PRELIMINARY OFFICIAL STATEMENT DATED MAY 31, 2023

NEW/RENEWAL ISSUE — **SERIAL BONDS & BOND ANTICIPATION NOTES**
MOODY'S: "Aa3" — **See "RATING" herein**

In the opinion of Barclay Damon LLP, Bond Counsel to the School District, under existing law and assuming compliance with certain covenants described herein and the accuracy and completeness of certain representations, certifications of fact and statements of reasonable expectations made by the School District, interest on the Bonds and 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)". Bond Counsel is further of the opinion that interest on the Bonds and Notes is not an item of tax preference for purposes of the alternative minimum tax imposed under the Code, however, for tax years beginning after December 31, 2022, interest on the Bonds and Notes that is included in the "adjusted financial statement income" of certain corporations is not excluded from the corporate alternative minimum tax imposed under the Code. Bond Counsel is also of the opinion that, under existing law, interest on the Bonds and 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). See "Tax Matters" herein regarding certain other tax considerations.

The Bonds and Notes will be designated as or deemed designated as "qualified tax-exempt obligations" pursuant to Section 265(b)(3) of the Code

$8,236,000

WEBUTUCK (NORTHEAST) CENTRAL SCHOOL DISTRICT

COLUMBIA AND DUTCHESS COUNTIES, NEW YORK

GENERAL OBLIGATION
CUSIP BASE #: 94844W

$3,065,000 School District (Serial) Bonds, 2023

(the "Bonds")

Dated: June 21, 2023 — **Due: June 15, 2023-2037**

MATURITIES**

Year	Amount	Rate	Yield	CSP	Year	Amount	Rate	Yield	CSP	Year	Amount	Rate	Yield	CSP
2024	$ 205,000				2029	$ 255,000				2034*	$ 285,000			
2025	215,000				2030	265,000				2035*	95,000			
2026	225,000				2031	275,000				2036*	100,000			
2027	235,000				2032*	290,000				2037*	75,000			
2028	245,000				2033*	300,000								

* The Bonds maturing in the years 2032-2037 are subject to redemption prior to maturity as described herein under the heading "Optional Redemption."

** Subject to change pursuant to the accompanying Notice of Sale in order to achieve substantially level or declining annual debt service and to comply with the requirements of the Code.

&

$5,171,000 Bond Anticipation Notes, 2023

(the "Notes")

(Collectively referred to herein as the "Bonds and Notes")

Dated: June 21, 2023 — **Due: June 21, 2024**

The Bonds and Notes are general obligations of the Webutuck (Northeast) (the "District" or "School District"), Columbia and Dutchess Counties, New York, all the taxable real property within which is subject to the levy of ad valorem taxes to pay the Bonds and Notes and interest thereon, without limitation as to rate or amount. The faith and credit of the Webutuck Central School District are irrevocably pledged for the payment of the Bonds and the interest thereon. See "TAX LEVY LIMITATION LAW" herein.

The Bonds will be issued as registered bonds registered in the name of the purchaser, or, at the option of the purchaser, registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York, which will act as securities depository for the Bonds. Individual purchases will be made in book-entry form only, in the principal amount of $5,000 or integral multiples thereof. Purchasers will not receive certificates representing their ownership interest in the Bonds Interest on the Bonds will be payable on December 15, 2023, June 15, 2024 and semi-annually thereafter on December 15 and June 15. Principal and interest will be paid by the District to DTC, which will in turn remit such principal and interest to its participants, for subsequent distribution to the beneficial owners of the Bonds. See "BOOK-ENTRY-ONLY SYSTEM" herein. A good faith deposit will not be required. If the Bonds are issued in registered certificated form, the Bonds will be issued in denominations equal to the principal amount of the Bonds maturing in each year , and the District will act as paying agent. Paying agent fees, if any, in such case are to be paid by the purchaser. The Bonds may not be converted into coupon bonds or be registered to bearer.

The Notes are not subject to redemption prior to maturity. At the option of the purchaser(s), the Notes will be issued as registered notes in book-entry-only form 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 at the offices of the School District. A single note certificate will be issued for Notes bearing the same rate of interest in the aggregate principal amount awarded to such purchaser(s) at such interest rate

If the Notes are issued in book-entry-only form, such notes will be delivered to DTC, which will act as securities depository for the Notes. Beneficial owners will not receive certificates representing their interest in the Notes. Individual purchases may be made in denominations of $5,000 or integral multiples thereof, except for one odd denomination which is or includes $6,000. A single note certificate will be issued for those Notes bearing the same rate of interest and CUSIP number in the aggregate principal amount awarded to such purchaser(s) at such interest rate. Principal of and interest on said Notes will be paid in Federal Funds by the District to Cede & Co., as nominee for DTC, which will in turn remit such principal and interest to its participants for subsequent distribution to the beneficial owners of the Notes as described herein. Transfer of principal and interest payments to beneficial owners by participants of DTC will be the responsibility of such participants and other nominees of beneficial owners. The District will not be responsible or liable for payments by DTC to its participants or by DTC participants to beneficial owners or for maintaining, supervising or reviewing the records maintained by DTC, its participants or persons acting through such participants. (See "BOOK-ENTRY-ONLY SYSTEM" herein).

The Bonds 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 Bonds and Notes of Barclay Damon, LLP, Bond Counsel, Albany, New York. It is anticipated that the Bonds and 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 June 21, 2023.

ELECTRONIC BIDS for the Notes must be submitted via Fiscal Advisors Auction website ("Fiscal Advisors Auction") accessible via www.FiscalAdvisorsAuction.com on June 7, 2023 by no later than 11:00 A.M., Eastern Time, pursuant to the Notice of Sale. Bids may also be submitted by facsimile at (315) 930-2354. No other form of electronic bidding services will be accepted. Once the bids are communicated electronically via Fiscal Advisors Auction or via facsimile to the School District, each bid will constitute an irrevocable offer to purchase the Notes pursuant to the terms provided in the Notice of Sale.

June ___, 2023

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

WEBUTUCK (NORTHEAST) CENTRAL SCHOOL DISTRICT

SCHOOL DISTRICT OFFICIALS

2022-2023 BOARD OF EDUCATION

JUDY MORAN
President

RICHARD KELLER-COFFEY
Vice President

JOANNE BOYD
CHRISTOPHER MAYVILLE
NICHOLE REYES
ANTHONY ROBUSTELLI
AIMEE WESLEY

* * * * *

RAYMOND CASTELLANI
Superintendent of Schools

ROBERT FARRIER
School Business Administrator

THERESE TROTTER
School District Clerk

KELLY KILMER
Treasurer

MARY CLINTON
Deputy Treasurer

GIRVIN & FERLAZZO, PC
School Board Attorney

FISCAL ADVISORS & MARKETING, INC.
School District Municipal Advisor

BARCLAY DAMON LLP
Bond Counsel

No person has been authorized by the Webutuck (Northeast) 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 Bonds and Notes in any jurisdiction to any person to whom it is unlawful to make such offer or solicitation in such jurisdiction. The information, estimates and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Webutuck (Northeast) Central School District.

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PREPARED WITH THE ASSISTANCE OF

Fiscal Advisors & Marketing, Inc.
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http://www.fiscaladvisors.com

OFFICIAL STATEMENT

OF THE

WEBUTUCK (NORTHEAST) CENTRAL SCHOOL DISTRICT
COLUMBIA AND DUTCHESS COUNTIES, NEW YORK

RELATING TO

$3,065,000 School District (Serial) Bonds, 2023
&
$5,171,000 Bond Anticipation Notes, 2023

This Official Statement, which includes the cover page, has been prepared by the Webutuck (Northeast) Central School District, Columbia and Dutchess Counties, New York (the "School District" or "District", "Counties", and "State", respectively) in connection with the sale by the District of $3,065,000 principal amount of School District (Serial) Bonds, 2023 (the "Bonds") and $5,171,000 principal among of Bond Anticipation Notes, 2023 (the "Notes" and collectively with the Bonds referred to herein, the "Bonds and Notes".

The factors affecting the District's financial condition and the Bonds and 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 Bonds and Notes and the proceedings of the District relating thereto are qualified in their entirety by reference to the definitive forms of the Bonds and Notes and such proceedings.

NATURE OF THE OBLIGATION

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

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

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

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

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

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

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

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

THE BONDS

Description of the Bonds

The Bonds are general obligations of the District, and will contain a pledge of its faith and credit for the payment of the principal of and interest on the Bonds as required by the Constitution and laws of the State (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 Bonds and interest thereon, without limitation as to rate or amount. See "TAX LEVY LIMITATION LAW" herein.

The Bonds will be dated June 21, 2023 and will mature in the principal amounts as set forth on the cover page. The Bonds are subject to redemption prior to maturity as described herein under the heading "Optional Redemption" hereunder. The "Record Date" of the Bonds will be the first day of the calendar month preceding each such interest payment date. Interest will be calculated on a 30-day month and 360-day year basis, payable at maturity.

The Bonds will be issued as registered bonds and may be registered, at the option of the purchaser, in the name of the purchaser or in the name of Cede & Co., as nominee of DTC, which, if so selected by the purchaser, will act as securities depository for the Bonds. If the purchaser elects to have the Bonds issued in the name of Cede & Co., individual purchases will be made in book-entry form only, in the principal amount of $5,000 or integral multiples thereof except. If the Bonds are issued in book-entry form, purchasers will not receive certificates representing their ownership interest in the Bonds. Principal and interest will be paid by the District to DTC, which will in turn remit such principal and interest to its Participants, for subsequent distribution to the Beneficial Owners of the Bonds, as described herein. See "BOOK-ENTRY-ONLY SYSTEM" herein. If the Bonds are issued in registered certificated form, principal and interest will be payable at the School District. The Bonds may not be converted into coupon bonds or be registered to bearer.

Interest on the Bonds will be payable semi-annually on December 15 and June 15 in each year until maturity commencing December 15, 2023.

Purpose of Issue

On March 29, 2017, the qualified voters of the District approved a proposition authorizing the District to finance (i) the reconstruction of various District buildings and facilities, including infrastructure and site work improvements, and the acquisition of original furnishings, equipment, machinery or apparatus at a maximum cost of $4,117,200 and (ii) the replacement of the existing septic field at a maximum cost of $1,045,000 with such costs being funded through the issuance of serial bonds. The Bonds are being issued pursuant to a bond resolution duly adopted by the Board of Education on May 22, 2017. The Bonds, along with $1,100,000 available funds of the District, will permanently finance the $4,165,000 portion of the $4,275,000 bond anticipation notes issued on June 22, 2022 and maturing June 22, 2023 for the above mentioned purpose.

Optional Redemption

The Bonds maturing on or before June 15, 2031 shall not be subject to redemption prior to maturity. The Bonds maturing on or after June 15, 2032 shall be subject to redemption prior to maturity as a whole or in part (and by lot if less than all of a maturity is to be redeemed) at the option of the District on June 15, 2031 or on any date thereafter at par (100.0%), plus accrued interest to the date of redemption.

If less than all of the Bonds of any maturity are to be redeemed, the particular Bonds of such maturity to be redeemed shall be selected by the District by lot in any customary manner of selection as determined by the President of the Board of Education. Notice of such call for redemption shall be given by mailing such notice to the registered holders not more than sixty (60) days nor less than thirty (30) days prior to such date. Notice of redemption having been given as aforesaid, the Bonds so called for redemption shall, on the date for redemption set forth in such call for redemption, become due and payable, together with interest to such redemption date, and interest shall cease to be paid thereon after such redemption date.

THE NOTES

Description of the Notes

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

The Notes are dated June 21, 2023 and mature, without option of prior redemption, on June 21, 2024.

The Notes will be issued in either (i) registered form registered in the name of the purchaser(s), in denominations of $5,000 each or multiples thereof except for one odd denomination which is or includes $6,000, as may be determined by the successful bidder(s) or (ii) at the option of the purchaser(s), in book-entry-only form, and, if so issued, registered in the name of Cede & Co. as nominee of 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 issued pursuant to the Constitution and statutes of the State of New York, including among others, the Education Law and the Local Finance Law, and various bond resolutions adopted by the Board of Education

The Board of Education adopted bond resolutions on July 29, 2019 and June 6, 2022 authorizing the issuance of obligations to finance the purchase of school buses. $35,000 of the proceeds of the Notes will be used to redeem and renew, along with $75,000 of available funds of the District, $110,000 of the $4,275,000 bond anticipation notes issued on June 22, 2022 and maturing on June 22, 2023. $136,000 of the proceeds of the Notes will be used to redeem and renew, along with $34,000 available funds of the District, the $170,000 bond anticipation notes issued on August 3, 2022 and maturing on June 22, 2023.

On October 18, 2022, the qualified voters of the District approved a proposition authorizing the District to finance the reconstruction of various District buildings, facilities, athletic courts, playgrounds and sites, including the acquisition of original furnishings, equipment, machinery or apparatus at a maximum cost of $12,560,000. The Board of Education adopted a bond resolution on January 9, 2023. $5,000,000 of the proceeds of the Notes will provide new monies for this capital project and be the first borrowing against this authorization.

BOOK-ENTRY-ONLY SYSTEM

The Depository Trust Company ("DTC"), New York, NY, will act as securities depository for the Bonds and Notes, if so requested. The Bonds and 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 bond certificate will be issued for each maturity of the Bonds. One fully-registered note certificate will be issued for each Note bearing the same rate of interest and CUSIP number and will be deposited with DTC.

DTC, the world's largest depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.6 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 Bonds and Notes under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds and Notes on DTC's records. The ownership interest of each actual purchaser of each Bond and 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 Bonds and 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 Bonds and Notes, except in the event that use of the book-entry system for the Bonds and Notes is discontinued.

To facilitate subsequent transfers, all Bonds and Notes deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of the Bonds and 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 Bonds and Notes; DTC's records reflect only the identity of the Direct Participants to whose accounts such Securities 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.

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

Principal and interest payments on the Bonds and 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 in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC or the District, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to 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 Bonds and Notes at any time by giving reasonable notice to the District. Under such circumstances, in the event that a successor depository is not obtained, bond 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, bond 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 BONDS AND NOTES (1) PAYMENTS OF PRINCIPAL OF OR INTEREST ON THE BONDS AND NOTES (2) CONFIRMATIONS OF THEIR OWNERSHIP INTERESTS IN THE BONDS AND NOTES OR (3) OTHER NOTICES SENT TO DTC OR CEDE & CO., ITS PARTNERSHIP NOMINEE, AS THE REGISTERED OWNER OF THE BONDS AND 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 ON THE BONDS AND NOTES; (3) THE DELIVERY BY DTC OR ANY DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS OF DTC OF ANY NOTICE TO ANY BENEFICIAL OWNER THAT IS REQUIRED OR PERMITTED TO BE GIVEN TO OWNERS; OR (4) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC AS THE REGISTERED HOLDER OF THE BONDS AND 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 Bonds

If the book-entry form is initially chosen by the purchaser of the Bonds, DTC may discontinue providing its services with respect to the Bonds 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 transfers through DTC at any time. In the event that such book-entry-only system is discontinued or the purchaser elects to have the Bonds issued in certificated form, the following provisions will apply: the Bonds will be issued in fully registered form in denominations of $5,000 each or any integral multiple thereof. Principal of the Bonds when due will be payable upon presentation, at the option of the School District, a the offices of the School District or at the office of a bank or trust company located and authorized to do business in the State as a fiscal agent bank to be named by the District upon termination of the book-entry-only system. Interest on the Bonds will be payable semi-annually on December 15, 2023 and semi-annually thereafter on June 15 and December 15. Such interest will be payable by check drawn on the fiscal agent and mailed to the registered owner on each interest payment date at the address as shown on the registration books of the fiscal agent as of the last business day of the calendar month preceding each such interest payment date. Bonds may be transferred or exchanged at no cost to the registered owner at any time prior to maturity at the office of the fiscal agent for Bonds of the same or any other authorized denomination or denominations in the same aggregate principal amount upon the terms set forth in the Bond Determinations Certificate of the President of the Board of Education authorizing the sale of the Bonds and fixing the details thereof and in accordance with the Local Finance Law. The fiscal agent shall not be obligated to make any such transfer or exchange of Bonds between the last business day of the calendar month preceding an interest payment date and such interest payment date.

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 a purchaser of the Notes elect to have the Notes issued in certificated form or if such book-entry-only system is utilized by a purchaser(s) of the Notes upon issuance and later discontinued, the following provisions will apply:

The Notes will be issued in registered form in denominations of $5,000 or integral multiples thereof, except for one odd denomination which is or includes $6,000. Principal of and interest on the Notes will be payable at the offices of the School 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 the northeastern Mid-Hudson Valley area of New York State, in the County of Dutchess at the foothills of the Berkshires. It has a land area of approximately 79 square miles and a current population of approximately 6,597. The School District is composed of portions of six towns in Columbia County: Town of Ancram, and in Dutchess County: Amenia, Northeast, Dover, Washington and Stanford. The District is located 90 miles north of New York City and 25 miles east of the City of Poughkeepsie. Metro North rail service from Grand Central Station is available with two area stops, Ten Mile River and Wassaic Station.

SUNY New Paltz and SUNY Albany are within commuting distance, while two community colleges, Dutchess Community and Columbia-Greene, are within 25 miles of the District.

Major highways serving the District include U.S. Routes 44, 22 and 343. The area's major industries are mainly agriculture and tourism. Points of interest within the District are the Harlem Valley Rail Trail which offers an 8.2 scenic mile paved pathway for bike riding, walking, running, roller-blading and the Cascade Mountain Vineyards & Winery. The locale features rural scenic beauty, proximity to ski resorts, golf courses, historic sites and numerous cultural sites.

Source: District Officials.

Population

The current estimated population of the District is 6,129 (Source: 2017-2021 American Community Survey 5 Year Estimate).

Larger Employers

The larger employers located within Dutchess County include:

Name	Industry or Business	Number of Employees
Nuvance	Hospital	5,600
International Business Machine Corp.	Technology	4,100
GlobalFoundries/iPark	Manufacturing	2,500
Bard College	College	1,800
Mid-Hudson Regional Hospital	Hospital	1,800

The larger employers located within Columbia County include:

Name	Industry or Business	Number of Employees
Columbia Memorial Hospital	Hospital	1,156
Hudson City School District	Education	600
Taconic Farms Inc.	Animal Specialties	550
Berkshire Farm Center	Educational Programs	548
COARC	Human Services	350

Source: Official Statement and Continuing Disclosure Statements of Dutchess and Columbia Counties.

Selected Wealth and Income Indicators

Per capita income statistics are not available for the School District as such. The smallest areas for which such statistics are available, which include the School District, are the Towns of Ancram, Amenia, Dover, Northeast, Stanford and Washington (collectively, the “Towns”) and the Counties of Dutchess and Columbia. The figures set below with respect to such Towns and Counties are included for information only. It should not be inferred from the inclusion of such data in the Official Statement that the Towns or the Counties are necessarily representative of the School District, or vice versa.

	Per Capita Income			Median Family Income		
	2000	2006-2010	2017-2021	2000	2006-2010	2017-2021
Towns of:						
Ancram	$ 22,541	$ 37,193	$ 55,743	$ 47,708	$ 65,000	$ 80,714
Amenia	22,095	27,536	38,349	51,294	67,298	71,921
Dover	21,250	28,365	37,734	57,979	75,103	88,429
Northeast	24,650	26,419	52,410	48,179	71,250	104,643
Stanford	29,236	37,195	57,725	62,171	73,889	113,777
Washington	32,561	39,435	66,725	69,074	80,655	109,659
Counties						
Dutchess	23,940	31,642	44,800	63,254	83,599	103,200
Columbia	22,265	31,844	42,900	49,357	69,132	84,096
State of:						
New York	23,389	30,948	43,208	51,691	67,405	87,270

Note: 2018-2022 American Community Survey estimates are not available as of the date of this Official Statement.

Source: U.S. Census Bureau, 2000 census, 2006-2010 and 2017-2021 American Community Survey data.

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Unemployment Rate Statistics

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

	Annual Average						
	2016	2017	2018	2019	2020	2021	2022
Dutchess County	4.2%	4.3%	3.7%	3.5%	7.3%	4.4%	3.1%
Columbia County	3.7%	3.8%	3.3%	3.1%	5.9%	3.8%	2.7%
New York State	4.9%	4.6%	4.1%	3.8%	9.9%	7.0%	4.3%

	2023 Monthly Figures					
	Jan	Feb	Mar	Apr	May	Jun
Dutchess County	3.6%	3.3%	2.9%	N/A	N/A	N/A
Columbia County	3.3%	3.3%	2.9%	N/A	N/A	N/A
New York State	4.6%	4.5%	4.0%	N/A	N/A	N/A

Note: Unemployment rates for April through June 2023 are 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 School 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 School District and no Board member may hold other School District offices or positions while serving on the Board of Education, with limited exceptions. The President and the Vice President are selected by the Board members.

Budgetary Procedures

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 3rd Tuesday in June, or adopt a contingency budget (which would provide for ordinary contingent expenses, including debt service) that levies a tax levy no greater than that of the prior fiscal year (i.e. a 0% increase in the tax levy).

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

Recent Budget Vote Results

The budget for the 2022-2023 fiscal year was adopted by the qualified voters on May 17, 2022 by a vote of 170 to 63. The budget for the 2022-2023 fiscal year called for a tax levy increase of 4.70% which was below the District's maximum allowable tax levy increase of 4.90% for the 2022-2023 fiscal year.

The budget for the 2023-2024 fiscal year was adopted by the qualified voters on May 16, 2023. The District's adopted budget for the 2023-2024 fiscal year remained within the Tax Cap imposed by Chapter 97 of the Laws of 2011. The budget called for a total tax levy increase of 3.95%, which was equal to the District tax levy limit of 4.95%.

Investment Policy

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

Consistent with the above statutory limitations, it is the School District's current policy to invest in: (1) Savings Accounts or Money Market Accounts of designated banks authorized to be business in New York State, (2) Certificates of Deposit issued by a bank or trust company authorized to do business in New York State, (3) Demand Deposit in a bank or trust company located and authorized to do business in New York State, (4) Direct obligations of New York State, (5) Repurchase Agreements involving the purchase and sale of direct obligations of the United States (Direct Treasury Obligations only: T-Bills, Notes or Bonds) and (6) revenue anticipation notes or tax anticipation notes of other School Districts (with the approval of the State Comptroller).

The School District has adopted its own Investment Policy, which, in addition to incorporating all of the provisions of statute enumerated above, further restricts trading partners to commercial banks or trust companies licensed and doing business in New York State. The Policy prohibits investing though any private entity or brokerage firm and provides for written Security Agreements and/or Custodial Agreements with each commercial bank or trust company.

State Aid

The District receives financial assistance from the State. In its adopted budget for the 2023-2024 fiscal year, approximately 25.04% of the revenues of the District are estimated to be received in the form of State aid. If the State should not adopt its budget in a timely manner, in any year, municipalities and school districts in the State, including the District, may be affected by a delay in the payment of State aid.

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

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

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

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.

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. 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.

Federal aid received by the State.

Since March 2020, the State has been awarded over $14 billion in Federal education COVID response funding through the Coronavirus Aid, Relief, and Economic Security ("CARES") Act; Coronavirus Response and Relief Supplemental Appropriations Act, 2021 ("CRRSA"); and the American Rescue Plan ("ARP") Act. These funds are supporting the ability of local educational agencies to address the impact that COVID-19 has had, and continues to have, on elementary and secondary schools in the State. The District has been allocated $667,545 Coronavirus Response and Relief Supplemental Appropriations Act (CRRSA) funds and $1,154,850 American Rescue Plan (ARP) funds. The District has received $402,261 CRRSA funds and $101,975 ARP funds as of June 30, 2022.

The State receives a substantial amount of federal aid for other 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 a new administration and Congress, the State budget may be adversely affected by other actions taken by the Federal government, including audits, disallowances, and changes to Federal participation rates or other Medicaid rules.

Building Aid

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

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

Pursuant to the provisions of Chapter 760 of the Laws of 1963, the District is eligible to receive a Building Aid Estimate from the New York State Department of Education. Since the gross indebtedness of the District is within the debt limit, the District is not required to apply for a Building Aid Estimate. Based on 2023-2024 preliminary building aid ratios, the District expects to receive State building aid of approximately 89.0% of debt service on State Education Department approved expenditures from July 1, 2004 to the present.

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

State aid history:

School District Fiscal Year (2018-2019): The State 2018-19 Enacted Budget included nearly $1 billion in additional education funding, representing a 3.9% increase over 2017-18. Approximately $859 million of that increase is comprised of traditional public school aid, including increased Foundation Aid and full-funding of expense-based aids. Formula-based school aid now stands at $26.03 billion statewide, a 3.4% increase over the last year. The State 2018-19 Enacted Budget included an increase of $618 million in Foundation Aid for school districts. Foundation Aid totaled nearly $17.8 billion statewide. For the seventh consecutive year, the Foundation Aid increase was distributed using a one year, off formula methodology. The State 2018-19 Enacted Budget guaranteed that all school districts received an increase in Foundation Aid over their 2017-18 levels. $50 million of the Foundation Aid increase was "set aside" for certain school districts to fund community schools. The State 2018-19 Enacted Budget fully funded all expense-based aid for 2018-19, including building, transportation, BOCES and special education aid. These categories serve as State reimbursements for school district expenses made in the prior year, based on school district-specific aid ratios. A total of $240 million was approved for increases in all expense-based aids in 2018-19. The State 2018-19 Enacted Budget allowed the Governor to reduce aid to school districts mid-year if receipts from the federal government were less than what was expected.

School District Fiscal Year (2019-2020): The State 2019-2020 Enacted Budget included a total of $27.69 billion for School Aid, a year-to-year funding increase of $956 million or 3.6% and will provide additional funding for Foundation Aid of $338.0 million and $409.65 million in reimbursements for expense-based aids. In addition, the 2019-2020 Enacted Budget increases the Community Schools set-aside funding amount by $49.99 million to a total of $250.0 million. This increased funding is targeted to districts with failing schools and/or districts experiencing significant growth in English language learners. The State 2019-2020 Enacted Budget increased the minimum community schools funding amount from $75,000 to $100,000. This ensured all high-need districts across the State could apply the funds to a wide-range of activities.

School district fiscal year (2020-2021): Due to the anticipated impact of the COVID-19 pandemic on State revenues, State aid in the State's 2020-2021 Enacted Budget was 3.7 percent lower than in the State's 2019-2020 Enacted Budget but was offset in part with increased federal support. This reduction in State Operating Funds support was offset by approximately $1.1 billion in funding provided to the State through the federal CARES Act, including the Elementary and Secondary School Emergency Education Relief Fund and the Governor's Emergency Education Relief Fund. With these federal funds, State aid in the school district fiscal year 2020-2021 was expected to total $27.9 billion, an annual increase of approximately $100 million or 0.4 percent. The State's 2020-2021 Enacted Budget continued prior year funding levels for existing programs, including Foundation Aid, Community Schools and Universal Prekindergarten. The 2020-2021 Enacted Budget also provided over $200 million in support for competitive grant programs, including $1 million for development of a new Civics Education curriculum and $10 million for a Student Mental Health program. Funding for expense-based aids, such as Building Aid, Transportation Aid, and Boards of Cooperative Educational Services (BOCES) Aid is continued under existing aid formulas. Out-year growth in School Aid reflected current projections of the ten-year average growth in State personal income. The State's 2020-2021 Enacted Budget authorized the State's Budget Director to make periodic adjustments to State Aid, in the event that actual State revenues come in below 99% percent of estimates or if actual disbursements exceed 101% of estimates. See "*State Aid*" herein for a discussion of this provision set forth in the State's 2020-2021 Enacted Budget.

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

School District Fiscal Year (2022-2023): The State's 2022-23 Enacted Budget 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 Budget for fiscal 2023-24 was enacted on May 2, 2024 and provides for a total of $34 billion in State funding to school districts for the 2023-24 school year. The enacted budget for fiscal 2023-24 represents a $3.2 billion or 10.4% increase in State funding for education, and includes a $2.629, or 12.3% percent Foundation Aid increase.

Since the 2010-11 State fiscal year, the State budget has been generally adopted on or before April 1, with the exception of the 2016-17 State budget which was not adopted until April 9, 2017 and the State's 2023-24 Budget which was not adopted until May 3, 2023. No assurance can be given that the State will not experience delays in in the adoption of the budget in future fiscal years. Significant delays in the adoption of the State budget could result in delayed payment of State aid to school districts in the State which could adversely affect the financial condition of school districts in the State.

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.

In school district fiscal year 2009-2010, foundation aid funding was frozen by the State Legislature to the prior fiscal year level, and in the fiscal year thereafter foundation aid funding was reduced through a "gap elimination adjustment", and other aid adjustments. The final phase-in of foundation aid as originally projected has not occurred as of this date. See also "*School district fiscal year (2021-2022)*" herein.

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A case related to the Campaign for Fiscal Equity, Inc. v. State of New York was heard on appeal on May 30, 2017 in New Yorkers for Students' Educational Rights v. State of New York ("NYSER") and a consolidated case on the right to a sound basic education. The NYSER lawsuit asserts that the State has failed to comply with the original decision in the Court of Appeals in the Campaign for Fiscal Equity 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 has reached an agreement to settle and discontinue the New Yorkers for Students' Educational Rights v. New York State 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 Campaign for Fiscal Equity cases, and had been previously opposed by the State. Foundation Aid was created in 2007 and takes school district wealth and student need into account to create an equitable distribution of state funding to schools, however, New York State has never fully funded Foundation Aid. The new settlement requires New York State to phase-in full funding of Foundation Aid by the FY 2024 budget. In the FY 2022 Enacted State Budget approved in April 2022, the Executive and Legislature agreed to fully fund Foundation Aid by the FY 2024 budget and enacted this commitment into law. A breakdown of currently anticipated Foundation Aid funding is available below:

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

State Aid Revenues

The following table illustrates the percentage of total revenues of the District for each of the below completed fiscal years and budgeted figures for the 2022-2023 and 2023-2024 fiscal years comprised of State aid.

Fiscal Year	Total State Aid	Total Revenues	Total Revenues Consisting of State Aid
2017-2018	$ 6,155,780	$ 20,063,689	30.68%
2018-2019	6,204,349	20,685,693	29.99
2019-2020	6,207,883	21,424,957	28.98
2020-2021	5,866,751	22,075,244	26.58
2021-2022	6,314,239	23,371,341	27.01
2022-2023 (Budgeted)	5,963,415	23,139,114	25.77
2023-2024 (Budgeted)	6,026,929	24,072,698	25.04

Source: Audited financial statements for the 2017-2018 fiscal year through and including the 2021-2022 fiscal year, and adopted budgets of the District for the 2022-2023 and 2023-2024 fiscal years. This table is not audited.

District Facilities

Name	Grades	Capacity	Year(s) Built
Webutuck High School/EBIS	4 - 12	1,000	1956, 1994, 2004
Webutuck Elementary School	Pre K- 3	390	1965, 2004

Source: District officials.

Enrollment Trends

School Year	Actual Enrollment	School Year	Projected Enrollment
2018-2019	679	2023-2024	645
2019-2020	639	2024-2025	645
2020-2021	616	2025-2026	645
2021-2022	631	2026-2027	645
2022-2023	645	2027-2028	645

Source: District officials.

Employees

The District employs a total of 153 full-time and 15 part-time employees. Employees are represented by the various unions as follows:

Employees	Union Representation	Contract Expiration Date
4	Administrative Association	June 30, 2026
82	Webutuck Teachers' Association	June 30, 2025
73	CSEA, Local 1000 (55 full-time & 17 part-time)	June 30, 2025
9	Contract Employees (No Union Representation)	N/A

Source: District officials.

Status and Financing of Employee Pension Benefits

Substantially all employees of the School 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 System 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 vest after ten years of credited service. 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. The Retirement Systems are non-contributory with respect to members working ten or more years. All members (other than those in Tier V and VI, as described below) 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 creates a new Tier V pension level, at the time, 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.
- 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 a 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%, an increase in the retirement age from 62 years to 63 years, a readjustment of the pension multiplier, and a change in the time period for the final average salary calculation from 3 years to 5 years. Tier VI employees will vest in the system after ten years of employment and will continue to make employee contribution throughout employment.

The District is required to contribute at an actuarially determined rate. The actual contributions for the last five years and budgeted figures for the 2022-2023 and 2023-2024 fiscal years are as follows:

Fiscal Year	ERS	TRS
2017-2018	$ 206,719	$ 725,851
2018-2019	215,763	801,123
2019-2020	207,725	795,308
2020-2021	241,531	877,250
2021-2022	209,540	778,932
2022-2023 (Budgeted)	453,285	1,161,995
2023-2024 (Budgeted)	503,700	1,143,868

Source: District records.

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

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

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 (2018-19 to 2023-24) is shown below:

Fiscal Year	ERS	TRS
2018-19	14.9%	10.62%
2019-20	14.6	8.86
2020-21	14.6	9.53
2021-22	16.2	9.80
2022-23	11.6	10.29
2023-24	13.1	9.76*

* Estimated. Final contribution rate to be adopted at the July 26, 2023 TRS retirement board meeting.

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 established a TRS reserve fund at the April 23, 2019 Board of Education meeting.

Other Post-Employment Benefits

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

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

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

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

The District contracted with BPAS Actuarial & Pension Services, an actuarial firm, to calculate its actuarial valuation under GASB 75 for the fiscal years ending June 30, 2021 and 2022. The following outlines the changes to the Total OPEB Liability during the past two fiscal years, by source.

Balance beginning at:	June 30,2020	June 30,2021
	$ 44,678,644	$ 36,753,103
Changes for the year:		
Service cost	1,508,157	1,597,599
Interest	916,613	726,769
Differences between expected and actual experience	(8,293,655)	-
Changes in benefit terms	(125,968)	-
Changes in assumptions or other inputs	(969,902)	(8,028,735)
Benefit payments	(960,786)	(996,304)
Net Changes	$ (7,925,541)	$ (6,700,671)
Balance ending at:	June 30, 2021	June 30, 2022
	$ 36,753,103	**$ 30,052,432**

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

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

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

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

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 Bonds and Notes are to be issued is the Education Law and the Local Finance Law.

The District is in compliance with the procedure for the publication of the estoppel notice 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 School District retains independent certified public accountants. The last audit report covers the period ending June 30, 2022 and is attached hereto as appendices to this Official Statement. In addition, the State Comptroller's office, i.e., the Department of Audit and Control, periodically performs a compliance review to ascertain whether the School District has complied with the requirements of various State and Federal statutes. Certain financial information of the School District can be found attached as "APPENDIX – D" to the Official Statement.

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

New York State Comptroller Report 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 October 12, 2018. The purpose of the audit was to Determine if compensation paid to employees was in accordance with collective bargaining agreements (CBAs) and Board-approved contracts. Highlights of the State Comptroller examination are as outlined below.

- Except for a few minor discrepancies, which were discussed with District officials, District officials accurately paid and provided benefits to employees in accordance with CBAs and Board-approved contracts.
- The District did not have formal written agreements with all professional service providers that were paid more than $5,000.
- The Comptroller's office used a combination of manual and computer assisted auditing techniques (CAATs) to review payroll records for all employees paid during the audit period. District officials established effective payroll related policies and procedures to segregate duties and provide oversight.

There were no recommendations as a result of this audit. The District provided a response to the State Comptroller's Audit on September 25, 2018.

A copy of the complete report, State Comptrollers findings, and the District's response can be found by visiting the Audits of Local Governments section of the Office of the State Comptroller Website.

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

Note: Reference to website implies no warranty of accuracy of information therein.

The State Comptroller's Fiscal Stress Monitoring System

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

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

The reports of the State Comptroller for the past five years for the District are as follows:

Fiscal Year Ending In	Stress Designation	Fiscal Score
2022	No Designation	0.0
2021	No Designation	0.0
2020	No Designation	0.0
2019	No Designation	0.0
2018	No Designation	0.0

Source: Website of the Office of the New York State Comptroller.

Note: Reference to website implies no warranty of accuracy of information therein.

TAX INFORMATION

Taxable Assessed Valuations

Fiscal Year Ending June 30:	2019	2020	2021	2022	2023
Towns of:					
Ancram	$ 16,830,742	$ 16,608,405	$ 18,129,118	$ 16,895,961	$ 16,904,374
Amenia	577,497,878	772,092,321	803,090,089	906,642,970	1,005,577,798
Dover	1,351,327	1,351,336	2,702,618	1,363,805	1,377,625
Northeast	432,118,044 (1)	435,948,913	437,243,624	457,714,490	516,976,773
Stanford	60,948,940	58,807,152	60,770,339	62,890,269	71,317,946
Washington	28,152,105	28,745,176	29,219,524	28,656,645	27,430,352
Total Assessed Value	$ 1,116,899,036	$ 1,313,553,303	$ 1,351,155,312	$ 1,474,164,140	$ 1,639,584,868
State Equalization Rates					
Towns of:					
Ancram	100.00%	99.50%	93.18%	88.00%	74.00%
Amenia	100.00%	100.00%	100.00%	100.00%	100.00%
Dover	53.00%	53.00%	50.00%	48.75%	42.00%
Northeast	100.00%	100.00%	100.00%	100.00%	100.00%
Stanford	100.00%	100.00%	100.00%	100.00%	100.00%
Washington	100.00%	94.02%	97.00%	100.00%	88.00%
Total Taxable Full Valuation	$ 1,118,097,383	$ 1,316,663,410	$ 1,356,088,527	$ 1,477,901,878	$ 1,651,167,180

(1) The assessed value for the Town of Northeast includes a $3,000 clergy exemption.

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Tax Rate Per $1,000 (Assessed)

Fiscal Year Ending June 30:	2019	2020	2021	2022	2023
Towns of:					
Ancram	$ 12.43	$ 11.24	$ 12.39	$ 12.47	$ 13.89
Amenia	12.43	11.18	11.54	10.97	10.28
Dover	23.45	21.09	23.09	22.50	24.48
Northeast	12.43	11.18	11.54	10.97	10.28
Stanford	12.43	11.18	11.55	10.97	10.28
Washington	12.43	11.89	11.90	10.97	11.68

Tax Levy and Tax Collection Record

Fiscal Year Ending June 30:	2019	2020	2021	2022	2023
Total Tax Levy	$ 13,893,572	$ 14,718,850	$ 15,022,677	$ 15,688,928	$ 16,496,154
Amount Uncollected (1)	852,013	1,330,043	1,895,609	2,390,845	2,947,707
% Uncollected	6.13%	9.04%	12.62%	15.24%	17.87%

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

Tax Collection Procedure

The District tax collection period is generally September 1 through November 3. The collection period is sixty days, the first 30 days without penalty. Any payments received after the first thirty days must include an additional two percent. Any uncollected taxes are returned to the County Treasurers on or about November 15.

The District offers installment payments for towns located in Dutchess County with the first payment due to the tax collector on or before September 15 and the second payment due March 15 paid directly to the Commissioner of Finance of the County. There is a 5% surcharge on installment payments which are due to the Commissioner.

The District is reimbursed by Dutchess County for the second installment payment during the month of January.

The District is reimbursed by the Counties for all other unpaid taxes during the month of March so that it is assured of 100% collection of its tax levy each year.

Real Property Tax Revenues

The following table illustrates the percentage of total revenues of the District for each of the below completed fiscal years and budgeted figures for the 2022-2023 and 2023-2024 fiscal years comprised of Real Property Taxes.

Fiscal Year	Total Property Tax	Total Revenues	Percentage of Total Revenues Consisting of Real Property Tax
2017-2018	$ 12,745,766	$ 20,063,689	62.83%
2018-2019	13,214,773	20,685,693	63.88
2019-2020	14,155,075	21,424,957	66.07
2020-2021	15,022,678	22,075,244	68.05
2021-2022	15,704,779	23,371,341	67.20
2022-2023 (Budgeted)	16,973,699	23,139,114	73.36
2023-2024 (Budgeted)	17,644,160	24,072,698	73.30

Source: Audited financial statements for the 2017-2018 fiscal year through and including the 2021-2022 fiscal year, and adopted budgets of the District for the 2022-2023 and 2023-2024 fiscal years. This table is not audited.

Larger Taxpayers 2022 Assessment for 2022-2023 Tax Roll

Name	Type	Estimated Full Valuation
Silo Ridge Ventures	Residential	$78,979,300 (1)
Martins Fox Hollow Farm LLC	Agricultural	24,352,500 (1)
Bell-Aire Farm Inc.	Agricultural	16,892,500
NYS E&G Corp	Utility	12,989,000
Northern Dutchess Properties	Residential	10,917,100
Silo Ridge Ventures Property A	Residential	10,230,300
Wolfram Hanchett-Bates LLC	Residential	10,197,400
Silver Mountain Hay LLC	Agricultural	9,931,900
Silo Ridge VG Lots Venture LLC	Residential	9,867,200
Allen Herbert A III	Residential	9,814,100

(1) Taxpayer has filed one or more tax certiorari claims. The District is subject to tax certioraris as part of their normal operations. Silo Ridge Ventures has filed multiple tax certioraris. At this time, any individual tax certiorari claim, if decided adversely to the District, is not anticipated to have a material adverse impact on the District's finances. However, if all of the claims are decided adversely to the District in the aggregate, the potential claims may have a material adverse impact on the District's finances. The District maintains a tax certiorari reserve with a current balance of $321,632.

The ten larger taxpayers listed above have a full valuation of $194,171,300, which represents approximately 11.76% of the 2022-2023 tax base of the District.

Source: District Tax Rolls.

STAR – School Tax Exemption

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

The STAR program provides State-funded exemptions from school property taxes to homeowners for their primary residences. Homeowners over 65 years of age with household adjusted gross incomes, less the taxable amount of total distributions from individual retirement accounts and individual retirement annuities ("STAR Adjusted Gross Income") of $90,550 or less in 2021-22 and $92,000 or less in 2022-2023, increased annually according to a cost of living adjustment, are eligible for a "full value" exemption of the first $70,700 for the 2021-22 school year and $74,900 for the 2022-23 school year (adjusted annually). Other homeowners with household STAR Adjusted Gross income not in excess of $250,000 ($500,000 in the case of a STAR credit, as discussed below) are eligible for a $30,000 "full value" exemption on their primary residence.

Part A of Chapter 60 of the Laws of 2016 of the State of New York ("Chapter 60") gradually converts the STAR program from a real property tax exemption to a personal income tax credit. Chapter 60 prohibits new STAR exemptions from being granted unless at least one of the applicants held title to the property on the taxable status date of the assessment roll that was used to levy school district taxes for the 2015-16 school year (generally, March 1, 2015), and the property was granted a STAR exemption on that assessment roll. However, a new homeowner may receive a new personal income tax credit in the form of a check. The dollar benefit to eligible taxpayers will not change. A taxpayer who is eligible for the new credit will receive a check from the State equal to the amount by which the STAR exemption would have reduced his or her school tax bill. A homeowner who owned his or her home on the taxable status date for the assessment roll used to levy taxes for the 2015-16 school year, and who received a STAR exemption on that roll, may continue to receive a STAR exemption on that home as long as he or she still owns and primarily resides in it. No further action is required (unless the homeowner has been receiving Basic STAR and wants to apply for Enhanced STAR, which is permissible).

The 2019-20 State Budget made several changes to the STAR program, which went into effect immediately. The changes are intended to encourage home owners to switch from the STAR exemption to the STAR credit. The income limit for the exemption has been lowered to $250,000, compared with a $500,000 limit for the credit. Homeowners with STAR Adjusted Gross Income of $250,000 or less have the option to elect the credit or exemption. 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.

The 2020-21 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 exemption and credits are not impacted by this program; they may continue to receive their STAR benefits even if their property taxes are delinquent. While various Executive Orders were issued in response to the COVID-19 pandemic that temporarily precluded the State Tax Department from disallowing STAR exemptions or credits, the most recent of such Executive Orders expired on July 5, 2021.

The 2022-23 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 were eligible for the property tax rebate where the benefit was a percentage of the homeowners' existing STAR benefit.

The below table lists the basic and enhanced exemption amounts for the municipalities applicable to the District:

Towns of:	**Enhanced Exemption**	**Basic Exemption**	**Date Certified**
Ancram	$ 95,030	$ 35,020	4/6/2023
Amenia	102,800	37,890	4/6/2023
Dover	43,180	16,860	4/6/2023
Northeast	102,800	38,040	4/6/2023
Stanford	102,800	40,600	4/6/2023
Washington	90,460	34,580	4/6/2023

$477,543 of the District's $16,971,443 school tax levy for 2022-23 fiscal year is was exempt by the STAR Program. The District s received full reimbursement of such exempt taxes from the State by January 2023.

A similar STAR amount is expected to be exempt for the 2023-2024 fiscal year. The District anticipates receiving full reimbursement of such exempt taxes from the State in January 2024.

Additional Tax Information

Real property located in the School District is assessed by the towns.

Senior Citizens' exemptions are offered to those who qualify.

The estimated total annual School District property tax bill of a $100,000 assessed value residential property located in the School District is approximately $1,028.

TAX LEVY LIMITATION LAW

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

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

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

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

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

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

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

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

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

STATUS OF INDEBTEDNESS

Constitutional Requirements

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

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

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

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

Statutory Procedure

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

The District is generally required by such laws to submit propositions for the expenditure of money for capital purposes to the qualified electors of the District. Upon approval thereby, the Board of Education may adopt a bond resolution authorizing the issuance of bonds, and notes in anticipation of the bonds.

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

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

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

(2) There has not been substantial compliance with the provisions of law which should have been complied within the authorization of such obligations

and an action contesting such validity is commenced within twenty days after the date of such publication or,

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

It is a procedure that is recommended by bond counsel but is not legally required.

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

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

Debt Outstanding End of Fiscal Year

	2018	2019	2020	2021	2022
Bonds	$ 4,360,000	$ 3,270,000	$ 5,390,000	$ 1,045,000	$ 0
Bond Anticipation Notes	2,752,000	5,604,200	2,140,000	4,825,000	4,275,000
Total Debt Outstanding	$ 7,112,000	$ 8,874,200	$ 7,530,000	$ 5,870,000	$ 4,275,000

Details of Outstanding Indebtedness

The following table sets forth the indebtedness of the School District evidenced by bond anticipation notes as of May 31, 2023.

Type of Indebtedness	Maturity		Amount
Bonds	-		-
Bond Anticipation Notes			
Bus Purchase	June 22, 2023		$ 170,000 (1)
Capital Project	June 22, 2023		4,275,000 (2)(3)
		Total Indebtedness	$ 4,445,000

(1) To be renewed at maturity with the proceeds of the Notes along with $34,000 available funds of the District.
(2) $4,165,000 to be permanently with the proceeds of the Bonds along with $1,100,000 available funds of the District.
(3) $110,000 to be renewed at maturity with the proceeds of the Notes along with $75,000 available funds of the District.

Note: The District currently does not have any bonded indebtedness outstanding.

Debt Statement Summary

Summary of Indebtedness, Debt Limit and Net Debt-Contracting Margin as of May 31, 2023:

Full Valuation of Taxable Real Property			$ 1,651,167,180
Debt Limit 10% thereof			165,116,718
Inclusions:			
Bonds	$ 0		
Bond Anticipation Notes	1,209,000		
Principal of this Issue	8,236,000		
Total Inclusions		$ 9,445,000	
Exclusions:			
State Building Aid (1)	$ 0		
Total Exclusions		$ 0	
Total Net Indebtedness			$ 9,445,000
Net Debt-Contracting Margin			$ 155,371,718
The percent of debt contracting power exhausted is			5.72%

(1) Based on preliminary 2023-2024 building aid estimates, the District anticipates State Building aid of 89.0% for debt service on State Education Department approved expenditures from July 1, 2004 to the present. The 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 District will receive in relation to the outstanding bonds.

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

Cash Flow Borrowing

The School District has not found it necessary to issues revenue anticipation or tax anticipation notes in the past and does not anticipate issuing either in the foreseeable future.

Operating Leases

The District leases equipment under various operating leases. Minimum annual rentals for each of the remaining years of the leases are as follows:

Fiscal Year Ending June 30th	Payment
2023	$ 38,988
2024	3,208
Total	$ 42,196

Source: The District's 2022 Audited Financial Statements. See "APPENDIX – D" herein.

Capital Project Plans

On March 29, 2017, the qualified voters of the District approved a proposition authorizing the District to finance (i) the reconstruction of various District buildings and facilities, including infrastructure and site work improvements, and the acquisition of original furnishings, equipment, machinery or apparatus at a maximum cost of $4,117,200 and (ii) the replacement of the existing septic field at a maximum cost of $1,045,000. On August 25, 2017, the District issued $2,200,000 bond anticipation notes as the first borrowing again the resolution. On August 23, 2018, the District issued $5,162,000 bond anticipation notes, renewing $2,200,000 bond anticipation notes maturing on August 25, 2018 and providing $2,962,200 new monies as the second borrowing against the resolution. On August 22, 2019 the District issued $5,225,000 bond anticipation notes, a portion of which, along with $72,200 available funds of the District, redeemed $5,162,200 bond anticipation notes maturing on August 23, 2019. On June 24, 2020 the District issued $5,390,000 bond anticipation notes, $4,960,000 of the bond anticipation notes along with $130,000 available funds of the District, redeemed $5,090,000 bond anticipation notes maturing on June 25, 2020 for the aforementioned purpose. On June 23, 2021, the District issued $4,825,000 bond anticipation notes, $4,580,000 of the bond anticipation notes along with $380,000 available funds of the District, redeemed $4,960,000 bond anticipation notes maturing on June 24, 2021 for the aforementioned purpose. $4,165,000 of the $4,445,000 bond anticipation notes issued on June 22, 2022, along with $415,000 available funds of the District, redeemed $4,580,000 bond anticipation notes which matured on June 23, 2022 for the aforementioned purpose. The Bonds, along with $1,100,000 available funds of the District, will permanently finance $4,165,000 of the $4,275,000 bond anticipation notes issued on June 22, 2022, maturing June 22, 2023 for the above mentioned purpose.

The District issues bond anticipation notes annually for the purchase of buses. On June 22, 2022 the District issued bond anticipation notes for the aforementioned purpose. $110,000 of the $4,445,000 bond anticipation notes, along with $135,000 available funds of the District redeemed $245,000 bond anticipation notes which matured on June 23, 2022 for the purchase of buses. $110,000 of the $4,275,000 bond anticipation notes issued on June 22, 2022, along with $75,000 available funds of the District will partially redeem and renew these bond anticipation notes maturing on June 22, 2023 for the purchase of buses. The Notes, along with $34,000 available funds of the District with partially redeem and renew $170,000 bond anticipation notes issued on August 3, 2022 maturing June 22, 2023 for the purchase of buses.

On October 18, 2022, the qualified voters of the District approved a proposition authorizing the District to finance the reconstruction of various District buildings, facilities, athletic courts, playgrounds and sites, including the acquisition of original furnishings, equipment, machinery or apparatus at a maximum cost of $12,560,000. A $5,000,000 portion of the Notes will provide new monies and be the first borrowing against this authorization. Future borrowings will be pursuant to construction cash flow needs.

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.

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Estimated Overlapping Indebtedness

In addition to the District, the following political subdivisions have the power to issue bonds and notes and to levy taxes or cause taxes to be levied on taxable real property within the District. Estimated indebtedness, comprised of bonds and bond anticipation notes, is listed as of the close of the 2020 fiscal year of the respective municipalities.

Municipality	Status of Debt as of	Gross Indebtedness [1]	Exclusions [2]	Net Indebtedness	District Share	Applicable Indebtedness
County of:						
Dutchess	12/31/2021	$ 212,188,900	$ -	$ 212,188,900	4.03%	$ 8,551,213
Columbia	12/31/2021	50,885,000	-	50,885,000	0.19%	96,682
Town of:						
Amenia	12/31/2021	2,433,004	-	2,433,004	91.94%	2,236,904
Ancram	12/31/2021	170,927	170,927	-	5.38%	-
Dover	12/31/2021	596,542	90,466	506,076	0.36%	1,822
North East	12/31/2021	1,289,479	387,000	902,479	75.63%	682,545
Stanford	12/31/2021	-	-	-	7.59%	-
Washington	12/31/2021	507,872	-	507,872	2.44%	12,392
					Total:	$ 11,581,557

(1) Outstanding bonds and bond anticipation notes. Not adjusted to include subsequent bond or note sales, if any.

(2) Water and sewer debt and / or appropriations. Pursuant to the Local Finance Law, this indebtedness is excluded from the constitutional debt limit.

Note: The 2022 Comptroller's Special Report is currently unavailable as of the date of this Official Statement.

Source: 2021 Comptroller's Special Report on Municipal Affairs for Local Finance.

Debt Ratios

The following table sets forth certain ratios relating to the District's indebtedness as of May 31, 2023:

	Amount	Per Capita [a]	Percentage of Full Value [b]
Net Indebtedness [c]	$ 9,445,000	$ 1,541.03	0.57%
Net Indebtedness Plus Net Overlapping Indebtedness [d]...........	21,026,557	3,430.67	1.27

(a) The current estimated population of the District is 6,129 (See "THE SCHOOL DISTRICT - Population" herein.)

(b) The District's full value of taxable real estate for 2022-2023 is $1,651,167,180. (See "TAX INFORMATION – Taxable Assessed Valuations" herein.)

(c) See "Debt Statement Summary" herein.

(d) Estimated net overlapping indebtedness is $10,769,533. (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 Bonds or 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 Bonds or 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 or note 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 and notes 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 and notes 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 and notes 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 and notes shall be forwarded promptly to the paying agent or agents for the bonds and notes in default of such school district for the sole purpose of the payment of defaulted principal of and interest on such bonds and notes. 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 and notes in default payable to such paying agent bears to the total amount of the principal and interest then in default on such bonds and notes 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 and notes pursuant to said Section 99-b.

General Municipal Law Contract Creditors' Provision. Each Bond and 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 Bonds and Notes in the event of a default in the payment of the principal of and interest on the Bonds and 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 Bonds and Notes. The following is a discussion of certain events that could affect the risk of investing in the Bonds and Notes. In addition to the events cited herein, there are other potential risk factors that an investor must consider. In order to make an informed investment decision, an investor should be thoroughly familiar with the entire Official Statement, including its appendices, as well as all areas of potential risk.

The financial condition of the School District as well as the market for the Bonds and Notes could be affected by a variety of factors, some of which are beyond the School District's control. There can be no assurance that adverse events in the State or in other jurisdictions 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 Bonds and 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 School District to arrange for additional borrowings, and the market for and market value of outstanding debt obligations, including the Bonds and Notes, could be adversely affected.

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

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

Current and future legislative proposals, if enacted into law, or clarification of the Code or court decisions may cause interest on the Bonds and 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 Bonds and 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 Bonds and Notes, or the tax status of interest on the Bonds and Notes. See "TAX MATTERS" herein.

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Covid-19

The COVID-19 outbreak spread globally, including to the United States, and was declared a pandemic by the World Health Organization. The outbreak caused the Federal government to declare a national state of emergency, which was followed by the enactment of a variety of stimulus measures designed to address financial stability and liquidity issues caused by the outbreak. The State also declared a state of emergency and the State took steps designed to mitigate the spread and impacts of COVID-19. The outbreak of the disease affected travel, commerce and financial markets globally and could continue to affect economic growth worldwide. Pursuant to an Executive Order of the Governor, the School District was closed from March 16, 2020 through the end of the 2019-20 school year. The School District reopened in September, 2020 and has continued to operate in a manner that is consistent with guidelines established by the State. Efforts to contain the spread of COVID-19 have reduced the spread of the virus and the restrictions put in place following the initial outbreak have been relaxed. The Biden administration allowed the coronavirus public health emergency to expire in May, 2023. Nevertheless, the outbreak of COVID-19 and the dramatic steps taken by the Federal government and State government to address it may negatively impact federal and local economies, including the economy of the State. The full impact of COVID-19 on the State's and School District's operations and financial condition may not be known for some time. Any resurgence of COVID-19 could have a material adverse effect on the State and municipalities and school districts located in the State, including the School District. The School District continues to monitor the situation and will take such proactive measures as may be required to maintain its operations and meet its obligations.

Cybersecurity

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

TAX MATTERS

In the opinion of Barclay Damon LLP, Bond Counsel to the School District, under existing law, and assuming compliance with the certain covenants described herein and the accuracy and completeness of certain representations, certifications of fact and statements of reasonable expectations made by the School District, interest on the Bonds and 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"). Bond Counsel is further of the opinion that interest on the Bonds and Notes is not an item of tax preference for purposes of the alternative minimum tax imposed under the Code, however, for tax years beginning after December 31, 2022, interest on the Bonds and Notes that is included in the "adjusted financial statement income" of certain corporations is not excluded from the corporate alternative minimum tax under the Code. Bond Counsel also is of the opinion that, under existing law, interest on the Bonds and 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 federal, state or local tax consequences with respect to the Bonds and Notes. The opinion of Bond Counsel will speak as of its date of issue and will not contain or provide any opinion or assurance regarding the future activities of the School District, or about the effect of future changes in the Code, the applicable regulations, rulings, judicial decisions, the interpretation thereof or the enforcement thereof by the Internal Revenue Service (the "IRS"). In addition, Bond Counsel expresses no opinion on the effect of any action taken or not taken in reliance upon an opinion of other counsel regarding federal, state or local tax matters, including, without limitation, the exclusion of interest on the Bonds and Notes from gross income for federal income tax purposes.

Certain maturities of the Bonds (the "Discount Bonds") may be sold to the initial purchasers at prices less than the stated principal amounts thereof. The difference between the stated principal amount of the Discount Bonds and the initial offering price to the public (excluding bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters or wholesalers) at which price a substantial amount of such Discount Bonds of the same maturity were sold constitutes original issue discount that is excluded from gross income for federal income tax purposes to the same extent as interest on the Bonds. Further, such original issue discount accrues actuarially on a constant yield basis over the term of each Discount Bond and the basis of such Discount Bond acquired at such initial offering price by an initial purchaser of each Discount Bond will be increased by the amount of such accrued discount.

Certain maturities of the Bonds (the "Premium Bonds") may be sold to the initial purchasers at prices greater than the stated principal amount thereof. The Premium Bonds will be subject to requirements under the Code relating to tax cost reduction associated with the amortization of bond premium and, under certain circumstances, the initial owner of a Premium Bond may realize taxable gain upon disposition of Premium Bonds even though sold or redeemed for an amount less than or equal to such owner's original cost of acquiring Premium Bonds. The amortization requirements may also result in the reduction of the amount of stated interest that an owner of Premium Bonds is treated as having received for federal tax purposes (and an adjustment to basis). Owners of Premium Bonds are advised to consult with their own tax advisors with respect to the tax consequences of owning such Premium Bonds.

General

The Code imposes certain requirements that must be met subsequent to the issuance and delivery of the Bonds and Notes in order that interest on the Bonds and Notes be and remain excluded from gross income for federal income tax purposes pursuant to Section 103 of the Code. Included among these requirements are restrictions on the investment and use of proceeds of the Bonds and Notes and the rebate of certain earnings in respect of such investments to the United States. The School District and others have made certain representations, certifications of fact, and statements of reasonable expectations and the School District has given certain ongoing covenants to comply with applicable requirements of the Code to assure the exclusion of interest on the Bonds and Notes from gross income under Section 103 of the Code. The opinion of Bond Counsel assumes continuing compliance with such covenants as well as the accuracy and completeness of such representations, certifications of fact, and statements of reasonable expectations.

In the event of the inaccuracy or incompleteness of any such representations, certifications or statements of reasonable expectation, or of the failure by the School District to comply with any such covenant, the interest on the Bonds and Notes could become includable in gross income for federal income tax purposes retroactive to the date of original execution and delivery of the Bonds and Notes, regardless of the date on which the event causing such inclusion occurs. Further, although the interest on the Bonds and Notes is excluded from gross income for federal income tax purposes, receipt or accrual of the interest may otherwise affect the tax liability of a Beneficial Owner of the Bonds and Notes. The tax effect of receipt or accrual of the interest will depend upon the tax status of a Beneficial Owner of the Bonds and Notes and such Beneficial Owner's other items of income, deduction or credit. Bond Counsel expresses no opinion regarding any other federal tax consequences arising with respect to the ownership or disposition, or the accrual or receipt of interest on, the Bonds and Notes.

Certain Collateral Federal Income Tax Consequences

Prospective purchasers of the Bonds and Notes should be aware that ownership of, accrual or receipt of interest on, or disposition of the Bonds and Notes may have collateral federal income tax consequences for certain taxpayers, including financial corporations, insurance companies, Subchapter S corporations, certain foreign corporations, individual recipients of social security or railroad retirement benefits, individuals benefiting from the earned income credit and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry such obligations. Prospective purchasers should consult their own tax advisors as to any possible collateral consequences of their ownership of, accrual or receipt of interest on, or disposition of the Bonds and Notes. Bond Counsel expresses no opinion regarding any such collateral federal income tax consequences.

Backup Withholding and Information Reporting

Interest paid on tax-exempt obligations is subject to information reporting to the IRS in a manner similar to interest paid on taxable obligations. Interest on the Bonds and Notes may be subject to backup withholding if such interest is paid to a registered owner who or which (i) fails to provide certain identifying information (such as the registered owner's taxpayer identification number) in the manner required by the IRS, or (ii) has been identified by the IRS as being subject to backup withholding. Amounts withheld under the backup withholding rules will be paid to the IRS as federal income tax withheld on behalf of the registered owner of the Bonds and Notes and would be allowed as a refund or credit against such owner's federal income tax liability (or the federal income tax liability of the beneficial owner of the Bonds and Notes, if other than the registered owner).

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Legislation

Current and future legislative proposals, if enacted into law, administrative actions or court decisions, at either the federal or state level, may cause interest on the Bonds and Notes to be subject, directly or indirectly, to federal income taxation or to be subjected to state income taxation, or otherwise have an adverse impact on the potential benefits of the exclusion from gross income of the interest on the Bonds and Notes for federal or state income tax purposes. The introduction or enactment of any such legislative proposals, administrative actions or court decisions may also affect, perhaps significantly, the value or marketability of the Bonds and Notes. It is not possible to predict whether any legislative or administrative actions or court decisions having an adverse impact on the federal or state income tax treatment of Beneficial Owners of the Bonds and Notes may occur. Prospective purchasers of the Bonds and Notes should consult their own advisors regarding any pending or proposed federal or state tax legislation, regulations or litigation, and regarding the impact of future legislation, regulations or litigation, as to which Bond Counsel expresses no opinion. The opinion of Bond Counsel is based on current legal authority, covers certain matters not directly addressed by such authority and represents the judgment of Bond Counsel as to the proper treatment of the Bonds and Notes for federal income tax purposes. It is not binding on the IRS or the courts.

The Bonds and Notes will be designated or deemed designated by the School District as "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Code and, in the case of certain financial institutions (within the meaning of Section 265(b) of the Code), a deduction is allowed for 80% of that portion of the interest expense of such financial institutions that shall be allocable to interest on the Bonds and Notes.

The opinion of Bond Counsel set forth above with respect to the Federal income tax treatment of interest paid on the Bonds and Notes is based upon the current provisions of the Code.

Tax legislation, administrative actions taken by tax authorities or court decisions, whether at the federal or state level, may adversely affect the tax-exempt status of interest on the Bonds and Notes under federal or state law or otherwise prevent Holders from realizing the full current benefit of the tax-exempt status of interest on the Bonds and Notes. In addition, such legislation or actions (whether currently proposed, proposed in the future or enacted) and such decisions could affect the market price or marketability of the Bonds and Notes. Prospective purchasers of the Bonds and Notes should consult their own tax advisors regarding pending or proposed tax legislation, administrative actions taken by tax authorities or court decisions, and regarding the impact of future legislation, administrative actions or court decisions.

LEGAL MATTERS

The legality of the authorization and issuance of the Bonds and Notes will be covered by the unqualified legal opinion of Barclay Damon LLP, Bond Counsel, Albany, New York to the effect that the Bonds and Notes are valid and legally binding obligations of the District, that all the taxable real property therein will be subject to the levy of ad valorem taxes to pay the Bonds and Notes and the interest thereon without limitation as to rate or amount, that interest on the Bonds and Notes is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax; however for tax years beginning after December 31, 2022, interest on the Bonds and Notes that is included in the “adjusted financial statement income” of certain corporations is not excluded from the alternative minimum tax under Section 55 of the Code, and that interest on the Bonds and Notes is exempt from personal income taxes imposed by New York State or any political subdivision thereof, including The City of New York. The opinion set forth in the preceding sentence is subject to the condition that the District comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Bonds and Notes in order that interest thereon be, or continue to be, excluded from gross income for federal income tax purposes. The District will covenant to comply with all such requirements. Failure to comply with all such requirements may cause interest on the Bonds and Notes to be included in gross income for federal income tax purposes retroactive to the date of issuance of the Bonds and Notes. Such opinion also will state that: (a) the rights of the owners of the Bonds and Notes and the enforceability of the Bonds and Notes may be limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors’ rights generally and by equitable principles, whether considered at law or in equity; (b) Bond Counsel expresses no opinion as to the accuracy, adequacy or completeness of the Official Statement relating to the Bonds and Notes; and (c) such opinion is given as of its dated date and that Bond Counsel assumes no obligation to update or supplement their opinion to reflect any facts or circumstances that may thereafter come to their attention or any changes in law that may occur thereafter.

LITIGATION

The District is subject to a number of lawsuits in the ordinary conduct of its affairs, including tax certioraris. At this time, any individual tax certiorari claim, if decided adversely to the District, is not anticipated to have a material adverse impact on the District's finances. However, if all of the claims are decided adversely to the District in the aggregate, the potential claims may have a material adverse impact on the District's finances. The District maintains a tax certiorari reserve with a current balance of $321,632.

The District does not believe, however, that other lawsuits, individually or in the aggregate, if decided adversely to the District, 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 Bonds and Notes or the levy and collection of taxes or assessments to pay same, or in any way contesting or affecting the validity of the Bonds and Notes or any proceedings or authority of the District taken with respect to the authorization, issuance or sale of the Bonds and 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 a Continuing Disclosure Undertaking with respect to the Bonds and an Undertaking to Provide Notice of Material Events Certificate with respect to the Notes, the forms which, are attached hereto as "APPENDIX B" and "APPENDIX – C", respectively.

Historical Compliance

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

MUNICIPAL ADVISOR

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

RATING

The Notes are not rated. The purchaser(s) of the Notes may choose to have a rating completed after the sale pending the approval of the School District and at the expense of the purchaser(s), including any fees to be incurred by the District, as such rating action will result in a material event notification to be posted to EMMA which is required by the District's Continuing Disclosure Undertakings. (See "APPENDIX-C, MATERIAL EVENT NOTICES – THE NOTES" herein.)

Moody's Investors Service ("Moody's") has assigned its rating of "Aa3" to the Bonds. No application was made to any other rating agency for the purpose of obtaining an additional rating on the Bonds. A rating reflects only the view of the rating agency assigning such rating and an explanation of the significance of such rating may be obtained from such rating agency. Any desired explanation of the significance of such rating should be obtained from Moody's Investors Service, 250 Greenwich Street, New York, New York 10007, Phone: (212) 553-0038, Fax: (212) 553-1390.

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 outstanding bonds.

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 Bonds and 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 Bonds and Notes.

Barclay Damon LLP, Albany, 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 Bonds and 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 Bonds and 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 Bonds and 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 School District's contact information is as follows: Robert Farrier, Business Administrator, 194 Haight Road, Amenia, New York 12501, phone: (845) 373-4100 Ext. 116, telefax: (845) 373-4102, email: robert.farrier@webutuck.org.

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

WEBUTUCK (NORTHEAST) CENTRAL SCHOOL DISTRICT

Dated: June __, 2023

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PRESIDENT OF THE BOARD OF EDUCATION AND CHIEF FISCAL OFFICER

GENERAL FUND

Balance Sheets

Fiscal Years Ending June 30:	2018	2019	2020	2021	2022
ASSETS					
Unrestricted Cash	$ 5,901,271	$ 2,294,402	$ 3,297,633	$ 3,352,693	$ 5,023,787
Restricted Cash	1,050,928	912,797	914,712	925,142	1,975,943
Investments	-	3,961,446	3,878,565	5,585,369	3,270,274
Due from Other Funds	981,979	910,692	1,479,147	2,179,165	3,027,432
State and Federal Aid Receivable	125,006	280,692	85,302	230,482	230,043
Other Receivables	-	-	-	-	-
Due from Other Governments	-	-	-	102,906	159,118
Prepaid Expenditures	-	-	-	-	171,982
Deferred Expenditures	-	-	-	10,000	-
TOTAL ASSETS	$ 8,059,184	$ 8,360,029	$ 9,655,359	$ 12,385,757	$ 13,858,579
LIABILITIES AND FUND EQUITY					
Accounts Payable	$ 201,477	$ 84,422	$ 96,089	$ 135,383	$ 177,354
Accrued Liabilities	209,027	183,474	154,720	174,057	90,962
Bond interest and matured bonds	2,516	2,516	2,516	2,516	-
Due to Teachers' Retirement System	781,267	863,230	714,728	798,955	876,986
Due to Employees' Retirement System	58,167	55,863	57,257	60,341	43,206
Other Post Employment Benefits	787,000	787,000	787,000	787,000	787,000
Due to Other Funds	236,179	247,179	322,321	1,024,127	907,196
Due to Other Governments	-	-	-	1,763	-
Deferred Revenue	47,351	-	-	-	-
Other Liabilities	-	-	-	6,096	5,234
TOTAL LIABILITIES	2,322,984	2,223,684	2,134,631	2,990,238	2,887,938
FUND EQUITY					
Nonspendable	$ -	$ -	$ -	$ -	$ 171,982
Restricted	1,050,928	912,797	914,712	925,142	1,975,943
Assigned	3,197,828	3,051,613	2,676,318	3,067,690	2,436,408
Unassigned	1,487,445	2,171,935	3,929,699	5,402,686	6,386,308
TOTAL FUND EQUITY	5,736,201	6,136,345	7,520,729	9,395,518	10,970,641
TOTAL LIABILITIES and FUND EQUITY	$ 8,059,184	$ 8,360,029	$ 9,655,359	$ 12,385,755	$ 13,858,579

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

GENERAL FUND

Revenues, Expenditures and Changes in Fund Balance

Fiscal Years Ending June 30:	2017	2018	2019	2020	2021
REVENUES					
Real Property Taxes	$ 12,403,921	$ 12,745,766	$ 13,214,773	$ 14,155,075	$ 15,022,678
Real Property Tax Items	765,021	722,640	704,036	653,621	577,832
Charges for Services	1,005	-	-	-	-
Use of Money & Property	53,082	58,607	102,789	192,417	35,209
Sale of Property and Compensation for Loss	4,729	204,351	204,542	-	2,610
Miscellaneous	109,328	91,592	143,045	73,430	290,109
Interfund Revenues	-	-	-	-	-
Revenues from State Sources	6,200,903	6,155,780	6,204,349	6,207,883	5,866,751
Revenues from Federal Sources	45,275	84,951	112,159	142,531	280,055
Total Revenues	$ 19,583,265	$ 20,063,689	$ 20,685,693	$ 21,424,957	$ 22,075,244
Other Sources:					
Interfund Transfers	-	-	-	-	-
Total Revenues and Other Sources	19,583,265	20,063,689	20,685,693	21,424,957	22,075,244
EXPENDITURES					
General Support	$ 1,832,346	$ 1,991,541	$ 2,139,691	$ 2,043,939	$ 2,524,316
Instruction	9,416,586	9,667,178	9,669,169	9,576,314	9,608,447
Pupil Transportation	889,327	918,919	851,117	930,877	914,575
Community Services	-	-	-	-	-
Employee Benefits	5,498,155	5,417,594	5,751,780	5,903,121	5,684,142
Debt Service	161,862	241,489	260,328	-	-
Total Expenditures	$ 17,798,276	$ 18,236,723	$ 18,672,085	$ 18,454,251	$ 18,731,480
Other Uses:					
Interfund Transfers	1,576,450	1,359,593	1,613,463	1,455,849	1,591,457
Total Expenditures and Other Uses	19,374,725	19,596,315	20,285,549	19,910,101	20,322,937
Excess (Deficit) Revenues Over Expenditures	208,540	467,373	400,144	1,514,856	1,752,307
FUND BALANCE					
Fund Balance - Beginning of Year	5,004,581	5,268,828	5,736,201	6,136,345	7,520,727
Prior Period Adjustments (net)	55,707	-	-	(130,475)	-
Fund Balance - End of Year	$ 5,268,828	$ 5,736,201	$ 6,136,345	$ 7,520,726	$ 9,273,034

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

GENERAL FUND

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

Fiscal Years Ending June 30:	2022 Original Budget	2022 Final Budget	2022 Actual	2023 Adopted Budget	2024 Adopted Budget
REVENUES					
Real Property Taxes	$ 16,216,729	$ 16,216,729	$ 15,704,779	$ 16,973,699	$ 17,644,160
Other Tax Items	32,000	32,000	562,389	32,000	32,000
Charges for Services	-	-	-	-	-
Use of Money & Property	30,000	30,000	388,418	30,000	229,609
Sale of Property and Compensation for Loss	-	-	7,024	-	-
Miscellaneous	50,000	50,000	127,238	100,000	100,000
Interfund Revenues	-	-	26,619	-	-
Revenues from State Sources	6,530,074	6,530,074	6,314,239	5,963,415	6,026,929
Revenues from Federal Sources	40,000	64,001	240,635	40,000	40,000
Total Revenues	$ 22,898,803	$ 22,922,804	$ 23,371,341	$ 23,139,114	$ 24,072,698
Other Sources:					
Appropriated Fund Balance	1,900,000	2,790,741	-	1,900,000	1,900,000
Interfund Transfers	-	-	-	-	-
Total Revenues and Other Sources	24,798,803	25,713,545	23,371,341	25,039,114	25,972,698
EXPENDITURES					
General Support	$ 2,826,174	$ 3,684,322	$ 2,766,535	$ 2,633,266	$ 2,782,863
Instruction	11,233,187	11,654,971	10,065,188	11,868,487	12,771,478
Pupil Transportation	1,507,848	1,720,819	1,431,261	1,468,298	1,459,525
Community Services	-	-	-	-	-
Employee Benefits	7,386,694	6,769,680	5,675,128	7,621,438	7,790,905
Debt Service	140,500	41,472	41,472	-	142,663
Total Expenditures	$ 23,094,403	$ 23,871,265	$ 19,979,584	$ 23,591,489	$ 24,947,434
Other Uses:					
Interfund Transfers	1,704,400	1,844,900	1,844,150	1,447,625	1,025,263
Total Expenditures and Other Uses	24,798,803	25,716,165	21,823,734	25,039,114	25,972,698
Excess (Deficit) Revenues Over Expenditures	-	(2,620)	1,547,607	-	-
FUND BALANCE					
Fund Balance - Beginning of Year	-	2,620	9,395,518	-	-
Prior Period Adjustments (net)	-	-	27,516	-	-
Fund Balance - End of Year	$ -	$ -	$ 10,970,641	$ -	$ -

Source: Audited financial reports and adopted budgets of the School District. This Appendix is not audited.

CONTINUING DISCLOSURE UNDERTAKING WITH RESPECT TO THE BONDS

In accordance with the requirements of Rule 15c2-12 as the same may be amended or officially interpreted from time to time (the "Rule"), promulgated by the Securities and Exchange Commission (the "Commission"), the District has agreed to provide, or cause to be provided, during the period in which the Bonds are outstanding:

(i) to the Electronic Municipal Market Access ("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, during each fiscal year in which the Bonds are outstanding, (i) certain annual financial information and operating data for the preceding fiscal year in a form generally consistent with the information contained or cross-referenced in the Official Statement dated June 7, 2023 of the District relating to the Bonds under the headings "THE DISTRICT", "TAX INFORMATION", "STATUS OF INDEBTEDNESS", "LITIGATION" and all Appendices (other than "APPENDICES – B & C" and other than any related to bond insurance) by the end of the sixth month following the end of each succeeding fiscal year, commencing with the fiscal year ending December 31, 2023, and (ii) a copy of the audited financial statement, if any, (prepared in accordance with accounting principles generally accepted in the United States of America in effect at the time of the audit) for the preceding fiscal year, commencing with the fiscal year ending December 31, 2023; such audit, if any, will be so provided on or prior to the later of either the end of the sixth month of each such succeeding fiscal year or, if an audited financial statement is not available at that time, within sixty days following receipt by the District of its audited financial statement for the preceding fiscal year, but, in any event, not later than the last business day of each such succeeding fiscal year; and provided further, in the event that the audited financial statement for any fiscal year is not available by the end of the sixth month following the end of any such succeeding fiscal year, unaudited financial statements in the form provided to the State, if available, will be provided no later than said date; provided however, that provision of unaudited financial statements in any year shall be further conditioned upon a determination by the District of whether such provision is compliant with the requirements of federal securities laws including Rule 10b-5 of the Securities Exchange Act of 1934 and Rule 17(a)(2) of the Securities Act of 1933;

(ii) within 10 business days after the occurrence of such event, notice of the occurrence of any of the following events with respect to the Bonds, to EMMA or any other entity designated or authorized by the Commission to receive reports pursuant to the Rule:

(a) principal and interest payment delinquencies

(b) non-payment related defaults; if material

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

(d) 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 of determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;

(g) modifications to rights of Bondholders; if material

(h) bond calls, if material, and tender offers

(i) defeasances

(j) release, substitution, or sale of property securing repayment of the Bonds; if material

(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; and

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

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

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

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

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 Bonds.

For the purposes of the event identified in (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 obligated person, 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 obligated person.

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 Bonds; 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.

(iii) in a timely manner, to EMMA or any other entity designated or authorized by the Commission to receive reports pursuant to the Rule, notice of its failure to provide the aforedescribed annual financial information and operating data and such audited financial statement, if any, on or before the date specified.

The District reserves the right to terminate its obligations to provide the aforedescribed annual financial information and operating data and such audited financial statement, if any, and notices of material events, as set forth above, if and when the District no longer remains an obligated person with respect to the Bonds 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 Bonds (including holders of beneficial interests in the Bonds). The right of holders of the Bonds to enforce the provisions of the undertaking will be limited to a right to obtain specific enforcement of the District 's obligations under its continuing disclosure undertaking and any failure by the District to comply with the provisions of the undertaking will neither be a default with respect to the Bonds nor entitle any holder of the Bonds 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.

A Continuing Disclosure Undertaking Certificate to this effect shall be provided to the purchaser at closing.

FORM OF UNDERTAKING TO PROVIDE CONTINUING DISCLOSURE FOR THE NOTES

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

(a) principal and interest payment delinquencies

(b) non-payment related defaults, if material

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

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

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

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

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

(h) note calls, if material and tender offers

(i) defeasances

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

(k) rating changes

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

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

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

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

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

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

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

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

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

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

The School District reserves the right to terminate its obligation to provide the aforedescribed notices of material events, as set forth above, if and when the School District no longer remains an obligated person with respect to the Notes within the meaning of the Rule, subject to the receipt of an opinion of Bond Counsel. The School District acknowledges that its undertaking pursuant to the Rule described under this heading is intended to be for the benefit of the holders of the 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 School District’s obligations under its material event notices undertaking and any failure by the School District to comply with the provisions of the undertaking will neither be a default with respect to the Notes nor entitle any holder of the Notes to recover monetary damages.

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

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

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WEBUTUCK (NORTHEAST) CENTRAL SCHOOL DISTRICT

FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION

JUNE 30, 2022

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

FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION
AUDITED
WEBUTUCK (NORTHEAST) CENTRAL SCHOOL DISTRICT
For the Year Ended June 30, 2022

Audited for:

Board of Education
WEBUTUCK (NORTHEAST) CENTRAL SCHOOL DISTRICT

Audited By:

RBT CPAs, LLP
4071 US Route 9
Hudson, NY 12534
(518) 828-4616

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WEBUTUCK (NORTHEAST) CENTRAL SCHOOL DISTRICT

MANAGEMENT DISCUSSION AND ANALYSIS

FOR THE FISCAL YEAR ENDED JUNE 30, 2022

This section of the Webutuck (Northeast) Central School District's (the District's) annual financial report presents its discussion and analysis of the District's performance during the fiscal year ending June 30, 2022. The section is a summary of the District's financial activities based on currently known facts, decisions, or conditions. It is also based on both the government-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. This section is only an introduction. It should be read in conjunction with the District's financial statements, which immediately follow this section.

Financial Highlights

The District's net position increased from ($26,109,472) (adjusted) to ($20,954,567), or 24.60%.

Commencing in 2018, the District implemented GASB Statement No. 75 *Accounting and Financial Reporting for Post-employment Benefits Other Than Pensions*. The District reported Other Post-Employment Benefits (OPEB) liabilities, net of deferred outflows and and deferred inflow of resources related to OPEB, in the amount of $42,389,741.

Commencing in 2015, with the adoption of GASB 68, the negative impact of this liability is tempered by the positive overall impact of the Net Position Assets in excess of Pension Liabilities inclusive of the corresponding Deferred Outflows and Inflows in the amount of $3.47 million.

The District's General Fund expenditures were $19.98 million while revenues were $23.37 million.

The District monitors and manages its fiscal performance based on pre-established targets for reserves, fund balance, and tax levy levels. The unassigned fund balance in the General Fund for 2021-2022 is $6.39 million.

Overview of the Financial Statements

This annual report consists of three parts: management's discussion and analysis (this section), the basic financial statements, and required supplementary information. The basic financial statements include two kinds of statements that present different views of the District:

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

- The remaining statements are ***Fund Financial Statements*** that focus on *individual parts* of the District, reporting the District's operations in *more detail* than the district-wide statements. The fund financial statements concentrate on the District's most significant funds with all other non-major funds listed in total in one column.

- The *Governmental Funds Statements* tell how basic services such as regular and special education were financed in the *short term* as well as what remains for future spending.

- *Fiduciary Funds Statements* provide information about the financial relationships in which the District acts solely as a *trustee* or *agent* for the benefit of others.

The financial statements also include notes that explain some of the information in the statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the financial statements with a comparison of the District's budget for the year.

Figure A-1 summarizes the major features of the District's financial statements, including the portion of the District's activities they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis highlights the structure and contents of each of the statements.

Figure A-1

Major Features of the District-Wide and Fund Financial Statements

	District-Wide Statements	Fund Financial Statements	
		Governmental Funds	Fiduciary Funds
Scope	Entire district (except fiduciary funds)	The activities of the district that are not proprietary or fiduciary, such as special education, cafeteria and transportation expenses.	Instances in which the district administers resources on behalf of someone else, such as scholarship programs and student activities monies.
Required financial statements	Statement of Net Position Statement of Activities	Balance sheet Statement of revenues, expenditures, and changes in fund balances	Statement of fiduciary net position Statement of changes in fiduciary net position
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial focus	Accrual accounting and economic resources focus
Type of asset/deferred outflows of resources/ liability/ deferred inflows of resources information	All assets, deferred outflows of resources, liabilities, and deferred inflows of resources, both financial and capital, short-term and long-term	Generally, assets and deferred outflows of resources expected to be used up and liabilities and deferred inflows of resources that come due or available during the year or soon thereafter; no capital assets or long-term liabilities included	All assets, deferred outflows of resources (if any), liabilities, and deferred inflows of resources (if any) both short-term and long-term; funds do not currently contain capital assets, although they can
Type of inflow/outflow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable	All additions and deductions during the year, regardless of when cash is received or paid

District-Wide Statements

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

The two district-wide statements report the District's *net position* and how it has changed. A net position – the difference between the District's assets, deferred outflows of resources, liabilities and deferred inflows of resources – is one way to measure the District's financial health or *position.*

- Over time, increases or decreases in the District's net position are an indicator of whether its financial position is improving or deteriorating, respectively.

- To assess the District's overall health, you need to consider additional non-financial factors such as changes in the District's property tax base and the condition of school buildings and other facilities.

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

Fund Financial Statements

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

- Some funds are required by state law and by bond covenants.

- The District establishes other funds to control and manage money for particular purposes (such as a fund for scholarship monies) or to show that it is properly using certain revenues (such as federal grants).

The District has two kinds of funds:

- *Governmental Funds:* Most of the District's basic services are included in the 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 you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the district-wide statements, reconciliations are provided within the governmental funds statements explaining the relationship (or differences) between them.

- *Fiduciary Funds:* The District is the trustee, or *fiduciary*, for assets that belong to others, such as the scholarship fund and the student activities funds. The District is responsible for ensuring that the assets reported in these funds are used only for their intended purposes and by those to whom the assets belong. The District excludes these activities from the district-wide financial statements because it cannot use these assets to finance its operations.

Financial Analysis of the District as a Whole

Net Assets

The following schedule shows the Net Position for the School District as of June 30, 2022:

Figure A-2

Condensed Statement of Net Position (In Millions of Dollars)

	Governmental and Total School District Activities		
	2022	Restated 2021	% Change
Assets			
Current and Other Assets	$ 13.28	$ 11.67	13.8%
Inventory	0.02	0.01	100.0%
Capital Assets	10.73	10.81	-0.7%
Right to Use Assets - Restated	0.15	0.29	-48.3%
Net Pension Asset-Proportionate Share	8.17	-	-
Total Assets	32.35	22.78	42.0%
Deferred Outflows of Resources	9.80	9.73	0.7%
Total Assets and Deferred Outflows of Resources	42.15	32.51	29.7%
Liabilities			
Payables	1.21	1.07	-13.1%
BANS Payable	4.27	4.83	11.6%
Long-Term Debt - Payable in One Year	0.03	1.05	97.1%
Long-Term Debt - Payable after One Year	0.67	0.05	-
Post Employment Benefits Payable	30.05	37.39	19.6%
Net Pension Liability-Proportionate Share	-	1.21	100.0%
Total Liabilities	36.23	45.60	20.5%
Deferred Inflows of Resources	26.87	13.02	-106.4%
Total Liabilities and Deferred Inflows of Resources	63.10	58.62	-7.6%
Net Position			
Invested in Capital Assets, Net of Related Debt	6.57	5.26	-24.9%
Restricted	1.98	0.94	-110.6%
Unrestricted - Restated	(29.50)	(32.31)	8.7%
Total Net Position	$ (20.95)	$ (26.11)	19.8%

Note: Assets - Liabilities = Net Position

Governmental Activities/*Changes in Net Position*

Figure A-3

Change in Net Position from Operating Results (In Millions of Dollars)

	Governmental and Total School District Activities		
		Restated	
	2022	2021	% Change
Revenues			
Property Taxes & Tax Items	$ 16.27	$ 15.60	4.3%
Charges for Services	0.01	-	-
Use of Money & Property	0.39	0.04	875.0%
State Formula Aid	6.58	5.89	11.7%
Federal Aid	2.14	1.22	75.4%
Food Sales & Surplus	0.02	0.01	100.0%
Other	0.40	0.45	-11.1%
Total Revenues	25.81	23.21	11.2%
Expenses			
General Support	2.64	2.45	7.8%
Instruction - Restated	11.57	6.73	71.9%
Pupil Transportation	1.10	0.91	20.9%
Employee Benefits	3.32	6.79	-51.1%
Debt Service	0.11	0.18	-38.9%
Other Expenses	-	-	-
Community Service	-	-	-
School Lunch Program	0.32	0.35	-8.6%
Amortization	0.14	0.10	40.0%
Depreciation	1.46	1.60	-8.8%
Total Expenses	20.66	19.11	8.1%
Excess (Deficiency) of Revenues Over Expense Increase (Decrease) in Net Position - Restated	$ 5.15	$ 4.10	25.6%

Figure A-4 - Sources of Revenues for Fiscal Year 2022

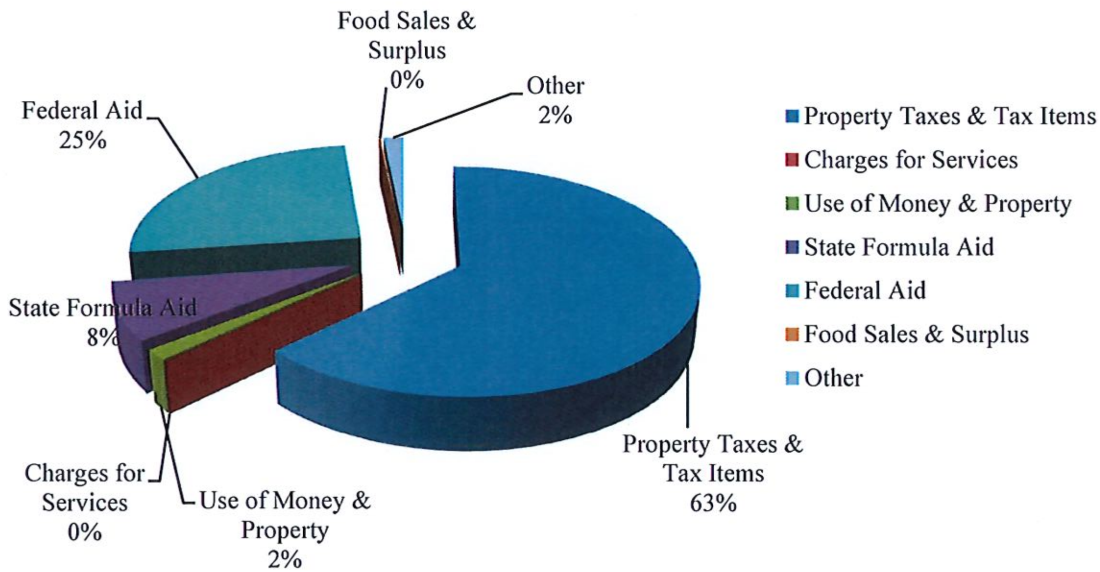
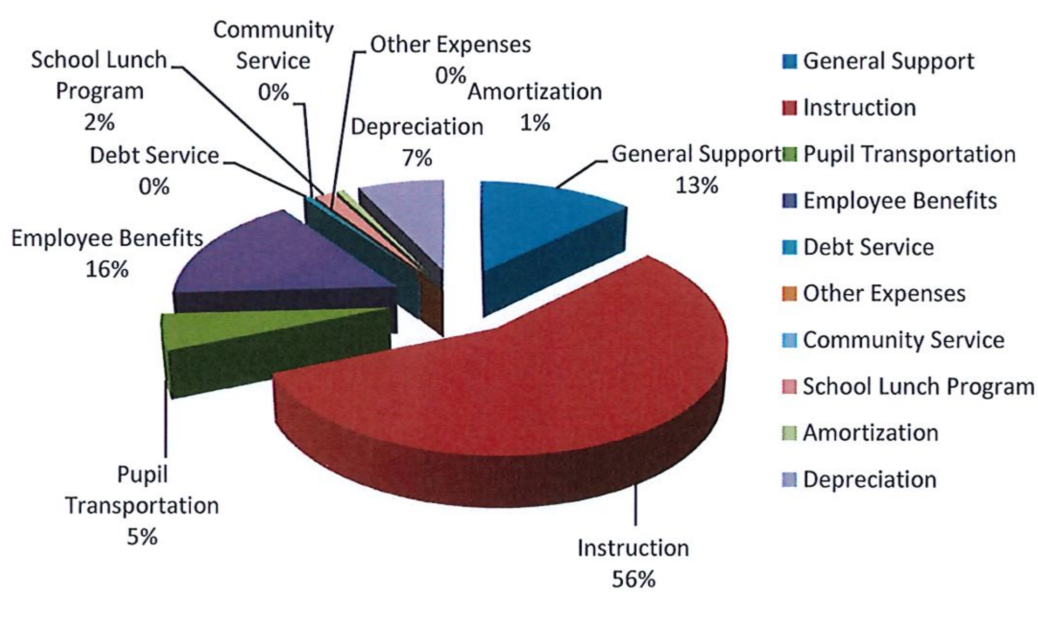


Figure A-5 – Expenses for the Fiscal Year 2022



The table below presents the cost of eight major District activities: general support, instruction, pupil transportation, community service, employee benefits, debt service, other expense, and School Lunch Program. The table also shows each activity's net cost (total cost less fees generated by the activities and intergovernmental aid provided for specific programs). The net cost shows the financial burden placed on the District's taxpayers by each of these functions:

Figure A-6
Net Cost of Governmental Activities:

	Total Cost of Services			Net Cost of Services		
		Restated			Restated	
Program Expenses	2022	2021	% Change	2022	2021	% Change
General Support	2,637,267	2,451,889	7.6%	$ 3,245,258	$ 413,985	683.9%
Instruction - Restated	11,572,895	6,725,711	72.1%	13,442,943	11,533,432	16.6%
Pupil Transportation	1,096,636	914,575	19.9%	1,531,585	1,720,005	-11.0%
Employee Benefits	3,315,681	6,785,608	-51.1%	-	-	-
Debt Service - Interest	104,918	180,090	-41.7%	104,918	180,090	-41.7%
School Lunch Program	323,091	351,019	-8.0%	(110,400)	42,760	-358.2%
Amortization - Restated	143,609	103,980	38.1%	-	-	-
Depreciation	1,465,828	1,601,540	-8.5%	-	-	-
Total	$ 20,659,925	$ 19,114,412	8.1%	$ 18,214,304	$ 13,890,273	31.1%

- The cost of all governmental activities this year was $20.66 million; an increase of 8.1%
- The cost of capital outlays decreased 31.96% primarily due to the closure major Capital Construction Project.

Financial Analysis of the District's Funds

The financial performance of the District as a whole is reflected in its governmental funds. As the District completed the year, its governmental funds reported combined fund balances of $6.76 million; a $2.04 million increase from last year's restated ending fund balances of $4.71 million.

General Fund Budgetary Highlights

- Actual revenues were $23.37 million compared to a budget of $24.80 million for current revenues.
- Actual expenditures (including transfers out) were $21.82 million against a total spending plan of $24.80 million. The unassigned fund balance is $6.39 million.

Capital Assets and Debt Administration

Capital Assets and Right to Use Asssets

The overall capital assets as of June 30, 2022, are given below in Figure A-7.

Figure A-7
Capital Assets (net of depreciation, in millions of dollars)

	Capital Assets	
		Restated
	2022	2021
Land	$ 0.09	$ 0.09
Construction	1.63	1.02
Buildings and Improvements	7.08	7.69
Vehicles	1.03	1.25
Furniture and Equipment	0.90	0.76
Total	$ 10.73	$ 10.81

The overall right to use assets as of June 30, 2022, are given below in Figure A-8.

Figure A-8
Right to Use Assets (net of amortization, in millions of dollars)

	Right to Use Assets	
		Restated
	2022	2021
Leased Equipment	$ 0.04	$ 0.08
One Time Purchase Equipment - Restated	0.11	0.21
	$ 0.15	$ 0.29

Long-Term Debt

During the 2005-2006 school year, the District issued $17.43 million in Serial Bonds. The total amount of long-term debt owed is reflected in Figure A-9. During 2012-2013, the District issued $8,175,000 in general obligation debt to advance refund $8,245,000 of outstanding 2005 Serial Bonds.

Figure A-9
Oustanding Long-Term Debt (in Millions of Dollars)

	Total School District	
	2022	2021
General Obligation Bonds & Notes	$ -	$ 1.05

Factors Bearing on the District's Future

The COVID-19 Pandemic continued to have an impact on the District's financial position and fund balance. Remote learning had a positive impact on our expenses but increased the District's Fund Balance position. Federal stimulus programs such as the CARES Act increased the District's revenue. The District has and will continue to experience higher costs related to required food service, additional cleaning and personal protective equipment and additions to our technology platform, along with higher costs due to supply chain delays due to COVID-19. The supply chain issues and increased costs is expected to be a challenge for the foreseeable future. State Aid increased for the District and the tax levy was within the tax cap but this was offset with increases in special education related costs, COVID related items, state mandates and other new requirements put on the District. Legal costs, tax certiorari proceedings, and tax base reductions also impacted the financial condition of the District negatively. The District saw an increase in their debt obligations related to the financing of the Capital Project. Our student population increased due to people relocating to the suburbs during COVID. The Districts Free and Reduced School Lunch Program continue to increase, although it should be noted that for the 2021-2022 all students received free breakfast and lunch as part of the Federal initiative. Increased costs related to the education of our students with Special Needs has had an impact on instruction costs and pupil transportation costs for out of district placements. The District continues to explore other cost saving services offered through Dutchess County BOCES, which may be aidable. The Districts health care costs remained flat there was no increase in the premium costs, along with increased contribution rates for our bargaining units. Healthcare is a potential item to watch as COVID-19 recovery has spiked claims for procedures that were on hold during the high point of the pandemic. The District has continued to focus on the improving the quality of the equipment for the maintenance staff to reduce repair costs and improve efficiencies. The total liability includes the Total OPEB Liability which was $30,052,432 at June 30, 2022, which is a decrease from previous period June 30, 2021.

The District's education environment is strong with initiatives to align curriculum among all grade levels. The District has focused on the use of Federal grant dollars to bolster the instructional programs and enhance the already strong foundation that was in place. The Board of Education's commitment to long range financial planning, coupled with the instructional initiatives are keys to the success of the District's students in the coming years. Focus on technology and being synergistic with the instructional plan is paramount for the District's success, as we build upon our 1 to 1 initiative that guided us through remote learning during the COVID-19 Pandemic. In addition, we continue to partner with NECC in offering after school services in our District and our Food Service department has increased healthy and appetizing offerings to students and staff.

The District has contracts in place for collective bargaining units, CSEA and WTA contracts expire in 2025, with new contracts signed for both units in 2020. The contract for the Webutuck Administrative Council was renewed and will expire June 30, 2026. The District's most recent capital project was completed in January of 2021, with the final stage of the District's septic system being upgraded. The District completed Building Condition Survey on January 2022 and preparation of a 5-Year Capital Plan to build upon the previous Building Condition Survey completed in 2015-2016.

Contacting the District's Financial Management

This financial report is designed to provide the District's citizens, taxpayers, customers, investors, and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Business Office, Webutuck (Northeast) Central School District, PO Box 405, 194 Haight Rd., Amenia, New York.

LIMITED LIABILITY PARTNERSHIP
CERTIFIED PUBLIC ACCOUNTANTS BUSINESS DEVELOPMENT CONSULTANTS

INDEPENDENT AUDITOR'S REPORT

To the Board of Education
Webutuck (Northeast) Central School District
194 Haight Road
Amenia, New York 12501

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Webutuck (Northeast) Central School District (the "District") as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District, as of June 30, 2022, 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 and the standards appliable to the financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the 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.

Change in Accounting Principle

As discussed in Note 2, to the financial statement, in 2022 the District adopted new accounting guidance GASB No. 87, *Leases*. Our opinion is not modified with respect to this matter.

A prior period adjustment was reflected with the adoption of GASB 87, see Note 16.

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Wurtsboro, NY 12790

590 Madison Avenue
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Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions.

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedule of revenues, expenditures – budget and actual, schedule of funding progress for other post-employment benefits, schedule of local government's proportionate share of net pension liability for New York State Employees' Retirement System and for New York State Teachers' Retirement System, and schedule of local government's contributions for the New York State Employees' Retirement System and the New York State Teachers' Retirement System information be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The combining nonmajor fund financial statements are not a required part of the basic financial statements.

The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the Schedule of Change from Adopted Budget to Final Budget and Section 1318 Real Property Tax Law Limit Calculation, Schedule of Project Expenditures – Capital Project Fund, and the Schedule of Net Investment in Capital Assets, but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 18, 2022, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

RBT CPAs, LLP

Hudson, New York
October 18, 2022

WEBUTUCK (NORTHEAST) CENTRAL SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2022

ASSETS		
Cash:		
Unrestricted	$	6,024,938
Restricted		2,223,281
Investments:		
Unrestricted		3,270,274
Receivables:		
State and Federal Aid		1,270,467
Due from Other Governments		318,387
Other Receivables		1,035
Inventories		21,034
Prepaid Expenditures		171,982
Total Current Assets		13,301,398
Capital Assets, Net		10,732,229
Right to Use Assets, Net		152,008
Net Pension Asset - Proportionate Share		8,166,871
Total Assets		32,352,506
DEFERRED OUTFLOWS OF RESOURCES		
Deferred Outflows - Pension		4,504,364
Deferred Outflows - Contribution Post Measurement		822,090
Deferred Outflows - OPEB		4,473,903
Total Deferred Outflows of Resources		9,800,357
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES		
Total Assets and Deferred Outflows of Resources		42,152,863
LIABILITIES		
Payables:		
Accounts Payable		228,436
Accrued Liabilities		44,067
Due to Other Governments		9,618
Due to Other Funds		250
Due to Teachers' Retirement System		876,986
Due to Employees' Retirement System		43,206
Notes Payable:		
Bond Anticipation		4,275,000
Long-Term Liabilities:		
Due and Payable within One Year:		
Lease Payable		38,320
Due and Payable after One Year:		
Lease Payable		3,201
Compensated Absences Payable		659,706
Other Post Employment Benefits Payable		30,052,432
Other Liabilities		5,234
Total Liabilities		36,236,456
DEFERRED INFLOWS OF RESOURCES		
Deferred Inflows - Pension		10,027,063
Deferred Inflows - Other		32,699
Deferred Inflow - OPEB		16,811,212
Total Deferred Inflows of Resources		26,870,974
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES		
Total Liabilities and Deferred Inflows of Resources		63,107,430
NET POSITION		
Net Investment in Capital Assets		6,567,716
Restricted for:		
Debt Service		-
Capital		79,867
Other Legal Restrictions		1,896,076
Unrestricted		(29,498,226)
Total Net Position	$	(20,954,567)

See accompanying notes to the financial statements.

WEBUTUCK (NORTHEAST) CENTRAL SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2022

	Expenses	Indirect Expenses Allocation	Program Revenues: Charges for Services	Program Revenues: Operating Grants	Net (Expense) Revenue and Changes in Net Position
FUNCTIONS/PROGRAMS					
General Support	$ (2,637,267)	$ (607,991)	$ -	$ -	$ (3,245,258)
Instruction	(11,572,895)	(3,882,178)	-	2,012,130	(13,442,943)
Pupil Transportation	(1,096,636)	(434,949)	-	-	(1,531,585)
Employee Benefits	(3,315,681)	3,315,681	-	-	-
Debt Service	(104,918)	-	-	-	(104,918)
School Lunch Program	(323,091)	-	12,442	421,049	110,400
Amortization	(143,609)	143,609	-	-	-
Depreciation	(1,465,828)	1,465,828	-	-	-
Total Functions and Programs	(20,659,925)	-	12,442	2,433,179	(18,214,304)
GENERAL REVENUES					
Real Property Taxes					15,704,779
Other Tax Items					562,389
Use of Money and Property					388,573
Sale of Property and Compensation for Loss					232,831
Miscellaneous					146,792
Interfund Revenue					26,619
State Sources					6,307,226
Total General Revenues					23,369,209
Change in Net Position					5,154,905
Total Net Position - Beginning of Year					(26,225,465)
Prior Period Adjustment - See Note 16					115,993
Total Net Position - Beginning of Year, as Restated					(26,109,472)
Total Net Position - End of Year					$ (20,954,567)

See accompanying notes to the financial statements.

WEBUTUCK (NORTHEAST) CENTRAL SCHOOL DISTRICT
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2022

	General	Special Aid	Capital Projects	Non-Major	Total Governmental Funds
ASSETS					
Cash:					
Unrestricted	$ 5,023,787	$ 691,529	$ 21,715	$ 287,907	$ 6,024,938
Restricted	1,975,943	-	-	247,338	2,223,281
Investments:					
Unrestricted	3,270,274	-	-	-	3,270,274
Receivables:					
Due from Other Funds	3,027,432	287,223	575,536	151,603	4,041,794
State and Federal Aid	230,043	850,456	-	189,968	1,270,467
Due from Other Governments	159,118	-	-	151	159,269
Other Receivables	-	-	1,000	35	1,035
Inventories	-	-	-	21,034	21,034
Prepaid Expenditures	171,982	-	-	-	171,982
Total Assets	$ 13,858,579	$ 1,829,208	$ 598,251	$ 898,036	$ 17,184,074
LIABILITIES					
Payables:					
Accounts Payable	$ 177,354	$ 51,082	$ -	$ -	$ 228,436
Accrued Liabilities	90,962	2,090	-	30,930	123,982
Due to Other Funds	907,196	1,779,540	538,151	817,157	4,042,044
Due to Other Governments	-	9,618	-	-	9,618
Due to Teachers' Retirement System	876,986	-	-	-	876,986
Due to Employees' Retirement System	43,206	-	-	-	43,206
Other Post Employment Benefits Payable	787,000	-	-	-	787,000
Other Liabilities	5,234	-	-	-	5,234
Notes Payable:					
Bond Anticipation	-	-	4,275,000	-	4,275,000
Total Liabilities	2,887,938	1,842,330	4,813,151	848,087	10,391,506
DEFERRED INFLOWS OF RESOURCES					
Deferred Inflows	-	13,510	-	19,189	32,699
Total Deferred Inflows of Resources	-	13,510	-	19,189	32,699
FUND BALANCES					
Non-Spendable	171,982	-	-	21,034	193,016
Restricted	1,975,943	-	-	-	1,975,943
Assigned	2,436,408	-	-	32,763	2,469,171
Unassigned	6,386,308	(26,632)	(4,214,900)	(23,037)	2,121,739
Total Fund Balances	10,970,641	(26,632)	(4,214,900)	30,760	6,759,869
Total Liabilities and Fund Balances	$ 13,858,579	$ 1,829,208	$ 598,251	$ 898,036	$ 17,184,074

See accompanying notes to the financial statements.

WEBUTUCK (NORTHEAST) CENTRAL SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

	General	Special Aid	Capital Projects	Non-Major	Total Governmental Funds
REVENUES					
Real Property Taxes	$ 15,704,779	$ -	$ -	$ -	$ 15,704,779
Other Tax Items	562,389	-	-	-	562,389
Use of Money and Property	388,418	-	8	147	388,573
Sale of Property and Compensation for Loss	7,024	-	250,000	-	257,024
Miscellaneous	127,238	15,679	-	3,875	146,792
Interfund Revenue	26,619	-	-	-	26,619
State Sources	6,314,239	260,573	-	8,496	6,583,308
Federal Sources	240,635	1,510,922	-	389,899	2,141,456
Surplus Food	-	-	-	22,654	22,654
Sales - School Lunch	-	-	-	12,442	12,442
Total Revenues	23,371,341	1,787,174	250,008	437,513	25,846,036
EXPENDITURES					
General Support	2,766,535	-	-	-	2,766,535
Instruction	10,065,188	1,720,859	-	825	11,786,872
Pupil Transportation	1,431,261	51,447	-	-	1,482,708
Employee Benefits	5,675,128	-	-	-	5,675,128
Debt Service:					
Principal	39,713	-	-	1,595,000	1,634,713
Interest	1,759	-	-	69,150	70,909
Cost of Sales	-	-	-	323,091	323,091
Capital Outlay	-	-	611,484	-	611,484
Total Expenditures	19,979,584	1,772,306	611,484	1,988,066	24,351,440
Excess (Deficiency) of Revenues Over Expenditures	3,391,757	14,868	(361,476)	(1,550,553)	1,494,596
OTHER FINANCING SOURCES AND USES					
Bond Anticipation Note Redeemed from Appropriations	-	-	550,000	-	550,000
Operating Transfers In	-	30,000	229,759	1,814,150	2,073,909
Operating Transfers (Out)	(1,844,150)	(71,500)	-	(158,259)	(2,073,909)
Total Other Sources (Uses)	(1,844,150)	(41,500)	779,759	1,655,891	550,000
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	1,547,607	(26,632)	418,283	105,338	2,044,596
Fund Balances - Beginning of Year	9,395,518	-	(4,633,183)	(74,578)	4,687,757
Prior Period Adjustment - See Note 16	27,516	-	-	-	27,516
Fund Balances - Beginning of Year, as Restated	9,423,034	-	(4,633,183)	(74,578)	4,715,273
Fund Balances - End of Year	$ 10,970,641	$ (26,632)	$ (4,214,900)	$ 30,760	$ 6,759,869

See accompanying notes to the financial statements.

WEBUTUCK (NORTHEAST) CENTRAL SCHOOL DISTRICT
RECONCILIATION OF GOVERNMENTAL FUNDS
BALANCE SHEET TO THE STATEMENT OF NET POSITION
JUNE 30, 2022

Fund Balances (Deficit) - Total Governmental Funds		$ 6,759,869
Amounts reported for Governmental Activities in the Statement of Net Position are:		
Capital assets, net of accumulated depreciation, used in Governmental Activities are not current financial resources and, therefore, are not reported in the funds.		
Total Historical Cost	$ 33,916,208	
Less Accumulated Depreciation	(23,183,979)	10,732,229
Right To Use assets, net of accumulated amortization, used in Governmental Activities are not current financial resources and, therefore, are not reported in the funds.		
Total Historical Cost	$ 715,201	
Less Accumulated Amortization	(563,193)	152,008
The School District's proportionate share of the Teacher and Employee Retirement Systems' collective net pension asset or (liability) is not reported in the funds.		
TRS Net Pension Asset - Proportionate Share	$ 7,799,584	
ERS Net Pension Asset - Proportionate Share	367,287	8,166,871
Deferred outflows of resources, including deferred charges on defeased debt, OPEB, and pensions, represents a consumption of net position that applies to future periods and, therefore, is not reported in the funds. Deferred inflows of resources, including OPEB, and pensions, represents an acquisition of net position that applies to future periods and, therefore, is not reported in the funds.		
ERS Deferred Outflows of Resources - Pension	$ 710,668	
ERS Deferred Outflows of Resources - Contribution Post Measurement	43,206	
ERS Deferred Inflows of Resources - Pension	(1,295,077)	
TRS Deferred Outflows of Resources - Pension	3,793,696	
TRS Deferred Outflows of Resources - Contribution Post Measurement	778,884	
TRS Deferred Inflows of Resources - Pension	(8,731,986)	
Deferred Outflows of Resources - OPEB	4,473,903	
Deferred Inflows of Resources - OPEB	(16,811,212)	(17,037,918)
Certain receivables and related revenues are not recorded in Governmental Funds due to applying the "availability criterion" to receivables for the modified accrual basis of accounting. However, these amounts are considered revenue in the Statement of Activities.		159,118
Long-term liabilites, including bonds payable, compensated absences, and amounts due for other post-employment employee benefits, are not due and payable in the current period and, therefore, are not reported in the funds.		
Leases Payable	$ (41,521)	
Long-Term Compensated Absences	(579,791)	
Other Post-Employment Benefits Liabilities - non-current	(29,265,432)	(29,886,744)
Net Position (Deficit) of Governmental Activities		$(20,954,567)

See accompanying notes to the financial statements.

WEBUTUCK (NORTHEAST) CENTRAL SCHOOL DISTRICT
RECONCILIATION OF NET CHANGE IN GOVERNMENTAL FUND
BALANCES TO GOVERNMENTAL ACTIVITIES CHANGE IN NET POSITION
JUNE 30, 2022

Total net changes in fund balances - governmental funds			$ 2,044,596
Amounts reported for governmental *activities* in the Statement of Activities are different because:			
Revenues for the Statement of Activities are accrual based on entitlement to funds. The governmental funds only accrue receivables to the extent they are deemed available per the revenue recognition policy.			(7,013)
Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities, those costs are capitalized in the Statement of Net Position and allocated over their estimated useful lives as annual depreciation expenses in the Statement of Activities. This is the amount by which depreciation exceeds capital outlays in the period.			
	Depreciation Expense	$ (1,465,828)	
	Gain (Loss) on Disposition	(24,193)	
	Capital Outlays	1,409,291	(80,730)
Lease proceeds to enter into agreement for the use of equipment are reported in the governmental funds as expenditures. However, for governmental activities, those costs are capitalized and allocated over their estimated useful lives as annual amortization expenses in the Statement of Activities.			
	Amortization Expense	$ (143,609)	
	Leased Equipment	1,212	(142,397)
In the Statement of Activities, certain operating expenses--compensated absences (vacations), special termination benefits (early retirement) and retirees' health insurance--are measured by the amounts *earned* during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually *paid*).			882,910
Repayment of lease principal is an expenditure in the governmental funds, but it reduces long-term liabilities in the Statement of Net Position and does not affect the Statement of Activities.			39,713
Repayment of bond principal is an expenditure in the governmental funds, but it reduces long-term liabilities in the Statement of Net Position and does not affect the Statement of Activities.			1,045,000
Interest on long-term debt in the Statement of Activities differs from the amount reported in the governmental funds because interest is recorded as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the Statement of Activities, however, interest expense is recognized as the interest accrues, regardless of when it is due. The additional interest reported in the Statement of Activities is the result of accrued interest on bonds, leases, and contracts payable.			1,742
Current amortization of deferred interest cost on the refunding of debt:			(35,751)
(Increases) decreases in proportionate share of net pension asset/liability reported in the Statement of Activities do not provide for or require the use of current financial resources and, therefore, are not reported as revenues or expenditures in the governmental funds.			
Teachers' Retirement System			1,214,418
Employees' Retirement System			192,417
Change in net position of governmental activities.			$ 5,154,905

See accompanying notes to the financial statements.

WEBUTUCK (NORTHEAST) CENTRAL SCHOOL DISTRICT
STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2022

	Private Purpose Trusts	Custodial
ASSETS		
Cash	$ 27,643	$ 41,744
Due from Other Funds	3,210	-
Investments	27,022	-
Total Assets	57,875	41,744
LIABILITIES		
Due to Other Funds	2,960	-
Total Liabilities	2,960	-
NET POSITION		
Restricted for Other Purposes		
Unrestricted (Deficit)	$ 54,915	$ 41,744

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED JUNE 30, 2022

	Private Purpose Trusts	Custodial
ADDITIONS:		
Contributions	$ -	$ 43,291
Gifts and Donations	8,325	-
Interest and Dividends	3,527	-
Total Additions	11,852	43,291
DEDUCTIONS:		
Scholarships and Awards	9,100	-
Other Custodial Activities	-	37,527
Unrealized Loss	6,657	-
Total Deductions	15,757	37,527
Change in Net Position	(3,905)	5,764
Net Position - Beginning of Year	59,308	35,980
Prior Period Adjustment - See Note 16	(488)	-
Net Position - Beginning of Year, as Restated	58,820	35,980
Net Position - End of Year	$ 54,915	$ 41,744

See accompanying notes to the financial statements.

NOTE 1 – SUMMARY OF CERTAIN SIGNIFICANT ACCOUNTING POLICIES:

The financial statements of the Webutuck (Northeast) Central School District (the "District") have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental 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.

Certain significant accounting principles and policies utilized by the District are described below:

A. Reporting Entity:

The District is governed by the laws of New York State. The District is an independent entity governed by an elected Board of Education consisting of 7 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* and GASB 61, *The Financial Reporting Entity: Omnibus an Amendment of GASB No. 14 and No. 39* and GASB Statement 80 – *Blending Requirements for Certain Component Units an amendment of GASB Statement No. 14*. 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 and other organizational entities determined to be includable in the District's financial reporting entity. 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 application of these criteria, the following is a brief description of certain entities included in the District's reporting entity.

-- Extraclassroom Activity:

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. The District accounts for assets held as an agent for various student organizations in a Custodial Fund.

B. Joint Venture:

The District is a component district in the Dutchess County Board of Cooperative Educational Services (BOCES). A 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.

NOTE 1 – SUMMARY OF CERTAIN SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

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

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

During the year, the District was billed $1,944,654 for BOCES administrative and program costs.

The District's share of BOCES aid amounted to $353,594.

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

II. Fund Financial Statements:

The fund statements provide information about the District's funds, including fiduciary funds. Separate statements for each fund category (governmental and fiduciary) are presented. The emphasis of fund financial statements is on major governmental funds. All remaining governmental funds are aggregated and reported as non-major funds.

The District reports the following major governmental funds:

NOTE 1 – SUMMARY OF CERTAIN SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

a. 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.

b. Special Aid Fund – Special Aid Fund is used to account for special operating projects or programs supported in whole, or in part, with Federal funds or State or Local grants.

c. Capital Projects Funds:

Capital Projects Funds are used to account for and report financial resources used for the 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 the supplemental schedules either separately or in the aggregate.

The District reports the following non-major governmental funds:

a. Special Revenue Funds:

Special revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditure for specified purposes. Special revenue funds include the following fund:

1. School Lunch Fund – School Lunch Fund is used to account for transactions of lunch, breakfast, and milk programs.

2. Miscellaneous Special Revenue Fund - Miscellaneous Special Revenue Fund is used to account for and report those revenues that are restricted or committed to expenditures for specified purposes.

b. 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.

Fiduciary activities are those in which the District acts as trustee or agent for resources that belong to others. These activities are not included in the district-wide financial statements, because their resources do not belong to the District, and are not available to be used. The District reports the following fiduciary funds:

a. Private Purpose Trust Funds – These funds are used to account for trust arrangements in which principal and income benefit annual third party awards and scholarships for students. Established criteria govern the use of the funds, and members of the District or representatives of the donors may serve on committees to determine who benefits.

NOTE 1 – SUMMARY OF CERTAIN SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

b. Custodial Funds - These funds are strictly custodial in nature and are not required to be reported in pension and other employee benefit trust funds, investments trust funds or private purpose trust 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, grants, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

The governmental fund statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measureable and available. The District considers all revenues reported in the governmental funds to be available if the revenues are collected within 60 days after the end of the fiscal year, including real property taxes.

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

E. 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.

F. Property Taxes:

I. Real property taxes are levied annually by the Board of Education no later than September 1, and became a lien on August 17. Taxes are collected during the period September 2 to November 3.

NOTE 1 – SUMMARY OF CERTAIN SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

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.

II. In June of 2011, New York State passed Chapter 97 of the Laws of 2011 (Tax Cap Law). This law applies to all local governments in New York State. The Tax Cap Law restricts the amount of real property taxes that may be levied by the District in a particular year, beginning with the 2012 fiscal year. The growth in annual levy is limited to the lesser of two percent or annual change in the national unadjusted Consumer Price Index for All Urban Consumers – All Items (CPI-U), subject to certain limited exceptions and adjustments.

G. Accounts Receivable:

An allowance for uncollectible accounts has been provided for certain amounts that may not be collectible within 365 days.

H. Inventories and Prepaid Items:

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

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

An amount equal to these non-liquid assets (inventories and prepaid items) is recorded as non-spendable fund balance to signify that a portion of fund balance is not available for other subsequent expenditures.

I. Interfund Transactions:

The operations of the District include transactions between funds. These transactions may be temporary in nature, such as with interfund borrowings. The District typically loans resources between funds for the purpose of providing cash flow. These interfund 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 interfund receivables and payables represent amounts due between different fund types (governmental activities and fiduciary funds). Eliminations have been made for all interfund receivables and payables between the funds, with the exception of those due from or to the fiduciary funds.

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

NOTE 1 – SUMMARY OF CERTAIN SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

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

J. 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 issuance costs are capitalized and amortized over the life of the debt issue. In the funds statements these same costs are netted against bond proceeds and recognized in the period of issuance.

K. Capital Assets:

Capital assets are reported at actual cost for acquisitions. Donated assets are reported at estimated fair market value at the time received.

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	$1,000	Straight-Line	15 - 25 years
Outdoor Improvements	$1,000	Straight-Line	15 - 25 years
Furniture and Equipment	$1,000	Straight-Line	3 - 20 years
Vehicles	$1,000	Straight-Line	5 years

L. Deferred Outflows and Inflows of Resources:

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and, therefore, will not be recognized as an outflow of resources (expense/expenditure) until then. The government has three items that qualify for reporting in this category. The first is related to the other post-employment benefits (OPEB) liability and represents the differences between the actual and expected experience and the effect of changes in actuarial assumptions. 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) subsequent to the measurement date.

NOTE 1 – SUMMARY OF CERTAIN SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and, therefore will not be recognized as an inflow of resources (revenue) until that time. The District has three items that qualify for reporting in this category. The first item arises from unearned revenue. 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 liability or assets (TRS and ERS Systems) and difference during the measurement periods 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 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.

M. Vested Employee Benefits:

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

Sick leave eligibility and accumulation is specified in negotiated labor contracts, and in individual employment contracts. Sick leave use is based on a last-in first-out (LIFO) basis.

Upon retirement or death, employees may receive a payment based on unused accumulated sick leave, based on contractual provisions.

Consistent with GASB Statement 16, *Accounting for Compensated Absences*, an accrual for accumulated sick leave is included in the compensated absences liability in the district-wide financial statements. The compensated absences liability is calculated based on the rates in effect at year end as defined in the contractual bargaining agreement.

In the fund statements, only the amount of matured liabilities is accrued within the General Fund based upon expendable and available resources.

N. Other Benefits:

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

In addition to providing pension benefits, the District provides health insurance coverage and survivor benefits for retired employees and their survivors in accordance with various employment contracts.

Substantially all of the District's employees may become eligible for these benefits if they reach normal retirement age while working for the District and have completed 10 years of continuous service. Health care benefits are provided through plans whose premiums are based on the benefits paid during the year.

NOTE 1 – SUMMARY OF CERTAIN SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

Some costs of providing post-retirement benefits are shared between the District and the retired employee. The District recognizes the cost of providing health insurance by recording its share of insurance premiums as an expenditure or operating transfer to other funds in the General Fund, in the year paid.

O. Unearned Revenue:

Unearned revenues are reported when potential revenues do not meet both the measureable and available criteria for recognition in the current period. Unearned revenues also arise when resources are received by the District before it has legal claim to them, as when grant monies are received prior to the incidence 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 measureable and available.

P. Restricted Resources:

When an expense is incurred for purposes for which both restricted and unrestricted net assets 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.

Q. Estimates:

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported revenues and expenses during the reporting period. Actual results could differ from those estimates. Estimates and assumptions are made in a variety of areas, including computation of encumbrances, compensated absences, potential contingent liabilities, and useful lives of long-lived assets.

R. 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 an insufficient or no provision is 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.

NOTE 1 – SUMMARY OF CERTAIN SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

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

The District may issue deficiency notes up to an amount not to exceed 5% of the amount of that same year's annual budget in any fund or funds arising from revenues being less than the amount estimated in the budget for that fiscal year. The deficiency notes may mature no later than the close of the fiscal year following the fiscal year in which they were issued. However, they may mature no later than the close of the second fiscal year after the fiscal year in which they were issued, if the notes were authorized and issued after the adoption of the budget for the fiscal year following the year in which they were issued.

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

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

T. Equity Classifications:

I. District-Wide Statements:

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

a. *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.

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

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

II. Fund Statements:

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

NOTE 1 – SUMMARY OF CERTAIN SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

a. *Non-Spendable Fund Balance* – includes amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. Non-spendable fund balance includes the inventory recorded in the School Lunch Fund of $21,034.

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

1. Capital Reserve:

   Capital Reserve (Education Law §3651) is used to pay the cost of any object or purpose for which bonds may be issued. The creation of a capital reserve fund required 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.

2. Debt Service:

   According to General Municipal Law §6-1, 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 the proceeds of the sale of District property or capital improvement.

3. Employee Benefit Accrued Liability:

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

4. Insurance:

   According to General Municipal Law §6-n, this reserve fund must be used to pay liability, casualty and other types of losses, except losses incurred for which the following types of insurance may be purchased: life, accident, health, annuities, fidelity and surety, credit, title residual value and mortgage guarantee. In addition, this reserve may not be used for any purpose for which a special reserve may be established pursuant to law (for example, for unemployment compensation insurance). The reserve may be established by Board action and funded by budgetary appropriations or such other funds as may be legally appropriated.

NOTE 1 – SUMMARY OF CERTAIN SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

There is no limit on the amount that may be accumulated in the Insurance Reserve; however, the annual contribution to this reserve may not exceed the greater of \$33,000 or 5% of the budget. Settled or compromised claims up to \$25,000 may be paid from the reserve without judicial approval.

5. Liability Claims and Property Loss:

According to Education Law §1709(8)(c), this reserve fund must be used to pay for liability claims and property loss incurred. Separate funds for liability claims and property loss are required and these reserves may not in total exceed 3% of the annual budget or \$15,000, whichever is greater. This type of reserve fund may be utilized only by school districts, except city school districts with a population greater than 125,000.

6. Repairs:

According to General Municipal Law §6-d, this 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.

7. Retirement Contributions:

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 operations 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.

8. Tax Certiorari:

According to Education Law §3651.1-a, this reserve fund 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

NOTE 1 – SUMMARY OF CERTAIN SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

be returned to the General Fund on or before the first day of the fourth fiscal year after deposit of these monies.

9. Unemployment Insurance:

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

10. Workers' Compensation:

    According to General Municipal Law §6-j, this reserve must be used to pay for compensation benefits and other expenses authorized by Article 2 of the Workers' Compensation Law and for payment of expenses of administering this self-insurance program. 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.

11. Encumbrances:

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

NOTE 1 – SUMMARY OF CERTAIN SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

Restricted fund balance includes the following:

General Fund:	
Capital Reserve	$ 79,867
Employee Benefit Accrued Liability	223,510
Tax Certiorari Reserve	891,724
Unemployment Reserve	170,571
ERS Retirement Contribution	50,001
TRS Retirement Contribution	493,218
Workers' Compensation	67,052
Total Restricted Funds	$ 1,975,943

c. *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, 2022.

d. *Assigned* – includes amounts that are constrained by the District's intent to be used for specific purposes, but are neither restricted nor committed. All encumbrances of the General Fund are classified as Assigned Fund Balance. Encumbrances reported in the General Fund amounted to $259,045. The District also has a Reserve for Insurance Recovery which is included as an assigned fund balance in the amount of $227,363. Additionally, $1,900,000 has been assigned for the 2022-2023 tax levy.

e. *Unassigned* – Includes all other General Fund net assets that do not meet the definition of the above four classifications and are deemed to be available for general use by the District.

NYS Real Property Tax Law 1318 limits the amount of unexpended surplus funds a school district can retain to no more than 4% of the District's 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 and encumbrances are also excluded from the 4% limitation.

I. 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 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.

NOTE 1 – SUMMARY OF CERTAIN SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

U. New Accounting Standards:

The District has adopted all current Statements of the Governmental Accounting Standards Board (GASB) that are applicable. The following standards have been issued by GASB:

In June 2017, GASB issued Statement 87, *Leases*. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The District implemented the standard for the year ended June 30, 2022. (See Note 2.)

In May 2019, GASB issued Statement No. 91, *Conduit Debt Obligations*. This statement provides a single method of reporting conduit debt obligations by issuers and eliminates diversity in practice. This statement clarifies the existing definition of a conduit debt obligation; establishes that a conduit debt obligation is not a liability of the issuer, establishes standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations and improves note disclosures. The requirements for this statement, as delayed by GASB 95, are effective for reporting periods beginning after December 15, 2021. The School District is required to implement this standard for the year ending June 30, 2023. The District has not evaluated the effect of GASB 91 on its financial statements.

In January 2020, GASB issued Statement No. 92, *Omnibus 2020*. This statement addresses a variety of topics including leases, intra-entity transfers, fiduciary activities, public risk pools/reinsurance recoveries, fair value measurements, and derivative instrument technology. The requirements of this statement, as delayed by GASB 95, are effective for reporting periods beginning after June 15, 2021. The District implemented the standard for the year ended June 30, 2022. The implementation did not have a significant impact on the District's financial statements.

In March 2020, GASB issued Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The primary objective of this statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). As used in this statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital assets (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. Some PPPs meet the definition of a service concession arrangement (SCA), which GASB defines in this statement as a PPP in which (1) the operator collects and is compensated by fees from third parties; (2) the transferor determines or has the ability to modify or approve which services the operator is required to provide, to whom the operator is required to provide the services, and the prices or rates that can be charged for the services; and (3) the transferor is entitled to significant residual interest in the service utility of the underlying PPP asset at the end of the arrangement. This statement also provides guidance for

NOTE 1 – SUMMARY OF CERTAIN SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

accounting and financial reporting for availability payment arrangements (APAs). As defined in this statement, an APA is an arrangement in which a government compensates an operator for services that may include designing, constructing, financing, maintaining, or operating an underlying nonfinancial asset for a period of time in an exchange or exchange-like transaction. The requirements of this statement are effective for fiscal years beginning after June 15, 2022. The School District is required to implement this standard for the year ending June 30, 2023. The District has not evaluated the effect of GASB 94 on its financial statements.

In May 2020, GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements*. This statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users. This statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. Under this statement, a government generally should recognize a right-to-use subscription asset and corresponding subscription liability. The requirements of this statement are effective for fiscal years beginning after June 15, 2022. The School District is required to implement this standard for the year ending June 30, 2023. The District has not evaluated the effect of GASB 96 on its financial statements.

In June 2020, GASB issued Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans – an Amendment of GASB Statements No. 14 and No. 84, and Supersession of GASB Statement No 32.* The primary objectives of this statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit plans, and employee benefit plans other than pension plans or other postemployment benefit plans as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans. This statement requires that for purposes of determining whether a primary government is financially accountable for a potential component unit, except for a potential component unit that is a defined contribution pension plan, a defined contribution other postemployment benefit plan, or another employee benefit plan (for example, certain Section 457 plans), the absence of a governing board should be treated the same as the appointment of a voting majority of a governing board if the primary government performs the duties that a governing board typically would perform. The requirements of this statement that (1) exempt primary governments that perform the duties that a governing board typically performs from treating the absence of a governing board the same as the appointment of a voting majority of a governing board in determining whether they are financially accountable for defined contribution pension plans, defined contribution other postemployment benefit plans, or other employee benefit plans and (2) limit the applicability of the financial burden criteria, are effective immediately. The requirements of this statement that are related to the accounting and financial reporting for Section 457 plans are effective for fiscal years beginning after June 15, 2021. For purposes of determining whether a primary government is financially accountable for a component unit, the requirements of this statement that provide for all other arrangements, the absence of a governing board be treated the same as the appointment of a voting majority of a governing board if the primary government performs the duties that a governing board typically would perform, are

NOTE 1 – SUMMARY OF CERTAIN SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

effective for reporting periods beginning after June 15, 2021. The District implemented this standard for the year ended June 30, 2022. The implementation did not have a significant impact on the District's financial statements.

In October 2021, GASB issued Statement No. 98, *The Annual Comprehensive Financial Report.* This statement establishes the term annual comprehensive financial report and its acronym ACFR. That new term and acronym replace instances of comprehensive annual financial report and its acronym in generally accepted accounting principles for state and local governments. The requirements of this statement are effective for fiscal years ending after December 15, 2021. The School District implemented this standard for the year ended June 30, 2022. The implementation did not have a significant impact on the District's financial statements.

In April 2022, GASB issued Statement No. 99, *Omnibus 2022.* This statement addresses a variety of topics, including derivative instruments, leases, PPP arrangements, SBITAs, LIBOR, and pledges of future revenues. Many of the requirements are effective immediately. The requirements related to leases, PPPs, and SBITAs are effective for years beginning after June 15, 2022. The requirements related to financial guarantees and derivative instruments are effective for fiscal years beginning after June 15, 2024. The School District is required to implement this standard for the year ending June 30, 2023. The District has not evaluated the effect of GASB 99 on its financial statements.

In June 2022, GASB issued Statement No. 100, *Accounting Changes and Error Corrections.* This statement provides clarification and guidance for accounting and financial reporting related to accounting changes and error corrections (ACEC). GASB 100 also addresses disclosure requirements for ACEC, and how these items should be presented in Required Supplementary Information and Supplementary Information. The requirements of this statement are effective for ACECs made in fiscal years beginning after June 15, 2023. The School District is required to implement this standard for the year ending June 30, 2024. The District has not evaluated the effect of GASB 100 on its financial statements.

In June 2022, GASB issued Statement No. 101, *Compensated Absences.* This statement amends the recognition, measurement, and disclosure requirements for compensated absences. The requirements of this statement are effective for fiscal years beginning after December 15, 2023. The School District is required to implement this standard for the year ending June 30, 2025. The District has not evaluated the effect of GASB 101 on its financial statements.

NOTE 2 - CHANGES IN ACCOUNTING PRINCIPLE:

For the fiscal year ended June 30, 2022, the District implemented GASB Statement No. 87, *Leases*. The New York State Office of the State Comptroller implementation bulletin of the statement provided guidance regarding accounting and financial reporting for leases.

NOTE 3 – EXPLANATION OF CERTAIN DIFFERENCES BETWEEN GOVERNMENTAL FUNDS 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 Statement of Activities, 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 differ from "net position" of governmental activities reported in the Statement of Net Position. This difference primarily results from the additional long-term economic focus of the Statement of Net Position versus the solely current financial resources focus of the governmental fund Balance Sheets.

The costs of building and acquiring capital assets (land, buildings and equipment) financed from the governmental funds are reported as expenditures in the year they are incurred, and the assets do not appear on the Balance Sheet. However, the Statement of Net Position includes those capital assets among the assets of the District as a whole, and their original costs are expensed annually over their useful lives. See *Note 7 – Capital Assets* in these notes to the financial statements for information on the net capital assets.

Long-term liabilities are reported in the Statement of Net Position, but not in the governmental funds, because they are not due and payable in the current period.

Accrued interest on long-term debt is reported in the Statement of Net Position, regardless of when due. In the Governmental Funds, interest is not reported until it is due.

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.

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

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

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

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.

NOTE 3 – EXPLANATION OF CERTAIN DIFFERENCES BETWEEN GOVERNMENTAL FUNDS STATEMENTS AND DISTRICT-WIDE STATEMENTS (CONTINUED):

II. Capital Related Differences:

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

III. Long-Term Debt Transaction Differences:

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

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 liability and differences between the District's contributions and OPEB expense.

NOTE 4 – STEWARTSHIP AND COMPLIANCE:

A. Budgetary Procedures and Budgetary Accounting:

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:

- General Fund

The voters of the District approved the proposed appropriation budget for the General Fund. Appropriations are adopted at the program line item level.

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

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.

NOTE 4 – STEWARTSHIP AND COMPLIANCE (CONTINUED):

Supplemental appropriations occurred during the year and are detailed below:

Adopted Budget	$ 24,798,803
Prior Year's Encumbrances	890,741
Federal Aid	24,001
Revised Budget	$ 25,713,545

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.

Special Revenue Funds have not been included in the comparison because they do not have legally authorized (appropriated) budgets.

B. The Capital Fund has a deficit fund balance at June 30, 2022. This will be alleviated in future years as short term borrowings in the Capital Fund are funded through budgetary appropriations.

The Debt Service Fund has a deficit fund balance at June 30, 2022. This will be alleviated in future years through budgetary appropriations.

The Special Aid Fund has a deficit fund balance at June 30, 2022. This will be alleviated in future years through budgetary appropriations.

C. The District's unreserved undesignated fund balance was not in compliance with the New York State Real Property Tax Law 1318 limit, which restricts it to an amount not greater than 4% of the District's budget for the upcoming year.

NOTE 5 – CASH AND CASH EQUIVALENTS – CUSTODIAL CREDIT, CONCENTRATION OF CREDIT, INTEREST RATE, AND FOREIGN CURRENCY RISKS:

A. Cash:

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.

As of June 30, 2022, -$0- of the District's bank balance of $8,764,346 was exposed to custodial credit risk as follows:

Uncollateralized	$ -
Collateralized with securities held by the pledging financial institution or its trust department or agent, but not in the District's name	$ -

Restricted cash represents cash and cash equivalents where use is limited by legal requirements. These assets represent amounts required by statute to be reserved for various purposes. Restricted cash as of year-end includes $2,223,281 in the General Fund and Debt Service Fund.

NOTE 6 – INVESTMENTS:

U.S. GAAP established a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of fair value hierarchy are described as follows:

Level 1: Inputs to the valuation methodology are unadjusted for identical assets or liabilities in active markets that the District has the ability to access.

Level 2: Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets.
- Quoted prices for identical or similar assets or liabilities in inactive markets.
- Inputs other than quoted prices that are observable for the asset or liability.
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.
- If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest of any input that is significant to the fair value measurement. Valuation techniques used should maximize the use of observable inputs and minimize the use of unobservable inputs.

All of the District's investments are valued based on Level 1 hierarchy.

The following is a description of the valuation methodologies used for investments measured at fair value:

Cash and Cash equivalents: Valued at cost plus accrued interest, which approximates fair market value.

Common stocks and mutual funds: Valued at the net asset value (NAV) of shares held at year end. The NAV is the closing price reported on the open market on which the securities are traded.

The District participates in a multi-municipal cooperative investment pool agreement pursuant to the New York State General Municipal Law Article 5-G, 119-O, where-by it holds a portion of the investments in cooperation with other participants.

Fund	Amount
General:	
Unrestricted	$ 3,270,274
Restricted	$ -

The above amounts represent the costs of the investment pool shares and are considered to approximate market value. The investment pool is exempt from the New York State collateralization requirements due to the nature of its investments.

The District holds an investment in the private purpose trust fund for scholarships. The investment is recorded at market value which was $27,022 at June 30, 2022.

NOTE 6 – INVESTMENTS (CONTINUED):

The District's investment policy is governed by the New York State Statutes. The investments are categorized as either:

A. Insured or registered, or investments held by the District or by the District's agent in the District's name, or

B. Uninsured and unregistered, with the investments held by the financial institution's trust department in the District's name, or

C. Uninsured or unregistered, with investments held by the financial institution or its trust department, but not in the District's name.

Investment	Tri Continental Corporation
Fund	Private Purpose Trust
Carrying Amount (Fair Value)	$27,022
Type of Investment	Common Stock
Category	A

NOTE 7 – CAPITAL ASSETS:

Capital asset balances and activity for the year ended June 30, 2022, were as follows:

	Restated Beginning Balance	Additions	Retirements/ Reclassifications	Ending Balance
Governmental Activities:				
Capital Assets that are Not Depreciated:				
Land	$ 85,000	$ -	$ -	$ 85,000
Construction In Progress	1,019,726	611,484	-	1,631,210
Total Nondepreciable Historical Cost	$ 1,104,726	$ 611,484	$ -	$ 1,716,210
Capital Assets that are Depreciated:				
Buildings & Outdoor Improvements	$ 26,668,445	$ 309,955	$ -	$ 26,978,400
Furniture & Equipment - Restated	2,892,999	101,780	(66,625)	2,928,154
Vehicles	2,069,285	386,072	(161,913)	2,293,444
Total Depreciable Historical Cost	31,630,729	797,807	(228,538)	32,199,998
Less Accumulated Depreciation:				
Buildings & Outdoor Improvements	18,976,222	919,610	-	19,895,832
Furniture & Equipment - Restated	1,636,602	330,833	(66,625)	1,900,810
Vehicles	1,309,670	215,385	(137,718)	1,387,337
Total Accumulated Depreciation	21,922,494	1,465,828	(204,343)	23,183,979
Total Depreciable Historical Cost, Net	$ 9,708,235	$ (668,021)	$ (24,195)	$ 9,016,019
Total	$ 10,812,961	$ (56,537)	$ (24,195)	$ 10,732,229

NOTE 7 – CAPITAL ASSETS (CONTINUED):

Intangible Right-To-Use Assets:	Restated Beginning Balance	Additions	Retirements	Ending Balance
Leased Equipment - Restated	$ 713,989	$ 1,212	$ -	$ 715,201
Less Accumulated Amortization - Restated	(419,584)	(143,609)	-	(563,193)
Intangible Right-To-Use Assets, Net	$ 294,405	$ (142,397)	$ -	$ 152,008

Depreciation expense was charged to governmental functions as follows:

General Support	$ 36,720
Instruction	1,231,707
Transportation	197,401
	$ 1,465,828

Amortization expense was charged to governmental functions as follows:

Instruction	$ 143,609

NOTE 8 – INTANGIBLE RIGHT-TO-USE-ASSETS:

In fiscal year 2022, the District implemented the guidance in GASB No. 87, Leases, and recognized the value of printers leased under long-term contracts. As of June 30, 2022, the District had several one time purchase technology equipment, and two lease agreements in place for technology equipment.

During prior fiscal years 2018 - 2021, the District utilized a one time payment agreement for technology equipment, such as server and computers with a useful life of 5 years, in total of $519,900 and accumulated amortization of $306,523. Payment is due in full upon delivery of the technology equipment. The District had restated the opening beginning balance, see Note 16.

During fiscal year 2022, the District utilized a one time payment agreement for a server with a useful life of 5 years for the amount of $1,212. Payment is due in full upon delivery of the technology equipment.

In July 2018, the District entered into a lease agreement for 16 SMART Boards in the amount of $61,694. The right-of-use asset is being amortized over a period of 60 months.

In July 2018, the District entered into a lease agreement for 9 network printers in the amount of $117,500. The right-of-use asset is being amortized over a period of 60 months.

In January 2018, the District entered into a lease agreement for a postage meter in the amount of $14,893. The right-of-use asset is being amortized over a period of 60 months.

NOTE 9 – INTANGIBLE RIGHT-TO-USE LIABILITIES:

In fiscal year 2022, the District implemented the guidance of GASBS No. 87, *Leases*, for accounting and reporting leases that had previously been reported as operating leases.

The District leases a variety of network printers and technology equipment from Dutchess County BOCES.

During fiscal year 2022, the District utilized a one time payment agreement for technology equipment, such as server and switches with a useful life of 5 years, in total of $1,212. Payment is due in full upon delivery of the technology equipment.

In July 2018, the District entered into a lease agreement for 16 SMART Boards in the amount of $61,694. The right-to-use asset is being amortized over a period of 60 months. For purposes of discounting future payments on the 2018 lease, the District used the interest rate (2.81%) on its financing agreements to determine an appropriate discount rate. A minimum monthly payment in the amount of $1,104 is due, plus additional charges for excess usage and excluding applicable taxes.

In July 2018, the District entered into a lease agreement for 9 network printers in the amount of $117,500. The right-to-use asset is being amortized over a period of 60 months. For purposes of discounting future payments on the 2018 lease, the District used the interest rate (2.810%) on its financing agreements to determine an appropriate discount rate. A minimum monthly payment in the amount of $2,103 is due, plus additional charges for excess usage and excluding applicable taxes.

The leased equipment and accumulated amortization of the right-to-use assets are outlined in Note 8.

Minimum lease payments over the next five years include:

	2018 SMART Boards Lease		
	Principal	Interest	Total
2023	$ 13,023	$ 230	$ 13,253
2024	1,102	2	1,104
Totals	$ 14,125	$ 232	$ 14,357

	2018 Network Printers Lease		
	Principal	Interest	Total
2023	$ 24,802	$ 438	$ 25,240
2024	2,099	5	2,104
Totals	$ 26,901	$ 443	$ 27,344

	2018 Network Printers Lease		
	Principal	Interest	Total
2023	$ 495	$ -	$ 495
2024	-	-	-
Totals	$ 495	$ -	$ 495

NOTE 9 – INTANGIBLE RIGHT-TO-USE LIABILITIES (CONTINUED):

	Principal	Total Interest	Total
2023	$ 38,320	$ 668	$ 38,988
2024	3,201	7	3,208
Totals	$ 41,521	$ 675	$ 42,196

NOTE 10 – LONG-TERM DEBT:

In the fund financial statements, governmental funds recognize bond premiums and discounts during the current period. The face amount of the 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 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 backed by the full faith and credit of the local government. The provisions will be in the General Fund's future budgets for capital indebtedness.

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

Interest Paid	$ 70,909
Amortization of Bond Interest	35,751
Accrued Interest, June 30, 2021	(1,742)
Accrued Interest, June 30, 2022	-
	$ 104,918

NOTE 10 – LONG-TERM DEBT (CONTINUED):

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

	Beginning Balance	Issued	Redeemed	Ending Balance	Amounts Due Within One Year
Government Activities:					
Lease Payables	$ 81,029	$ -	$ 39,508	$ 41,521	$ 38,320
General Obligation Debt:					
BANS	$ 4,825,000	$ 4,275,000	$ 4,825,000	$ 4,275,000	$ 4,275,000
Serial Bonds	1,045,000	-	1,045,000	-	-
Total General Obligation Debt	5,870,000	4,275,000	5,870,000	4,275,000	4,275,000
Other Liabilities:					
Teachers Retirement System	727,506	876,986	727,506	876,986	876,986
Employees Retirement System	60,341	43,206	60,341	43,206	43,206
Other Post Employment Benefits	36,753,103	-	6,700,671	30,052,432	-
Compensated Absences	645,466	14,240	-	659,706	-
Total Other Liabilities	38,186,416	934,432	7,488,518	31,632,330	920,192
Total Long-Term Liabilities	$ 44,137,445	$ 5,209,432	$ 13,398,026	$ 35,948,851	$ 5,233,512

The change in compensated absences and other post-employment benefits are shown net since it is impractical to determine these amounts separately. The current portion of other post-employment benefits is an estimate based on the expense for the year ended June 30, 2022.

The following is a summary of bond anticipation notes outstanding at June 30, 2022:

Description	Issue	Final	Interest	Outstanding
BAN, 2022	06-22-22	06-22-23	2.11%	$ 4,825,000

Debt Limit:

At June 30, 2022, the total outstanding indebtedness represented approximately 0% of the District's debt limit.

NOTE 11 – INTERFUND BALANCES AND ACTIVITY:

	Receivable	Payable	Revenues	Expenditures
General Fund	$ 3,027,432	$ 907,196	$ -	$ 1,844,150
Special Aid Fund	287,223	1,779,540	30,000	71,500
Capital Fund	575,536	538,151	229,759	-
Non-Major	151,603	817,157	1,814,150	158,259
Total Government Activities	4,041,794	4,042,044	2,073,909	2,073,909
Fiduciary Fund	3,210	2,960	-	-
Total Government Activities	$ 4,045,004	$ 4,045,004	$ 2,073,909	$ 2,073,909

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

In the normal course of its operations, the District budgets for and transfers monies between funds for these budgeted purposes. From the General Fund, these represent transferring the District's 20% share of the Special Aid Fund's Summer Handicapped Program, transfers to the Capital Fund for voter authorized capital items such as construction and bus purchases, and transfers to the Debt Service Fund for bond payments. From the Special Aid and the Miscellaneous Special Revenue Funds, these represent the District's share of indirect cost chargeable to each applicable project per the approved budget.

Additional loans will occur between funds to mitigate the effects of cash flow, such as in the Special Aid Fund where-in project advances generally do not keep pace with costs and the General Fund has to "loan" cash dollars to run the programs. In the case of the Capital Fund, loans will occur in advance of obtaining the final funding through bond. In the case of the Fiduciary Fund, most if not all, fringe benefits are advanced from the General Fund and result in the need to reflect a due from both the Special Aid Fund and the School Lunch Fund for the applicable payroll.

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

NOTE 12 – PENSION PLANS:

A. General Information:

The District participates in the New York State Employees' Retirement System (NYSERS) and the New York State Teachers' Retirement System (NYSTRS). 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.

B. Plan Descriptions and Benefits Provided:

I. 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

NOTE 12 – PENSION PLANS (CONTINUED):

New York. The System is governed by a 10 member Board of Trustees. System benefits are established under New York State Law. Membership is mandatory and automatic for all full-time teachers, teaching assistants, guidance counselors and administrators employed in New York Public Schools and BOCES who elected to participate in TRS. Once a public employer elects to participate in the System, the election is irrevocable. The New York State Constitution provides that pension membership is a contractual relationship and plan benefits cannot be diminished or impaired. Benefits can be changed for future members only by enactment of a State statute. The System's financial statements are prepared using the accrual basis of accounting. Contributions are recognized when due. Benefit payments are recognized when due and payable. Investments are recognized at fair value. TRS issues a publicly available financial report that contains financial statements and required supplementary information.

Additional information regarding the System, 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.

II. 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 (RSSL). 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. The System maintains records and accounts, and prepares financial statements using the accrual basis of accounting. Contributions are recognized when due. Benefit payments are recognized when due and payable. Investments are recognized at fair value. ERS issues a publicly available financial report that includes financial statements and required supplementary information. That report, including information with regards 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 26, 1976, who contribute 3% of their salary for the first 10 years of membership, and employees who joined on or after January 1, 2010 who generally contribute 3.0 to 3.5% 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

NOTE 12 – PENSION PLANS (CONTINUED):

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 actuarially determined contributions required, and were as follows:

	ERS	TRS
2021-2022	$ 239,386	$ 728,037
2020-2021	$ 228,908	$ 654,616
2019-2020	$ 220,027	$ 801,124

ERS has provided additional disclosures through entities that elected to participate in Chapter 260, 57, and 105.

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

At June 30, 2021, 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, 2022 for ERS and June 30, 2021 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 position 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	4/1/2021	6/30/2020
Net Pension Asset/(Liability)	$ 367,287	$ 7,799,584
District's Portion of the Plan's Total Net Pension Asset/(Liability)	0.004493%	0.045009%

For the year ended June 30, 2022, the District recognized pension expense (credit) of $239,386 for ERS and $434,602 for TRS. At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

NOTE 12 – PENSION PLANS (CONTINUED):

	Deferred Outflows of Resources		Deferred Inflows of Resources	
	ERS	TRS	ERS	TRS
Differences Between Expected and Actual Experience	$ 27,815	$ 1,075,090	$ 36,078	$ 40,522
Changes of Assumptions	612,961	2,565,446	10,343	454,303
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	-	1,202,710	8,163,072
Changes in Proportion and Differences Between the District's Contributions and Proportionate Share of Contributions	69,892	153,160	45,946	74,089
District's Contributions Subsequent to the Measurement Date	43,206	778,884	-	-
Total	$ 753,874	$ 4,572,580	$ 1,295,077	$ 8,731,986

District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ended June 30, 2023. 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:		
2023	$ (85,860)	$ (994,287)
2024	(129,272)	(1,159,765)
2025	(309,314)	(1,459,879)
2026	(59,963)	(1,955,208)
2027	-	375,887
Thereafter	-	254,962
	$ (584,409)	$ (4,938,290)

D. Actuarial Assumptions:

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

NOTE 12 – PENSION PLANS (CONTINUED):

	ERS	TRS
Measurement Date	March 31, 2022	June 30, 2021
Actuarial Valuation Date	April 1, 2021	June 30, 2020
Interest Rate	5.90%	6.95%
Salary Scale	4.40%	5.18%-1.95%
Decrement Tables	April 1, 2015 - March 31, 2020 System's Experience	July 1, 2015 - June 30, 2020 System's Experience
Inflation Rate	2.70%	2.40%

For ERS, annuitant mortality rates are based on April 1, 2015 – March 31, 2020 System's experience with adjustments for mortality improvements based on MP-2020. 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 2019.

For ERS, the actuarial assumptions used in the April 1, 2021 valuation are based on the results of an actuarial experience study for the period April 1, 2015 – March 31, 2020. For TRS, the actuarial assumptions used in the June 30, 2020 valuation are based on the results of an actuarial experience study for the period July 1, 2015 – June 30, 2015.

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

NOTE 12 – PENSION PLANS (CONTINUED):

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

	ERS	ERS	TRS	TRS
Measurement Date	March 31, 2022	March 31, 2022	June 30, 2021	June 30, 2021
	Target Allocation	Long Term Expected Real Rate of Return	Target Allocation	Long Term Expected Real Rate of Return
Asset Type				
Domestic Equity	32%	3.30%	33%	6.80%
International Equity	15%	5.85%	16%	7.60%
Private Equity	10%	6.50%	8%	10.00%
Real Estate	9%	5.00%	11%	6.50%
Alternative Investments	3%	4.10%	4%	7.10%
Total Equities	69%		72%	
Domestic Fixed Income Securities	23%	0.00%	16%	1.30%
Global Fixed Income Securities	0%	0.00%	2%	8.00%
Real Assets	3%	5.58%	0%	0.00%
Bonds and Mortgages	0%	0.00%	7% - 1%	3.3% - 3.8%
Cash and Cash Equivalents	1%	-1.00%	1%	-0.20%
Credit/High-Yield Bonds	4%	3.78%	1%	5.90%
Total Fixed Income	31%		28%	
Total	100%		100%	

E. Discount Rate:

The discount rate used to calculate the total pension 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. Based upon the assumptions, the Systems' fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

F. Sensitivity of the Proportionate Share of the Net Pension Asset to the Discount Rate Assumption:

The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 5.9% 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 (4.9% for ERS and 5.95% for TRS) or 1-percentage point higher (6.9% for ERS and 7.95% for TRS) than the current rate:

NOTE 12 – PENSION PLANS (CONTINUED):

ERS	1% Decrease (4.9%)	Current Assumption (5.9%)	1% Increase (6.9%)
Employer's Proportionate Share of the Net Pension Asset (Liability)	$ (945,392)	$ 367,287	$ 1,465,280

TRS	1% Decrease (5.95%)	Current Assumption (6.95%)	1% Increase (7.95%)
Employer's Proportionate Share of the Net Pension Asset (Liability)	$ 818,453	$ 7,799,584	$ 13,666,718

G. Pension Plan Fiduciary Net Position:

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

	(Dollars in Millions)	
	ERS	TRS
Valuation Date	4/1/2021	6/30/2020
Employer's Total Pension Liability	$ 223,874,888	$ 130,819,415
Plan Net Position	232,049,473	148,148,457
Employer's Net Pension Liability/(Asset)	$ (8,174,585)	$ (17,329,042)
Plan Net Position as a percentage to the Systems' Total Pension Liability/(Asset)	103.65%	113.25%

H. 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, 2022 represent the projected employer contribution for the period of April 1, 2022 through June 30, 2022 based on paid ERS wages multiplied by the employer's contribution rate, by tier. Accrued retirement contributions as of June 30, 2022, amounted to $43,206.

For TRS, employer and employee contributions for the fiscal year ended June 30, 2022, are paid to the System in September, October and November 2022 through a state aid intercept. Accrued retirement contributions as of June 30, 2022, represent employee and employer contributions for the fiscal year ended June 30, 2022, 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 employer retirement contributions as of June 30, 2022, amounted to $778,884.

NOTE 13 – POST-EMPLOYMENT (HEALTH INSURANCE) BENEFITS:

A. General Information about the OPEB Plan:

Plan Description – The District's defined benefit OPEB plan, provides OPEB for all permanent full-time general and public safety employees of the District. The plan is a single-employer defined benefit OPEB plan administered by the District. Article 11 of the State Compiled Statutes grants the authority to establish and amend the benefit terms and financing requirements to the District Board. No assets are accumulated in a trust that meets the criteria in Paragraph 4 of Statement 75.

Benefits Provided – The District provides healthcare for retirees 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, 2022, the following employees were covered by the benefit terms:

Inactive Employees or Beneficiaries Currently Receiving Benefit Payments	106
Inactive Employees Entitled to but not yet Receiving Benefit Payments	-
Active Employees	133
	239

B. Total OPEB Liability:

The District's total OPEB liability of $30,052,432 was measured as of June 30, 2022, and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and Other Inputs – The total OPEB liability in the June 30, 2022 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.25%
Salary Increases	2.50%, average, including inflation
Discount Rate	3.69%
Healthcare Cost Trend Rates	3.78% - 6.75% for 2021, decreasing 0.25% per year to an ultimate rate of 3.784% for 2075 and later years
Retirees' Share of Benefit-Related Costs	range between 10% - 20%, depending on Union group and retirement date, with spouse paying 50% of family premium less single premium

NOTE 13 – POST-EMPLOYMENT (HEALTH INSURANCE) BENEFITS (CONTINUED):

The discount rate was based on Fidelity General Obligation 20-Year AA Municipal Bond Index.

Mortality rates were based on the Pub-2010 Public Retirement Plans Mortality Tables, as appropriate, with adjustments for mortality improvements based on Scale MP-2021.

The actuarial assumptions used in the June 30, 2022 valuation were based on the results of an actuarial experience study for the period July 1, 2021 through June 30, 2022.

C. Changes in the Total OPEB Liability:

Balance at June 30, 2021	$ 36,753,103
Changes for the year:	
Service Cost	1,597,599
Interest	726,769
Changes of Benefit Terms	-
Differences Between Expected and Actual Experience	-
Changes in Assumptions or Other Inputs	(8,028,735)
Benefit Payments	(996,304)
Net Changes	(6,700,671)
Balance at June 30, 2022	$ 30,052,432

Changes of assumptions and other inputs reflect a change in the discount rate from 1.92 percent in 2021 to 3.69 percent in 2022.

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

	1% Decrease	Discount Rate	1% Increase
Total OPEB Liability	$ 34,930,122	$ 30,052,432	$ 26,123,205

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:

	1% Decrease	Healthcare Cost Trend Rate	1% Increase
Total OPEB Liability	$ 25,253,085	$ 30,052,432	$ 36,229,628

NOTE 13 – POST-EMPLOYMENT (HEALTH INSURANCE) BENEFITS (CONTINUED):

D. OPEB Expenses and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB:

For the year ended June 30, 2022, the District recognized OPEB Expense of $43,692. At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	$ 123,399	$ 9,194,697
Changes of Assumptions or Other Inputs	4,350,504	7,616,515
Contributions Subsequent to the Measurement Period	-	-
Total	$ 4,473,903	$ 16,811,212

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

Fiscal Year Ending June 30,	Amount
2023	$ (2,280,676)
2024	(2,280,676)
2025	(2,371,561)
2026	(2,619,473)
2027	(2,043,998)
Thereafter	(740,925)
	$ (12,337,309)

NOTE 14 – RISK MANAGEMENT:

A. General Information:

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.

B. Risk Financing and Related Insurance:

The District participates in the Dutchess Educational Health Insurance Consortium, a non-risk-retained public entity risk pool for its employee health and accident insurance coverage. The pool is operated for the benefit of 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. The

NOTE 14 – RISK MANAGEMENT (CONTINUED):

pool obtains independent coverage for insured events and the District has essentially transferred all related risk to the pool.

The District incurs costs related to a workers' compensation insurance plan (Plan) sponsored by Dutchess County BOCES. The Plan's objectives are to formulate, develop, and administer a program of insurance to obtain lower costs for that coverage, and to develop a comprehensive loss control program. Districts joining the Plan must remain members for a minimum of five (5) years; a member may withdraw from the plan after that time by providing 180 days written notice. Plan members include 13 districts. Plan members are subject to a supplemental assessment in the event of deficiencies. If the Plan's assets were to be exhausted, the members would be responsible for the Plan's liabilities. The Plan uses a reinsurance agreement to reduce its exposure to large losses on insured events. Reinsurance permits recovery of a portion of losses from the reinsurer, although it does not discharge the liability of the Plan as direct insurer of the risks reinsured. The Plan establishes a liability for both future payments of losses and related claim events, which includes estimates of both future payments of losses and related claim adjustment expenses. However, because actual claims cost depends on complex factors, the process used in computing claims liabilities does not necessarily result in an exact amount. Such claims are based on the ultimate cost of claims (including future claim adjustment expenses) that have been reported but not settled, and claims that have been incurred but not reported. Adjustments to claims liabilities are charged or credited to expense in the periods in which they are made. Financial statements for the Plan are available from the administrator at 5 BOCES Road; Poughkeepsie, New York 12601.

NOTE 15 – CONTINGENT LIABILITIES:

A. Other Items:

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

B. Litigation:

I. There are currently pending tax certiorari proceedings, the results of which could require the payments of future tax returns by the District if existing assessment rolls are modified based on the outcome of the litigation proceedings.

However, the amount of these possible refunds cannot be determined at the present time. The District has established a tax certiorari reserve to cover a portion of the potential refund exposure and the District has legal authority to borrow funds to repay school taxes when needed.

NOTE 16 – ADOPTION OF CHANGE IN ACCOUNTING PRINCPLE AND CORRECTION OF PRIOR PERIOD ERROR:

A. For fiscal year June 30, 2022, the District adopted GASB 87, Leases. The June 30, 2022 opening net position for Entity Wide was increased by $88,477.

B. For fiscal year June 30, 2022, the District corrected an overstatement of TRS expenditures in the General Fund by $25,000, and an overstatement of debt interest of $2,516.

C. For fiscal year June 30, 2022, the District correct the overstatement of interest, dividends and unrealized gains in the of $488.

	Cost	Depreciation / Amortization	Impact to Opening Net Position	Impact on Opening General Fund Balance	Impact on Opening Private Purpose Trust Fund Balance
Right Of Use Asset - One Time Purchase of Technology Equipment	519,900	(306,523)	213,377	-	-
Right Of Use Asset - Leased Equipment	194,089	(113,061)	81,028	-	-
Fixed Assets - One Time Purchase of Technology Equipment	(244,214)	119,520	(124,694)	-	-
			169,711	-	-
	Payable	Principal			
Lease Payable Liability	(194,087)	112,853	(81,234)	-	-
Overstatement of TRS expenses			25,000	25,000	-
Overstated BAN interest expense			2,516	2,516	-
Overstatement of Interest, dividends and unrealized gains			-	-	488
			115,993	27,516	488

REQUIRED SUPPLEMENTARY INFORMATION

WEBUTUCK (NORTHEAST) CENTRAL SCHOOL DISTRICT
REQUIRED SUPPLEMENTAL INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET (NON-GAAP) BASIS AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2022

	Original Budget	Final Budget	Actual (Budgetary Basis)	Final Budget Variance With Budgetary Actual
REVENUES				
Local Sources:				
Real Property Taxes	$ 16,216,729	$ 16,216,729	$ 15,704,779	$ (511,950)
Other Tax Items	32,000	32,000	562,389	530,389
Use of Money and Property	30,000	30,000	388,418	358,418
Sale of Property and Compensation for Loss	-	-	7,024	7,024
Miscellaneous	50,000	50,000	127,238	77,238
Interfund Revenues	-	-	26,619	26,619
Total Local Sources	16,328,729	16,328,729	16,816,467	487,738
State Sources	6,530,074	6,530,074	6,314,239	(215,835)
Federal Sources	40,000	64,001	240,635	176,633
Retirement System Credits	-	-	-	-
Total Revenues	22,898,803	22,922,804	23,371,341	448,536
OTHER FINANCING SOURCES				
Transfers from Other Funds	-	-	-	-
Appropriated Reserves	-	-	-	-
Designated Fund Balance and Encumbrances Carried Forward From Prior Year	1,900,000	2,790,741	-	(2,790,741)
Total Revenues and Other Financing Sources	$ 24,798,803	$ 25,713,545	$ 23,371,341	$ (2,342,205)

See accompanying notes to the financial statements.

WEBUTUCK (NORTHEAST) CENTRAL SCHOOL DISTRICT
REQUIRED SUPPLEMENTAL INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET (NON-GAAP) BASIS AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2022

	Original Budget	Final Budget	Actual (Budgetary Basis)	Year-End Encumbrances	Final Budget Variance With Budgetary Actual and Encumbrances
EXPENDITURES					
General Support:					
Board of Education	$ 25,526	$ 26,126	$ 23,253	$ -	$ 2,873
Central Administration	254,770	254,770	252,042	-	2,728
Finance	425,762	432,351	427,780	83	4,488
Staff	74,035	74,035	45,724	-	28,311
Central Services	1,534,932	2,233,515	1,565,983	185,312	482,220
Special Items	511,149	663,525	451,765	-	211,760
Total General Support	2,826,174	3,684,322	2,766,548	185,395	732,380
Instruction:					
Instruction, Administration and Improvement	656,900	725,883	641,340	12,165	72,378
Teaching - Regular School	5,541,925	5,651,110	4,758,325	-	892,784
Programs for Students with Disabilities	2,989,728	2,979,284	2,894,122	-	85,163
Occupational Education	168,000	217,000	213,050	-	3,950
Teaching - Special School	6,150	6,150	550	-	5,600
Instructional Media	759,643	977,907	774,773	5,233	197,901
Pupil Services	1,110,840	1,097,638	783,016	22,730	291,892
Total Instruction	11,233,187	11,654,971	10,065,175	40,128	1,549,668
Pupil Transportation	1,507,848	1,720,819	1,431,261	14,998	274,560
Community Services	-	-	-	-	-
Employee Benefits	7,386,694	6,769,680	5,675,128	18,524	1,076,028
Debt Service:					
Principal	135,000	39,713	39,713	-	-
Interest	5,500	1,759	1,759	-	-
Total Debt Service	140,500	41,472	41,472	-	-
Total Expenditures	23,094,403	23,871,264	19,979,584	259,045	3,632,635
OTHER USES					
Operating Transfers Out	1,704,400	1,844,900	1,844,150	-	750
Total Expenditures and Other Uses	$ 24,798,803	$ 25,716,164	21,823,734	$ 259,045	$ 3,633,385
Net Change in Fund Balances			1,547,607		
Fund Balance - Beginning			9,395,518		
Prior Period Adjustment - See Note 16			27,516		
Fund Balance - Ending			$ 10,970,641		

See accompanying notes to the financial statements.

WEBUTUCK (NORTHEAST) CENTRAL SCHOOL DISTRICT
REQUIRED SUPPLEMENTAL INFORMATION
SCHEDULE OF FUNDING PROGRESS FOR OTHER POST-EMPLOYMENT BENEFITS
FOR THE YEAR ENDED JUNE 30, 2022

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Total OPEB Liability										
Service Cost	$ 1,597,599	$ 1,508,157	$ 1,216,370	$ 1,115,242	$ 1,348,582	$ -	$ -	$ -	$ -	$ -
Interest	726,769	916,613	1,323,285	1,444,350	1,383,036	-	-	-	-	-
Changes of Benefit Terms	-	(125,968)	-	2,365	(82,046)	-	-	-	-	-
Difference Between Expected and Actual Experience	-	(8,293,655)	(6,832,504)	369,219	-	-	-	-	-	-
Changes of Assumption or Other Inputs	(8,028,735)	(969,902)	8,432,167	395,418	(397,264)	-	-	-	-	-
Benefit Payments	(996,304)	(960,786)	(1,043,554)	(1,048,176)	(897,203)	-	-	-	-	-
Net Change in Total OPEB Liability	(6,700,671)	(7,925,541)	3,095,764	2,278,418	1,355,105	-	-	-	-	-
Total OPEB Liability - Beginning	36,753,103	44,678,644	41,582,880	39,304,462	37,949,357	-	-	-	-	-
Total OPEB Liability - Ending	$ 30,052,432	$ 36,753,103	$ 44,678,644	$ 41,582,880	$ 39,304,462	$ -	$ -	$ -	$ -	$ -
Covered-Employee Payroll	10,193,270	9,596,581	9,474,162	9,773,466	9,640,901	-	-	-	-	-
Total OPEB Liability as a Percentage of Covered-Employee Payroll	294.83%	382.98%	471.58%	425.47%	407.68%	-	-	-	-	-

Notes to Schedule:

Changes of Assumptions:

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

2022	3.69%
2021	1.92%
2020	2.45%
2019	3.13%
2018	3.62%

As of the June 30, 2022 measurement date, the mortality assumption improvement scale was revised from Scale MP-2020 to Scale-2021 on a generational basis in order to reflect the most recent experience available. The revised assumption resulted in a decrease in liabilities.

As of the June 30, 2022 measurement date, the annual rate of increase in healthcare costs was revised to better reflect future expectations, including updating long-term rates based on the SOA Long Term Healthcare Cost Trends Model v2022_f4 (the Getzen model). A review of published National trend survey data in relation to the retiree health plan offerings was the basis for this change. The revised assumption resulted in a decrease in liabilities.

As of the June 30, 2022 measurement date, rates of turnover and retirement for employees participating in the NYS Teacher's Retirement (TRS) were updated based on the July 1, 2015 to June 30, 2020 experience study released by the Office of the Actuary and published in their October 2021 Report on the 2021 Recommended Actuarial Assumptions. The revised assumptions resulted in a decrease in liabilities.

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.

In accordance with New York State Law, the District's Defined Benefit OPEB Plan is not administered through a trust that meets the criteria in Paragraph 4 of GASB Statement No. 75. Accordingly, the District does not have net assets accumulated in a trust that meets the criteria in Paragraph 4 of GASB Statement No. 75 to pay OPEB benefits. The District currently contributes enough money to the plan to satisfy current obligations on a pay-as-you-go basis.

See accompanying notes to the financial statements.

WEBUTUCK (NORTHEAST) CENTRAL SCHOOL DISTRICT

REQUIRED SUPPLEMENTAL INFORMATION

SCHEDULE OF THE LOCAL GOVERNMENT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
FOR THE NEW YORK STATE EMPLOYEES' RETIREMENT SYSTEM AND
FOR THE NEW YORK STATE TEACHERS' RETIREMENT SYSTEM
FOR THE YEAR ENDED JUNE 30, 2022

LAST 10 FISCAL YEARS*

FOR THE NEW YORK STATE EMPLOYEES' RETIREMENT SYSTEM

Measurement Year	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
The District's Proportion of the Net Pension Liability (Asset)	0.004493%	0.004584%	0.005021%	0.005181%	0.005683%	0.005080%	0.005496%	0.005711%	-	-
The District's Proportionate Share of the Net Pension Liability (Asset)	$ (367,287)	$ 4,564	$ 1,329,628	$ 367,105	$ 183,428	$ 477,311	$ 882,129	$ 192,936	-	-
The District's Covered Employee Payroll	$ 1,685,681	$ 1,538,105	$ 1,657,224	$ 1,640,345	$ 1,646,726	$ 1,123,759	$ 1,534,599	$ 1,615,744	-	-
The District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Employee Payroll	-21.79%	0.30%	80.23%	22.38%	11.14%	42.47%	57.48%	11.94%	-	-
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	103.65%	99.95%	86.39%	96.27%	98.24%	94.70%	90.68%	97.95%	-	-

* The amounts presented for each fiscal year were determined as of 3/31

FOR THE NEW YORK STATE TEACHERS' RETIREMENT SYSTEM

Measurement Year	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
The District's Proportion of the Net Pension Liability (Asset)	0.045009%	0.043530%	0.045194%	0.045490%	0.047821%	0.047351%	0.045936%	0.045688%	-	-
The District's Proportionate Share of the Net Pension Liability (Asset)	$ (7,799,584)	$ 1,202,855	$ (1,174,131)	$ (822,581)	$ (363,483)	$ 507,153	$(4,771,335)	$ (5,089,340)	-	-
The District's Covered Employee Payroll	$ 8,089,981	$ 7,639,427	$ 7,467,132	$ 7,738,834	$ 7,612,201	$ 7,370,403	$ 6,991,526	$ 6,815,061	-	-
The District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Employee Payroll	-96.41%	15.75%	-15.72%	-10.63%	-4.78%	6.88%	-68.24%	-74.68%	-	-
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	113.25%	97.80%	102.20%	101.53%	100.66%	99.01%	110.46%	111.48%	-	-

* The amounts presented for each fiscal year were determined as of 6/30

WEBUTUCK (NORTHEAST) CENTRAL SCHOOL DISTRICT

REQUIRED SUPPLEMENTAL INFORMATION

SCHEDULE OF THE LOCAL GOVERNMENT'S CONTRIBUTIONS
FOR THE NEW YORK STATE EMPLOYEES' RETIREMENT SYSTEM AND
FOR THE NEW YORK STATE TEACHERS' RETIREMENT SYSTEM
FOR THE YEAR ENDED JUNE 30, 2022

LAST 10 FISCAL YEARS

FOR THE NEW YORK STATE EMPLOYEES' RETIREMENT SYSTEM

Measurement Year	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Contractually Required Contribution	$ 239,386	$ 228,908	$ 220,027	$ 232,669	$ 230,710	$ 225,772	$ 224,059	$ 303,655	-	-
Contributions in Relation to the Contractually Required Contribution	$ 239,386	$ 228,908	$ 220,027	$ 232,669	$ 230,710	$ 225,772	$ 224,059	$ 303,655	-	-
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	-	-
The District's Covered Employee Payroll	$ 1,685,681	$ 1,538,105	$ 1,657,224	$ 1,640,345	$ 1,646,276	$1,123,759	$1,534,599	$ 1,615,744	-	-
Contributions as a Percentage of a Covered Employee Payroll	14.20%	14.88%	13.28%	14.18%	14.01%	20.09%	14.60%	18.79%	-	-

FOR THE NEW YORK STATE TEACHERS' RETIREMENT SYSTEM

Measurement Year	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Contractually Required Contribution	$ 728,037	$ 654,616	$ 801,124	$ 822,581	$ 888,139	$ 968,881	$1,209,619	$ 1,096,681	-	-
Contributions in Relation to the Contractually Required Contribution	$ 728,037	$ 654,616	$ 801,124	$ 822,581	$ 888,139	$ 968,881	$1,209,619	$ 1,096,681	-	-
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	-	-
The District's Covered Employee Payroll	$ 8,089,981	$ 7,639,427	$ 7,467,132	$ 7,738,834	$ 7,612,201	$7,370,403	$6,991,526	$ 6,815,061	-	-
Contributions as a Percentage of a Covered Employee Payroll	9.00%	8.57%	10.73%	10.63%	11.67%	13.15%	17.30%	16.09%	-	-

SUPPLEMENTARY INFORMATION

WEBUTUCK (NORTHEAST) CENTRAL SCHOOL DISTRICT
SUPPLEMENTAL INFORMATION
SCHEDULE OF COMBINED BALANCE SHEET - NON-MAJOR GOVERNMENTAL FUNDS
JUNE 30, 2022

	Debt Service	School Lunch	Miscellaneous Special Revenue	Total Non-Major
ASSETS				
Cash:				
Unrestricted	$ -	$ 265,926	$ 21,981	$ 287,907
Restricted	247,338	-	-	247,338
Receivables:				
Due from Other Funds	92,523	59,080	-	151,603
State and Federal Aid	-	189,968	-	189,968
Due from Other Governments	-	151	-	151
Other Receivables	-	35	-	35
Inventories	-	21,034	-	21,034
Total Assets	$ 339,861	$ 536,194	$ 21,981	$ 898,036
LIABILITIES				
Payables:				
Accrued Liabilities	$ -	$ -	$ 30,930	$ 30,930
Due to Other Funds	353,949	463,208	-	817,157
Total Liabilities	353,949	463,208	30,930	848,087
DEFERRED INFLOWS OF RESOURCES				
Deferred Revenues	-	19,189	-	19,189
Total Deferred Inflows of Resources	-	19,189	-	19,189
FUND BALANCES				
Non Spendable	-	21,034	-	21,034
Reserved	-	-	-	-
Assigned	-	32,763	-	32,763
Unassigned	(14,088)	-	(8,949)	(23,037)
Total Fund Balances	(14,088)	53,797	(8,949)	30,760
Total Liabilities and Fund Balances	$ 339,861	$ 536,194	$ 21,981	$ 898,036

WEBUTUCK (NORTHEAST) CENTRAL SCHOOL DISTRICT
SUPPLEMENTAL INFORMATION
SCHEDULE OF COMBINED REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - NON-MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

	Debt Service	School Lunch	Miscellaneous Special Revenue	Total Non-Major
REVENUES				
Use of Money and Property	$ 147	$ -	$ -	$ 147
Miscellaneous	-	-	3,875	3,875
State Sources	-	8,496	-	8,496
Federal Sources	-	389,899	-	389,899
Surplus Food	-	22,654	-	22,654
Sales - School Lunch	-	12,442	-	12,442
Total Revenues	147	433,491	3,875	437,513
EXPENDITURES				
Instruction	-	-	825	825
Debt Service:				-
Principal	1,595,000	-	-	1,595,000
Interest	69,150	-	-	69,150
Cost of Sales	-	323,091	-	323,091
Total Expenditures	1,664,150	323,091	825	1,988,066
Excess (Deficiency) of Revenues Over Expenditures	(1,664,003)	110,400	3,050	(1,550,553)
OTHER FINANCING SOURCES AND USES				
Operating Transfers In	1,664,150	150,000	-	1,814,150
Operating Transfers (Out)	-	-	(158,259)	(158,259)
Total Other Sources (Uses)	1,664,150	150,000	(158,259)	1,655,891
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	147	260,400	(155,209)	105,338
Fund Balances - Beginning of Year	(14,235)	(206,603)	146,260	(74,578)
Fund Balances - End of Year	$ (14,088)	$ 53,797	$ (8,949)	$ 30,760

OTHER INFORMATION

WEBUTUCK (NORTHEAST) CENTRAL SCHOOL DISTRICT
SUPPLEMENTAL INFORMATION
SCHEDULE OF CHANGE FROM ADOPTED BUDGET TO FINAL BUDGET AND SECTION 1318 REAL PROPERTY TAX LAW LIMIT CALCULATION - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2022

CHANGE FROM ADOPTED BUDGET TO FINAL BUDGET

Adopted Budget	$ 24,798,803
Add: Prior Year's Encumbrances	890,741
Original Budget	25,689,544
Budget Revisions	
Federal Aid - CARES Act ESSER	-
Federal Aid - CARES Act GEER	-
Budget Revisions	24,001
Final Budget	$ 25,713,545

SECTION 1318 REAL PROPERTY TAX LAW LIMIT CALCULATION

2022-2023 Voter Approved Expenditure Budget	$ 25,039,114
Maximum Allowed (4% of 2022-2023 Budget)	$ 1,001,565
General Fund Balance Subject to Section 1318 of Real Property Tax Law	
Unrestricted Fund Balance:	
Commited Fund Balance	$ -
Assigned Fund Balance	2,436,408
Unassigned Fund Balance	6,386,308
Total Unrestricted Fund Balance	8,822,716
Less:	
Appropriated Fund Balance 22-23 Budget	1,900,000
Insurance Recovery Reserve	277,363
Encumbrances Included in Committed and Assigned Fund Balance	259,045
Total Adjustments	2,436,408
General Fund Balance Subject to Section 1318 of Real Property Tax Law	$ 6,386,308
Actual Percentage	25.51%

WEBUTUCK (NORTHEAST) CENTRAL SCHOOL DISTRICT
SUPPLEMENTAL INFORMATION
SCHEDULE OF PROJECT EXPENDITURES - CAPITAL PROJECTS FUND
FOR THE YEAR ENDED JUNE 30, 2022

Supplemental Schedule #8

			Expenditures				Methods of Financing				
PROJECT TITLE	Original Budget	Revised Budget	Prior Years	Current Year	Total	Unexpended Balance	Proceeds of Obligation	State Aid	Local Sources	Total	Fund Balance June 30, 2022
Major Capital Projects:											
Auditorium Flood	$ -	$ 358,050	$ -	$ 358,050	$ 358,050	$ -	$ -	$ -	$ 250,000	$ 250,000	$ 574,576
School Based Health Clinic	223,231	268,061	-	253,434	253,434	14,627	-	-	229,759	229,759	23,675
	223,231	626,111	-	611,484	611,484	14,627	-	-	479,759	479,759	598,251
Non-Major Capital Projects:											
	-	-	-	-	-	-	-	-	-	-	-
Totals	$ 223,231	$ 626,111	$ -	$ 611,484	$ 611,484	$ 14,627	$ -	$ -	$ 479,759	$ 479,759	$ 598,251

WEBUTUCK (NORTHEAST) CENTRAL SCHOOL DISTRICT
SUPPLEMENTAL INFORMATION
SCHEDULE OF INVESTMENT IN CAPITAL ASSETS, NET OF RELATED DEBT
FOR THE YEAR ENDED JUNE 30, 2022

Capital Assets, Net		$ 10,732,229
Right to Use Assets, Net		152,008
Add:		
Unamortized Refunding Interest Costs	$ -	
Total Additions		-
Deduct:		
Bond Anticipation Note - Buses	-	
Bond Anticipation Note - Reconstruction	4,275,000	
Short-Term Portion of Bonds Payable	-	
Short-Term Portion of Leases Payable	38,320	
Long-Term Portion of Bonds Payable	-	
Long-Term Portion of Leases Payable	3,201	
Short-Term Portion of Installment Purchase	-	
Long-Term Portion of Installment Purchase	-	
Total Deductions		4,316,521
Investment in Capital Assets, Net of Related Debt		$ 6,567,716

RBT

LIMITED LIABILITY PARTNERSHIP
CERTIFIED PUBLIC ACCOUNTANTS BUSINESS DEVELOPMENT CONSULTANTS

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

To the Board of Education
Webutuck (Northeast) Central School District
194 Haight Road
Amenia, New York 12501

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 Webutuck (Northeast) Central School District (the "District"), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated October 18, 2022.

Internal Control Over Financial Reporting:

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the 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 may exist that have not been identified.

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Compliance and Other Matters:

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

Purpose of this Report:

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

RBT CPAs, LLP
Hudson, New York
October 18, 2022

EXTRACLASSROOM ACTIVITY FUNDS

RBT
LIMITED LIABILITY PARTNERSHIP
CERTIFIED PUBLIC ACCOUNTANTS BUSINESS DEVELOPMENT CONSULTANTS

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS OF THE EXTRACLASSROOM ACTIVITY FUNDS

To the Board of Education
Webutuck (Northeast) Central School District
194 Haight Road
Amenia, New York 12501

Opinion

We have audited the accompanying cash basis financial statements of the Extraclassroom Activity Funds (the "Funds"), a component unit of the Webutuck Central School District (the "District"), State of New York, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Funds' basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the cash basis financial position of the Funds as of June 30, 2022, and the changes in the cash basis financial position for the year then ended in accordance with the cash basis of accounting, described in Note 1.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Funds, 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 opinion.

Emphasis of Matter – Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared by the Funds on the cash basis of accounting, as prescribed by the New York State Education Department, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

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Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the cash basis of accounting as described in Note 1, and for determining that the cash basis of accounting is an acceptable basis for the presentation of the financial statements in the circumstances. Management is also responsible 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 Funds' ability to continue as a going concern for twelve months beyond the report date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 Funds' 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.

RBT CPAs, LLP

Hudson, New York
October 18, 2022

WEBUTUCK (NORTHEAST) CENTRAL SCHOOL DISTRICT

EXTRACLASSROOM ACTIVITY FUNDS
STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCE - CASH BASIS

JUNE 30, 2022

ASSETS

Cash	$ 41,744

LIABILITIES AND FUND BALANCE

Fund Balance, Unencumbered	$ 41,744

See accompanying notes to the financial statements.

WEBUTUCK (NORTHEAST) CENTRAL SCHOOL DISTRICT

EXTRACLASSROOM ACTIVITY FUNDS
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS

FOR THE YEAR ENDED JUNE 30, 2022

	Cash Balance June 30, 2021	Receipts	Disbursements	Cash Balance June 30, 2022
Cheerleading	$ 180	-	$ -	$ 180
Class of 2013	1	-	-	1
Class of 2014	-	-	-	-
Class of 2016	(17)	2	-	(15)
Class of 2017	-	-	-	-
Class of 2018	-	-	-	-
Class of 2019	-	-	-	-
Class of 2020	2,494	-	2,494	-
Class of 2021	41	-	41	-
Class of 2022	2,766	19,267	22,033	-
Class of 2023	4,289	15,085	8,753	10,621
Class of 2024	10,353	1,195	-	11,548
Class of 2025	-	2,236	1,432	804
Class of 2026	167	283	-	450
Class of 2027	-	323	-	323
Drama	6,714	7	-	6,721
Eugene Brooks MS Yearbook	-	-	-	-
French - American Club	1	-	-	1
Future Farmers of America	1,835	2	-	1,837
German Club	-	-	-	-
Yearbook - High School	48	-	-	48
Interest Earned on Bank Account	-	-	-	-
National Honor Society - High School	334	2,257	1,252	1,339
National Honor Society - Junior High	1,315	570	206	1,679
Sales Tax Holding Account	1,112	2,060	1,236	1,936
Spanish Club	142	-	-	142
Student Council - High School	680	1	80	601
T.E.A.M.	346	-	-	346
Technology	342	-	-	342
Webutuck Athletic Club	2,668	3	-	2,671
Webutuck Elementary Band	21	-	-	21
Webutuck Elementary Yearbook	64	-	-	64
Webutuck Indoor Track	79	-	-	79
Webutuck Rising Stars	5	-	-	5
	$ 35,980	$ 43,291	$ 37,527	$ 41,744

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The transactions of the Extraclassroom Activity Funds are considered part of the reporting entity of the Webutuck Central School District, New York (the "District"). These funds are reflected in the financial statements of the District within the Custodial Fund.

Basis of Accounting

The financial statements were prepared on the cash basis of accounting as prescribed by the New York State Department of Education, which is a comprehensive basis of accounting other than generally accepted accounting principles. Under this basis of accounting, revenues are recognized when cash is received, and expenditures are recognized when cash is disbursed.

Cash and Equivalents, Investments and Risk Disclosures

Cash and Equivalents - Cash and equivalents consist of funds deposited in demand deposit accounts, time deposit accounts and short-term investments with original maturities of less than three months from the date of acquisition.

The Extraclassroom Activity Funds investment and deposit policies follow the District's policies, which are described herein. The District's investment and deposit polices are governed by State statutes. The District has adopted its own written investment policy which provides for the deposit of funds in FDIC insured commercial banks or trust companies located within the State. The District is authorized to use demand deposit accounts, time deposit accounts and certificates of deposit.

Collateral is required for demand deposit accounts, time deposit accounts and certificates of deposit at 100% of all deposits not covered by Federal deposit insurance. The District has entered into custodial agreements with the various banks which hold their deposits. These agreements authorize the obligations that may be pledged as collateral. Such obligations include, among other instruments, obligations of the United States and its agencies and obligations of the State and its municipal and school district subdivisions.

Risk Disclosures

Interest Rate Risk – Interest rate risk is the risk that the government will incur losses in fair value caused by changing interest rates. The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from changing interest rates. Generally, the District does not invest in any long-term obligations.

Custodial Credit Risk – Custodial credit risk is the risk that, in the event of a bank failure, the District's deposits may not be returned to it. GASB Statement No. 40, "Deposit and Investment Risk Disclosures-an amendment of GASB Statement No. 3", directs those deposits be disclosed as exposed to custodial credit risk if they are not covered by depository insurance and the deposits are either uncollateralized, collateralized by securities held by the pledging financial institution or collateralized by securities held by the pledging financial institutions trust department but not in the District's name. The District's aggregate bank balances that were not covered by depository insurance were not exposed to custodial credit risk on June 30, 2022.

Credit Risk – Credit Risk is the risk that an issuer or other counterparty will not fulfill its specific obligation even without the District's compete failure. The District does not have a formal credit risk policy other than restrictions to obligations allowable under General Municipal Law of the State of New York.

Concentration of Credit Risk – Concentration of credit risk relates to the magnitude of a government's investments in a single issuer. The District's investment policy limits the amount on deposit at each of its banking institutions.