent a liability that will be extinguished by the use of expendable, available resources of the fund.

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

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

U) Accrued liabilities and long-term obligations:

Payables, accrued liabilities and long-term obligations are reported in the district-wide financial statements. In the governmental funds, payables and accrued liabilities are paid in full, in a timely manner, from current financial resources. Claims and judgments, other-post employment benefits payable and compensated absences that will be paid from governmental funds, are reported as a liability in the funds financial statements only to the extent that they are due for payment in the current year.

Bonds and other long-term obligations that will be paid from governmental funds are recognized as a liability in the fund financial statements when due.

Long-term obligations represent the District's future obligations or future economic outflows. The liabilities are reported as due in one year or due within more than one year in the Statement of Net Position.

See independent auditors' report

WINDSOR CENTRAL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

V) Equity classifications:

District-wide statements:

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

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

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

Unrestricted net position – the balance of 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.

Funds statements:

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 includes the inventory recorded in the School Lunch Fund of \$53,974 as well as prepaid items or the long-term portion of loans receivable recorded 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. The School District has established the following restricted fund balances:

Debt Service Reserve Fund

According to General Municipal Law §6-I, the Mandatory Reserve for Debt Service must be established for the purpose of retiring the outstanding obligations upon the sale of District property or capital improvement that was financed by obligations that remain outstanding at the time of sale. The funding of the reserve is from proceeds of the sale of District property or capital improvement. This reserve is accounted for in the Debt Service Fund.

Capital Reserve Fund

According to Education Law §3651, expenditures made from the capital reserve fund must be used to pay the cost of any object or purpose for which bonds may be issued. The creation of a capital reserve fund requires

See independent auditors' report

WINDSOR CENTRAL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

authorization by a majority of the voters establishing the purpose of the reserve, the ultimate amount, its probable term and the source of the funds. Expenditure may be made from the reserve only for a specific purpose further authorized by the voters. The form for the required legal notice for the vote on establishing and funding the reserve and the form of the proposition to be placed on the ballot are set forth in §3651 of the Education Law. This reserve is accounted for in the General Fund.

Employee Benefits and Accrued Liability Reserve Fund

According to General Municipal Law §6-p, expenditures made from the employee benefit accrued liability reserve fund must be used for the payment of accrued employee benefits due an employee upon termination of the employee's service. This reserve may be established by a majority vote of the Board and is funded by budgetary appropriations and such other reserves and funds that may be legally appropriated. This reserve is accounted for in the General Fund.

Retirement Contribution Reserve Fund

According to general Municipal Law §6-r, all expenditures made from the retirement contributions reserve fund must be used for financing retirement contributions to the New York State and Local Employees' Retirement System. This reserve is established by Board resolution and is funded by budgetary appropriation and such other reserves and funds that may be legally appropriated. The reserve must be accounted for separate and apart from all other funds and a detailed report of the operation and condition of the fund must be provided to the Board. This reserve is accounted for in the General Fund. Effective April 1, 2019, a Board may adopt a resolution establishing a sub-fund for contributions to the New York State Teachers' Retirement System. During a fiscal year, the Board may authorize payment into the sub-fund of up to 2% of the total covered salaries paid during the preceding fiscal year, with the total amount funded not to exceed 10% of the total covered salaries during the preceding fiscal year. The sub-fund is separately administered, but must comply with all the existing provisions of General Municipal Law §6-r.

Tax Certiorari Reserve Fund

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

Unemployment Insurance Payment Reserve Fund

According to General Municipal Law §6-m, all expenditures made from the unemployment insurance payment reserve fund must be used to pay the cost

See independent auditors' report

WINDSOR CENTRAL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

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

Repair Reserve Fund

According to General Municipal Law §6-d, expenditures made from the repair reserve fund 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.

Restricted balance includes the following:

General Fund

Capital Reserve	\$1,893,075
Repair Reserve	539,812
Employee Benefits and Accrued Liabilities	349,894
Retirement Contributions - NYSERS	2,638,891
Retirement Contributions - NYSTRS	1,520,026
Tax Certiorari	256,358
Unemployment Insurance	222,291
Workers' Compensation	<u>553,137</u>
Total General Fund	<u>7,973,484</u>
Capital Projects Fund*	-
Debt Service Fund*	1,055,906
School Food Service Fund*	-
Other Special Revenue	271,585
Special Aid Fund*	<u>-</u>
Total restricted funds	<u>\$9,300,975</u>

*includes remaining fund balance in these funds not otherwise classified as non-spendable, committed or assigned.

Committed – Includes amounts that can only be used for the specific purposes pursuant to constraints imposed by formal action of the District's highest level of decision making authority, i.e., the Board of Education. The District has no committed fund balances as of June 30, 2025.

See independent auditors' report

WINDSOR CENTRAL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Assigned – Includes amounts that are constrained by the District’s intent to be used for specific purposes but are neither restricted nor committed. The purpose of the constraint 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 also includes an amount appropriated to partially fund the subsequent year’s budget, as well as encumbrances not classified as restricted at the end of the fiscal year.

All encumbrances of the General Fund are classified as Assigned Fund Balance in the General Fund. Encumbrances reported in the General Fund amounted to \$314,215. Appropriated fund balance in the General Fund amounted to \$900,000. Any remaining fund balance in other funds is considered assigned. The school food service fund reports assigned fund balance of \$592,472.

As of June 30, 2025, the District’s General Fund encumbrances were classified as follows:

General Support	\$164,866
Instruction	135,225
Pupil Transportation	12,914
Community Services	<u>1,210</u>
Total	<u>\$314,215</u>

Unassigned - Includes all other General Fund amounts that do not meet the definition of the above four classifications and are deemed to be available for general use by the District. In funds other than the General Fund, the unassigned classification is used to report a deficit fund balance resulting from overspending for specific purposes for which amounts had been restricted or assigned. NYS Real Property Tax Law §1318 limits the amount of unexpended surplus funds, excluding the reserve for tax reduction, a District can retain to no more than 4% of the District's budget for the General Fund 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, encumbrances and amounts reserved for insurance recoveries are also excluded from the 4% limitation.

Net Position/Fund Balance

Net Position Flow Assumption:

Sometimes the District will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the district-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied.

The District’s policy is to apply outlay first to restricted – net position as then to unrestricted – net position.

See independent auditors’ report

WINDSOR CENTRAL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Fund Balance Flow Assumption:

Sometimes the District will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied.

Order of Use of Fund Balance:

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

W) Implementation of New Accounting Standards

The District has adopted and implemented the following (all) current Statements of the Governmental Accounting Standards Board (GASB) that are applicable.

GASB has issued Statement No. 101, *Compensated Absences*, effective for the year ending June 30, 2025. This Statement requires that a liability for certain types of compensated absences – including parental leave, military leave, and jury duty leave – not be recognized until the leave commences. This Statement also requires that a liability for specific types of compensated absences not be recognized until the leave is used.

GASB has issued Statement No. 102, *Certain Risk Disclosures*, effective for the year ending June 30, 2025. This Statement's objective is to provide users of governmental financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. However, the District does not believe there are any vulnerabilities due to certain concentrations or constraints for the District during the year ended. The District will continue to assess the requirements under this pronouncement and apply to accounting and reporting requirements going forward.

X) Future Changes in Accounting Standards

GASB has issued Statement No. 103, *Financial Reporting Model Improvements*, effective for the year ending June 30, 2026. This Statement's objective is to improve key components of the financial reporting model to enhance effectiveness in providing information that is essential for decision making and assisting a government's accountability. Additionally, the statements also addresses certain application issues.

See independent auditors' report

WINDSOR CENTRAL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

GASB has issued Statement No. 104, *Disclosure of Certain Capital Assets*, effective for the year ending June 30, 2026. This statement requires certain types of capital assets to be disclosed separately in the capital assets note disclosure such as leased assets, intangible right-to-use assets, and assets held for sale.

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

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

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 basic financial statements contain a full reconciliation of these items. The differences result primarily from the economic focus of the district-wide statements, compared with the current financial resources focus of the governmental funds.

A) 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. This difference primarily results from the long-term economic focus of the Statement of Net Position versus the solely current financial resources focus of the governmental fund Balance Sheets, as applied to the reporting of capital assets and long-term liabilities, including pensions and other post-employment benefits.

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

Differences between the funds' Statement of Revenues, Expenditures and Changes in Fund Balances and the Statement of Activities fall into one of five broad categories. The amounts shown below represent:

i) 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 reports 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.

ii) Capital related differences:

Capital related differences include the difference between proceeds for the sale of capital assets reported on 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 fund statements and depreciation expense on those items as recorded in the Statement of Activities.

See independent auditors' report

WINDSOR CENTRAL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

iii) Long-term debt transaction differences:

Long-term debt transaction differences occur because both interest and principal payments are recorded as expenditures in the 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.

iv) Pension differences:

Pension differences occur as a result of changes in the District's proportion of the collective net pension asset/liability and differences between the District's contributions and its proportionate share of the total contributions to the pension systems.

v) OPEB differences:

OPEB differences occur as a result of changes in the District's total OPEB liability and differences between the District's contributions and OPEB expense.

NOTE 3: STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY:

Budgets

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

The voters of the District approved the proposed appropriation budget for the General Fund.

Appropriations are adopted at the program line item level.

Appropriations established by the adoption of the budget constitute a limitation on expenditures (and encumbrances) that may be incurred. Appropriations lapse at the end of the fiscal year unless expended or encumbered. Encumbrances will lapse if not expended in the subsequent year.

Appropriations authorized for the current year are increased by the planned use of specific reserves, and budget amendments approved by the Board of Education as a result of selected new revenue sources not included in the original budget (when permitted by law). These supplemental appropriations may occur subject to legal restrictions, if the Board approves them because of a need that exists which was not determined at the time the budget was adopted.

The following supplemental appropriations occurred during the year:

Unanticipated Revenue	\$ 9,188
Encumbrances	226,148

See independent auditors' report

WINDSOR CENTRAL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

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

General Fund is the only fund with a legally approved budget for the fiscal year ended June 30, 2025.

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

Encumbrances

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

NOTE 4: CASH (AND CASH EQUIVALENTS) - CUSTODIAL CREDIT, CONCENTRATION OF CREDIT, INTEREST RATE AND FOREIGN CURRENCY RISKS:

Cash and investments

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

The District's aggregate bank balances (disclosed in the financial statements), included balances not covered by depository insurance at year-end, collateralized as follows:

A) Uncollateralized	\$ -
B) Collateralized with securities held by the pledging financial institution, or trust its department or agent, but not in the District's name	\$ 11,937,574

Restricted cash and investments represent cash where use is limited by legal requirements. These assets represent amounts required by statute to be reserved for various purposes. Restricted cash as of year-end includes \$7,973,484 restricted for various fund balance reserves in the general fund, and \$185,211 restricted for extraclassroom in the miscellaneous special revenue fund and \$53,081 restricted for scholarships in the miscellaneous special revenue fund.

Deposits

Deposits are valued at cost or cost plus interest and are categorized as either (1) insured, or for which the securities are held by the District's agent in the District's name, (2) collateralized, and for which the securities are held by the pledging financial

See independent auditors' report

WINDSOR CENTRAL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

institution's trust department or agent in the District's name, or (3) uncollateralized. At June 30, 2025, all deposits were fully insured and collateralized by the District's agent in the District's name.

Investment and deposit policy

The District follows an investment and deposit policy, the overall objective of which is to adequately safeguard the principal amount of funds invested or deposited; conformance with Federal, State and other legal requirements; and provide sufficient liquidity of invested funds in order to meet obligations as they become due. Oversight of investment activity is the responsibility of the Business Administrator of the District.

Credit risk

The District's policy is to minimize the risk of loss due to failure of an issuer or other counterparty to an investment to fulfill its obligations. The District's investment and deposit policy authorizes the reporting entity to purchase the following types of investments:

- Interest bearing demand accounts.
- Certificates of deposit.
- Obligations of the United States Treasury and United States agencies.
- Obligations of New York State and its localities.

Custodial risk

Custodial credit risk is the risk that in the event of a failure of a depository financial institution, the reporting entity may not recover its deposits. In accordance with the District's investment and deposit policy, all deposits of the District including interest bearing demand accounts and certificates of deposit, in excess of the amount insured under the provisions of the Federal Deposit Insurance Act (FDIC) shall be secured by a pledge of securities with an aggregate value equal to 100% of the aggregate amount of deposits.

The District restricts the securities to the following eligible items:

- Obligations issued, fully insured or guaranteed as to the payment of principal and interest, by the United States Treasury and United States agencies.
- Obligations issued or fully insured or guaranteed by New York State and its localities.
- Obligations issued by other than New York State rated in one of the three highest rating categories by at least one nationally recognized statistical rating organizations.

NOTE 5: RECEIVABLES:

<u>Description</u>	General	Special Aid	Non-Major	Total
Accounts Receivable	\$ 894,648	\$ -	\$ 6,791	\$ 901,439
Due from State and Federal	2,417,579	744,062	127,803	3,289,444
Due from Other Governments	<u>1,638,641</u>	<u>-</u>	<u>-</u>	<u>1,638,641</u>
Total	<u>\$ 4,950,868</u>	<u>\$ 744,062</u>	<u>\$ 134,594</u>	<u>\$ 5,829,524</u>

District management has deemed the amounts to be fully collectible.

See independent auditors' report

WINDSOR CENTRAL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

NOTE 6: RIGHT TO USE ASSETS/INTANGIBLE ASSETS:

The District has recorded right to use lease assets as a result of implementing GASB Statement No. 87, *Leases*. The right to use assets are initially measured at an amount equal to the initial measurement of the related lease liability plus any lease payments made prior to the lease term, less lease incentives, and plus ancillary charges necessary to place the lease into service. The right to use assets are amortized on a straight-line basis over the life of the related lease.

The District has recorded right to use leased assets. The assets are right to use assets for leased equipment. These assets do not have related lease liabilities. The right to use lease assets are amortized on a straight-line basis over the terms of the related leases.

Right to use asset activity for the District for the year ended June 30, 2025, was as follows:

Intangible assets for the District for the year ended June 30, 2025, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Intangible assets:				
Leased equipment	<u>\$1,678,885</u>	<u>\$ 256,971</u>	<u>\$ -</u>	<u>\$1,935,856</u>
Total right to use assets	1,678,885	256,971	-	1,935,856
Less accumulated amortization:				
Leased Equipment	<u>(954,521)</u>	<u>(332,585)</u>	<u>-</u>	<u>(1,287,106)</u>
Total accumulated amortization	<u>(954,521)</u>	<u>(332,585)</u>	<u>-</u>	<u>(1,287,106)</u>
Intangible assets, net	<u>\$ 724,364</u>	<u>\$ (75,614)</u>	<u>\$ -</u>	<u>\$ 648,750</u>

See independent auditors' report

WINDSOR CENTRAL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

NOTE 7: CAPITAL ASSETS:

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

	Beginning Balance	Additions	Retirements	Adjustments	Ending Balance
Governmental Activities:					
Capital assets that are not depreciated:					
Land	\$ 433,601	\$ -	\$ -	\$ -	\$ 433,601
Construction in progress	18,269,167	9,465,538	-	(5,738,683)	21,996,022
Total non-depreciable historical cost	<u>18,702,768</u>	<u>9,465,538</u>	<u>-</u>	<u>(5,738,683)</u>	<u>22,429,623</u>
Capital assets that are depreciated:					
Buildings	\$ 98,501,937	\$ -	\$ -	\$ 5,738,683	\$ 104,240,620
Furniture and equipment	8,604,558	502,592	(663,716)	-	8,443,434
Total depreciable historical cost	<u>107,106,495</u>	<u>502,592</u>	<u>(663,716)</u>	<u>5,738,683</u>	<u>112,684,054</u>
Total non-depreciable and depreciable costs	<u>125,809,263</u>	<u>9,968,130</u>	<u>(663,716)</u>	<u>-</u>	<u>135,113,677</u>
Less accumulated depreciation:					
Buildings	\$ (39,840,111)	\$ (3,372,410)	\$ -	\$ -	\$ (43,212,521)
Furniture and equipment	(5,372,635)	(557,497)	657,116	(27,046)	(5,300,062)
Total accumulated depreciation	<u>(45,212,746)</u>	<u>(3,929,907)</u>	<u>657,116</u>	<u>(27,046)</u>	<u>(48,512,583)</u>
Total Capital Assets	<u>\$ 80,596,517</u>	<u>\$ 6,038,223</u>	<u>\$ (6,600)</u>	<u>\$ (27,046)</u>	<u>\$ 86,601,094</u>

Depreciation expense was charged to governmental functions as follows:

General Support	\$ (65,495)
Instruction	(3,394,153)
Pupil Transportation	(446,553)
Cost of Goods Sold	<u>(23,706)</u>
	<u>\$ (3,929,907)</u>

See independent auditors' report

WINDSOR CENTRAL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

NOTE 8: SHORT-TERM DEBT:

Transactions in short-term debt for the year are summarized below:

<u>Maturity</u>	<u>Interest Rate</u>	<u>Beginning Balance</u>	<u>Issued</u>	<u>Redeemed</u>	<u>Ending Balance</u>
7/26/2024	4.50%	\$ 14,514,000	\$ -	\$ (14,514,000)	\$ -
5/2/2025	4.50%	1,330,000	-	(1,330,000)	-
5/1/2026	3.80%	-	1,712,795	-	1,712,795
		<u>\$ 15,844,000</u>	<u>\$ 1,712,795</u>	<u>\$ (15,844,000)</u>	<u>\$ 1,712,795</u>

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

Interest paid	\$ 1,666,154
Plus interest accrued in current year	10,699
Less interest accrued in prior year	<u>(616,280)</u>
Total interest on short-term debt	<u>\$ 1,060,573</u>

NOTE 9: LONG-TERM OBLIGATIONS:

Long-term liability balances and activity for the year are summarized below:

In the fund financial statements, governmental funds recognize bond premiums and discounts during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Further, the unmatured principal of general long-term debt does not require current appropriation and expenditure of governmental fund financial resources.

Serial Bonds

The School District borrows money in order to acquire land or equipment, construct buildings, or make improvements. This enables the cost of these capital assets to be borne by the present and future taxpayers receiving the benefit of the capital assets. These long-term liabilities are full faith and credit debt of the local government. The provisions will be in the General Fund's future budgets for capital indebtedness.

See independent auditors' report

WINDSOR CENTRAL SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS

Noncurrent liability balances and activity for the year are as follows:

	Beginning Balance	Issued	Redeemed	Ending Balance	Amounts Due Within One Year
Long-Term Liabilities:					
Bonds and notes payable	\$ 19,465,000	\$ 22,035,000	\$ (2,280,000)	\$ 39,220,000	\$ 3,320,000
Unamortized bond premium	2,241,855	1,845,330	(233,938)	3,853,247	-
Total long-term liabilities	<u>21,706,855</u>	<u>23,880,330</u>	<u>(2,513,938)</u>	<u>43,073,247</u>	<u>3,320,000</u>
Other Long-Term Liabilities:					
Compensated absences payable*	\$ 1,998,510	\$ -	\$ (3,629)	\$ 1,994,881	\$ -
Other post-employment benefits obligation	51,953,634	-	(13,105,133)	38,848,501	-
Net pension liability - TRS +	925,591	-	(925,591)	-	-
Net pension liability - ERS	1,737,715	238,719	-	1,976,434	-
Total other liabilities	<u>56,615,450</u>	<u>238,719</u>	<u>(14,034,353)</u>	<u>42,819,816</u>	<u>-</u>
Total Other Long-Term Liabilities	<u>\$ 78,322,305</u>	<u>\$ 24,119,049</u>	<u>\$ (16,548,291)</u>	<u>\$ 85,893,063</u>	<u>\$ 3,320,000</u>

* Restated Beginning Balance per GASB No. 101
+ Net Pension Asset for June 30, 2025

The general Fund has typically been used to liquidate long-term liabilities such as compensated absences.

Bonds payable is comprised of the following:

<u>Description of issue</u>	<u>Issue Date</u>	<u>Final Maturity</u>	<u>Interest Rate</u>	<u>Outstanding at Year End</u>
Serial Bonds				
2017A Series	6/8/2017	6/15/2033	3.0-5.0%	\$ 5,805,000
2017 Series	8/17/2017	6/15/2032	2.0-3.0%	960,000
2022A Series	6/15/2022	6/15/2035	5.00%	6,325,000
2022C Series	10/4/2022	6/15/2028	5.00%	930,000
2023A Series	6/15/2023	6/15/2038	5.00%	3,165,000
2025A Series	6/17/2025	6/15/2039	5.00%	22,035,000
				<u>\$ 39,220,000</u>

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

Fiscal year ended:	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
June 30, 2026	\$ 3,320,000	\$ 2,255,589	\$ 5,575,589
2027	2,925,000	1,775,206	4,700,206
2028	3,035,000	1,632,694	4,667,694
2029	3,140,000	1,484,519	4,624,519
2030	3,285,000	1,330,894	4,615,894
2031-2035	14,945,000	4,282,131	19,227,131
2036-2039	<u>8,570,000</u>	<u>1,042,500</u>	<u>9,612,500</u>
	<u>\$ 39,220,000</u>	<u>\$ 13,803,533</u>	<u>\$ 53,023,533</u>

See independent auditors' report

WINDSOR CENTRAL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

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

Interest paid	\$ 945,806
Less: interest accrued in the prior year	(6,824)
Plus: interest accrued in the current year	<u>40,976</u>
 Total interest on long-term debt	 <u>\$ 979,958</u>

NOTE 10: PENSION PLANS:

General information:

The District participates in the New York State Teachers' Retirement System (TRS) and the New York State and Local Employees' Retirement System (ERS). These 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. See Note 1(O) – Summary of Significant Accounting Policies for further plan details. Employees' Group Life Insurance Plan (GLIP), which provides death benefits in the form of life insurance. The System is included in the State's financial report as a pension trust fund.

NOTE 11: INTER-FUND TRANSACTIONS – GOVERNMENTAL FUNDS:

	<u>Inter-fund</u>		<u>Inter-fund</u>	
	<u>Receivable</u>	<u>Payable</u>	<u>Revenues</u>	<u>Expenditures</u>
General	\$ 699,276	\$ 117,319	\$ 171,783	\$ 143,946
Special Aid	-	698,426	43,914	-
School Food Service	113,569	-	32	-
Capital Projects	-	-	90,988	4,571
Debt Service	-	-	-	158,200
Miscellaneous Special Revenue Funds	<u>2,900</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total government activities	<u>\$ 815,745</u>	<u>\$ 815,745</u>	<u>\$ 306,717</u>	<u>\$ 306,717</u>

Inter-fund

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

The District typically transfers from the General Fund to the Special Aid Fund, to fund the local share of the Section 4408, Summer School Handicapped Program.

See independent auditors' report

WINDSOR CENTRAL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

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

All inter-fund payables are expected to be repaid within one year.

NOTE 12: POST-EMPLOYMENT BENEFITS (HEALTH INSURANCE) OBLIGATION

PAYABLE:

A) General information about the OPEB Plan

Plan description – The District administers a defined benefit OPEB plan that provides OPEB for permanent full-time general and public safety employees of the District. The plan is a single employer defined benefit OPEB plan (the Plan) administered by Article 11 of the State

Compiled Statutes which grants the authority to establish and amend the benefit terms and financing requirements to the District’s Board, subject to applicable collective bargaining and employment agreements, and Board of Education policy.

The Plan does not issue a separate financial report since there are no assets legally segregated for the sole purpose of paying benefits under the Plan. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

Funding Policy

The obligations of the Plan members and employers are established by action of the District pursuant to applicable collective bargaining and other employment agreements. Employees contribute varying percentages of the premiums, depending on when retired and their applicable agreement. The District currently funds the Plan to satisfy current obligations on a pay-as-you-go basis. During the year ended June 30, 2025, approximately \$1,821,135 was paid on behalf of 194 retirees.

Benefits Provided – The District provides for continuation of healthcare and life insurance benefits for certain retirees, their spouses, and their dependents. The benefit terms are dependent on which contract each employee falls under. The specifics of each contract are on file at the District offices and are available upon request.

Employees Covered by Benefit Terms – At June 30, 2025, the following employees were covered by the benefit terms:

Inactive plan members or beneficiaries currently receiving benefit payments	258
Inactive plan members entitled to but not yet receiving benefit payments	-
Active plan members	<u>219</u>
Total plan members	<u>477</u>

See independent auditors’ report

WINDSOR CENTRAL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

B) Net OPEB Liability

The District's total OPEB liability of \$38,848,501 was measured as of June 30, 2025 and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and Other Inputs – The total OPEB liability at June 30, 2025 was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.4 percent
Salary increases	2.4 percent, average, including inflation
Discount rate	5.20 percent
Healthcare cost trend rates	6.6 percent, decreasing 3.8 percent per year over 49 years

The discount rate was based on the Bond Buyer General Obligation 20-year Tax-Exempt Municipal Bond Index as of June 30, 2025.

Mortality rates were based on the PubT-2010 Headcount-Weighted Mortality Table for teaching positions and PuBG-2010 Headcount-Weighted Mortality Table for non-teaching positions, both generationally projected using Scale MP-2021 Ultimate Scale. This assumption includes a margin for future improvements in longevity.

The actuarial assumptions in regard to rates of decrement are based on tables used by the New York State Teachers' Retirement System and the New York State Employees' State and Local Retirement System.

C) Changes in the Total OPEB Liability

Balance as of June 30, 2024	\$ 51,953,634
<u>Changes for the Year</u>	
Service Cost	\$ 1,611,221
Interest	2,069,659
Effect of plan changes	-
Effect of demographic gains or losses	(8,174,123)
Changes in assumptions or inputs	(6,790,755)
Benefit payments	<u>(1,821,135)</u>
Net change in total OPEB liability	<u>(13,105,133)</u>
Net OPEB obligation as of June 30, 2025	<u>\$ 38,848,501</u>

See independent auditors' report

WINDSOR CENTRAL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Changes of assumptions and other inputs reflects a change in the discount rate from 3.93 percent on June 30, 2024 to 5.20 percent on June 30, 2025, and the actuarial cost method used was Entry Age Normal – Level of Pay.

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 (4.20 percent) or 1 percentage point higher (6.20 percent) than the current discount rate:

	<u>1% Decrease</u>	<u>Discount Rate</u>	<u>1% Increase</u>
Total OPEB liability	\$ 44,214,155	\$ 38,848,501	\$ 34,425,859

Sensitivity of the Total OPEB Liability to changes in the Healthcare Cost Trend Rates – 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 healthcare cost trend rate:

	<u>1% Decrease (5.6% Decreasing To 2.8%)</u>	<u>Healthcare Cost Trend Rates (6.6% Decreasing to 3.8%)</u>	<u>1% Increase (8.6% Decreasing to 4.8%)</u>
Total OPEB liability	\$ 33,586,062	\$ 38,848,501	\$ 45,440,339

D) OPEB Expense (Benefit) 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 (benefit) of \$(1,355,835). At June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 1,765,697	\$ (14,535,136)
Changes in assumptions	<u>4,524,562</u>	<u>(11,715,294)</u>
Total	<u>\$ 6,290,259</u>	<u>\$ (26,250,430)</u>

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

See independent auditors’ report

WINDSOR CENTRAL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

<u>Fiscal Year Ending June 30,</u>	<u>Amount</u>
2026	\$(4,683,921)
2027	(5,554,310)
2028	(4,111,584)
2029	(2,156,923)
2030	(2,302,289)
Thereafter	(1,151,144)

NOTE 13: RISK MANAGEMENT:

General

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

Consortiums and self-insured plans

The District participates in the Broome-Tioga, Delaware Health Insurance, a non-consortium-risk-retained public entity risk pool for its employee health and accident insurance coverage. The pool is operated for the benefit of sixteen individual governmental units located within the pool's geographic area, and is considered a self-sustaining risk pool that will provide coverage for its members up to \$1,000,000 per insured event. The pool obtains independent coverage for insured events in excess of the \$1,000,000 limit, and the District has essentially transferred all related risk to the pool.

NOTE 14: FUND BALANCES:

Portions of fund balances are reserved and not available for current expenses or expenditures, as reported in the Governmental Funds Balance Sheet.

NOTE 15: COMMITMENTS AND CONTINGENCIES:

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

NOTE 16: DONOR-RESTRICTED FUNDS:

The District administers funds, which are restricted by the donor for the purposes of scholarships. The value of donor-restricted funds in compliance with the wishes expressed by the donor, which varies among the unique endowments administered by the District is \$53,081. The District authorizes expenditures from donor-restricted funds in compliance with the wishes expressed by the donor, which varies among the unique endowments administered by the District.

See independent auditors' report

WINDSOR CENTRAL SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

NOTE 17: TAX ABATEMENTS:

The County of Broome enters various property tax abatement programs for the purpose of economic development. The School District property tax revenue was reduced by \$485,415. The District received payment in lieu of tax (PILOT) payments totaling \$256,578.

NOTE 18: SUBSEQUENT EVENTS:

The District has evaluated events through December 9, 2025, which is the date the financial statements are available to be issued, for possible disclosure and recognition in the financial statements.

NOTE 19: PRIOR PERIOD ADJUSTMENT:

The District adopted GASB Statement No. 101 – *Compensated Absences* during the year ended June 30, 2025. Under this statement, there is a unified recognition and measurement model that will result in a liability for compensated absences that more appropriately reflects when a government incurs an obligation. In addition, the model can be applied consistently to any type of compensated absence and will eliminate potential comparability issues between governments that offer different types of leave. There was a prior period adjustment as a result of the adoption of this statement in the amount of \$1,336,628. This adjustment remeasures the District’s beginning compensated absences liability under a more uniform methodology.

Compensated Absences Payable	<u>6/30/2024</u>
As previously stated	\$ 661,882
Adjustment	<u>1,336,628</u>
Restated per GASB Statement No. 101	<u>✓ \$ 1,998,510</u>

See independent auditors’ report

REQUIRED SUPPLEMENTARY INFORMATION

**SCHEDULE OF CHANGES IN OPEB LIABILITY,
SCHEDULE OF DISTRICT'S CONTRIBUTIONS-NYSLRS,
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY/
(ASSET)-NYSLRS PENSION PLAN,
SCHEDULE OF DISTRICT'S CONTRIBUTIONS-NYSTRS,
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION
LIABILITY/(ASSET)-NYSTRS PENSION PLAN,
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE BUDGET
(NON-GAAP BASIS) AND ACTUAL - GENERAL FUND**

AND

SUPPLEMENTARY INFORMATION

**WINDSOR CENTRAL SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY
LAST EIGHT FISCAL YEARS
JUNE 30, 2025**

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Total OPEB liability								
Service cost	\$ 2,546,660	\$ 2,769,637	\$ 2,217,185	\$ 2,107,667	\$ 2,270,260	\$ 1,536,491	\$ 1,820,012	\$ 1,611,221
Interest	1,770,017	1,863,781	1,967,802	1,542,441	1,141,006	1,555,125	1,934,080	2,069,659
Changes of benefit terms	-	-	-	-	-	-	-	-
Difference between expected and actual experience	239,815	(1,655,390)	-	-	-	-	-	-
Effect of demographic gains or losses	-	-	-	(22,587,267)	-	3,273,505	-	(8,174,123)
Changes of assumptions or inputs	-	(6,687,861)	11,005,221	3,138,460	(10,083,205)	4,110,450	(2,072,406)	(6,790,755)
Benefit payments	<u>(1,725,852)</u>	<u>(1,581,011)</u>	<u>(1,703,621)</u>	<u>(1,308,699)</u>	<u>(1,357,943)</u>	<u>(1,626,032)</u>	<u>(1,777,123)</u>	<u>(1,821,135)</u>
Net change in total OPEB liability	2,830,640	(5,290,844)	13,486,587	(17,107,398)	(8,029,882)	8,849,539	(95,437)	(13,105,133)
Total OPEB liability - beginning	<u>57,310,429</u>	<u>60,141,069</u>	<u>54,850,225</u>	<u>68,336,812</u>	<u>51,229,414</u>	<u>43,199,532</u>	<u>52,049,071</u>	<u>51,953,634</u>
Total OPEB liability - ending	<u>\$ 60,141,069</u>	<u>\$ 54,850,225</u>	<u>\$ 68,336,812</u>	<u>\$ 51,229,414</u>	<u>\$ 43,199,532</u>	<u>\$ 52,049,071</u>	<u>\$ 51,953,634</u>	<u>\$ 38,848,501</u>
Covered payroll	\$ 16,050,383	\$ 13,179,838	\$ 13,179,838	\$ 14,180,034	\$ 14,180,034	\$ 12,748,357	\$ 12,748,357	\$ 13,588,909
Total OPEB liability as a % of covered payroll	374.70%	416.17%	518.50%	361.28%	304.65%	408.28%	407.53%	285.88%

10 years of historical information will not be available upon implementation. An additional year of historical information will be added each year subsequent to the year of implementation until 10 years of historical data is available.

Note:

The District currently contributes enough money to the plan to satisfy current obligations on a pay-as-you-go basis

See paragraph on supplementary schedules included in independent auditors' report

**NYSLRS PENSION PLAN
LAST TEN FISCAL YEARS
FOR THE YEAR ENDED JUNE 30, 2025**

	<u>2016</u>	<u>2017</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>
Contractually required contribution	\$ 454,157	\$ 418,771	\$ 419,163	\$ 493,758	\$ 436,347	\$ 436,323	\$ 468,491	\$ 384,703	\$ 429,587	\$ 558,884
Contributions in relation to the contractual required contribution	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Contribution deficiency (excess)	-	-	-	-	-	-	-	-	-	-
District's covered - employee payroll	2,614,909	2,708,030	2,762,786	2,817,228	2,936,366	3,041,291	2,940,703	3,373,802	3,546,724	3,980,113
Contributions as a percentage of covered -employee payroll	17.37%	15.46%	15.17%	17.53%	14.86%	14.35%	15.93%	11.40%	12.11%	14.04%

See paragraph on supplementary schedules included in independent auditors' report

**WINDSOR CENTRAL SCHOOL DISTRICT
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION (ASSET)/LIABILITY
 NYSLRS PENSION PLAN
 LAST TEN FISCAL YEARS
 FOR THE YEAR ENDED JUNE 30, 2025**

	<u>2016</u>	<u>2017</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>
District's proportion of the net pension liability (asset)	0.009956%	0.010162%	0.0097614%	0.0103072%	0.0105328%	0.0009621%	0.0094078%	0.0108214%	0.0118019%	0.1152730%
District's proportionate share of the net pension liability (asset)	\$ 1,598,034	\$ 954,849	\$ 315,044	\$ 730,298	\$ 2,789,145	\$ 9,580	\$ (769,050)	\$ 2,320,551	\$1,737,715	\$1,976,434
District's covered - employee payroll	2,614,909	2,708,030	2,762,786	2,817,228	2,936,366	3,041,291	2,940,703	3,373,802	3,546,724	3,980,113
District's proportionate share of the net pension liability (asset) as a percentage of its covered - employee payroll	61.11%	35.26%	11.40%	25.92%	94.99%	0.31%	-26.15%	68.78%	48.99%	49.66%
Plan fiduciary net position as a percentage of the total pension liability (asset)	90.60%	94.70%	98.24%	96.27%	86.39%	99.95%	103.65%	90.78%	93.88%	93.08%

See paragraph on supplementary schedules included in independent auditors' report

**WINDSOR CENTRAL SCHOOL DISTRICT
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF DISTRICT'S CONTRIBUTIONS
 NYSTRS PENSION PLAN
 LAST TEN FISCAL YEARS
 FOR THE YEAR ENDED JUNE 30, 2025**

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Contractually required contribution	\$ 2,074,312	\$ 1,755,848	\$ 1,496,378	\$ 1,306,393	\$ 1,423,007	\$ 1,207,753	\$ 1,274,798	\$ 1,364,329	\$ 1,538,198	\$ 1,485,282
Contributions in relation to the contractually required contribution	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Contribution deficiency (excess)	-	-	-	-	-	-	-	-	-	-
District's covered - employee payroll	12,957,302	13,183,663	13,527,009	13,409,009	13,676,491	13,397,605	14,299,474	14,926,336	15,347,226	15,459,751
Contributions as a percentage of covered -employee payroll	16.01%	13.32%	11.06%	9.74%	10.40%	9.01%	8.91%	9.14%	10.02%	9.61%

See paragraph on supplementary schedules included in independent auditors' report

**WINDSOR CENTRAL SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY / (ASSET)
NYSTRS PENSION PLAN
LAST TEN FISCAL YEARS
FOR THE YEAR ENDED JUNE 30, 2025**

	<u>2016</u>	<u>2017</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>
District's proportion of the net pension liability (asset)	0.078774%	0.080656%	0.080570%	0.081838%	0.080276%	0.080312%	0.078811%	0.078586%	0.080938%	0.079703%
District's proportionate share of the net pension liability (asset)	\$ (8,182,110)	\$ 863,856	\$ (612,414)	(1,479,852)	(2,085,567)	2,219,243	\$ (13,657,120)	\$ 1,507,980	\$ 925,591	\$ (2,378,015)
District's covered - employee payroll	12,957,302	13,183,663	13,527,009	13,409,009	13,676,491	13,397,605	14,299,474	14,926,336	15,347,226	15,459,751
District's proportionate share of the net pension liability (asset) as a percentage of its covered - employee payroll	-63.15%	6.55%	-4.53%	-11.04%	-15.25%	16.56%	-95.51%	10.10%	6.03%	-15.38%
Plan fiduciary net position as a percentage of the total pension liability (asset)	111.48%	99.01%	100.66%	101.53%	102.20%	97.80%	113.20%	98.60%	98.20%	102.10%

See paragraph on supplementary schedules included in independent auditors' report

**WINDSOR CENTRAL SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON-GAAP BASIS) AND ACTUAL - GENERAL FUND
JUNE 30, 2025**

	Original Budget	Final Budget	Actual (Budgetary Basis)	Final Budget Variance With Budgetary Actual
REVENUES				
Local Sources				
Real property taxes	\$ 18,244,860	\$ 16,927,234	\$ 16,927,234	\$ -
Other tax items	282,164	1,599,790	1,608,419	8,629
Charges for services	302,000	302,000	479,851	177,851
Use of money and property	93,000	93,000	629,098	536,098
Sale of property and compensation for loss	90,870	90,870	39,214	(51,656)
Miscellaneous	1,202,158	1,211,346	1,650,854	439,508
Total Local Sources	20,215,052	20,224,240	21,334,670	1,110,430
State sources	30,986,857	30,986,857	31,078,513	91,656
Federal sources	65,000	65,000	42,674	(22,326)
Total Revenues	51,266,909	51,276,097	52,455,857	1,179,760
OTHER FINANCING SOURCES				
Transfers from other funds	158,200	158,200	171,783	13,583
Appropriated fund balance	900,000	900,000	-	(900,000)
Appropriated reserves	941,093	941,093	-	(941,093)
Total Revenues and Other Financing Sources	\$ 53,266,202	\$ 53,275,390	\$ 52,627,640	\$ (647,750)

Budget basis of accounting:

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

Continued on next page

**WINDSOR CENTRAL SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON-GAAP BASIS) AND ACTUAL - GENERAL FUND (CONTINUED)
JUNE 30, 2025**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual (Budgetary Basis)</u>	<u>Year-end Encumbrances</u>	<u>Final Budget Variance With Budgetary Actual And Encumbrances</u>
EXPENDITURES					
General Support					
Board of education	\$ 39,118	\$ 36,215	\$ 37,451	\$ 2,910	\$ (4,146)
Central administration	286,547	317,868	317,056	12,600	(11,788)
Finance	763,199	776,667	760,908	5,075	10,684
Staff	365,006	379,576	364,482	5,462	9,632
Central services	3,740,117	3,831,755	3,254,912	138,819	438,024
Special items	533,226	525,925	507,857	-	18,068
Total General Support	<u>5,727,213</u>	<u>5,868,006</u>	<u>5,242,666</u>	<u>164,866</u>	<u>460,474</u>
Instruction					
Instruction, administration and improvement	1,725,904	1,844,949	1,801,910	500	42,539
Teaching - regular school	12,784,326	12,693,487	12,422,931	7,901	262,655
Programs for children with handicapping conditions	6,804,715	7,939,628	7,762,597	68,264	108,767
Teaching - special school	181,250	117,682	112,676	-	5,006
Instructional media	2,280,357	1,899,523	1,854,910	-	44,613
Pupil services	2,884,428	2,835,630	2,695,762	58,560	81,308
Total Instruction	<u>26,660,980</u>	<u>27,330,899</u>	<u>26,650,786</u>	<u>135,225</u>	<u>544,888</u>
Pupil transportation	2,359,941	2,480,012	2,308,118	12,914	158,980
Community services	35,354	34,640	28,142	1,210	5,288
Employee benefits	12,221,003	11,283,304	11,156,350	-	126,954
Debt service	6,131,711	6,131,711	6,387,937	-	(256,226)
Total Expenditures	<u>53,136,202</u>	<u>53,128,572</u>	<u>51,773,999</u>	<u>314,215</u>	<u>1,040,358</u>
OTHER FINANCING USES					
Transfers (to) other funds	130,000	146,818	143,946	-	2,872
Total Expenditures and Other Uses	<u>\$ 53,266,202</u>	<u>\$ 53,275,390</u>	<u>51,917,945</u>	<u>\$ 314,215</u>	<u>\$ 1,043,230</u>
Net Change in Fund Balances			709,695		
Fund balance - Beginning			<u>10,701,721</u>		
Fund balance - Ending			<u>\$ 11,411,416</u>		

See paragraph on supplementary schedules included in independent auditors' report

**WINDSOR CENTRAL SCHOOL DISTRICT
SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGE FROM ORIGINAL BUDGET TO REVISED BUDGET
AND SECTION 1318 OF REAL PROPERTY TAX LIMIT CALCULATION
JUNE 30, 2025**

CHANGE FROM ADOPTED BUDGET TO REVISED BUDGET

Adopted budget	\$ 53,040,054
Add: Prior year's encumbrances	<u>226,148</u>
Original budget	53,266,202
Unanticipated revenues	9,188
Use of employee benefit accrued liability reserve	<u>-</u>
Final budget	<u><u>\$ 53,275,390</u></u>

SECTION 1318 OF REAL PROPERTY TAX LIMIT CALCULATION

2025 - 2026 voter - approved budget	\$ 55,979,032
Maximum allowed	2,239,161
Unrestricted fund balance	
Assigned fund balance	1,214,215
Unassigned fund balance	<u>2,223,717</u>
	<u>3,437,932</u>
Less:	
Appropriated fund balance	900,000
Encumbrances included in assigned fund balance	<u>314,215</u>
Total adjustments	<u>1,214,215</u>
General Fund Fund Balance Subject to Section 1318 of Real Property Tax Law	<u><u>\$ 2,223,717</u></u>
Actual percentage	3.97%

See paragraph on supplementary schedules included in independent auditors' report

**WINDSOR CENTRAL SCHOOL DISTRICT
SUPPLEMENTARY INFORMATION
SCHEDULE OF PROJECT EXPENDITURES - CAPITAL PROJECTS FUND
JUNE 30, 2025**

PROJECT TITLE	Original Budget	Revised Budget	Expenditures			Unexpended Balance	Proceeds of Obligations	Methods of Financing			Total	Transfer to Debt Service Fund	Fund Balance June 30, 2025
			Prior Years	Current Year	Total			State Aid	Local Sources	Interfund Revenue			
Major Capital Projects													
1. \$27.5 million capital project MS 03-17-01-06-0-003-017	\$ -	\$ 4,965,649	\$ 2,635,024	\$ 2,414,453	\$ 5,049,477	\$ (83,828)	\$ 3,064,000	\$ -	\$ -	\$ -	\$ 3,064,000	\$ -	\$ (1,985,477)
\$27.5 million capital project Bell Elementary 03-17-01-06-0-004-015	-	3,410,436	1,870,493	1,401,820	3,272,313	138,123	3,500,000	-	-	-	3,500,000	-	227,687
\$27.5 million capital project Weeks Elementary 03-17-01-06-0-006-016	-	4,495,773	2,414,700	1,835,594	4,250,294	245,479	4,500,000	-	-	-	4,500,000	-	249,706
\$27.5 million capital project HS 03-17-01-06-0-010-021	27,500,000	5,577,696	5,061,795	2,240	5,064,035	513,661	5,000,000	-	-	2,492,393	7,492,393	-	2,428,358
\$27.5 million capital project HS 03-17-01-06-0-010-022	-	8,024,078	4,806,236	3,165,938	7,972,174	51,904	8,200,000	-	-	493,607	8,693,607	-	721,433
\$27.5 million capital project Bus Garage 03-17-01-06-5-015-006	-	1,026,368	142,144	109,725	251,869	774,499	250,000	-	-	-	250,000	-	(1,869)
Total major projects	\$ 27,500,000	\$ 27,500,000	\$ 16,930,392	\$ 8,929,770	\$ 25,860,162	\$ 1,639,838	\$ 24,514,000	\$ -	\$ -	\$ 2,986,000	\$ 27,500,000	\$ -	\$ 1,639,838
Non-Major Capital Projects													
2. Buses 03-17-01-06-2-222-002	\$ 5,272,755	\$ 5,272,755	\$ 4,360,414	\$ 426,554	\$ 4,786,968	\$ 485,787	\$ 417,200	\$ 20,000	\$ -	\$ 3,441,305	\$ 3,878,505	\$ 3,417	\$ (911,880)
3. 24-25 \$100K project 03-17-01-06-0-010-025	100,000	100,000	-	100,000	100,000	-	-	-	-	100,000	100,000	-	-
4. ARP Project 03-17-01-06-0-003-018	-	1,417,287	1,170,916	345,072	1,515,988	(98,701)	-	-	-	1,515,988	1,515,988	-	-
5. Boiler Project 03-17-1-06-D0010-024	110,000	110,000	-	95,266	95,266	14,734	-	-	-	110,000	110,000	-	14,734
6. Leases 03-17-01-06-A-999-999	-	256,971	-	256,971	256,971	-	-	-	-	256,971	256,971	-	-
Total non-major projects	5,482,755	7,157,013	5,531,330	1,223,863	6,755,193	401,820	417,200	20,000	-	5,424,264	5,861,464	3,417	(897,146)
Total major and non-major projects	\$ 32,982,755	\$ 34,657,013	\$ 22,461,722	\$ 10,153,633	\$ 32,615,355	\$ 2,041,658	\$ 24,931,200	\$ 20,000	\$ -	\$ 8,410,264	\$ 33,361,464	\$ 3,417	\$ 742,692

See paragraph on supplementary schedules included in independent auditors' report

**WINDSOR CENTRAL SCHOOL DISTRICT
SUPPLEMENTARY INFORMATION
COMBINED BALANCE SHEET - NON-MAJOR GOVERNMENTAL FUNDS
JUNE 30, 2025**

	Food Service	Capital Projects	Miscellaneous Special Revenue	Total Non-Major Funds
ASSETS				
Cash				
Unrestricted	\$ 370,904	\$ 815,649	\$ -	\$ 1,186,553
Restricted	-		262,985	262,985
Receivables				
Due from other funds	113,569	-	2,900	116,469
State and Federal aid	122,103	-	-	122,103
Other	1,091	-	5,700	6,791
Inventories	53,974	-	-	53,974
Total Assets	<u>\$ 661,641</u>	<u>\$ 815,649</u>	<u>\$ 271,585</u>	<u>\$ 1,748,875</u>
LIABILITIES				
Payables				
Accounts payable	\$ 2,803	\$ -	\$ -	\$ 2,803
Accrued liabilities	3,488	-	-	3,488
Due to other funds	-	-	-	-
Due to other governments	365	-	-	365
Notes payable				
Bond anticipation	-	1,712,795	-	1,712,795
Deferred credits				
Unearned revenues	8,539	-	-	8,539
Total Liabilities	15,195	1,712,795	-	1,727,990
FUND BALANCES				
Non-spendable	53,974	-	-	53,974
Restricted	-	-	271,585	271,585
Assigned	592,472	814,698	-	1,407,170
Unrestricted	-	(1,711,844)	-	(1,711,844)
Total Fund Balances	<u>646,446</u>	<u>(897,146)</u>	<u>271,585</u>	<u>20,885</u>
Total Liabilities and Fund Balances	<u>\$ 661,641</u>	<u>\$ 815,649</u>	<u>\$ 271,585</u>	<u>\$ 1,748,875</u>

See paragraph on supplementary schedules included in independent auditors' report

**WINDSOR CENTRAL SCHOOL DISTRICT
SUPPLEMENTARY INFORMATION
COMBINED STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - NON-MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2025**

	Food Service	Capital Projects	Miscellaneous Special Revenue	Total Non-Major Funds
REVENUES				
Real property taxes	\$ -	\$ -	\$ -	\$ -
Other tax items	-	-	-	-
Nonproperty taxes	-	-	-	-
Charges for services	-	-	-	-
Use of money and property	14,652	-	1,653	16,305
Sale of property and compensation for loss	-	-	-	-
Miscellaneous	84,864	-	-	84,864
State sources	414,725	-	-	414,725
Medicaid reimbursement	-	-	-	-
Federal sources	1,054,648	-	-	1,054,648
Local sources	-	-	294,832	294,832
Surplus food	91,828	-	-	91,828
Sales - school lunch	86,270	-	-	86,270
Total Revenues	1,746,987	-	296,485	2,043,472
EXPENDITURES				
General support	\$ -	\$ -	\$ -	\$ -
Instruction	-	-	-	-
Pupil transportation	-	-	-	-
Community service	-	-	-	-
Employee benefits	388,401	-	-	388,401
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Scholarships	-	-	4,450	4,450
Other expenditures	-	-	223,820	223,820
Cost of sales	1,423,278	-	-	1,423,278
Capital outlay	-	1,219,292	-	1,219,292
Total Expenditures	1,811,679	1,219,292	228,270	3,259,241
Excess (Deficiency) of Revenues	(64,692)	(1,219,292)	68,215	(1,215,769)
OTHER FINANCING SOURCES AND USES				
Proceeds from debt	\$ -	\$ -	\$ -	\$ -
Proceeds from refunding bonds	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-
Leases	-	256,971	-	256,971
Operating transfers in	32	90,988	-	91,020
Operating transfers (out)	-	(4,571)	-	(4,571)
Redeemed from appropriations	-	417,200	-	417,200
Total Other Sources (Uses)	32	760,588	-	760,620
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other (Uses)	(64,660)	(458,704)	68,215	(455,149)
Fund Balances - Beginning of year	711,106	(438,442)	203,370	476,034
Fund Balances - End of Year	<u>\$ 646,446</u>	<u>\$ (897,146)</u>	<u>\$ 271,585</u>	<u>\$ 20,885</u>

See paragraph on supplementary schedules in independent auditors' report

**WINDSOR CENTRAL SCHOOL DISTRICT
SUPPLEMENTARY INFORMATION
INVESTMENT IN CAPITAL ASSETS, NET OF RELATED DEBT
FOR THE YEAR ENDED JUNE 30, 2025**

Capital Assets, net		\$ 86,601,094
Deduct:		
Bond Anticipation Notes	1,712,795	
Premium on bonds anticipation notes payable	(128,305)	
Short-term portion of bonds payable	3,320,000	
Long-term portion of bonds payable	35,900,000	
Unamortized bond premium	3,853,247	
Less: unspent bond proceeds	(2,455,486)	42,202,251
Intangible Assets, net		<u>\$ 648,750</u>
Investment in capital assets and Intangible assets, net of related debt		<u><u>\$ 45,047,593</u></u>

See paragraph on supplementary schedules in independent auditors' report

**WINDSOR CENTRAL SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2025**

<u>Federal Grantor/Pass-Through Grantor/Program or Cluster Title</u>	<u>Assistance Listing Number</u>	<u>Agency or Pass-through Number</u>	<u>Total Federal Expenditures</u>
U.S. DEPARTMENT OF AGRICULTURE			
Passed Through NYS Education Department:			
Child Nutrition Cluster			
Non-Cash Assistance (Food Distribution)			
National School Lunch Program	10.555		\$ 91,828
Cash Assistance			
School Breakfast Program	10.553		376,980
National School Lunch Program	10.555		648,865
Summer Food Service Program for Children	10.559		28,803
Total Child Nutrition Cluster			<u>1,146,476</u>
Total Passed Through NYS Education Department			<u>1,146,476</u>
Total U.S. Department of Agriculture			<u>1,146,476</u>
U.S. DEPARTMENT OF EDUCATION			
Passed Through NYS Education Department:			
Special Education (IDEA) Cluster			
Special Education - Grants to States (IDEA Part B)	84.027A	0032-24-0068	3,030
Special Education - Grants to States (IDEA Part B)	84.027A	0032-25-0068	511,811
Special Education - Preschool Grants (IDEA Preschool)	84.173A	0033-25-0068	27,359
Total Special Education (IDEA) Cluster			<u>542,200</u>
Title I, Part A			
Title I Grants to Local Educational Agencies	84.010A	0021-24-0200	2,073
Title I Grants to Local Educational Agencies	84.010A	0021-25-0200	445,381
Total Title I, Part A			<u>447,454</u>
Other Programs			
Supporting Effective Instruction State Grants	84.367A	0147-25-0200	2,880
Student Support and Academic Enrichment Program	84.424A	0204-24-0200	7,949
Student Support and Academic Enrichment Program	84.424A	0204-25-0200	25,857
American Rescue Plan Elementary and Secondary School Emergency Relief (ARP ESSER) Fund	84.425U	5882-21-0200	103,338
Total Other Programs			<u>140,024</u>
Total U.S. Department of Education			<u>1,129,678</u>
U.S. DEPARTMENT OF JUSTICE			
Stop School Violence Grants	16.839		277,168
Total U.S. Department of Justice			<u>277,168</u>
Total Federal Awards Expended			<u>\$ 2,553,322</u>

See notes to Schedule of Expenditures of Federal Awards

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

NOTE 1: BASIS OF PRESENTATION:

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) presents the activity of all federal award programs administered by the District, which is described in Note 1 to the District's accompanying financial statements, using the modified accrual basis of accounting. Therefore, some amounts presented in this Schedule may differ from amounts presented in, or used in the preparation of, the District's financial statements. Federal awards that are included in the Schedule may be received directly from federal agencies, as well as federal awards that are passed through from other government agencies.

The information presented in the Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Acquisitions Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance).

NOTE 2: SUMMARY OF CERTAIN SIGNIFICANT ACCOUNTING POLICIES:

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. The amounts reported as Federal expenditures were obtained from the Federal financial reports for the applicable program and periods. The amounts reported in these reports are prepared from records maintained for each program, which are reconciled with the District's financial reporting system. The Federal expenditures are recognized under the Uniform Guidance.

NOTE 3: SCOPE OF AUDIT:

The District is an independent municipal corporation. All Federal grant operations of the District are included in the scope of the single audit.

NOTE 4: NON-CASH ASSISTANCE

Nonmonetary assistance is reported in the Schedule at the fair market value of the commodities received and disbursed. For the year ended June 30, 2025, the District received food commodities totaling \$91,828.

NOTE 5: INDIRECT COST RATE

Indirect costs may be included in the reported expenditures, to the extent that they are included in the federal financial reports used as the source for the data presented. Certain of the District's federal award programs have been charged with indirect costs, based upon an established rate applied to overall expenditures. There is no other indirect cost allocation plan in effect.

NOTE 6: OTHER DISCLOSURES:

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

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

No amounts were provided to subrecipients.

WINDSOR CENTRAL SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2025

Section I - Summary of Auditors' Results

Financial Statements

Type of auditors' report issued: unmodified

	<u>Yes</u>	<u>No</u>	
Internal Control over Financial Reporting			
Material weakness identified?	_____	_____X	
Significant deficiencies identified that are not considered to be material weaknesses?	_____	_____X	none reported

Noncompliance material to financial statements noted? _____ X

Federal Awards

Internal control over major programs:

Material weakness identified?	_____	_____X	
Significant deficiencies identified that are not considered to be material weaknesses?	_____	_____X	none reported

Type of auditors' report issued on compliance for major programs: unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? _____ X

Identification of major programs:

<u>Assistance Listing Numbers</u>	<u>Name of Federal Program or Cluster</u>
10.553/10.555/ 10.559	<i>Child Nutrition Cluster</i> School Breakfast Program National School Lunch Program Summer Food Service Program for Children

Dollar threshold used to distinguish between Type A and Type B programs: \$750,000

Auditee qualified as low-risk auditee? _____X_____

Section II - Financial Statement Findings: No matters were reported.

Section III - Federal Award Findings and Questioned Costs: No matters were reported.

VIEIRA & ASSOCIATES CPAs, P.C.

John B. Burtis, CPA*
Nicole R. Mayers, CPA
*Also Licensed in Pennsylvania

Scott M. Hotalen, CPA
Lisa D. Leard, CPA
Patrick J. Price, CPA (1967-2024)

REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS IN ACCORDANCE WITH THE UNIFORM GUIDANCE

INDEPENDENT AUDITORS' REPORT

Board of Education
Windsor Central School District
1191 NY Route 79
Windsor, NY 13865

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Windsor Central School District's compliance with the types of compliance requirements as identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of Windsor Central School District's major federal programs for the year ended June 30, 2025. Windsor Central School District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Windsor Central School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2025.

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditors' Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control Over Compliance

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

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

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

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

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We audited the financial statements of Windsor Central School District as of and for the year ended June 30, 2025, and have issued our report thereon dated December 9, 2025, which contained an unmodified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the 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 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 schedule of expenditures of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

Vieira & Associates CPAs, P.C.

December 9, 2025
Endicott, New York