PRELIMINARY OFFICIAL STATEMENT

RENEWAL ISSUE | **BOND ANTICIPATION NOTES**

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

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

$26,100,000

NORTH COLONIE CENTRAL SCHOOL DISTRICT

ALBANY COUNTY, NEW YORK

GENERAL OBLIGATIONS

$26,100,000 Bond Anticipation Notes, 2022 (Renewals)

(the "Notes")

Dated: July 14, 2022 | **Due: July 14, 2023**

The Notes will be general obligations of the North Colonie Central School District, Albany County, New York (the "District" or "School 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. See "NATURE OF OBLIGATION" and "TAX LEVY LIMITATION LAW," herein.

The Notes are not subject to redemption prior to maturity.

At the option of the purchaser(s), the Notes will be issued as book entry only registered notes or in registered certificated form 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. A single note certificate will be issued for those Notes of an issue bearing the same rate of interest in the aggregate principal amount awarded to such purchaser(s) at such interest rate.

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

The Notes are offered when, as and if issued and received by the purchaser(s) and subject to the receipt of the approving legal opinion as to the validity of the Notes of Orrick, Herrington & Sutcliffe, LLP, Bond Counsel, New York, New York. It is anticipated that the Notes will be available for delivery through the facilities of DTC located in Jersey City, New Jersey, or as may be agreed upon, with the purchaser(s), on or about July 14, 2022.

ELECTRONIC BIDS for the Notes must be submitted via Fiscal Advisors Auction website ("Fiscal Advisors Auction") accessible via www.FiscalAdvisorsAuction.com on June 30, 2022 until 11:00 A.M., Eastern Time, pursuant to the Notice of Sale. No other form of electronic bidding services will be accepted. No bid will be received after the time for receiving bids specified above. Bids may also be submitted by facsimile at (315) 930-2354. Once the bids are communicated electronically via Fiscal Advisors Auction or facsimile to the District, each bid will constitute an irrevocable offer to purchase the Notes pursuant to the terms provided in the Notice of Sale.

June 24, 2022

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 – MATERIAL EVENT NOTICES" HEREIN.

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NORTH COLONIE CENTRAL SCHOOL DISTRICT
ALBANY COUNTY, NEW YORK

SCHOOL DISTRICT OFFICIALS

2021-2022 BOARD OF EDUCATION

LINDA HARRISON
President

PAULA D'ORAZIO
Vice President

NICOLAS COMPROSKI
MATTHEW CANNON
MICHELLE DISCHIAVO
SAMUEL JOHNSON
PENNIE GRINNELL
MARY NARDOLILLO
SANDY PANGBURN

* * * * * * * *

ADMINISTRATION

D. JOSEPH CORR
Superintendent of Schools

KATHLEEN SKEALS
Deputy Superintendent

SCOTT M. HOOT
Assistant Superintendent for Business

KATHLEEN CAULFIELD
School District Treasurer

FISCAL ADVISORS & MARKETING, INC.
Municipal Advisor

ORRICK, HERRINGTON & SUTCLIFFE LLP
Bond Counsel

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

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PREPARED WITH THE ASSISTANCE OF

Fiscal Advisors & Marketing, Inc.
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Syracuse, New York 13202
(315) 752-0051
http://www.fiscaladvisors.com

OFFICIAL STATEMENT

of the

NORTH COLONIE CENTRAL SCHOOL DISTRICT
ALBANY COUNTY, NEW YORK

Relating To

$26,100,000 Bond Anticipation Notes, 2022 (Renewals)

This Official Statement, which includes the cover page and appendices, has been prepared by the North Colonie Central School District, Albany County, New York (the "School District" or "District", "County", and "State", respectively) in connection with the sale by the District of $26,100,000 principal amount of Bond Anticipation Notes, 2022 (Renewals) (the "Notes").

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

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

This Official Statement should be read with the understanding that the ongoing COVID-19 global pandemic has created prevailing economic conditions (at the global, national, State and local levels) that are highly uncertain, generally negative, and rapidly changing, and these conditions are expected to continue for an indefinite period of time. Accordingly, the District's overall economic situation and outlook (and all of the specific District-related information contained herein) should be carefully reviewed, evaluated and understood in the full light of this unprecedented world-wide event, the effects of which are extremely difficult to predict and quantify. See "STATE AID" and "MARKET AND RISK FACTORS – COVID-19" herein.

NATURE OF OBLIGATION

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

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

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

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

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

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

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

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

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

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

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

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

THE NOTES

Description of the Notes

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

The Notes will be dated July 14, 2022 and will mature July 14, 2023. The Notes are not subject to redemption prior to maturity. Interest will be calculated on a 30-day month and 360-day year basis, payable at maturity.

The Notes will be issued in either (i) registered in the name of the purchaser, in denominations of $5,000 each or multiples thereof, with principal and interest payable in Federal Funds at such bank(s) or trust company(ies) located and authorized to do business in the State as may be selected by such successful bidder(s); or (ii) at the option of the purchaser(s), 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 Status of the State of New York, including the Education Law and the Local Finance Law, pursuant to a bond resolution duly adopted by the Board of Education on March 30, 2017, authorizing a capital project of $106.3 million capital project which includes expansion and renovations at the elementary schools and the conversion of Shaker Junior High School to a 6-8 middle school to accommodate significant growth in enrollment, as well as security updates at all eight school buildings.

The proceeds of the Notes along with $735,000 in available funds to the District will partially redeem and renew $26,835,000 bond anticipation notes maturing July 15, 2022 issued for the aforementioned purpose.

BOOK-ENTRY-ONLY SYSTEM

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

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

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

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

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

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

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

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

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

Source: The Depository Trust Company.

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

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

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

Certificated Notes

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

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

THE SCHOOL DISTRICT

General Information

North Colonie Central School District (the "District") is located in the Town of Colonie (the "Town") and borders on the City of Albany in the Capital Region of New York. The intersection of the New York State Thruway's north-south artery (Interstate 87) and east-west artery (Interstate 90) is located in the District, which affords the residents and businesses within the District excellent access to the Nation's Interstate Highway System. Also located within the District is the Mohawk River, which connects to the Hudson River and the New York State Barge Canal (Erie Canal). Amtrak provides passenger service through its facilities located in nearby Rensselaer, and the Albany International Airport is located just outside of the District.

The District is primarily residential in character, but it has a significant commercial tax base consisting largely of office complexes, hotels, shopping centers and some industrial activity. Furthermore, due to its developed and diverse tax base, District residents and businesses are afforded with one of the lowest property tax rates in the area. There is great support for the District's programs as evidenced by the fact that the District's annual budget has been passed by District voters every year for the last thirty-three years.

Residents of the District have superb access to higher education with several colleges and universities located in the Capital Region, including State University of New York at Albany, Rensselaer Polytechnic Institute, Union College, The College of Saint Rose and Siena College. The Hudson and Mohawk rivers afford excellent recreational activities, as do several nearby golf courses and ski resorts.

The Town provides police protection to District residents and fire protection is provided by local volunteer fire departments. Electric and gas is supplied by National Grid and local telephone service is provided by Verizon.

Ayco, a financial services firm owned by Goldman Sachs, moved its headquarters from Saratoga Springs to a new 150,000 square foot building in the Town of Colonie. It is anticipated that Ayco will retain 626 employees and hire 160 additional employees.

Source: District officials.

Population

The current estimated population of the District is 41,527.

Source: U.S. Census Bureau, 2016-2020 American Community Survey 5-Year Estimates

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 includes the School District, are the Towns and County listed below. The figures set below with respect to such Towns and County is included for information only. It should not be inferred from the inclusion of such data in the Continuing Disclosure Statement that the Towns or the County is necessarily representative of the School District, or vice versa.

	Per Capita Income			Median Family Income		
	2000	2006-2010	2016-2020	2000	2006-2010	2016-2020
Town of: Colonie	$ 25,231	$ 35,075	$ 40,747	$ 62,649	$ 85,418	$ 103,028
County of: Albany	23,345	30,863	38,592	56,724	76,159	95,923
State of: New York	23,389	30,948	40,898	51,691	67,405	87,270

Source: U.S. Census Bureau, 2000 census, 2006-2010 and 2016-2020 American Community Survey data.

Larger Employers

The following are the larger employers located within or in close proximity to the District.

Name	Type	# Employees
United Parcel Service	Delivery Service	785
Town of Colonie	Municipality	651
Siena College	Higher Education	608
Times Union	Newspaper	565
Price Chopper	Retail	402
Pepsi Cola Brothers	Manufacturing	350
Wal-Mart/Sam's Club	Retail	250
Hannaford	Retail	242
NYSUT	Labor Union	200

Source: District officials.

Unemployment Rate Statistics

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

Annual Average

	2014	2015	2016	2017	2018	2019	2020	2021
Albany County	4.9%	4.4%	4.1%	4.2%	3.7%	3.5%	6.9%	4.4%
New York State	6.3%	5.3%	4.9%	4.6%	4.1%	3.8%	9.9%	6.9%

2022 Monthly Figures

	Jan	Feb	Mar	Apr	May	Jun
Albany County	3.3%	3.5%	3.3%	2.7%	N/A	N/A
New York State	5.3%	5.1%	4.7%	4.2%	N/A	N/A

Note: Unemployment rates for May and June of 2022 are unavailable as of the date of this Continuing Disclosure Statement.

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

District Organization

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

The legislative power of the District is vested in the Board of Education (the ''Board''). Under current law, an election is held within the District boundaries on the third Tuesday of May each year to elect members to the Board. They are generally elected for a term of five years.

Financial Organization

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

Budgetary Procedures

Pursuant to the Education Law, the Board of Education annually prepares or causes to be prepared a tentative budget of the School District for the ensuing fiscal year. A public hearing on such budget is held not less than seven 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.

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% (subject to certain adjustments) or the rate of inflation (the "Tax Levy Cap"), then a majority vote is required for approval. If the proposed budget requires a tax levy increase that exceeds the Tax Levy Cap, the budget proposition must include special language and a 60% vote is required for approval. Any separate proposition that would cause the School District to exceed the Tax Levy Cap also must receive at least 60% voter approval.

If the proposed budget is not approved by the required margin, the Board of Education may resubmit the original budget or a revised budget to the voters on the 3rd Tuesday in June, or adopt a contingency budget (which would provide for ordinary contingent expenses, including debt service) but that permits a levy of 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 Votes

The school district budget vote for the 2020-2021 fiscal year was originally scheduled to be held on May 19, 2020, however, annual school budget votes across the State were postponed until June 9, 2020 under an Executive Order from Governor Andrew Cuomo that extended and expanded restrictions aimed at limiting the spread of COVID-19. The qualified voters of the District approved the budget for 2020-21 fiscal year by a vote of 2,946 yes to 999 no. The District's budget for the 2020-21 fiscal year will remain within the Tax Cap imposed by Chapter 97 of the Laws of 2011. The budget calls for a total tax levy increase of 0.474%, which is equal to the District tax levy limit of 0.474%.

The school district budget vote for the 2021-2022 fiscal year was approved by the qualified voters on May 18, 2021 by a vote of 1,221 to 428, The District's budget for the 2021-22 fiscal year will remain within the Tax Cap imposed by Chapter 97 of the Laws of 2011. The budget calls for a total tax levy increase of 1.39%, which is equal to the District tax levy limit of 1.39%.

The school district budget vote for the 2022-2023 fiscal year was approved by the qualified voters on May 17, 2022 by a vote of 2,038 to 676, The District's budget for the 2022-23 fiscal year will remain within the Tax Cap imposed by Chapter 97 of the Laws of 2011. The budget calls for a total tax levy increase of 1.44%, which is less than the District tax levy limit of 3.59%.

Investment Policy

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

The District may also temporarily invest moneys in: (1) obligations of the United States of America; (2) obligations guaranteed by agencies of the United States of America; (3) obligations of the State of New York; (4) with the approval of the New York State Comptroller, in tax anticipation notes or revenue anticipation notes issued by any municipality, district, or district corporation, other than those notes issued by the District; (5) certificates of participation issued in connection with installment purchase contracts entered into by political subdivision of the State pursuant to Section 109-b(10) of the GML; (6) obligations of a New York public benefit corporation which are made lawful investments for municipalities pursuant to the enabling statute of such public benefit corporation; or (7) in the case of moneys held in certain reserve funds established by the District pursuant to law, in obligations of the District.

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

State Aid

The District receives financial assistance from the State. In its adopted budget for the 2022-2023 fiscal year, approximately 27.00% 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 amount of State aid to school districts is dependent in part upon the financial condition of the State. Due the outbreak of COVID-19 the State has declared a state of emergency and the Governor has taken and continues to take steps designed to mitigate the spread and impacts of COVID-19. The outbreak of COVID-19 and the dramatic steps taken by the State to address it have and are expected to continue to negatively impact the State's economy and financial condition. The full impact of COVID-19 upon the State is not expected to be known for some time. It was anticipated that the State would be required to take certain gap-closing actions, including, but are not limited to: reductions in State agency operations and/or delays or reductions in payments to local governments or other recipients of State aid including school districts in the State. However, based on published reports of the State 2021-22 Enacted Budget, it appears that the State will not delay or reduce payments of State aid to school districts, including the School District.

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.

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

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

The 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").

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 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 the event of a mid-year reduction of State aid, deficiency notes may be issued under certain circumstances.

Potential reductions in Federal aid received by the State.

The State receives a substantial amount of Federal aid for education. Many of the policies that drive this Federal aid are subject to change under the current presidential administration and Congress. However, the State's current financial projections concerning Federal aid, and the assumptions on which they are based, are subject to revision as more information becomes available about the proposals for Federal tax policy and legislation, health care, including amendments to the Affordable Care Act, infrastructure, taxation, the Budget Control Act of 2011 (as amended), Federal regulatory reform, and other issues that may arise such as the general condition of the global and national economies and other circumstances, including the diversion of federal resources to address the current COVID-19 outbreak.

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

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.

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.

Aid on debt service is generally paid in the current fiscal year provided such debt service is reported to the Commissioner of Education by November 15 of that year. Any debt service in excess of amounts reported by November 15 will not be aided until the following fiscal year. The building aid received is equal to the approved building expense, or bond percent, times the building aid ratio that is assigned to the District. 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 2021-22 preliminary building aid ratios, the District expects to receive State building aid of approximately 79.9% 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:

Following a State budgetary crisis in 2009, State aid to school districts in the State decreased for a number of years with increases established in more recent years. However, as discussed below the COVID-19 outbreak has affected and is expected to continue to affect State aid to the District.

School district fiscal year (2016-2017): The State 2016-17 Enacted Budget included a school aid increase of $991 million over 2015-16, $863 million of which consisted of traditional operating aid. In addition to full funding of expense based aids ($408 million), the budget also included a $266 million increase in Foundation Aid and an $189 million restoration to the Gap Elimination Adjustment. The bulk of the remaining increase included $100 million in Community Schools Aid, an aid category, to support school districts that wish to create community schools. The funds may only be used for certain purposes such as providing health, mental health and nutritional services to students and their families.

School district fiscal year (2017-2018): The State 2017-18 Enacted Budget increased State aid to education by $1.1 billion, including a $700 million increase in Foundation Aid, bringing the total amount of State aid to education to $25.8 billion or an increase of 4.4%. Expense-based aids to support school construction, pupil transportation, BOCES and special education were continued in full, as is the State's usual practice. Transportation aid increased by 5.5% and building aid increased by 4.8%. The State 2017-18 Enacted Budget continued to link school aid increases for 2017-18 and 2018-19 to teacher and principal evaluation plans approved by September 1 of the current year in compliance with Education Law Section 3012-d. The State 2017-18 Enacted Budget allows the Governor to reduce aid to school districts mid-year if receipts from the federal government are less than what was expected. The Legislature then will have 90 days to approve the Governor's plan.

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 allows 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 percent 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 increases the minimum community schools funding amount from $75,000 to $100,000. This ensures all high-need districts across the State can apply the funds to a wide-range of activities.

School district fiscal year (2020-2021): The State's 2020-2021 Enacted Budget includes a year-to-year funding increase for State aid of $95.0 million or .035% percent. Foundation Aid to school districts is frozen at the same level as the 2019-2020 fiscal year; while other aids, calculated according formulas in current law, are responsible for the increase. The State's 2020-2021 Enacted Budget includes $10 million in new funding for grants to school districts for student mental health services. It should be noted that there was an actual year-to-year decrease of State aid implemented through a reduction of each school district's State aid allocation from the 2019-2020 year. The reduction is being referred to as a "Pandemic Adjustment". However, the decrease in State aid is expected to be fully offset by an allocation received by the State of funds from the recently approved federal stimulus bill. Absent the federal stimulus funds, there would have been a $1.127 billion decrease in State aid from the 2019-2020 year. In addition, the State's 2020-2021 Enacted Budget authorizes 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 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 includes the use of $13 billion of federal funds for emergency relief, along with the Governor's Emergency Education Relief, which includes, in part, the allocation of $629 million to school districts as targeted grants in an effort to address learning loss as a result of the loss of enrichment and after-school activities. In addition, $105 million of federal funds are to be allocated to expand full-day kindergarten programs. Under the budget, school districts are to be reimbursed for the cost of delivering school meals and instructional materials in connection with COVID-19-related school closures in spring 2020, along with the costs of keeping transportation employees and contractors on stand-by during the short-term school closures prior to the announcement of the closure of schools for the remainder of the 2019-20 year. Under the budget, local governments are to receive a full restoration of proposed cuts to Aid and Incentives for Municipalities (AIM) funding, and will receive a 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 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.

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" as described above, and other aid adjustments.

The final phase-in of foundation aid as originally projected has not occurred as of this date. SEE "*School District fiscal year2021-22 and 2022-23" herein*

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 *Campaign for Fiscal Equity* 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 Kathy 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 this much-needed funding to our students. 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 historic *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, the Executive and Legislature agreed to fully fund Foundation Aid by the FY 2024 budget and enshrined 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

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 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.

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 comprised of State aid.

Fiscal Year	Total Revenues	Total State Aid	Percentage of Total Revenues Consisting of State Aid
2016-2017	$105,031,192	$20,684,714	19.69%
2017-2018	106,718,069	20,124,909	18.86%
2018-2019	110,804,102	20,872,630	18.84%
2019-2020	114,020,021	21,833,847	19.15%
2020-2021	114,482,791	21,931,303	19.16%
2021-2022 (Budgeted)	120,847,007	27,971,723	23.15%
2021-2022 (Unaudited)	120,369,527	27,306,209	22.60%
2022-2023 (Budgeted)	134,869,647	36,415,334	27.00%

Source: 2015-2016 through 2020-2021 audited financial statements, 2021-2022 budgeted and unaudited figures and 2022-2023 budgeted figures of the District. This table is not audited.

School Facilities

Name	Capacity	Year(s) Built	Grades
Boght Hills Elementary School	625	1955	K-5
Blue Creek Elementary School	585	1953	K-5
Forts Ferry Elementary School	535	1955	K-5
Latham Ridge Elementary School	545	1966	K-5
Loudonville Elementary School	335	1919	K-5
Maplewood Elementary School (1)	0	1922	-
Southgate Elementary School	490	1955	K-5
Shaker Middle School (3)	1,700	1962	6-8
Shaker Sr. High School	2,200	1957	9-12
Goodrich Elementary School (2)	0	1910	-
	-		

(1) The District temporarily leases out a portion of this facility. Maplewood Elementary School is leased to a private contractor who provides speech, occupational and physical therapy services to children.
(2) The District business offices and the superintendent's office are located in the Goodrich Elementary School.
(3) The Jr. High School has been expanded as part of a current capital project to become a 6-8 middle school.

Source: District officials.

Enrollment Trends

School Year	Actual Enrollment	School Year	Projected Enrollment
2017-18	5,689	2022-23	6,078
2018-19	5,846	2023-24	6,121
2019-20	5,897	2024-25	6,165
2020-21	5,945	2025-26	6,214
2021-22	6,025	2026-27	6,224

Source: District officials.

Employees

The District employs a total of approximately 1,036 full-time employees. Employees are represented by various unions as follows:

Employees Represented	Union Representation	Contract Expiration Date
615	North Colonie Teachers Association	6/30/2022 (1)
250	Civil Service Employees Association	6/30/2022(1)
113	C.S.E.A. District Aides	6/30/2023
33	Administrators Association of North Colonie	6/30/2023
11	Instructional Support Administrators Association of North Colonie	6/30/2022(1)
9	Management Confidential	6/30/2022(1)
5	Individual Contracts	varies

(1) Currently under negotiation.

Source: District officials.

Status and Financing of Employee Pension Benefits

Substantially all employees of the District are members of either the New York State and Local Employees' Retirement System ("ERS") (for non-teaching and non-certified administrative employees) or the New York State Teachers' Retirement System ("TRS") (for teachers and certified administrators). (Both Systems are referred to together hereinafter as the "Retirement Systems" where appropriate.) These Retirement Systems are cost-sharing multiple public employer retirement systems. The obligation of employers and employees to contribute and the benefits to employees are governed by the New York State Retirement and Social Security Law (the "Retirement System Law"). The Retirement Systems offer a wide range of plans and benefits which are related to years of service and final average salary, vesting of retirement benefits, death and disability benefits and optional methods of benefit payments. All benefits generally 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. All members working less than ten years must contribute 3% (ERS) or 3.5% (TRS) of gross annual salary towards the cost of retirement programs.

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

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

On March 16, 2012, the Governor signed into law the new Tier VI pension program, effective for new ERS and TRS employees hired after April 1, 2012. The Tier VI legislation provides for increased employee contribution rates of between 3% and 6% and contributions at such rates continue so long as such employee continues to accumulate pension credits, an increase in the retirement age from 62 years to 63 years, a readjustment of the pension multiplier, and a change in the time period for the final average salary calculation from 3 years to 5 years. 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, budgeted and unaudited figures for the 2021-2022 fiscal year and budgeted figures for the 2022-2023 fiscal years are as follows:

Fiscal Year	ERS	TRS
2016-2017	$ 2,043,461	$ 5,126,004
2017-2018	2,015,193	4,484,633
2018-2019	1,972,576	5,194,171
2019-2020	2,010,228	4,439,688
2020-2021	2,139,242	4,811,716
2021-2022 (Budgeted)	2,766,133	5,491,780
2021-2022 (Unaudited)	2,404,133	5,214,794
2022-2023 (Budgeted)	2,919,490	5,924,138

Source: District records.

The annual required pension contribution is due February 1 annually with the ability to pre-pay on December 15 at a discount. The District pre-pays this cost annually.

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 its employees.

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 (2016-17 to 2022-23) is shown below:

Year	ERS	TRS
2016-17	15.5	11.72
2017-18	15.3	9.80
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*

* Estimated. The TRS Retirement Board is expected to adopt the 2022-23 employer contribution rate at its August 3, 2022 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.

<u>Stable Rate Pension Contribution Option</u>: 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. On June 20, 2019, the District established a TRS reserve fund in the amount of $925,000 and contributed $550,000 to the fund in the fiscal year ending June 30, 2020. For the fiscal year ending June 30, 2021 the district contributed $1,000,000.

Other Post Employee Benefits

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

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

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

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

Korn Ferry, an actuarial firm contracted through Capital Region BOCES, calculated the District's actuarial valuation under GASB 75 for the fiscal year ending June 30, 2021.

The following outlines the changes to the Total OPEB Liability during the fiscal year, by source.

Fiscal Year End June 30:	2020	2021
Balance Beginning of Fiscal Year:	$ 137,388,049	$ 176,109,730
Changes for the year:		
Service cost	$ 6,678,614	$ 9,547,384
Interest	4,998,530	4,069,763
Differences between expected and actual experience	(3,479,392)	(13,708,908)
Changes of benefit terms	(4,238,775)	0
Changes in assumptions	38,108,364	11,321,299
Benefit payments	(3,345,660)	(3,026,395)
Net Changes	38,721,681	8,203,143
Balance End of Fiscal Year:	$ 176,109,730	$ 184,312,873

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

The aforementioned liability is recognized and disclosed in accordance with GASB 75 standards in the District's audited financial statements for the fiscal years ending June 30, 2019 and June 30, 2020.

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.

In April 2015, the State Comptroller announced legislation to create an optional investment pool to help the State and local governments fund retiree health insurance and other post-employment benefits. The proposed legislation would allow the following:

- Authorize the creation of irrevocable OPEB trusts, not part of the New York State Common Retirement Fund, so that New York state and its local governments can, at their option, help fund their OPEB liabilities;
- Establish an OPEB investment fund in the sole custody of the State Comptroller for the investment of OPEB assets of the state and participating eligible local governments;
- Designate the president of the Civil Service Commission as the trustee of the state's OPEB trust and the governing boards as trustee for local governments; and
- Allow school districts to transfer certain excess reserve balances to an OPEB trust once it is established.

Under the State Comptroller's proposal, there are no restrictions on the amount a government can deposit into the trust. The proposed legislation was not enacted into law in past legislative sessions. It is not possible to predict whether the Comptroller's proposed legislation will be reintroduced or enacted if introduced.

Other Information

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

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 Continuing Disclosure 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, 2021 and has been filed with the Electronic Municipal Market Access ("EMMA") website. It is also attached hereto as "APPENDIX-C" to this Continuing Disclosure Statement. Certain financial information of the School District can also be found attached as Appendices to the Continuing Disclosure 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, 2004, the School District issued its financial statements in accordance with GASB Statement No. 34. This statement includes reporting of all assets including infrastructure and depreciation in the Government Wide Statement of Activities, as well as the Management's Discussion and Analysis.

New York State Comptroller Report of Examination

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 an audit report of the District on September 13, 2019. The purpose of the audit was to determine whether the central and student treasurers properly accounted for extra-classroom activity (ECA) fund collections and disbursements for the period July 1, 2017 through February 28, 2019.

Key Finding:

- Student treasurers did not maintain adequate accounting records.
- ECA clubs did not always have adequate supporting documentation for collections, including 23 of 48 deposits totaling $45,518.

Key Recommendations:

- Ensure all ECA collections are supported by appropriate documentation.
- Ensure all ECA clubs maintain adequate accounting records.

On September 9, 2019, the District submitted a response to the State Comptroller’s recommendations. A copy of the complete report and District’s response can be found on the State Comptroller’s official website in the section regarding completed municipal audits.

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, and is not incorporated herein by reference.

The State Comptroller’s Fiscal Stress Monitoring System

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

The fiscal stress scores are based on financial information submitted as part of each school district’s ST-3 report filed with the State Education Department annually, and each municipality’s annual report filed with the State Comptroller. Using financial indicators that include year-end fund balance, cash position and patterns of operating deficits, the system creates an overall fiscal stress score which classifies whether a school district or municipality is in “significant fiscal stress”, in “moderate fiscal stress,” as “susceptible 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 classification of the District for the four most recent available years are as follows:

Fiscal Year Ending In	Stress Designation	Fiscal Score
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, and is not incorporated herein by reference.

TAX INFORMATION

Valuations

Taxable Assessed Valuations

Fiscal Year Ending June 30:	2018	2019	2020	2021	2022
Town of:					
Colonie	$ 3,230,863,506	$ 3,265,028,950	$ 3,307,568,300	$ 3,349,031,218	$ 3,380,169,485
Total Assessed Valuation	$ 3,230,863,506	$ 3,265,028,950	$ 3,307,568,300	$ 3,349,031,218	$ 3,380,169,485
State Equalization Rates					
Town of:					
Colonie	66.50%	64.25%	62.50%	61.00%	59.00%
Taxable Full Valuation					
Town of:					
Colonie	$ 4,858,441,362	$ 5,081,757,121	$ 5,292,109,280	$ 5,490,215,111	$ 5,729,100,822
Total Taxable Full Valuation	$ 4,858,441,362	$ 5,081,757,121	$ 5,292,109,280	$ 5,490,215,111	$ 5,729,100,822

Source: School District officials.

Tax Rates Per $1,000 (Assessed)

Fiscal Year Ending June 30:	2018	2019	2020	2021	2022
Town of:					
Colonie	$ 25.51	$ 26.03	$ 26.54	$ 26.33	$ 26.45

Source: School District officials.

Tax Levy and Tax Collection Record

Fiscal Year Ending June 30:	2018	2019	2020	2021	2022
Total Tax Levy (1)	$ 82,446,594	$ 85,002,438	$ 87,773,961	$ 88,188,070	$ 89,417,572
Amount Uncollected (2)	-	-	-	-	-
% Uncollected (2)	0.00%	0.00%	0.00%	0.00%	0.00%

(1) Includes STAR. See “STAR-School Tax Exemption” herein.
(2) The District is reimbursed by the County for all unpaid taxes. See “Tax Collection Procedure” herein.

Source: School District officials.

Tax Collection Procedure

The District levies its own taxes, but said taxes are collected by the Town of Colonie. The Town retains all penalties collected as their compensation for acting as tax collector. District taxes are collected from September 1 to September 30 with no penalty and from October 1 until October 31 with a 4% penalty. Delinquent taxes are reported unpaid to the County Treasurer on November 15. At this time, delinquent District taxes are the responsibility of the County Treasurer. By April 1 of each fiscal year, all delinquent taxes are paid in full (plus any penalties) to the District by the County Treasurer.

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 comprised of Real Property Taxes.

Fiscal Year	Total Revenues [(1)]	Total Real Property Taxes	Percentage of Total Revenues Consisting of Real Property Tax
2016-2017	$ 105,031,192	$ 74,997,331	71.40%
2017-2018	106,718,069	77,031,901	72.18
2018-2019	110,804,102	79,839,884	72.05
2019-2020	114,020,021	82,993,095	72.79
2020-2021	114,482,791	83,776,125	73.17
2021-2022 (Budgeted)	120,847,067	89,438,564	74.01
2021-2022 (Unaudited)	120,369,527	89,288,761	74.17
2022-2023 (Budgeted)	134,869,647	90,727,887	67.27

(1) General fund only, does not include inter-fund transfers or reserve funds.

Source: 2016-2017 through 2020-2021 audited financial statements, 2021-2022 budgeted and unaudited financial statements and 2022-2023 budgeted figures of the District. This table is not audited. Unaudited figures for 2021-2022 may vary from actual audited figures

Larger Taxpayers 2021 for the 2021-2022 Tax Roll

Name	Type	Taxable Assessed Valuation
Niagara Mohawk Power Corp.	Public Utility	$ 53,318,858
KIR Latham Farms LP	Retail Shopping Center	40,850,000
Healthcare Trust of America Inc	Office Building	23,560,000
NYSUT Building Corp.	Office Building	23,474,000
Corporate Woods 11 Co.	Office Building Complex	22,950,000
Hudson Preserve, LLC	Apartment Complex	19,900,000
CS Albany Realty, LLC	Hotel/Banquet	17,000,000
JMR Development Co., LLC	Office Building	15,574,726
Wolf Pioneer LLC	Private Business	14,700,000
Valley View LLC	Apartment Complex	14,496,700

The larger taxpayers listed above have a total taxable assessed valuation of $245,824,284 which represents7.2% of the tax base of the School District.

The District experiences tax certioraris claims as a part of its normal operations. The District currently does not have any pending or outstanding tax certioraris that are known to have a material impact on the District. As of June 30, 2021, the balance in the District's Tax Certiorari Reserve Fund is anticipated to be $1,131,211 which represents the District's potential liability.

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.

Homeowners over 65 years of age with household adjusted gross incomes, less the taxable amount of total distributions from individual retirement accounts and undisclosed retirement annuities ("STAR Adjusted Gross Income") of $86,300 or less, increased annually according to a Cost-of-Living adjustment, are eligible for an "enhanced" exemption. Other homeowners with household STAR Adjusted Gross Income not in excess of $500,000 are eligible for a "basic" exemption on their primary residence.

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

Town of:	Enhanced Exemption	Basic Exemption	Date Certified
Colonie	$ 44,190	$ 17,700	4/7/2022

$4,276,172 of the District's $88,188,070 school tax levy for the 2020-2021 fiscal year was exempt by the STAR Program. The District received full reimbursement of such exempt taxes from the State in January, 2021.

$4,016,907 of the District's $89,417,573 school tax levy for the 2021-2022 fiscal year was exempt by the STAR Program. The District received full reimbursement of such exempt taxes from the State in January, 2022.

Approximately $4,036,990 of the Districts $90,727,887 school tax levy for the 2022-2023 fiscal year is expected to be exempted by the STAR program. The District anticipates receiving all of such exempt taxes from the State by January, 2023

Additional Tax Information

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

Senior citizens' exemptions are offered to those who apply and qualify.

Total taxable assessed valuation of the School District is approximately: residential-63.56%, commercial-33.22%, industrial-3.19%, agricultural-0.03%.

The estimated total annual school tax bill of a $300,000 market value residential property located in the School District is approximately $4,219.

TAX LEVY LIMITATION LAW

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

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

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

Chapter 97 restricts, among other things, the amount of real property taxes that may be levied by or on behalf of a school district in a particular year. It was set to expire on June 15, 2020; however, recent legislation has made it permanent. Pursuant to the Tax Levy Limitation Law, the tax levy of a school district cannot increase by more than the lesser of (i) two percent (2%) or (ii) the annual increase in the CPI, over the amount of the prior year's tax levy. Certain adjustments are permitted for taxable real property full valuation increases due to changes in physical or quantity growth in the real property base as defined in Section 1220 of the Real Property Tax Law. A school district can exceed the tax levy limitation for the coming fiscal year only if the voters of such school district first approve a tax levy by at least 60% affirmative vote of those voting to override such limitation for such coming fiscal year only. Tax levies that do not exceed the limitation will only require approval by at least 50% of those voting. In the event that the voters reject a tax levy and the district does not go out for a second vote, or if a second vote is likewise defeated, Chapter 97 provides that the tax levy for the new fiscal year may not exceed the tax levy for the prior fiscal year.

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

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

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

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

STATUS OF INDEBTEDNESS

Debt Outstanding End of Fiscal Year

Fiscal Years Ending June 30:	2017	2018	2019	2020	2021
Bonds	$ 14,875,000	$ 12,430,000	$ 9,875,000	$ 7,210,000	$ 4,840,000
Bond Anticipation Notes	0	0	53,000,000	80,000,000	101,210,000
Capital Lease Obligations	286,653	0	0	0	0
Total Debt Outstanding	$ 15,161,653	$ 12,430,000	$ 62,875,000	$ 87,210,000	$106,050,000

Source: Audited financial statements of the District.

Note: The bond amounts shown above do not include advance refunded bonds outstanding where applicable.

Details of Outstanding Indebtedness

The following table sets forth the indebtedness of the School District evidenced by bonds and notes as of June 24, 2022:

Type of Indebtedness	Maturity		Amount
Bonds	2021-2022		$ 76,320,000
Bond Anticipation Notes	July 15, 2022		26,835,000 [1]
		Total Indebtedness	$103,155,000

[1] The proceeds of the Notes along with $735,000 in available funds to the District will partially redeem and renew $26,835,000 bond anticipation notes maturing July 15, 2022

Debt Statement Summary

Summary of Indebtedness, Debt Limit and Net Debt-Contracting Margin as of June 24, 2022:

Full Valuation of Taxable Real Property			$ 5,729,100,822
Debt Limit 10% thereof			572,910,082
Inclusions:			
Bonds	$ 76,320,000		
Bond Anticipation Notes	26,835,000		
Total Inclusions		$ 103,155,000	
Exclusions:			
Building Aid [(1)]	$ 0		
Total Exclusions		$ 0	
Total Net Indebtedness			$ 103,155,000
Net Debt-Contracting Margin			$ 469,755,082
The percent of debt contracting power exhausted is			18.01%

(1) Pursuant to the Provisions of Chapter 760 of the Laws of New York State of 1963, the School District receives aid on existing bonded debt. Since the gross indebtedness of the School District is within the debt limit, the School District is not required to apply for a Building Aid Estimate. Over the years the building aid ratio has been adjusted based on State legislative changes with an effective date tied to voter authorization dates. Based on preliminary 2021-2022 Building Aid Ratios, the School District anticipates State building aid of 62.8% for debt service on SED approved expenditures from July 1, 2004 to the present. The School District has no reason to believe that it will not ultimately receive all of the building aid it anticipates, however, no assurance can be given as to when and how much building aid the School District will receive in relation to its capital project indebtedness

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 School District.

Bonded Debt Service

A schedule of bonded debt service may be found in APPENDIX - B to this Continuing Disclosure Statement.

Capital Project Plans

On May 16, 2017, District voters approved a $106.3 million capital project which includes expansion and renovations at the elementary schools and the conversion of Shaker Junior High School to a 6-8 middle school to accommodate significant growth in enrollment, as well as security updates at all eight school buildings. The District issued $53 million bond anticipation notes in July 2018 as the first borrowing for this authorization. On July 18, 2019, the District renewed $53 million bond anticipation notes in full and issued $27 million in new money for the project. On July 16, 2020, the District issued $101,210,000 bond anticipation notes; the proceeds of the Notes, along with $870,000 of available funds partially redeemed and renewed the $80,000,000 bond anticipation notes that matured July 17, 2020 and provided $22,080,000 new money for the aforementioned purpose. On July 15, 2021 the District issued $73,940,000 serial bonds and $26,835,000 bond anticipation notes. The proceeds of the school district serial bonds and bond anticipation notes issued on July 15, 2021, along with $1,605,000 available funds of the District, partially redeemed, renewed and permanently financed the $101,210,000 bond anticipation notes which matured July 16, 2021 and added $1,170,000 new monies for the above mentioned project. The proceeds of the Notes along with $735,000 in available funds to the District will partially redeem and renew $26,835,000 bond anticipation notes maturing July 15, 2022

The District is in the very preliminary stages of planning another capital project. There is no detailed scope of work but the main focus of the project is expected to be needs at the high school. The amount of this project is expected to be approximately $50 million but the scope and amount are extremely preliminary.

Cash Flow Borrowings

The District has not issued tax or revenue anticipation notes in the last five fiscal years. The District does not currently anticipate issuing either tax anticipation notes or revenue anticipation notes in the foreseeable future.

Estimated Overlapping Indebtedness

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

Municipality	Status of Debt as of	Gross Indebtedness (1)	Exclusions (2)	Net Indebtedness	District Share	Applicable Indebtedness
County of:						
Albany	12/31/2020	$ 341,000,000	$ 40,000,000	$ 301,000,000	19.18%	$ 57,731,800
Town of:						
Colonie	12/31/2020	120,305,240	39,390,194	80,915,046	53.60%	43,370,465
					Total:	$ 101,102,265

(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.
Sources of information: 2019 State
Source: Comptroller's Special Report on Municipal Affairs for Local Finance Years Ended in 2020.

Debt Ratios

The following table sets forth certain ratios relating to the District's indebtedness as of June 24, 2022:

	Amount	Per Capita (a)	Percentage of Full Value (b)
Net Indebtedness (c)	$103,155,000	$ 2,484.05	1.80%
Net Indebtedness Plus Net Overlapping Indebtedness (d)	177,323,435	4,918.66	3.57

(a) The current estimated population of the District is 41,527. (See "THE SCHOOL DISTRICT – Population" herein.)
(b) The School District's full value of taxable real estate for 2021-2022 is $5,729,100,822. See "TAX INFORMATION" herein.
(c) See "Debt Statement Summary" for the calculation of Net Direct Indebtedness, herein.
(d) Estimated net overlapping indebtedness is $101,102,265. (See "Estimated Overlapping Indebtedness" herein.)

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

SPECIAL PROVISIONS AFFECTING REMEDIES UPON DEFAULT

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

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

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

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

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

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

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

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

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

No Past Due Debt. No principal of or interest on District indebtedness is past due. The District has never defaulted in the payment of the principal of and interest on any indebtedness.

MARKET AND RISK FACTORS

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

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

The District 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 District, in any year, the District may be affected by a delay, until sufficient taxes have been received by the State to make State aid payments to the District. In several recent years, the District has received delayed payments of State aid which resulted from the State's delay in adopting its budget and appropriating State aid to municipalities and school districts, and consequent delay in State borrowing to finance such appropriations. (See also "THE SCHOOL DISTRICT - State Aid").

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

Future legislative proposals, if enacted into law, or clarification of the Code or court decisions may cause interest on the Notes to be subject, directly or indirectly, to federal income taxation or to be subject to or exempted from state income taxation, or otherwise prevent the beneficial owners of the Notes from realizing the full current benefit of the tax status of such interest. No assurance can be given that pending or future legislation or amendments to the Code, if enacted into law, or any proposed legislation or amendments to the Code, will not adversely affect the value of the Notes, or the tax status of interest on the Notes. See "TAX MATTERS" herein.

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

COVID 19. An outbreak of disease or similar public health threat, such as the COVID-19 outbreak, or fear of such an event, could have an adverse impact on the District's financial condition and operating results by potentially delaying the receipt of real property taxes or resulting in a delay or reduction by the State in the payment of State aid. Currently, the spread of COVID-19, a respiratory disease caused by a new strain of coronavirus, has spread globally, including to the United States, and has been declared a pandemic by the World Health Organization. The outbreak of the disease has affected travel, commerce and financial markets globally and is widely expected to affect economic growth worldwide. The current outbreak has caused the Federal government to declare a national state of emergency. The State has also declared a state of emergency and the Governor has taken steps designed to mitigate the spread and impacts of COVID-19, including closing schools and non-essential businesses. The outbreak of COVID-19 and the dramatic steps taken by the State to address it are expected to negatively impact the State's economy and financial condition. The full impact of COVID-19 upon the State is not expected to be known for some time. Similarly, the degree of the impact to the District's operations and finances is extremely difficult to predict due to the dynamic nature of the COVID-19 outbreak, including uncertainties relating to its (i) duration, and (ii) severity, as well as with regard to what actions may be taken by governmental and other health care authorities, including the State, to contain or mitigate its impact. The continued spread of the outbreak could have a material adverse effect on the State and municipalities and school districts located in the State, including the District. The District is monitoring the situation and intends to take such proactive measures as may be required to maintain its operations and meet its obligations. (See "THE SCHOOL DISTRICT - State Aid" herein).

TAX MATTERS

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

To the extent the issue price of any maturity of the Bonds is less than the amount to be paid at maturity of such Bonds (excluding amounts stated to be interest and payable at least annually over the term of such Bonds), the difference constitutes "original issue discount," the accrual of which, to the extent properly allocable to each owner thereof, is treated as interest on the Bonds which is excluded from gross income for federal income tax purposes and exempt from State of New York personal income taxes. For this purpose, the issue price of a particular maturity of the Bonds is the first price at which a substantial amount of such maturity of the Bonds is sold to the public (excluding bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers). The original issue discount with respect to any maturity of the Bonds accrues daily over the term to maturity of such Bonds on the basis of a constant interest rate compounded semiannually (with straight-line interpolations between compounding dates). The accruing original issue discount is added to the adjusted basis of such Bonds to determine taxable gain or loss upon disposition (including sale, redemption, or payment on maturity) of such Bonds. Owners of the Bonds should consult their own tax advisors with respect to the tax consequences of ownership of Bonds with original issue discount, including the treatment of owners who do not purchase such Bonds in the original offering to the public at the first price at which a substantial amount of such Bonds is sold to the public.

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

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

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

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

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

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

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

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

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

LEGAL MATTERS

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

LITIGATION

The School District is subject to a number of lawsuits in the ordinary conduct of its affairs. The School District does not believe, however, that such suits, individually or in the aggregate, are likely to have a material adverse effect on the financial condition of the School 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 School District, threatened against or affecting the School District to restrain or enjoin the issuance, sale or delivery of bonds or the levy and collection of taxes or assessments to pay same, or in any way contesting or affecting the validity of the bonds or any proceedings or authority of the School District taken with respect to the authorization, issuance or sale of the bonds or contesting the corporate existence or boundaries of the School District.

CONTINUING DISCLOSURE

In order to assist the purchasers in complying with Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended ("Rule 15c2-12"), the District will enter into an Continuing Disclosure Undertaking with respect to the Bonds and an Undertaking to provide Material Event Notices with respect to the Notes, the forms of which are attached hereto as "APPENDIX – C" and "APPENDIX – D" 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 municipal advisor to the District on matters relating to debt management. The Municipal Advisor is a municipal advisory and consulting organization and is not engaged in the business of underwriting, marketing, or trading municipal securities or any other negotiated instruments. The Municipal Advisor has provided advice as to the plan of financing and the structuring of the Notes and has reviewed and commented on certain legal documents, including this Official Statement. The advice on the plan of financing and the structuring of the Notes was based on materials provided by the District and other sources of information believed to be reliable. The Municipal Advisor has not audited, authenticated, or otherwise verified the information provided by the District or the information set forth in this Official Statement or any other information available to the District with respect to the appropriateness, accuracy, or completeness of disclosure of such information and no guarantee, warranty, or other representation is made by the Municipal Advisor respecting the accuracy and completeness of or any other matter related to such information and this Official Statement.

CUSIP IDENTIFICATION NUMBERS

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

RATING

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

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

MISCELLANEOUS

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

Statements in the Official Statement, and the documents included by specific reference, that are not historical facts are "forward-looking statements", within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, and as defined in the Private Securities Litigation Reform Act of 1995, which involve a number of risks and uncertainties, and which are based on the 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", "believe", "intend", "plan", "foresee", "likely", "estimate", "expect", "objective", "projection", "forecast", "goal", "will", or "should", or similar words or phrases are intended to identify forward-looking statements.

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

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

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

Concurrently with the delivery of the Notes, the District will furnish a certificate to the effect that as of the date of the Official Statement, the Official Statement did not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements herein, in the light of the circumstances under which they were made, not misleading, subject to limitation as to information in the Official Statement obtained from sources other than the District, as to which no representation can be made.

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

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 or hacking in the electronic files on the website. Fiscal Advisors & Marketing, Inc. and the District also assume no liability or responsibility for any errors or omissions or for any updates to dated website information.

The District's contact information is as follows: Mr. Scott Hoot, Assistant Superintendent for Business, 91 Fiddlers Lane, Latham, New York 12110 telephone (518) 785-8591, fax (518) 785-8502, email scotthoot@ncolonie.org.

The District's Bond Counsel contact information is as follows: Thomas E. Myers, Esq., Orrick, Herrington & Sutcliffe LLP, 51 West 52nd Street, 15th Floor, New York, New York 10019-6142, Phone: (212) 506-52112, Fax: (212) 506-5151, Email: tmyers@orrick.com.

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

NORTH COLONIE CENTRAL SCHOOL DISTRICT

Dated: June 24, 2022

LINDA HARRISON
PRESIDENT OF THE BOARD OF EDUCATION AND CHIEF FISCAL OFFICER

GENERAL FUND

Balance Sheets

Fiscal Years Ending June 30:	2017	2018	2019	2020	2021
ASSETS					
Cash - Unrestricted	$ 14,043,444	$ 9,325,003	$ 11,474,728	$ 15,289,832	$ 12,129,212
Cash - Restricted	6,524,108	10,988,573	-	13,687,438	18,383,329
Investments - Unrestricted	-	-	215,700	-	-
Investments - Restricted	-	-	13,063,879	-	-
Accounts Receivable	65,476	78,874	93,083	49,305	87,837
Due from Other Funds	607,581	2,699,617	690,182	1,392,045	2,487,692
Due from State and Federal	480,041	410,983	1,141,432	1,450,272	1,972,647
Due from Other Governments	1,266,411	1,342,642	732,345	487,546	1,257,339
Inventories	-	-			
Prepaid Expenditures	54,851	11,894	10,000	10,000	10,000
TOTAL ASSETS	$ 23,041,912	$ 24,857,586	$ 27,421,349	$ 32,366,438	$ 36,328,056
LIABILITIES AND FUND EQUITY					
Accounts Payable	$ 1,306,234	$ 1,560,506	$ 1,309,661	$ 2,671,302	$ 1,959,786
Accrued Liabilities	220,057	298,551	245,966	198,393	877,744
Due to Other Funds	37,838	31,197	34,794	100,015	8,400
Due to Other Governments	75	97	98	-	-
Due to Teachers' Retirement System	5,490,991	4,823,162	5,487,657	4,759,571	5,225,263
Due to Employees' Retirement System	575,583	579,648	572,986	562,109	681,493
Unearned Revenues	39,139	37,014	6,305	46,330	69,770
Overpayments & Collections in Advance	74,341	64,141	60,373	-	-
TOTAL LIABILITIES	$ 7,744,258	$ 7,394,316	$ 7,717,840	$ 8,337,720	$ 8,822,456
DEFERRED INFLOWS OF RESOURCES					
Deferred revenue	-	-	-	294,256	0
FUND EQUITY					
Nonspendable	$ 54,851	$ 11,894	$ 10,000	$ 10,000	$ 10,000
Restricted	6,524,108	10,988,573	13,063,879	13,687,438	18,383,329
Assigned	1,285,955	2,117,316	2,004,267	5,377,107	4,145,150
Unassigned	7,432,740	4,345,487	4,625,363	4,659,917	4,967,121
TOTAL FUND EQUITY	$ 15,297,654	$ 17,463,270	$ 19,703,509	$ 23,734,462	$ 27,505,600
TOTAL LIABILITIES and FUND EQUITY	$ 23,041,912	$ 24,857,586	$ 27,421,349	$ 32,366,438	$ 36,328,056

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

GENERAL FUND

Revenues, Expenditures and Changes in Fund Balance

Fiscal Years Ending June 30:	2017	2018	2019	2020	2021
REVENUES					
Real Property Taxes	$ 74,997,331	$ 77,031,901	$ 79,839,884	$ 82,993,095	$ 83,776,125
Other Tax Items	5,589,342	5,491,903	5,396,675	5,056,109	4,766,012
Charges for Services	2,696,677	2,874,095	2,853,274	2,708,527	2,309,867
Use of Money & Property	503,852	751,400	1,100,676	755,961	270,787
Sale of Property and Compensation for Loss	140,241	154,264	190,262	151,285	167,579
Miscellaneous	314,823	165,464	365,518	401,689	557,822
Revenues from State Sources	20,684,714	20,124,909	20,872,630	21,833,847	21,931,303
Revenues from Federal Sources	104,212	124,133	185,183	119,508	703,296
Total Revenues	$ 105,031,192	$ 106,718,069	$ 110,804,102	$ 114,020,021	$ 114,482,791
Other Sources:					
Interfund Transfers	-	-	149,253	-	-
Total Revenues and Other Sources	$ 105,031,192	$ 106,718,069	$ 110,953,355	$ 114,020,021	$ 114,482,791
EXPENDITURES					
General Support	$ 10,204,596	$ 10,718,002	$ 10,899,786	$ 10,934,888	$ 10,852,434
Instruction	55,083,595	57,314,509	61,336,665	61,559,744	61,627,954
Pupil Transportation	5,111,163	5,490,935	5,544,606	5,336,938	5,324,836
Employee Benefits	23,932,427	24,205,816	26,672,456	26,501,985	27,508,970
Debt Service	4,308,931	3,168,313	2,897,563	5,247,096	5,180,288
Total Expenditures	$ 98,640,712	$ 100,897,575	$ 107,351,076	$ 109,580,651	$ 110,494,482
Other Uses:					
Interfund Transfers	3,232,432	3,654,878	1,362,040	408,417	217,171
Total Expenditures and Other Uses	$ 101,873,144	$ 104,552,453	$ 108,713,116	$ 109,989,068	$ 110,711,653
Excess (Deficit) Revenues Over Expenditures	3,158,048	2,165,616	2,240,239	4,030,953	3,771,138
FUND BALANCE					
Fund Balance - Beginning of Year	12,139,606	15,297,654	17,463,270	19,703,509	23,734,462
Prior Period Adjustments (net)	-	-	-	-	-
Fund Balance - End of Year	$ 15,297,654	$ 17,463,270	$ 19,703,509	$ 23,734,462	$ 27,505,600

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

GENERAL FUND

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

Fiscal Years Ending June 30:	2021 Original Budget	2021 Final Budget	2021 Actual	2022 Adopted Budget	2023 Adopted Budget
REVENUES					
Real Property Taxes	$ 88,215,013	$ 83,940,872	$ 83,776,125	$ 89,438,564	$ 90,727,887
Other Tax Items	493,372	4,767,513	4,766,012	212,320	333,226
Charges for Services	2,497,860	2,492,360	2,309,867	2,364,460	2,387,700
Use of Money & Property	375,000	380,500	270,787	297,000	312,500
Sale of Property and Compensation for Loss	-	125,000	167,579	-	-
Miscellaneous	415,000	290,000	557,822	413,000	413,000
Revenues from State Sources	20,593,256	20,593,256	21,931,303	27,971,723	36,415,334
Revenues from Federal Sources	150,000	150,000	703,296	150,000	150,000
Total Revenues	$ 112,739,501	$ 112,739,501	$ 114,482,791	$ 120,847,067	$ 130,739,647
Other Sources:					
Prior years encumbrances	$ -	$ -	$ -	$ -	$ -
Appropriated reserves	-	-	-	530,000	530,000
Appropriated fund balance	5,240,000	5,810,911	-	3,600,000	3,600,000
Interfund Transfers	-	-	-	-	-
Total Revenues and Other Sources	$ 117,979,501	$ 118,550,412	$ 114,482,791	$ 124,977,067	$ 134,869,647
EXPENDITURES					
General Support	$ 12,660,694	$ 13,044,021	$ 10,852,434	$ 20,268,871	$ 21,609,625
Instruction	63,509,867	65,874,690	61,627,954	59,745,829	62,832,985
Pupil Transportation	5,937,238	5,994,416	5,324,836	5,874,183	6,424,438
Employee Benefits	30,436,414	28,201,997	27,508,970	32,470,553	35,218,247
Debt Service	5,180,288	5,180,288	5,180,288	6,142,631	8,459,352
Total Expenditures	$ 117,724,501	$ 118,295,412	$ 110,494,482	$ 124,502,067	$ 134,544,647
Other Uses:					
Interfund Transfers	255,000	255,000	217,171	475,000	325,000
Total Expenditures and Other Uses	$ 117,979,501	$ 118,550,412	$ 110,711,653	$ 124,977,067	$ 134,869,647
Excess (Deficit) Revenues Over Expenditures	-	-	3,771,138	-	-
FUND BALANCE					
Fund Balance - Beginning of Year	-	-	23,734,462	-	-
Prior Period Adjustments (net)	-	-	-	-	-
Fund Balance - End of Year	$ -	$ -	$ 27,505,600	$ -	$ -

Source: 2021 audited financial report and 2021, 2022, and 2023 budget of the School District. This Appendix is not itself audited.

BONDED DEBT SERVICE

Fiscal Year Ending June 30th	Principal	Interest	Total
2022	$ 2,460,000	$ 817,063	$ 3,277,063
2023	5,980,000	1,475,713	7,455,713
2024	3,675,000	1,379,163	5,054,163
2025	3,750,000	1,304,913	5,054,913
2026	3,820,000	1,229,213	5,049,213
2027	3,900,000	1,152,013	5,052,013
2028	3,980,000	1,073,213	5,053,213
2029	4,055,000	992,863	5,047,863
2030	4,145,000	910,863	5,055,863
2031	4,230,000	827,113	5,057,113
2032	4,315,000	741,663	5,056,663
2033	4,395,000	654,563	5,049,563
2034	4,490,000	565,713	5,055,713
2035	4,575,000	475,063	5,050,063
2036	3,325,000	396,063	3,721,063
2037	3,400,000	328,813	3,728,813
2038	3,465,000	260,163	3,725,163
2039	3,530,000	190,213	3,720,213
2040	3,605,000	116,609	3,721,609
2041	3,685,000	39,153	3,724,153
TOTALS	$ 78,780,000	$ 14,930,138	$ 93,710,138

CURRENT BONDS OUTSTANDING

Fiscal Year Ending June 30th	2010 Capital Project - Refunding of 1999 & 2002			2012 Capital Project - Refunding of 2004		
	Principal	Interest	Total	Principal	Interest	Total
2022	$ 145,000	$ 2,356	$ 147,356	$ 2,315,000	$ 70,750	$ 2,385,750
2023	-	-	-	2,380,000	23,800	2,403,800
TOTALS	$ 145,000	$ 2,356	$ 147,356	$ 4,695,000	$ 94,550	$ 4,789,550

Fiscal Year Ending June 30th	2021 Capital Project		
	Principal	Interest	Total
2022	$ -	$ 743,956	$ 743,956
2023	3,600,000	1,451,913	5,051,913
2024	3,675,000	1,379,163	5,054,163
2025	3,750,000	1,304,913	5,054,913
2026	3,820,000	1,229,213	5,049,213
2027	3,900,000	1,152,013	5,052,013
2028	3,980,000	1,073,213	5,053,213
2029	4,055,000	992,863	5,047,863
2030	4,145,000	910,863	5,055,863
2031	4,230,000	827,113	5,057,113
2032	4,315,000	741,663	5,056,663
2033	4,395,000	654,563	5,049,563
2034	4,490,000	565,713	5,055,713
2035	4,575,000	475,063	5,050,063
2036	3,325,000	396,063	3,721,063
2037	3,400,000	328,813	3,728,813
2038	3,465,000	260,163	3,725,163
2039	3,530,000	190,213	3,720,213
2040	3,605,000	116,609	3,721,609
2041	3,685,000	39,153	3,724,153
TOTALS	$ 73,940,000	$ 14,833,231	$ 88,773,231

MATERIAL EVENT NOTICES

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

(a) principal and interest payment delinquencies

(b) non-payment related defaults, if material

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

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

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

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

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

(h) note calls, if material and tender offers

(i) defeasances

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

(k) rating changes

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

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

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

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

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

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 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 District, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the District.

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

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

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

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

FORM OF BOND COUNSEL'S OPINION

July 14, 2022

North Colonie Central School District,
County of Albany,
State of New York

Re: North Colonie Central School District, Albany County, New York
$26,100,000 Bond Anticipation Notes, 2022 (Renewals)

Ladies and Gentlemen:

We have been requested to render our opinion as to the validity of an issue of $26,100,000 Bond Anticipation Notes, 2022 (the "Obligations"), of the North Colonie Central School District, County of Albany, State of New York (the "Obligor"), dated July 14, 2022 in the denomination of $_________, bearing interest at the rate of _______________% per annum, payable at maturity, and maturing July 14, 2023.

We have examined:

(1) the Constitution and statutes of the State of New York;

(2) the Internal Revenue Code of 1986, including particularly Sections 103 and 141 through 150 thereof, and the applicable regulations of the United States Treasury Department promulgated thereunder (collectively, the "Code");

(3) an arbitrage certificate executed on behalf of the Obligor which includes, among other things, covenants, relating to compliance with the Code, with the owners of the Obligation that the Obligor will, among other things, (i) take all actions on its part necessary to cause interest on the Obligation not to be includable in the gross income of the owners thereof for Federal income tax purposes, including, without limitation, restricting, to the extent necessary, the yield on investments made with the proceeds of the Obligation and investment earnings thereon, making required payments to the Federal government, if any, and maintaining books and records in a specified manner, where appropriate, and (ii) refrain from taking any action which would cause interest on the Obligation to be includable in the gross income of the owners thereof for Federal income tax purposes, including, without limitation, refraining from spending the proceeds of the Obligation and investment earnings thereon on certain specified purposes (the "Arbitrage Certificate"); and

(4) a certificate executed on behalf of the Obligor which includes, among other things, a statement that compliance with such covenants is not prohibited by, or violative of, any provision of local or special law, regulation or resolution applicable to the Obligor.

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

In our opinion:

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

(b) The Obligor has the power to comply with its covenants with respect to compliance with the Code as such covenants relate to the Obligation; provided, however, that the enforceability (but not the validity) of such covenants may be limited by any applicable bankruptcy, insolvency or other law now existing or hereafter enacted by said State or the Federal government affecting the enforcement of creditors' rights.

(c) Interest on the Obligation is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, and is exempt from personal income taxes imposed by the State of New York and any political subdivision thereof (including The City of New York). Interest on the Obligation is not a specific preference item for purposes of the federal alternative minimum tax. We express no opinion regarding other tax consequences related to the ownership or disposition of, or the amount, accrual or receipt of interest on, the Obligation.

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

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

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

Very truly yours,

Orrick, Herrington & Sutcliffe LLP

NORTH COLONIE CENTRAL SCHOOL DISTRICT
ALBANY COUNTY, NEW YORK

FINANCIAL STATEMENTS
AND OTHER FINANCIAL INFORMATION

JUNE 30, 2021

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.

NORTH COLONIE CENTRAL SCHOOL DISTRICT

Financial Statements and Required Reports
Under Uniform Guidance
As of June 30, 2021

Together with Independent Auditor's Report

Bonadio & Co., LLP
Certified Public Accountants

C O N T E N T S

C O N T E N T S (Continued)

Bonadio & Co., LLP
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

October 14, 2021

To the Board of Education of
North Colonie Central School District:

Report on the Financial Statements
We have audited the accompanying financial statements of the governmental activities and each major fund of North Colonie Central School District (School District) as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements as listed in the table of contents.

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

Auditor's Responsibility
Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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(Continued)

INDEPENDENT AUDITOR'S REPORT
(Continued)

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of North Colonie Central School District as of June 30, 2021, 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.

Emphasis of Matter - Change in Accounting Principle

As discussed in Note 16, during 2021 the School District adopted Governmental Accounting standards Board Statement 84 – *Fiduciary Activities.* Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, schedules of proportionate share of the net pension (asset) liability and contributions – pension plans and changes in total OPEB liability and related ratios be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School District's financial statements. The supplemental information as required by the New York State Education Department is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The supplemental information required by the New York State Education Department has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

INDEPENDENT AUDITOR'S REPORT
(Continued)

Other Reporting Required by *Government Auditing Standards*
In accordance with *Government Auditing Standards*, we have also issued our report dated October 14, 2021 on our consideration of the School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School District's internal control over financial reporting and compliance.

NORTH COLONIE CENTRAL SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

The following is a discussion and analysis of the North Colonie Central School District's (School District) financial performance for the fiscal year ended June 30, 2021. The section is a summary of the School District's financial activities based on currently known facts, decisions, or conditions. It is also based on both the 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 and should be read in conjunction with the School District's financial statements, which immediately follow this section.

FINANCIAL HIGHLIGHTS

- Government-wide net position of the School District was a deficit of $64,244,600. The deficit was primarily the result of the continuing effects of GASB Statement No. 75, "Accounting for and Financial Reporting by Employers for Postemployment Benefits Other than Pensions" which requires the recognition of an unfunded liability of $184,312,873 at June 30, 2021. Since New York State laws provide no mechanism for funding the liability, the subsequent accruals are expected to increase the deficit in future years.
- Government-wide net position was approximately $14 million less than at June 30, 2020. The primary factor contributing to this decrease was the recognition of approximately $12.7 in expense related to the School District's other postemployment benefits plan and approximately $5.1 million in pension costs related to the School District's share of the net pension liabilities for both NYSERS and NYSTRS.
- The School District 2020-2021 general fund expenditures were less than budgeted by approximately $7.3 million.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of three parts: Management's Discussion and Analysis (MD&A) (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 School District:

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

- The remaining statements are *fund financial statements* that focus on *individual parts* of the School District, reporting the School District's operations in *more detail* than the Government-wide statements.

- The *governmental funds statements* tell how basic services, such as special education, were financed in the *short-term.*

The financial statements also include notes that provide additional information about the financial statements and the balances reported. The statements are followed by a section of required supplementary information that further explains and supports the financial statements with a comparison of the School District's budget for the year.

OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)

Figure A-1 shows how the various sections of this annual report are arranged and related to one another.

Figure A-1 Organization of the School District's Annual Financial Report

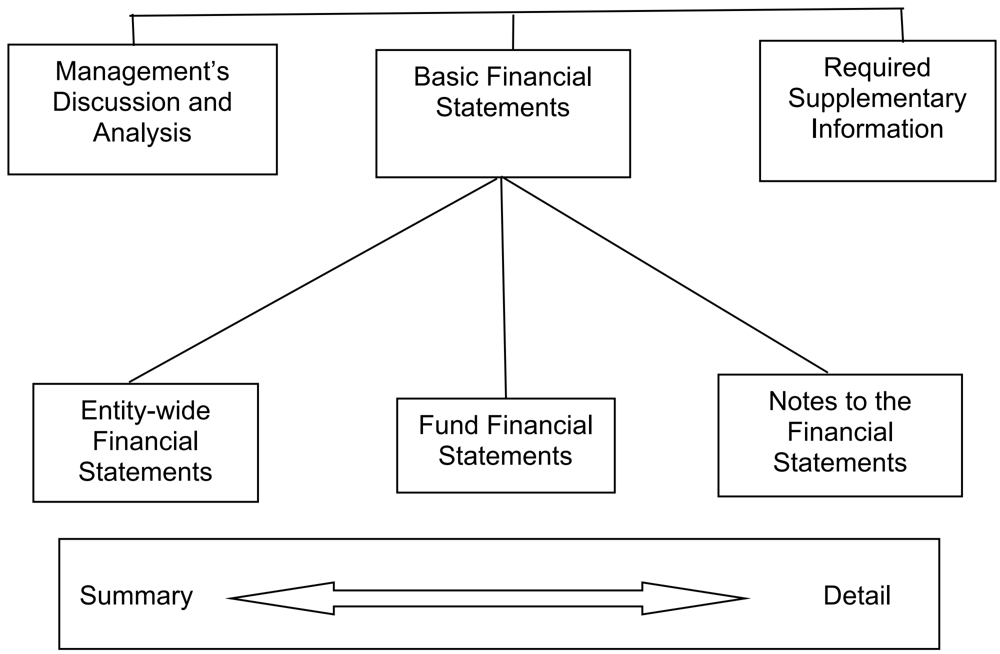


Figure A-2 summarizes the major features of the School District's financial statements, including the portion of the School District's activities that they cover and the types of information that they contain. The remainder of this overview section highlights the structure and contents of each statement.

Figure A-2 Major Features of the Government-Wide and Fund Financial Statements

		Fund Financial Statements	
	Government-Wide	Governmental Funds	Fiduciary Funds
Scope	Entire School District (except fiduciary funds)	The daily operating activities of the School District, such as instruction and special education.	District administers resources on behalf of someone else, such as scholarship programs. There are two types of fiduciary funds, *private purpose trust funds and custodial funds.*
Required financial statements	• Statement of net position • Statement of activities	• Balance sheet • Statement of revenue, expenditures, and change in fund balance	• Statement of net position - fiduciary funds • Statement of change in net position – fiduciary funds
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/liability, deferred outflows/inflows of resources information	All assets, liabilities, deferred outflows & inflows of resources both financial and capital, short-term and long-term debt.	Current assets and liabilities that come due during the year or soon after; no capital assets or long-term liabilities included.	All assets and liabilities, both short-term and long-term; funds do not currently contain capital assets, although they can.
Type of inflow/outflow information	All revenue and expenses during the year, regardless of when cash is received or paid.	Revenue 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.

OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)

Government-Wide Statements

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

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

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

- For assessment of the overall health of the School District, additional nonfinancial factors such as changes in the property tax bases and the condition of buildings and other facilities should be considered.

Net position of the governmental activities differ from the governmental fund balances because governmental fund level statements only report transactions using or providing current financial resources. Also, capital assets are reported as expenditures when financial resources (dollars), are expended to purchase or build such assets. Likewise, the financial resources that may have been borrowed are considered revenue when they are received. Principal and interest payments are considered expenditures when paid. Depreciation is not calculated. Capital assets and long-term debt are accounted for in account groups and do not affect the fund balances.

Government-wide statements use an economic resources measurement focus and full accrual basis of accounting that involves the following steps to prepare the statement of net position:

- Capitalize current outlays for capital assets.
- Report long-term debt as a liability.
- Depreciate capital assets and allocate the depreciation to the proper function.
- Calculate revenue and expenses using the economic resources measurement focus and the full accrual basis of accounting.
- Allocate net position balances as follows:
    - Net investment in capital assets.
    - Restricted net position has constraints placed on use by external sources or imposed by law.
    - Unrestricted net position is net position that does not meet any of the above restrictions.

Fund Financial Statements

The fund financial statements provide more detailed information about the School District's funds – not the School District as a whole. Funds are accounting devices the School District uses to keep track of specific sources of funding and spending on particular programs. The funds have been established by the State of New York.

OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)

Fund Financial Statements (Continued)

The School District has the following fund types:

- Governmental Funds: The School District's basic services are included in governmental funds, which generally focus on (1) how cash and other financial assets 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 School District's programs. Because this information does not encompass the additional long-term focus of the Government-wide statements, additional information at the bottom of the governmental funds statements explains the relationship (or differences) between them. The governmental fund statements focus primarily on current financial resources and often have a budgetary orientation. Governmental funds include the general fund, special aid fund, school lunch fund, debt service fund, and the capital projects fund. Required financial statements are the balance sheet and the statement of revenue, expenditures, and changes in fund balance.

FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT AS A WHOLE

Figure A-3 Condensed Statement of Net Position (In Thousands of Dollars)

	Fiscal Year 2021	Fiscal Year 2020	Percent Change
Current and other assets	$ 53,545	$ 46,291	15.67%
Noncurrent assets	156,751	150,338	4.27%
Total assets	$ 210,296	$ 196,629	6.95%
Deferred outflows of resources	$ 86,267	$ 76,640	12.56%
Current liabilities	$ 116,190	$ 96,833	19.99%
Long-term liabilities	200,752	198,694	1.04%
Total liabilities	$ 316,942	$ 295,527	7.25%
Deferred inflows of resources	$ 43,865	$ 28,412	54.39%
Net position:			
Net investment in capital assets	$ 67,317	$ 69,273	-2.82%
Restricted	18,671	13,687	36.41%
Unrestricted	(150,232)	(133,630)	-12.42%
Total net position	$ (64,245)	$ (50,670)	-26.79%

FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT AS A WHOLE (Continued)

Changes in Net Position

The School District's 2021 revenue was approximately $120.4 million (See Figure A-4). Property taxes and New York State aid accounted for the majority of revenue by contributing 70% and 18%, respectively, of the total revenue raised (see Figure A-5). The remainder of revenue came from fees for services, use of money and property, operating grants, and other miscellaneous sources.

The total cost of all programs and services was approximately $134.4 million for 2021. These expenses are predominately for the education, supervision, and transportation of students (see Figure A-6). The School District's administrative and business activities accounted for 14% of total costs.

Net position decreased during the year by approximately $14 million due primarily to the effects of recognizing other post-employment benefits as well as the effects of ERS and TRS proportionate assets, deferred outflows, liabilities and deferred inflows.

Figure A-4 Changes in Net Position from Operating Results (In Thousands of Dollars)

	Fiscal Year 2021	Fiscal Year 2020	Percent Change
Revenue:			
Charges for services	$ 2,341	$ 3,576	-34.54%
Operating grants	5,343	3,382	57.99%
General revenue:			
Property taxes	88,542	88,049	0.56%
State aid	21,602	22,164	-2.54%
Federal aid	703	120	486.08%
Interest earnings	273	1,036	-73.66%
Miscellaneous	1,634	1,147	42.46%
Total revenue	120,438	119,474	0.81%
Expenses:			
General support	19,399	17,860	8.61%
Instruction	101,703	95,596	6.39%
Transportation	9,331	8,090	15.34%
Debt service - Interest	1,376	2,000	-31.21%
Cost of sales - Food	2,541	2,539	0.10%
Total expenses	134,350	126,085	6.56%
Change in net position	$ (13,912)	$ (6,611)	-110.43%

FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT AS A WHOLE (Continued)

Figure A-5: Sources of Revenue for 2021:

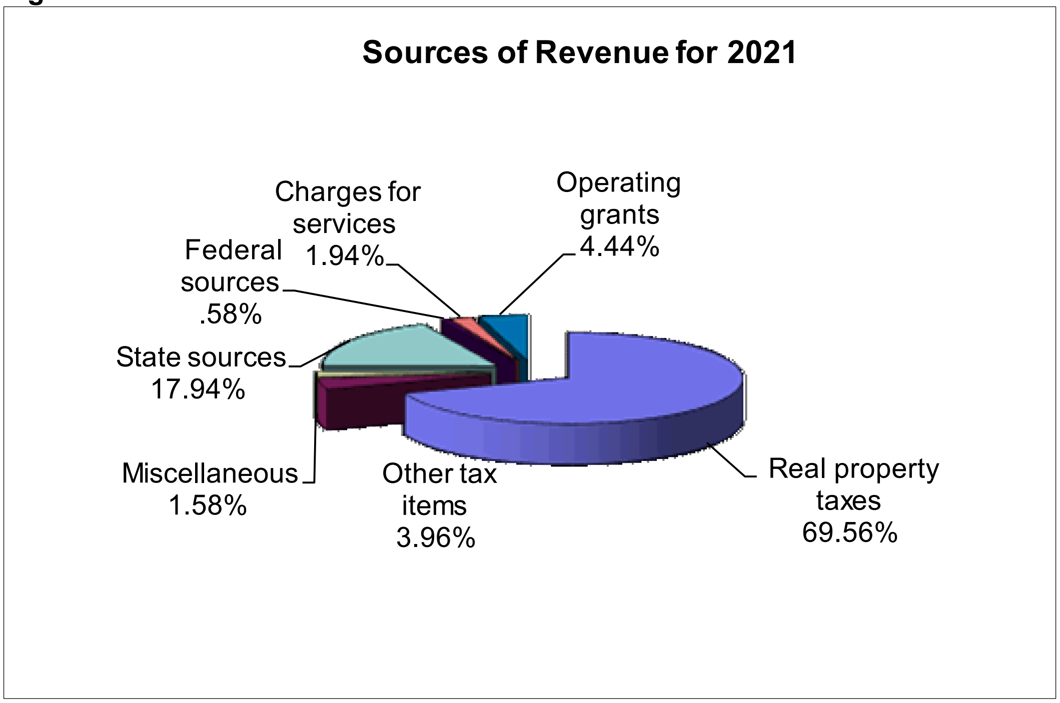
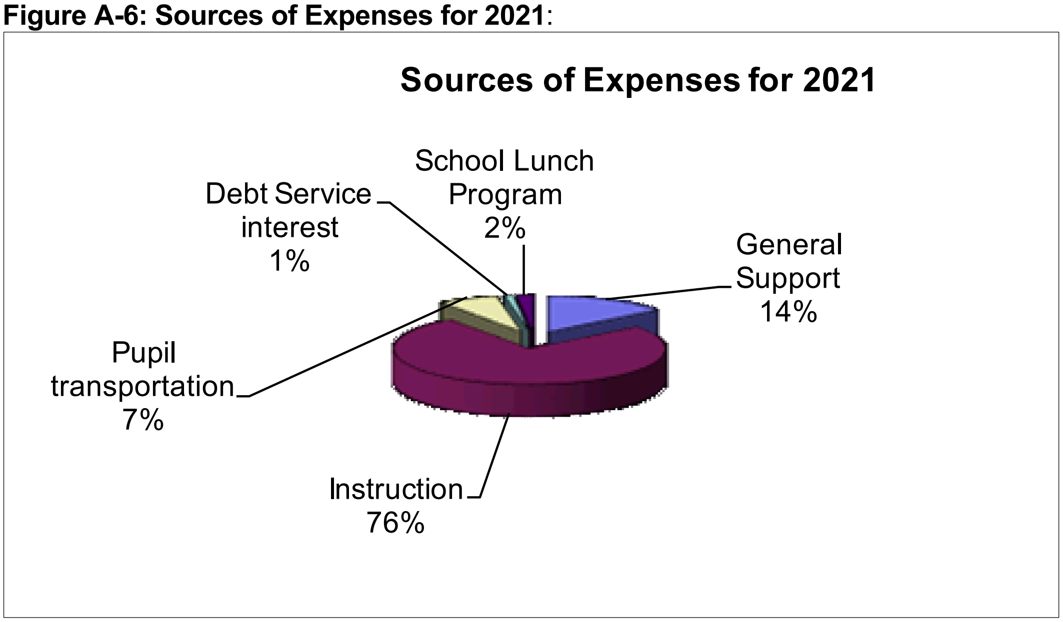


Figure A-6: Sources of Expenses for 2021:



FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT AS A WHOLE (Continued)

Governmental Activities

Revenue for the School District's governmental activities was approximately $120.4 million while total expenses were approximately $134.4 million. Accordingly, net position decreased by approximately $14 million.

Figure A-7 presents the cost of several of the School District's major activities. The figure also shows each activity's net cost (total cost less fees generated by the activity and intergovernmental aid provided for specific programs). The net cost shows the financial burden placed on the School District's taxpayers by each of these functions.

Figure A-7 Net Cost of Governmental Activities (In Thousands of Dollars)

	Total Cost of Services 2021	Net Cost of Services 2021	Total Cost of Services 2020	Net Cost of Services 2020
General support	$ 19,399	$ (19,399)	$ 17,860	$ (17,860)
Instruction	101,703	(96,335)	95,596	(90,423)
Pupil transportation	9,331	(9,331)	8,090	(8,090)
Debt service - Interest	1,376	(1,376)	2,000	(2,000)
Cost of sales - Food	2,541	(225)	2,539	(754)
	$ 134,350	$ (126,666)	$ 126,085	$ (119,127)

- The cost of all governmental activities for the year was approximately $134.4 million.
- The users of the School District's programs financed approximately $2.3 million of the costs through charges for services.
- The federal and state government financed approximately $5.3 million of the costs through operating grants.
- The majority of costs were financed by the School District's taxpayers and unallocated NYS aid.

FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT'S FUNDS

Variances between years for the governmental fund financial statements are not the same as variances between years for the government-wide financial statements. The School District's governmental funds are presented on the current financial resources measurement focus and the modified accrual basis of accounting. Under this method of presentation, governmental funds do not include long-term liabilities for the funds' projects and capital assets purchased by the funds. Governmental funds will include proceeds from the issuance of debt, the current payments for capital assets, and the current payments for debt.

FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT’S FUNDS (Continued)

Governmental Funds Highlights

General Fund – New York State operating aid is tied to the growth in New York State personal income and the available funds in the state budget. The School District continues to maximize revenues by claiming refunds and billing for services.

Special Aid Fund – Federal aid is expected to decrease or remain flat in upcoming years.

School Lunch Fund – The School Lunch Fund revenue’s exceeded expenditures by $176,200.

Capital Projects Fund – Expenditures in the Capital Projects Fund were related to ongoing, district-wide renovations.

General Fund Budgetary Highlights

This section presents an analysis of significant variances between original and final budget amounts and between final budget amounts and actual results for the General Fund.

Revenue Variances

Revenues were more than budgeted by approximately $1.7.

Expenditure Variances

Expenditures were less than budgeted by approximately $7.3 million. This is due to reduced spending throughout the budget and conservative budgeting due to the uncertainties surrounding the COVID-19 pandemic. The majority is from the instruction portion of the budget, which is the largest portion of the budget. General support and transportation account for the second and third portions of reduced spending.

FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT'S FUNDS (Continued)

Results vs. Budget (In Thousands of Dollars)

	Original Budget	Final Budget	Actual	Encumbrances	Variance (Actual/Budget)
Revenue:					
Local sources	$ 91,996	$ 91,996	$ 91,848	$ -	$ (148)
State sources	20,593	20,593	21,931	-	1,338
Federal sources	150	150	703	-	553
Total	112,740	112,740	114,483	-	1,743
Expenditures:					
General support	12,661	13,044	10,852	232	1,960
Instruction	63,510	65,875	61,628	312	3,935
Transportation	5,937	5,994	5,325	1	668
Employee benefits	30,436	28,202	27,509	-	693
Debt service	5,180	5,180	5,180	-	-
Transfers out	255	255	217	-	38
Total	117,980	118,550	110,712	545	7,294
Revenue over (under) expenditures	$ (5,240)	$ (5,811)	$ 3,771	$ (545)	$ 9,037

The general fund is the only fund for which a budget is legally

adopted. **CAPITAL ASSET AND DEBT ADMINISTRATION**

As of June 30, 2021, the School District had approximately $156.8 million invested in buildings, computers, and other educational equipment.

Figure A-8 Capital Assets (In Thousands of Dollars), net of accumulated depreciation

	Fiscal Year 2021	Fiscal Year 2020
Land	$ 701	$ 701
Construction in progress	94,536	77,697
Land improvements	462	517
Buildings	54,593	57,217
Furniture and equipment	1,999	2,278
Vehicles	4,460	4,289
Total	$ 156,751	$ 142,699

FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT'S FUNDS (Continued)
Long-Term Debt

As of June 30, 2021, the School District had $203,211,947 in long-term debt. Detailed information about the School District's long-term debt is included in the notes to the financial statements.

Figure A-9 Outstanding Long-Term Debt (In Thousands of Dollars)

	Fiscal Year 2021	Fiscal Year 2020
General obligation bonds (financed with property taxes)	$ 5,016	$ 7,559
Other long-term debt	198,196	193,505
Total	$ 203,212	$ 201,064

During 2021, the School District paid down its bonded debt by $2,370,000. Further, the School District's OPEB liability and net pension liability for TRS increased by $8.2 million and $8.2 million, respectively, while the net pension liability for ERS decreased $11.9 due the net effect of changes in actuarial assumptions.

FACTORS BEARING ON THE SCHOOL DISTRICT'S FUTURE

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

The School District receives approximately 20% of its revenue through State Aid. The School District received a significant increase in Foundation aid for 2021-22 with a promise of moving to a full restoration of formula aid in the following two fiscal years. Full restoration would provide substantial and appropriate funding due the School District, which will be important as the student population continues to increase.

The Property Tax Levy Cap, Chapter 97 of the Laws of 2011, continues to limit the School District's ability to raise tax revenue to meet future operating expenditures.

It is more costly to operate school per CDC, DOH, and NYSED guidelines related to COVID-19. The short-term impact is being felt with increased costs but is being offset through significant stimulus funding that will continue through September 2024. The use of and preservation of these resources in a thoughtful and strategic manner will be key to coming out of the pandemic in a strong financial position. The long-term impact is unknown but has the potential to significantly impact future budget development.

CONTACTING THE SCHOOL DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide the School District's citizens, taxpayers, customers, investors, and creditors with a general overview of the School District's finances and to demonstrate the School District's accountability for the money it receives. If you have questions about this report or need additional financial information, please contact:

Mr. Scott Hoot
Assistant Superintendent for Business
North Colonie Central School District
Administration Building
91 Fiddlers Lane
Latham, New York 12110

NORTH COLONIE CENTRAL SCHOOL DISTRICT

STATEMENT OF NET POSITION
JUNE 30, 2021

ASSETS	
CURRENT ASSETS:	
Cash and cash equivalents - unrestricted	$ 28,819,074
Cash and cash equivalents - restricted	18,662,422
Accounts receivable	88,912
State and federal aid receivable	4,611,086
Due from other governments	1,257,339
Prepaid expenses	10,000
Inventories	96,131
Total current assets	53,544,964
NONCURRENT ASSETS:	
Capital assets, net	156,751,069
Total noncurrent assets	156,751,069
TOTAL ASSETS	210,296,033
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows of resources - TRS	27,818,474
Deferred outflows of resources - ERS	10,338,208
Deferred outflows of resources - OPEB	47,946,269
Deferred outflows - amounts on bond refunding	163,568
Total Deferred Outflows of Resources	86,266,519
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	296,562,552
LIABILITIES	
CURRENT LIABILITIES:	
Accounts payable	2,798,124
Accrued liabilities	919,410
Unearned revenue	1,639,094
Bond anticipation note payable	101,210,000
Due to Teachers' Retirement System	5,225,263
Due to Employees' Retirement System	681,493
Bond interest accrual	1,257,085
Bonds payable due within one year	2,460,000
Total current liabilities	116,190,469
LONG-TERM LIABILITIES:	
Bonds payable, net of current portion	2,556,166
Workers compensation liability	1,302,323
Judgments and claims	192,791
Compensated absences	4,142,872
Net pension liability - ERS	45,346
Net pension liability - TRS	8,199,576
Other postemployment benefits liability	184,312,873
Total long-term liabilities	200,751,947
TOTAL LIABILITIES	316,942,416
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows of resources - ERS	13,250,894
Deferred inflows of resources - TRS	4,951,751
Deferred inflows of resources - OPEB	25,662,091
Total Deferred Inflows of Resources	43,864,736
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	360,807,152
NET POSITION	
Net investment in capital assets	67,316,960
Restricted	18,670,822
Unrestricted	(150,232,382)
TOTAL NET POSITION	$ (64,244,600)

The accompanying notes are an integral part of these statements.

NORTH COLONIE CENTRAL SCHOOL DISTRICT

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2021

		Program Revenue		Net (Expense) Revenue and Changes in
	Expenses	Charges for Services	Operating Grants	Net Position
FUNCTIONS/PROGRAMS:				
General support	$ 19,398,599	$ -	$ -	$ (19,398,599)
Instruction	101,703,082	2,309,867	3,057,828	(96,335,387)
Pupil transportation	9,331,038	-	-	(9,331,038)
Debt service interest	1,375,748	-	-	(1,375,748)
School lunch program	2,541,476	31,062	2,285,408	(225,006)
TOTAL FUNCTIONS/PROGRAMS	$ 134,349,943	$ 2,340,929	$ 5,343,236	(126,665,778)
GENERAL REVENUE:				
Real property taxes				83,776,125
Other tax items				4,766,012
Use of money and property				272,901
Sale of property and compensation for loss				168,674
Miscellaneous				1,465,377
State sources				21,601,623
Medicaid reimbursement				703,296
TOTAL GENERAL REVENUE				112,754,008
CHANGE IN NET POSITION				(13,911,770)
TOTAL NET POSITION - beginning of year, as previously reported				(50,670,209)
RESTATEMENT (Note 16)				337,379
TOTAL NET POSITION - beginning of year, as restated				(50,332,830)
TOTAL NET POSITION - end of year				$ (64,244,600)

The accompanying notes are an integral part of these statements.

NORTH COLONIE CENTRAL SCHOOL DISTRICT

BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2021

	Governmental Fund Types					
	General	Special Aid	School Lunch	Capital Projects	Miscellaneous Special Revenue	Total Governmental Funds
ASSETS						
Cash and cash equivalents - unrestricted	12,129,212	$ -	$ 61,373	$ 16,628,489	$ -	$ 28,819,074
Cash and cash equivalents - restricted	18,383,329	-	-	-	279,093	18,662,422
Accounts receivable	87,837	-	1,075	-	-	88,912
Due from other funds	2,487,692	-	-	-	8,400	2,496,092
State and federal aid receivable	1,972,647	2,099,676	538,763	-	-	4,611,086
Due from other governments	1,257,339	-	-	-	-	1,257,339
Prepaid expenditures	10,000	-	-	-	-	10,000
Inventory	-	-	96,131	-	-	96,131
TOTAL ASSETS	$ 36,328,056	$ 2,099,676	$ 697,342	$ 16,628,489	$ 287,493	$ 56,041,056
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE						
LIABILITIES:						
Accounts payable	$ 1,959,786	$ 2,193	$ 57,731	$ 778,414	$ -	$ 2,798,124
Accrued liabilities	877,744	15,029	26,637	-	-	919,410
Bond anticipation notes payable	-	-	-	101,210,000	-	101,210,000
Unearned revenue	69,770	-	91,324	1,478,000	-	1,639,094
Due to other funds	8,400	2,082,454	405,238	-	-	2,496,092
Due to Teachers' Retirement System	5,225,263	-	-	-	-	5,225,263
Due to Employees' Retirement System	681,493	-	-	-	-	681,493
TOTAL LIABILITIES	8,822,456	2,099,676	580,930	103,466,414	-	114,969,476
FUND BALANCE:						
Nonspendable:						
Inventory	-	-	96,131	-	-	96,131
Prepaid expenditures	10,000	-	-	-	-	10,000
Total nonspendable fund balance	10,000	-	96,131	-	-	106,131
Restricted:						
Workers' compensation	1,302,323	-	-	-	-	1,302,323
Unemployment	42,064	-	-	-	-	42,064
Retirement contributions	5,422,448	-	-	-	-	5,422,448
Tax certiorari	1,131,211	-	-	-	-	1,131,211
Capital projects	7,322,198	-	-	-	-	7,322,198
Debt	1,227,568	-	-	-	-	1,227,568
Employee benefits and accrued liabilities	1,935,517	-	-	-	-	1,935,517
Other	-	-	-	-	287,493	287,493
Total restricted fund balance	18,383,329	-	-	-	287,493	18,670,822
Assigned:						
Unappropriated	545,150	-	-	-	-	545,150
Appropriated for subsequent year expenditures	3,600,000	-	-	-	-	3,600,000
Total assigned fund balance	4,145,150	-	-	-	-	4,145,150
Unassigned	4,967,121	-	20,281	(86,837,925)	-	(81,850,523)
TOTAL FUND BALANCE	27,505,600	-	116,412	(86,837,925)	287,493	(58,928,420)
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	$ 36,328,056	$ 2,099,676	$ 697,342	$ 16,628,489	$ 287,493	$ 56,041,056

The accompanying notes are an integral part of these statements.

NORTH COLONIE CENTRAL SCHOOL DISTRICT

RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCE TO GOVERNMENT-WIDE NET POSITION
JUNE 30, 2021

Amounts reported for governmental activities in the statement of net position are different because:

Total governmental fund balance	$ (58,928,420)
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds	156,751,069
Pension related government wide-activity:	
Deferred outflows	38,156,682
Net pension liability - ERS	(45,346)
Net pension liability - TRS	(8,199,576)
Deferred inflows	(18,202,645)
OPEB related government wide-activity:	
Deferred outflows of resources	47,946,269
Deferred inflows of resources	(25,662,091)
Total OPEB liability	(184,312,873)
Long-term bonds payable are not due in the current period and, therefore, are not reported in the funds	(5,016,166)
Deferred outflows related to deferred amounts on refunding is amortized over the life of the bond on the government-wide statements	163,568
Compensated absences are recognized as a liability under full accrual accounting	(4,142,872)
Judgments and claims are recorded in the government-wide statements under full accrual accounting	(192,791)
Workers compensation liability is recorded in the government-wide statements under full accrual accounting	(1,302,323)
Interest payable is to be recorded in the government-wide statements under full accrual accounting	(1,257,085)
TOTAL NET POSITION OF GOVERNMENTAL ACTIVITIES	$ (64,244,600)

The accompanying notes are an integral part of these statements.

NORTH COLONIE CENTRAL SCHOOL DISTRICT

STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCE - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

	Governmental Fund Types					
	General	Special Aid	School Lunch	Capital Projects	Miscellaneous Special Revenue	Total Governmental Funds
REVENUE:						
Real property taxes	$ 83,776,125	$ -	$ -	$ -	$ -	$ 83,776,125
Other tax items	4,766,012	-	-	-	-	4,766,012
Charges for services	2,309,867	-	-	-	-	2,309,867
Use of money and property	270,787	-	-	2,057	57	272,901
Sale of property and compensation for loss	167,579	-	1,095	-	-	168,674
Miscellaneous	557,822	-	4,269	-	131,054	693,145
State sources	21,931,303	630,978	74,784	-	-	22,637,065
Federal sources	703,296	2,426,850	2,210,624	-	-	5,340,770
Sales - School lunch	-	-	31,062	-	-	31,062
Total revenue	114,482,791	3,057,828	2,321,834	2,057	131,111	119,995,621
EXPENDITURES:						
General support	10,852,434	-	-		180,997	11,033,431
Instruction	61,627,954	3,016,781	-	-	-	64,644,735
Pupil transportation	5,324,836	98,775	-	42,215	-	5,465,826
Employee benefits	27,508,970	109,443	316,803	-	-	27,935,216
Debt service - Interest	1,940,288	-	-	-	-	1,940,288
Debt service - Principal	3,240,000	-	-	-	-	3,240,000
Cost of sales	-	-	1,878,831	-	-	1,878,831
Capital outlay	-	-	-	18,075,094	-	18,075,094
Total expenditures	110,494,482	3,224,999	2,195,634	18,117,309	180,997	134,213,421
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	3,988,309	(167,171)	126,200	(18,115,252)	(49,886)	(14,217,800)
OTHER FINANCING SOURCES (USES):						
BANs redeemed from appropriations	-	-	-	870,000	-	870,000
Premium on BAN	-	-	-	772,232	-	772,232
Operating transfers in	-	167,171	50,000	-	-	217,171
Operating transfers (out)	(217,171)	-	-	-	-	(217,171)
Total other financing sources (uses)	(217,171)	167,171	50,000	1,642,232	-	1,642,232
EXCESS (DEFICIENCY) OF REVENUE AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES	3,771,138	-	176,200	(16,473,020)	(49,886)	(12,575,568)
FUND BALANCE - beginning of year, as previously reported	23,734,462	-	(59,788)	(70,364,905)	-	(46,690,231)
RESTATEMENT (Note 16)	-	-	-	-	337,379	337,379
FUND BALANCE - beginning of year, as restated	23,734,462	-	(59,788)	(70,364,905)	337,379	(46,352,852)
FUND BALANCE - end of year	$ 27,505,600	$ -	$ 116,412	$ (86,837,925)	$ 287,493	$ (58,928,420)

The accompanying notes are an integral part of these statements.

NORTH COLONIE CENTRAL SCHOOL DISTRICT

RECONCILIATION OF THE STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCE TO THE STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2021

Net changes in fund balance - Total governmental funds	$ (12,575,568)
Capital outlays, net of disposals, are expenditures in governmental funds, but are capitalized in the statement of net position.	18,145,682
Depreciation is not recorded as an expenditure in the governmental funds, but is recorded in the statement of activities.	(4,093,692)
State aid revenue in the statement of activities is recognized as revenue in the government-wide statements but is not recognized as revenue under the modified accrual basis of accounting in the fund financial statements	(329,680)
Repayments of long-term debt are recorded as expenditures in the governmental funds, but are recorded as payments of liabilities in the statement of net position.	3,240,000
BANs redeemed from appropriations are revenue in the governmental funds, but not in the statement of activities	(870,000)
Compensated absences are recorded as expenditures in the governmental funds at the time of payment, but are recorded as liabilities in the statement of net position	(103,883)
Other postemployment benefits do not require the expenditure of current resources and are, therefore, not reported as expenditures in the governmental funds.	(12,679,086)
Pension expense resulting from the GASB 68 related actuary reporting is not recorded as an expenditure in the government funds, but is recorded in the statement of activities	(5,127,614)
Amortization of bond premiums is an adjustment to interest expense in the statement of activities	172,849
Amortization of loss on refunding bonds is recorded as an adjustment to interest expense in the statement of activities	(162,968)
Accrued interest expense does not require the expenditure of current resources and is, therefore, not reported as an expenditure in the governmental funds	554,659
Accrual of long-term liabilities do not require the expenditure of current financial resources and are, therefore, not reported as expenditures in the governmental funds:	
Judgments and claims	(6,349)
Workers compensation	(76,120)
Change in net position - Governmental activities	$ (13,911,770)

The accompanying notes are an integral part of these statements.

1. NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

North Colonie Central School District provides K-12 public education to students living within its geographic borders.

The financial statements of North Colonie Central School District (School District) have been prepared in conformity with accounting principles generally accepted in the United States of America (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.

Significant accounting principles and policies utilized by the School District are described below:

Reporting Entity
North Colonie Central School District is governed by the laws of New York State. The School District is an independent entity governed by an elected Board of Education. The President of the Board of Education 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 School District. The Board of Education has the authority to make decisions, power to appoint management, and primary accountability for all fiscal matters.

The reporting entity of the School District is based upon criteria set forth by generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board (GASB). 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 School District. The School District is not a component unit of another reporting entity. The decision to include a potential component unit in the School 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 an entity included in the School District's reporting entity:

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

1. NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Joint Venture

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

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

BOCES' budget is comprised of separate budgets for administrative, program, and capital costs. Each component school 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 school districts pay tuition or a service fee for programs in which its students participate.

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

Basis of Presentation

Government-Wide Statements

The statement of net position and the statement of activities present financial information about the School 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 revenue, 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 program expenses and revenue for each function of the School District's governmental activities. Direct expenses are those that are specifically associated with and are clearly identifiable to a particular function. Indirect expenses, principally employee benefits, are allocated to functional areas in proportion to the payroll expended for those areas. Program revenue 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. Revenue that is not classified as program revenue, including all taxes, is presented as general revenue.

Fund Financial Statements

The School District uses funds to maintain its accounting records. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

The fund statements provide information about the School District's funds.

Separate statements for each fund category are presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column.

1. NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Presentation (Continued)

Fund Financial Statements (Continued)

The accounts of the School District are organized into funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund balance, revenue, and expenditures. The various funds are summarized by type in the financial statements. Significant transactions between funds within a fund type have been eliminated. The fund types used by the School District are as follows:

Governmental Fund Types

Governmental funds are those in which most governmental functions of the School District are reported. The acquisition, use, and balances of the School District's expendable financial resources and the related liabilities (except those accounted for in the proprietary and fiduciary funds) are accounted for through the governmental funds. The measurement focus is upon determination of changes in financial position rather than upon determination of net income. The following are the School District's governmental fund types:

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

Special Revenue Funds: These funds account for the proceeds of specific revenue sources, such as federal and state grants, that are legally restricted to expenditures for specified purposes, school lunch operations, and other activities whose funds are restricted as to use. These legal restrictions may be imposed either by governments that provide the funds, or by outside parties. The School District uses three special revenue type funds – special aid, school lunch and miscellaneous special revenue.

Capital Projects Fund: This fund is used to account for the financial resources used for acquisition, construction, or major repair of capital facilities.

Use of Estimates

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

Measurement Focus and Basis of Accounting

Measurement focus refers to what is being measured, whereas basis of accounting refers to when revenues and expenditures are recognized. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

The Government-wide and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenue is 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 School 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.

1. NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus and Basis of Accounting (Continued)

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

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.

Cash and Cash Equivalents

The School 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 School 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.

Accounts Receivable

Accounts receivable are shown gross. No allowance for uncollectible accounts has been provided since it is believed that such allowance would not be material.

Inventories and Prepaid Items

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

Prepaid items represent payments made by the School 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 Government-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.

1. NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Interfund Transactions
The operations of the School District include transactions between funds. These transactions may be temporary in nature, such as with interfund borrowings. The School 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 expenditures and revenue to provide financing or other services.

Eliminations have been made for all interfund receivables and payables between the 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 School District's practice to settle these amounts at a net balance based upon the right of legal offset.

Capital Assets, Net
Capital assets are reported at actual cost for acquisitions subsequent to July 1, 2002. For assets acquired prior to July 1, 2002, estimated historical costs, based on appraisals conducted by independent third-party professionals were used. Donated assets are reported at estimated fair 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 Government-wide statements are as follows:

	Capitalization Threshold	Depreciation Method	Estimated Useful Life
Land	$ 1,000	N/A	N/A
Land improvements	1,000	SL	20 years
Buildings and improvements	1,000	SL	15 - 50 years
Furniture and equipment	1,000	SL	5 - 20 years
Vehicles	1,000	SL	10 - 4 years

Property Taxes
Real property taxes are levied annually by the board of education no later than September 1, and become a lien on September 1. Taxes are collected during the period September 1 to October 31.

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

1. NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Vested Employee Benefits

Compensated absences

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

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

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.

The liability for compensated absences has been calculated using the vesting/termination method and an accrual for that liability is included in the government-wide financial statements. The compensated absences liability is calculated based on the pay rates in effect at year-end.

In the funds statements only the amount of matured liabilities is accrued within the General Fund based upon expendable and available financial resources. These amounts are expensed on a pay-as-you go basis.

Other Benefits

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

Other Postemployment Benefits

In addition to providing the pension benefits described, the School District provides postemployment health insurance coverage to its retired employees and their survivors in accordance with the provisions of the employment contracts negotiated between the School District and its employee groups. Substantially all of these employees may become eligible for these benefits if they reach normal retirement age while working for the School District. Health care benefits are provided through plans whose premiums are based on the benefits paid during the year. The School District pays a variable percentage of the cost of premiums to an insurance company that provides health care insurance. At the fund level the School District recognizes the cost of providing health care 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. The School District recognized the current cost of providing benefits for 2021 by recording $3,026,395, which is its share of insurance premiums for current enrolled retirees, as an expenditure in 2021.

In accordance with the provisions of Governmental Accounting Standards Board Statement No. 75, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions, the School District has recorded in the government-wide statement of net position other postemployment benefits totaling $184,312,873 as of June 30, 2021. The financial disclosures relating to the School District's other post-employment benefits are reflected in Note 11.

1. NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Unearned Revenue

Unearned revenue is reported when potential revenue meets both the measurable and available criteria for recognition in the current period. Unearned revenue also arises when resources are received by the School 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 School District has legal claim to the resources, the liability for unearned revenue is removed and revenue is recorded.

Statute provides the authority for the School District to levy taxes to be used to finance expenditures within the first 120 days of the succeeding fiscal year. Consequently, such amounts are recognized as revenue in the subsequent fiscal year rather than when measurable and available.

Accrued Liabilities and Long-Term Obligations

Payables, accrued liabilities, and long-term obligations are reported in the Government-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 fund 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 School 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.

Restricted Resources

When an expense is incurred for purposes for which both restricted and unrestricted net position are available, the School 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.

Fund Balance/Net Position Classifications

<u>Government-Wide Statements</u>

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

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

Restricted net position - reports net position when constraints placed on the assets 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. Restricted net position consists of the nonspendable and restricted fund balance categories on the Fund financial statements.

Unrestricted net position - reports all other net position that do not meet the definition of the above two classifications and are deemed to be available for general use by the School District.

1. NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Balance/Net Position Classifications (Continued)

Governmental Fund Statements

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

Nonspendable fund balance – Includes amounts that cannot be spent because they are either not in spendable form or legally or contractually are required to be maintained intact. Non-spendable fund balance includes the inventory recorded in the school lunch fund and prepaid expenditures in the general fund.

Restricted fund balance – Includes amounts with constraints placed on the use of resources either externally imposed by creditors, grantors, contributors or laws or regulations of other governments; or imposed by law through constitutional provisions or enabling legislation. The School District has available the following restricted fund balances:

Capital

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

Repair

Repair reserve (GML §6-d) is used to pay the cost of repairs to capital improvements or equipment, which repairs are of a type not recurring annually. The Board of Education, without voter approval, may establish a repair reserve fund by a majority vote of its members. Voter approval is required to fund this reserve, (opinion of the New York State Comptroller 81-401). Expenditures from this reserve may be made only after a public hearing has been held, except in emergency situations. If no hearing is held, the amount expended must be repaid to the reserve fund over the next two subsequent fiscal years. This reserve is accounted for in the general fund under restricted fund balance.

Workers' Compensation

Workers' compensation reserve (GML §6-j) is 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. The reserve is accounted for in the general fund under restricted fund balance.

1. NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Balance/Net Position Classifications (Continued)
Governmental Fund Statements (Continued)

Unemployment Insurance
Unemployment insurance reserve (GML §6-m) is 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 School District elects to convert to tax (contribution) basis, excess resources in the fund over the sum sufficient to pay pending claims may be transferred to any other reserve fund. This reserve is accounted for in the general fund under restricted fund balance.

Debt Service
Mandatory reserve for debt service (GML §6-l) is used to establish a reserve for the purpose of retiring the outstanding obligations upon the sale of School District property or capital improvement that was financed by obligations which remain outstanding at the time of sale. The funding of the reserve is from the proceeds of the sale of School District property or capital improvement. The reserve is accounted for in the debt service fund under restricted fund balance.

Insurance
Insurance reserve is 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. 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. The reserve is accounted for in the general fund under restricted fund balance.

Liability Claims and Property Loss
Liability claims and property loss reserve, (Education Law §1709(8) (c), are used to pay for property loss and liability claims incurred. Separate funds for property loss and liability claims 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. These reserves are accounted for in the general fund under restricted fund balance.

Tax Certiorari
Tax certiorari reserve, (Education Law §3651.1-a), is 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 which might reasonably be deemed necessary to meet anticipated judgments and claims arising out of tax certiorari proceedings. Any resources deposited to the reserve which are not expended for tax certiorari proceedings in the year such monies are deposited must be returned to the general fund on or before the first day of the fourth fiscal year after deposit of these monies. The reserve is accounted for in the general fund under restricted fund balance.

1. NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Balance/Net Position Classifications (Continued)
Governmental Fund Statements (Continued)

Employee Benefit Accrued Liability
Reserve for employee benefit accrued liability (GML §6-p) is used to reserve funds for the payment of accrued employee benefit due an employee upon termination of the employee's service. This reserve may be established by a majority vote of the board, and is funded by budgetary appropriations and such other reserves and funds that may be legally appropriated. The reserve is accounted for in the general fund under restricted fund balance.

Retirement Contribution
Retirement Contribution Reserve (GML §6-r) is used for the purpose of financing retirement contributions. The reserve must be accounted for separate and apart from all other funds and a detailed report of the operation and condition of the fund must be provided to the board. This reserve is accounted for in the general fund under restricted fund balance.

Committed fund balance – Includes amounts that can be used for the specific purposes pursuant to constraints imposed by formal action of the School District's highest level of decision-making authority, i.e., the Board of Education. The School District has no committed fund balances as of June 30, 2021.

Assigned fund balance – Includes amounts that are constrained by the School 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 in the general fund. Encumbrances reported in the general fund amounted to $545,150. As of June 30, 2021, the School District's encumbrances were classified as follows:

General support	$ 231,854
Instruction	311,931
Pupil transportation	1,365
Total encumbrances	$ 545,150

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.

Unassigned fund balance - Includes all other general fund amounts that do not meet the definition of the above four classifications and are deemed to be available for general use by the School District.

New York State Real Property Tax Law §1318 limits the amount of unexpended surplus funds the School District can retain to no more than 4% of the School District's budget for the general fund for the ensuing fiscal year. Nonspendable 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.

1. NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Balance/Net Position Classifications (Continued)
Governmental Fund Statements (Continued)

Order of Fund Balance Spending Policy
The School District's policy is to apply expenditures against nonspendable 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, nonspendable fund balances are determined first and then restricted fund balances for specific purposes are determined. Any remaining fund balance amounts for funds other than the general fund are classified as assigned 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.

2. EXPLANATION OF CERTAIN DIFFERENCES BETWEEN GOVERNMENTAL FUND STATEMENTS AND GOVERNMENT-WIDE STATEMENTS

Due to the differences in the measurement focus and basis of accounting used in the governmental fund statements and the Government-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.

Total Fund Balances of Governmental Funds vs. Net Position of Governmental Activities

Total fund balances of the School 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. Differences between the governmental funds statement of revenue, expenditures, and changes in fund balance and the statement of activities fall into one of three broad categories.

Long-Term Revenue and Expense Differences
Long-term revenue differences arise because governmental funds report revenue only when it is considered available, whereas the statement of activities reports revenue 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.

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

2. EXPLANATION OF CERTAIN DIFFERENCES BETWEEN GOVERNMENTAL FUND STATEMENTS AND GOVERNMENT-WIDE STATEMENTS (Continued)

Statement of Revenue, Expenditures, and Change in Fund Balance vs. Statement of Activities

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.

3. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

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

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

Appropriations are adopted at the program line item level.

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

Appropriations authorized for the current year are increased by the planned use of specific reserves, and budget amendments approved by the Board of Education as a result of selected new revenue sources not included in the original budget (when permitted by law). These supplemental appropriations may occur subject to legal restrictions, if the Board approves them because of a need that exists which was not determined at the time the budget was adopted. No supplemental appropriations occurred during the year.

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.

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

Fund Balance
Portions of fund balances are restricted and not available for current expenditures, as reported in the governmental funds' balance sheet.

4. CASH

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

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

	Bank Balance	Carrying Amount
Cash	$ 47,800,993	$ 47,481,496
Collateralized with securities held by the pledging financial institution's trust department or agent in the District's name	$ 47,300,993	
Covered by FDIC insurance	500,000	
Total	$ 47,800,993	

Restricted cash represents cash where use is limited by legal requirements. These assets represent amounts required by statute to be reserved for various purposes.

Restricted cash consists of the following:

General fund:		
Workers' compensation	$ 1,302,323	
Retirement contributions	5,422,448	
Employee benefits accrued liabilities	1,935,517	
Capital Projects	7,322,198	
Tax certiorari	1,131,211	
Debt	1,227,568	
Unemployment	42,064	$ 18,383,329
Miscellaneous Special Revenue Fund:		
Extraclassroom Activity Fund	$ 205,018	
Scholarships	74,075	279,093
Total Restricted Cash		$ 18,662,422

5. PARTICIPATION IN BOCES

During the year, the School District was billed $3,734,097 for BOCES administrative and program costs. The School District's share of BOCES aid amounted to $1,483,561.

6. CAPITAL ASSETS, NET

Capital asset balances and activity for the year ended June 30, 2021, were as follows:

	Beginning Balance	Additions	Retirements/ Reclassifications	Ending Balance
Governmental activities:				
Capital assets that are not depreciated:				
Land	$ 700,705	$ -	$ -	$ 700,705
Construction in progress	77,697,036	18,117,310	1,278,268	94,536,078
Total non-depreciable cost	78,397,741	18,117,310	1,278,268	95,236,783
Capital assets that are depreciated:				
Land improvements	1,885,427	-	-	1,885,427
Buildings	111,674,968	8,279	-	111,683,247
Furniture and equipment	10,615,648	195,433	86,997	10,724,084
Vehicles	9,872,706	1,102,928	520,051	10,455,583
Total depreciable historical cost	134,048,749	1,306,640	607,048	134,748,341
Less accumulated depreciation:				
Land improvements	1,367,974	55,468	-	1,423,442
Buildings	54,458,454	2,631,692	-	57,090,146
Furniture and equipment	8,337,420	474,238	86,997	8,724,661
Vehicles	5,583,563	932,294	520,051	5,995,806
Total accumulated depreciation	69,747,411	4,093,692	607,048	73,234,055
Total capital assets, net	$142,699,079	$ 15,330,258	$ 1,278,268	$156,751,069

Depreciation expense for the year ended June 30, 2021, was allocated to specific functions as follows:

Instruction	$ 2,990,869
Pupil transportation	839,257
General support	251,817
School lunch program	11,749
Total	$ 4,093,692

7. SHORT-TERM DEBT

The School District may issue Revenue Anticipation Notes (RANs) and Tax Anticipation Notes (TANs), in anticipation of the receipt of revenue. 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 School District may issue budget notes up to an amount not to exceed 5% of the amount of the annual budget during any fiscal year for expenditures for which there is an insufficient or no provision made in the annual budget. The budget note must be repaid no later than the close of the second fiscal year succeeding the year in which the note was issued.

The School District may issue Bond Anticipation Notes (BANs), 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.

At June 30, 2021, the School District had the following BANs outstanding:

	Beginning Balance	New Issues	Redemptions	Ending Balance
Bond Anticipation Note - 2.25%, Matured 07/17/2020	$ 80,000,000	$ -	$ 80,000,000	$ -
Bond Anticipation Note - 1.25%, Matures 07/16/2021	-	101,210,000	-	101,210,000
	$ 80,000,000	$101,210,000	$ 80,000,000	$101,210,000

8. LONG-TERM DEBT

Interest on debt for the year was composed of:

Interest paid - long-term debt		$ 145,288
Interest paid - short-term debt		1,795,000
Less:	Interest accrued in the prior year	(1,811,744)
	Amortization of bond premium	(172,849)
Plus:	Interest accrued in the current year	1,257,085
	Amortization of deferred amount	162,968
	Total expense	$ 1,375,748

8. LONG-TERM DEBT (Continued)

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

	July 01, 2020 Balance	Additions		Deletions	June 30, 2021 Balance	Amounts Due Within One Year
Government activities:						
Bonds and notes payable						
Serial bonds	$ 7,210,000	$ -		$ 2,370,000	$ 4,840,000	$ 2,460,000
Unamortized premium on obligations	349,015	-		172,849	176,166	-
Total bonds and notes payable	7,559,015	-		2,542,849	5,016,166	2,460,000
Other long-term liabilities:						
Workers compensation	1,226,203	1,055,340		979,220	1,302,323	-
Judgments and claims	186,442	6,349		-	192,791	-
Compensated absences	4,038,989	103,883	(A)	-	4,142,872	-
Net pension liability - ERS	11,943,201	-	(A)	11,897,855	45,346	-
Net pension liability - TRS	-	8,199,576	(A)	-	8,199,576	-
Total other postemployment benefits	176,109,730	11,229,538		3,026,395	184,312,873	-
Total other long-term liabilities	193,504,565	20,594,686		15,903,470	198,195,781	-
Total long-term liabilities	$ 201,063,580	$ 20,594,686		$ 18,446,319	$203,211,947	$ 2,460,000

(A) Additions and deletions are shown net because it is impractical to determine these amounts separately.

In prior years, the School District defeased certain general obligations and other bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the School District's financial statements.

Issue dates, maturities, and interest rates on outstanding debt are as follows:

Bond Issue	Issued	Maturity	Interest Rate	June 30, 2021 Balance
District-wide renovations	2010	2021	1.50%-2.50%	$ 145,000
Refunding bond	2012	2022	2.00%-4.00%	4,695,000
				$ 4,840,000

The following is a summary of the maturity of bonds payable:

Fiscal Year Ending June 30,	Principal	Interest	Total
2022	$ 2,460,000	$ 73,106	$ 2,533,106
2023	2,380,000	23,800	2,403,800
Totals	$ 4,840,000	$ 96,906	$ 4,936,906

9. INTERFUND BALANCES AND ACTIVITY

Interfund receivables and payables are eliminated on the statement of net position.

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

The following is a summary of interfund activity:

	Interfund		Interfund	
	Receivable	Payable	Revenue	Expenditures
General fund	$ 2,487,692	$ 8,400	$ -	$ 217,171
Special aid fund	-	2,082,454	167,171	-
School lunch fund	-	405,238	50,000	-
Miscellaneous special revenue fund	8,400	-	-	-
Totals	$ 2,496,092	$ 2,496,092	$ 217,171	$ 217,171

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

10. PENSION PLANS

New York State Employees' Retirement System

The School District participates in the New York State and Local Employee's Retirement System (ERS) also referred to as New York State and Local Retirement System (the System). This is a cost-sharing multiple-employer retirement system, providing 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), established to hold all net assets and record changes in plan net position allocated to the System. System benefits are established under the provisions of the New York Retirement and Social Security Law (RSSL). Once an 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 School District also participates in the Public Employees' Group Life Insurance Plan (GLIP), which provides death benefits in the form of life insurance. The system is included in the State's financial report as a pension trust fund. That report, including information with regard to benefits provided, may be found at www.osc.state.ny.us/retire/publications/index.php or obtained by writing to the New York State and Local Retirement System, 110 State Street, Albany, NY 12244.

10. PENSION PLANS (Continued)

New York State Employees' Retirement System (Continued)

Contributions

The system is noncontributory except for employees who joined the New York State and Local Employees' Retirement System after July 27th, 1976, who contribute 3 percent of their salary for the first ten years of membership, and employees who joined on or after January 1, 2010 (ERS) who generally contribute 3 percent of their salary for their entire length of service. Under the authority of the NYSRSSL, the Comptroller annually certifies the actuarially determined rates expressly used in computing the employers' contributions based on salaries paid during the Systems' fiscal year ending March 31. Contributions for the current year and two preceding years were equal to 100 percent of the contributions required, and were as follows:

2021	$ 2,173,167
2020	$ 2,186,042
2019	$ 2,147,710

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

At June 30, 2021, the School District reported a net pension liability of $45,346 for its proportionate share of the ERS net pension liability. The net pension liability was measured as of March 31, 2021, and the total pension liability used to calculate the net pension liability was determined by the actuarial valuation as of April 1, 2020. The School District's proportion of the net pension liability was based on a projection of the School District's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined.

At June 30, 2021, the School District's proportion was 0.0455402%, which was an increase of .0004385% from its proportion measured at June 30, 2020.

For the year ended June 30, 2021, the School District recognized pension expense of $1,303,658. At June 30, 2021, the School District reported deferred outflows/inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 553,800	$ -
Changes of Assumptions	8,337,702	157,252
Net difference between projected and actual earnings on pension plan investments	-	13,026,096
Changes in proportion and differences between the District's contributions and proportionate share of contributions	765,213	67,546
Contributions subsequent to the measurement date	681,493	-
Total	$ 10,338,208	$ 13,250,894

10. PENSION PLANS (Continued)

New York State Employees' Retirement System (Continued)

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

The School District recognized $681,493 as deferral outflow of resources related to pensions resulting from contributions made subsequent to the measurement date of March 31, 2021 which will be recognized on a reduction of the net pension liability in the year ending June 30, 2022.

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

Plan's Year Ending March 31,	
2022	$ (529,563)
2023	(68,893)
2024	(556,306)
2025	(2,439,417)
2026	-
Thereafter	-
	$ (3,594,179)

Actuarial Assumptions

The total pension liability at March 31, 2021 was determined by using an actuarial valuation as of April 1, 2020, with update procedures used to roll forward the total pension liability to March 31, 2021. The actuarial valuation used the following actuarial assumptions:

Actuarial cost method	Entry age normal
Inflation	2.70%
Salary scale	4.40%
Projected COLAs	1.40%
Decrements	Developed from the Plan's 2020 experience study of the period April 1, 2015 through March 31, 2020
Mortality improvement	Society of Actuaries Scale MP-2020
Investment Rate of Return	6.8% compounded annually, net of investment expenses

10. PENSION PLANS (Continued)

New York State Employees' Retirement System (Continued)

Actuarial Assumptions (Continued)

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected return, net of investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the target allocation as of March 31, 2020 are summarized below:

Asset Class	Target Allocation	Long-term expected real rate of term
Domestic Equity	32.0%	4.05%
International Equity	15.0%	6.30%
Private Equity	10.0%	6.75%
Real Estate	9.0%	4.95%
Opportunistic/ARS Portfolio	3.0%	4.50%
Credit	4.0%	3.63%
Reals Assets	3.0%	5.95%
Fixed Income	23.0%	0.00%
Cash	1.0%	0.50%
	100%	

Discount Rate

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

10. PENSION PLANS (Continued)

New York State Employees' Retirement System (Continued)

Sensitivity of the Proportionate Share of the Net Pension Liability (Asset) to the Discount Rate Assumption

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

	1% Decrease (4.9%)	Current Discount (5.9%)	1% Increase (6.9%)
Employer's Proportionate Share of Net Pension Liability (Asset)	$ 12,586,348	$ 45,346	$ (11,520,393)

Pension Plan Fiduciary Net Position

The components of the current-year net pension liability of the employers as of March 31, 2021, was as follows:

	Pension Plan's Fiduciary Net Position
Total pension liability	$ 220,680,157,000
Net position	220,580,583,000
Net pension liability (asset)	$ 99,574,000
ERS net position as a percentage of total pension liability	99.95%

New York State Teachers' Retirement System

The School District participates in the New York State Teachers' Retirement System (NYSTRS). This is a cost-sharing, multiple employer public employee retirement system. The system offers 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.

The New York State Teachers' Retirement Board administers NYSTRS. The system provides benefits to plan members and beneficiaries as authorized by the Education Law and the Retirement and Social Security Law of the State of New York. NYSTRS issues a publicly available financial report that contains financial statements and required supplementary information for the system. The report may be obtained by writing to NYSTRS, 10 Corporate Woods Drive, Albany, New York 12211-2395.

Contributions
The System is noncontributory for the employees who joined prior to July 27, 1976. For employees who joined the System after July 27, 1976, and prior to January 1, 2010, employees contribute 3% of their salary, except that employees in the System more than ten years are no longer required to contribute. For employees who joined after January 1, 2010 and prior to April 1, 2012, contributions of 3.5% are paid throughout their active membership.

10. PENSION PLANS (Continued)

New York State Teachers' Retirement System (Continued)

Contributions (Continued)
For employees who joined after April 1, 2012, required contributions of 3.5% of their salary are paid until April 1, 2013 and they then contribute 3% to 6% of their salary throughout their active membership. Pursuant to Article 11 of the Education Law, the New York State Teachers' Retirement Board establishes rates annually for NYSTRS.

The School District is required to contribute at an actuarially determined rate. The School District contributions made to the systems were equal to 100% of the contributions required for each year. The required contributions for the current year and two preceding years were:

2021	$ 4,825,307
2020	$ 5,211,937
2019	$ 5,220,974

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

At June 30, 2021, the School District reported a liability of $8,199,576 for its proportionate share of the NYSTRS net pension liability. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by the actuarial valuation as of June 30, 2019. The School District's proportion of the net pension liability was based on a projection of the School Districts' long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined.

At June 30, 2021, the School District's proportion was 0.296734%, which was an increase of .002715% from its proportion measured at June 30, 2020.

For the year ended June 30, 2021, the School District recognized pension expense of $10,898,202. At June 30, 2021 the School District reported deferred outflows/inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 7,184,469	$ 420,212
Changes of Assumptions	10,370,555	3,696,561
Net difference between projected and actual earnings on pension plan investments	5,355,042	-
Changes in proportion and differences between the District's contributions and proportionate share of contributions	83,101	834,978
Contributions subsequent to the measurement date	4,825,307	-
Total	$ 27,818,474	$ 4,951,751

The School District recognized $4,825,307 as a deferred outflow of resources related to pensions resulting from the School District's contributions subsequent to the measurement date of June 30, 2020, which will be recognized as a reduction of the net pension asset in the year ending June 30, 2022.

10. PENSION PLANS (Continued)

New York State Teachers' Retirement System (Continued)

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

Other amounts reported as deferred outflows/inflows of resources related to pensions will be recognized in pension expense as follows:

Plan's Year Ending June 30,	
2021	$ 3,069,033
2022	6,322,827
2023	5,162,844
2024	3,117,879
2025	22,687
Thereafter	346,146
	$ 18,041,416

Actuarial Assumptions

The total pension liability at the June 30, 2020 measurement date was determined by an actuarial valuation as of June 30, 2019, with update procedures used to roll forward the total pension liability to June 30, 2020. These actuarial valuations used the following actuarial assumptions:

Actuarial cost method	Entry age normal
Inflation	2.20%
Projected Salary Increases	Rates of increase differ based on service. They have been calculated based upon recent NYSTRS member experience.

Service	Rate
5	4.72%
15	3.46%
25	2.37%
35	1.90%

Projected COLAs	1.30% compounded annually
Investment Rate of Return	7.10% compounded annually, net of pension plan investment expense, including inflation.

Annuitant morality rates are based on plan member experience, with adjustments for mortality improvements based on Society of Actuaries Scale MP-2014.

The actuarial assumptions used in the June 30, 2020 valuation was based on the results of an actuarial experience study for the period July 1, 2009 to June 30, 2014.

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

10. PENSION PLANS (Continued)

New York State Teachers' Retirement System (Continued)

Actuarial Assumptions (Continued)

Best estimates of arithmetic real rates of return for each major asset class included in the Systems target asset allocation as of the valuation date of June 30, 2020 (see the discussion of the pension plan's investment policy) are summarized in the following table:

Asset Class	Target Allocation	Long-term expected real rate of term
Domestic Equity	33.0%	7.1%
International Equity	16.0%	7.7%
Global Equity	4.0%	7.4%
Real Estate Equity	11.0%	6.8%
Private Equity	8.0%	10.4%
Domestic Fixed Income	16.0%	1.8%
Global Bonds	2.0%	1.0%
High-Yield Bonds	1.0%	3.9%
Private Debt	1.0%	5.2%
Real Estate Debt	7.0%	3.6%
Cash Equivalents	1.0%	0.7%
	100%	

Discount Rate

The discount rate used to measure the total pension liability was 7.10%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from school districts will be made at statutorily required rates, actuarially determined. Based on those assumptions, the NYSTRS' fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Proportionate Share of the Net Pension Liability (Asset) to the Discount Rate Assumption

The following presents the net pension liability (asset) of the school districts calculated using the discount rate of 7.10%, as well as what the school districts' net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (6.10%) or 1-percentage-point higher (8.10%) than the current rate:

	1% Decrease (6.10%)	Current Discount (7.10%)	1% Increase (8.10%)
Employer's Proportionate Share of Net Pension Liability (Asset)	$ 51,793,895	$ 8,199,576	$ (28,387,106)

10. PENSION PLANS (Continued)

New York State Teachers' Retirement System (Continued)

Pension Plan Fiduciary Net Position

The components of the current year net pension liability (asset) of the employers as of June 30, 2020, were as follows:

	Pension Plan's Fiduciary Net Position
Total pension liability	$ 123,242,776,215
Net position	120,479,505,380
Net pension liability (asset)	$ 2,763,270,835
TRS net position as a percentage of total pension liability	97.76%

11. OTHER POSTEMPLOYMENT BENEFITS

Plan Description

The School District administers a defined benefit OPEB plan that provides OPEB for all permanent full-time general employees of the School District.

The plan is a single-employer defined benefit OPEB plan administered by the School 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 School District provides for continuation of medical and/or Medicare Part B benefits for retirees and their spouses. The benefit terms are dependent on which contract each employee falls under. The specifics of each contract are on file at the School District offices and are available upon request.

Employees Covered by Benefit Terms

At June 30, 2021, the following employees were covered by the benefit terms:

Inactive members or beneficiaries currently receiving benefits	540
Inactive members entitled to but not yet receiving benefits	-
Active members	971
Total participants	1,511

Total OPEB Liability

The School District's total OPEB liability of $184,312,873 was measured as of June 30, 2021, and was determined by an actuarial valuation as of January 1, 2020.

11. OTHER POSTEMPLOYMENT BENEFITS (Continued)

Actuarial Assumptions and Other Inputs

The total OPEB liability in the January 1, 2020 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.50%
Payroll growth	Vary by pension retirement system membership (New York State Teachers Retirement System (TRS) or Employees Retirement System (ERS))
Discount Rate	2.16%
Healthcare Cost Trend Rates	
Medical/Prescription Drug	6.00% from 2021 to 2022, decreasing gradually to an ultimate rate of 4.04% by 2075
Part B Reimbursement	6.20% from 2021 to 2022, followed by projected Part B premium increase shown in the 2020 Medicare Trustees report, decreasing gradually to an ultimate rate of 4.04% by 2075

The discount rate was based on the Bond Buyer General Obligation 20-year Municipal Bond Index.

Mortality rates were based on the RP-2018 Total Dataset Mortality Table, projected fully generationally using Scale MP-2018.

Changes in the Total OPEB Liability

Balance at July 1, 2020	$176,109,730
Changes for the Year	
Service cost	9,547,384
Interest	4,069,763
Change in benefit terms	-
Difference between expected and actual experience	(13,708,908)
Changes of assumptions or other inputs	11,321,299
Benefit payments	(3,026,395)
Net changes	8,203,143
Balance at June 30, 2021	$184,312,873

11. OTHER POSTEMPLOYMENT BENEFITS (Continued)

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

The following presents the total OPEB liability of the School District, as well as what the School District's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (1.16%) or 1 percentage point higher (3.16%) than the current discount rate:

	1% Decrease (1.16%)	Current Discount (2.16%)	1% Increase (3.16%)
Total OPEB Liability	$223,631,377	$184,312,873	$ 153,791,237

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

The following presents the total OPEB liability of the School District, as well as what the School District's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower (5.00%) or 1 percentage point higher (7.00%) than the current healthcare cost trend rate:

	Healthcare Trend Rate		
	1% Decrease (5.00%)	Current Rate (6.00%)	1% Increase (7.00%)
Total OPEB Liability	$148,687,118	$184,312,873	$ 232,560,058

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

For the year ended June 30, 2021, the School District recognized OPEB expense of $9,791,993. At June 30, 2021, the School 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	$ -	$ 19,145,285
Changes of assumptions or other inputs	47,946,269	6,516,806
Total	$ 47,946,269	$ 25,662,091

11. OTHER POSTEMPLOYMENT BENEFITS (Continued)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

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
2022	$ 2,088,334
2023	2,088,334
2024	2,346,031
2025	4,431,014
2026	4,431,010
Thereafter	6,899,455
	$ 22,284,178

12. RISK MANAGEMENT

The School 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.

The School District does not purchase insurance for the risk of losses for unemployment and workers' compensation claims. Instead, the School District manages its risks for these losses internally and accounts for these in the School District's general fund, including provisions for unexpected and unusual claims.

Claims are recognized as expenditures when it is probable that an asset has been impaired or a liability has been incurred and the amount of loss can be reasonably estimated. At June 30, 2021, management estimates there are no outstanding claims liabilities.

13. TAX ABATEMENTS

All real property in New York State is subject to taxation unless specific legal provision grant it exempt status. Real property exemptions are granted on the basis of many different criteria, including the use to which the property is put, the owner's ability to pay taxes, the desire of the state and local governments to encourage certain economic or social activities, and other considerations. Most exemptions are granted under Article 4 of the Real Property Tax Law, but others are authorized by a wide variety of statutes ranging from Article 18-A of the Real Property Tax Law, the Agriculture and Markets Law and the Transportation Law. Certain exemptions provide full relief from taxation (wholly exempt property) and others reduce the taxes which would otherwise be payable by varying degrees (partially exempt property). Some exemptions apply to taxes levied for county, city/town, and school purposes, whereas others pertain only to certain of these purposes. Some tax exemptions are mandated by State law, others are subject to local option and/or local determination of eligibility criteria.

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13. TAX ABATEMENTS (Continued)

The District School District has three real property tax abatement agreements entered into by the Town of Colonie IDA. These agreements provide for abatement of real property taxes in exchange for a payment in lieu of taxes (PILOT) in compliance with tax exemption policy. PILOTs are granted in accordance with various activities such as new affordable housing construction, purchase of an existing facility, development of a new facility, or the improvement or expansion of an existing facility to promote job creation or retention. There are no policies for recapture of PILOTS should the applicant not meet certain criteria. The amount of property tax abated in the School District for the year ended June 30, 2021 was approximately $710,000.

PILOT revenue recognized during the year was approximately $372,000.

14. RISK MANAGEMENT

The School 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.

Workers' Compensation Plan
The School District is self-insured for workers compensation benefits on a cost-reimbursement basis. Under the program, the School District is responsible for claim payments.

All known claims filed and an estimate of all incurred but unreported claims existing at June 30, 2021 have been recorded as other liabilities. The School District establishes workers compensation claims liabilities based on estimates of the ultimate cost of claims (including future claim adjustment expenses) that have been reported but not settled, and of claims that have been incurred but not reported. The length of time for which such costs must be estimated varies depending on the coverage involved. Because actual claims costs depend on such complex factors as inflation, changes in doctrines of legal liability, and damage awards, the process used in computing claims liabilities does not necessarily result in an exact amount. Claims liabilities are recomputed periodically using a variety of actuarial and statistical techniques to produce current estimates that reflect recent settlements, claims frequency, and other economic and social factors. A provision for inflation in the calculation of estimated future claims costs is implicit in the calculation because reliance is placed both on actual historical data that reflect past inflation and on other factors that are considered to be appropriate modifiers of past experience. Adjustments to claims liabilities are charged or credited to the liability in the periods in which they are made.

As discussed above, the School District establishes a liability for both reported and unreported insured events, which includes estimates of both future payments of losses and related claim adjustment expenses.

14. RISK MANAGEMENT (Continued)

The following represents changes in those aggregate liabilities for the District during 2021:

	2021	2020
Unpaid claims and claim adjustment expenses - beginning of year	$ 1,226,203	$ 640,507
Incurred claims and claim adjustment expenses:		
Provision for incurred claims expenses for events of the current year	228,383	382,609
Increase (decrease) in provision for incurred events of prior years	826,957	503,061
Total incurred claims and claim adjustment expenses	1,055,340	885,670
Payments made for claims during the current year	(979,220)	(299,974)
Total unpaid claims and claim adjustment expenses - end of year	$ 1,302,323	$ 1,226,203

15. CONTINGENCIES AND COMMITMENTS

Litigation
The School District has been named as a defendant in several tax certiorari cases. A review by management and the School District's attorneys indicate these actions are substantial enough to materially affect the financial position of the School District, however the School District believes the tax certiorari reserve of approximately $1.1 million is adequate to cover any potential settlements that could occur.

The School District is a defendant in various lawsuits and intends to vigorously defend its position. It is the opinion of management and attorneys that all potential losses will be covered by insurance or not materially affect the School District.

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

Commitments
The School District has various commitments with contractors for the completion of capital projects over the next several years.

16. CHANGE IN ACCOUNTING PRINCIPLE

The School District adopted GASB Statement No. 84, Fiduciary Activities, during the year ended June 30, 2021. Statement No. 84 establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. An activity meeting the criteria should be reported in a fiduciary fund in the basic financial statements. Governments with activities meeting the criteria should present a statement of fiduciary net position and a statement of changes in fiduciary net position. This Statement describes four fiduciary funds that should be reported, if applicable: (1) pension (and other employee benefit) trust funds, (2) investment trust funds, (3) private-purpose trust funds, and (4) custodial funds. Custodial funds generally should report fiduciary activities that are not held in a trust or equivalent arrangement that meets specific criteria.

This Statement clarified the criteria for reporting certain activities as governmental or fiduciary activities. As a result, beginning cash, liabilities, fund balance, and net position were adjusted as noted below for the following opinion units:

	Governmental Activities		
	Cash	Accrued Liabilities	Net Position
Balance at June 30, 2020, as previously reported	$ 42,830,387	$ 231,611	$ (50,670,209)
Restatement of beginning balance - Adoption of GASB Statement No. 84	1,017,218	679,839	337,379
Balance at June 30, 2020, as restated	$ 43,847,605	$ 911,450	$ (50,332,830)

	General Fund	
	Cash	Accrued Liabilities
Balance at June 30, 2020, as previously reported	$ 28,977,270	$ 198,393
Restatement of beginning balance - Adoption of GASB Statement No. 84	679,839	679,839
Balance at June 30, 2020, as restated	$ 29,657,109	$ 878,232

	Miscellaneous Special Revenue Fund		
	Cash	Accrued Liabilities	Fund Balance
Balance at June 30, 2020, as previously reported	$ -	$ -	$ -
Restatement of beginning balance - Adoption of GASB Statement No. 84	337,379	-	337,379
Balance at June 30, 2020, as restated	$ 337,379	$ -	$ 337,379

	Agency Fund	
	Cash	Accrued/Other Liabilities
Balance at June 30, 2020, as previously reported	$ 931,771	$ 931,771
Restatement of beginning balance - Adoption of GASB Statement No. 84	(931,771)	(931,771)
Balance at June 30, 2020, as restated	$ -	$ -

	Private Purpose Trust Fund		
	Cash	Accrued/Other Liabilities	Net Position
Balance at June 30, 2020, as previously reported	$ 85,447	$ -	$ 85,447
Restatement of beginning balance - Adoption of GASB Statement No. 84	(85,447)	-	(85,447)
Balance at June 30, 2020, as restated	$ -	$ -	$ -

17. COVID-19 PANDEMIC

As of the date of this report, the United States continues to be affected by a national health emergency related to a virus, commonly known as novel coronavirus (COVID-19). During 2020, the NYS Governor put the economy “on pause” in an effort to combat the spread of COVID. As a result, many businesses were closed, or their operations were severely curtailed. The School District acted proactively as well in an effort to protect its employees as well as the School District population.

In response to the economic impact, the COVID pandemic, the United States government passed several stimulus bills (Coronavirus Aid, Relief, and Economic Security Act; Coronavirus Response and Relief Supplemental Appropriations Act; and American Rescue Plan Act) in an effort to provide relief to businesses, families and governments that have been devastated by the closure of large segments of the economy.

The School District’s remaining allocations for each of the stimulus plans are:

CARES	Entirely spent in fiscal 2021
CRRSA	\$5,668,835
ARPA	\$3,645,061

18. SUBSEQUENT EVENT

The \$101,210,000 BAN outstanding as of June 30, 2021 matured on July 16, 2021. On July 15, 2021, the School District issued Serial Bonds in the amount of \$73,940,000. The proceeds of these bonds, together with \$1,605,000 in available funds, will be used to partially redeem and permanently finance a \$75,545,000 portion of the \$101,210,000 BANs on the maturity date. The remaining principal balance of the maturing BANs will be fully redeemed with the proceeds of BANs issued on July 15, 2021 in the amount of \$26,835,000. The Serial Bonds mature on July 15, 2040. The BANs mature on July 15, 2022.

REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)

NORTH COLONIE CENTRAL SCHOOL DISTRICT

SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2021

	Original Budget	Final Budget	Actual (Budgetary Basis)	Encumbrances	Final Budget Variance with Budgetary Actual
REVENUE					
LOCAL SOURCES:					
Real property taxes	$ 88,215,013	$ 83,940,872	$ 83,776,125	$ -	$ (164,747)
Other tax items	493,372	4,767,513	4,766,012	-	(1,501)
Charges for services	2,492,360	2,492,360	2,309,867	-	(182,493)
Use of money and property	380,500	380,500	270,787	-	(109,713)
Sale of property and compensation for loss	125,000	125,000	167,579	-	42,579
Miscellaneous	290,000	290,000	557,822	-	267,822
Total local sources	91,996,245	91,996,245	91,848,192	-	(148,053)
State sources	20,593,256	20,593,256	21,931,303	-	1,338,047
Federal sources	150,000	150,000	703,296	-	553,296
Total revenue	112,739,501	112,739,501	114,482,791	-	1,743,290

(Continued)

NORTH COLONIE CENTRAL SCHOOL DISTRICT

SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND (UNAUDITED) (Continued)
FOR THE YEAR ENDED JUNE 30, 2021

	Original Budget	Final Budget	Actual (Budgetary Basis)	Encumbrances	Variance with Budgetary Actual and Encumbrances
EXPENDITURES					
GENERAL SUPPORT:					
Board of education	$ 68,557	$ 74,467	$ 66,681	$ -	$ 7,786
Central administration	602,165	614,480	595,236	-	19,244
Finance	999,380	1,006,752	829,080	27	177,645
Staff	789,961	792,765	620,448	24	172,293
Central services	9,229,019	9,558,945	7,881,434	206,803	1,470,708
Special items	971,612	996,612	859,555	25,000	112,057
Total general support	12,660,694	13,044,021	10,852,434	231,854	1,959,733
INSTRUCTION:					
Instruction, administration, and improvement	7,401,549	7,518,300	7,098,356	5,750	414,194
Teaching - Regular school	35,848,029	37,571,711	35,795,127	125,253	1,651,331
Programs for children with handicapping conditions	11,437,511	11,916,391	10,997,073	1,436	917,882
Occupational education	-	-	-	-	-
Teaching - Special school	381,886	139,736	10,915	18,052	110,769
Instructional media	2,414,995	2,611,362	2,267,649	139,615	204,098
Pupil services	6,025,897	6,117,190	5,458,834	21,825	636,531
Total instruction	63,509,867	65,874,690	61,627,954	311,931	3,934,805
Pupil transportation	5,937,238	5,994,416	5,324,836	1,365	668,215
Employee benefits	30,436,414	28,201,997	27,508,970	-	693,027
Debt service - principal	3,240,000	3,240,000	3,240,000	-	-
Debt service - interest	1,940,288	1,940,288	1,940,288	-	-
Total expenditures	117,724,501	118,295,412	110,494,482	545,150	7,255,780
OTHER FINANCING SOURCES (USES)					
Transfers to other funds	(255,000)	(255,000)	(217,171)	-	37,829
Total expenditures and other financing uses	117,979,501	118,550,412	110,711,653	545,150	7,293,609
NET CHANGE IN FUND BALANCE	(5,240,000)	(5,810,911)	3,771,138	(545,150)	9,036,899
FUND BALANCE - beginning of year	23,734,462	23,734,462	23,734,462	-	-
FUND BALANCE - end of year	$ 18,494,462	$ 17,923,551	$ 27,505,600	$ (545,150)	$ 9,036,899

NORTH COLONIE CENTRAL SCHOOL DISTRICT

SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY (ASSET) (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2021

Last 10 Plan Fiscal Years (Dollar amounts displayed in thousands)

NEW YORK STATE EMPLOYEES' RETIREMENT SYSTEM PLAN	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Proportion of the net pension liability (asset)	0.0455402%	0.0451017%	0.0449804%	0.0467620%	0.0493700%	0.0516956%	0.0507812%	Information for the periods prior to implementation of GASB 68 is unavailable and will be completed for each year going forward as they become available.		
Proportionate share of the net pension liability (asset)	$45	$11,943	$3,187	$1,509	$4,639	$8,297	$1,716			
Covered-employee payroll	$15,564	$15,225	$15,268	$14,946	$14,573	$14,718	$14,365			
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	0.29%	78.44%	20.87%	10.10%	31.83%	56.38%	11.94%			
Plan fiduciary net position as a percentage of the total pension liability (asset)	99.95%	86.39%	96.27%	98.24%	94.70%	90.68%	97.95%			

Last 10 Plan Fiscal Years (Dollar amounts displayed in thousands)

NEW YORK STATE TEACHERS' RETIREMENT SYSTEM PLAN	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Proportion of the net pension liability (asset)	0.296734%	0.294019%	0.284816%	0.280479%	0.283163%	0.283157%	0.281151%	Information for the periods prior to implementation of GASB 68 is unavailable and will be completed for each year going forward as they become available.		
Proportionate share of the net pension liability (asset)	$8,200	($7,639)	($5,150)	($2,132)	$3,033	$29,411	$31,318			
Covered-employee payroll	$50,633	$50,365	$49,576	$46,372	$45,295	$42,534	$41,530			
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	16.19%	-15.17%	-10.39%	-4.60%	6.70%	69.15%	75.41%			
Plan fiduciary net position as a percentage of the total pension liability (asset)	97.76%	102.17%	101.53%	100.66%	99.01%	110.46%	111.48%			

NORTH COLONIE CENTRAL SCHOOL DISTRICT

SCHEDULE OF CONTRIBUTIONS - PENSION PLANS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2021

NEW YORK STATE EMPLOYEES' RETIREMENT SYSTEM PLAN	Last 10 Plan Fiscal Years (Dollar amounts displayed in thousands)									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Contractually required contribution	$ 2,173	$ 2,186	$ 2,122	$ 2,160	$ 2,205	$ 2,660	$ 2,781	Information for the periods prior to implementation of GASB 68 is unavailable and will be completed for each year going forward as they become available.		
Contributions in relation to the contractually required contribution	2,173	2,186	2,122	2,160	2,205	2,660	2,781			
Contribution deficiency (excess)	-	-	-	-	-	-	-			
Covered-employee payroll	$ 15,564	$ 15,225	$ 15,268	$ 14,946	$ 14,573	$ 14,718	$ 14,365			
Contributions as a percentage of covered-employee payroll	13.96%	14.36%	13.90%	14.45%	15.13%	18.07%	19.36%			

NEW YORK STATE TEACHERS' RETIREMENT SYSTEM PLAN	Last 10 Plan Fiscal Years (Dollar amounts displayed in thousands)									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Contractually required contribution	$ 4,825	$ 5,212	$ 4,547	$ 5,209	$ 5,794	$ 7,456	$ 6,749	Information for the periods prior to implementation of GASB 68 is unavailable and will be completed for each year going forward as they become available.		
Contributions in relation to the contractually required contribution	4,825	5,212	4,547	5,209	5,794	7,456	6,749			
Contribution deficiency (excess)	-	-	-	-	-	-	-			
Covered-employee payroll	$ 50,633	$ 50,365	$ 49,576	$ 46,372	$ 45,295	$ 42,534	$ 41,530			
Contributions as a percentage of covered-employee payroll	9.53%	10.35%	9.17%	11.23%	12.79%	17.53%	16.25%			

NORTH COLONIE CENTRAL SCHOOL DISTRICT

SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2021

Last 10 Fiscal Years (Dollar amounts displayed in thousands)

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Total OPEB Liability										
Service cost	$ 9,547,384	$ 6,678,614	$ 6,681,773	$ 6,432,823						
Interest	4,069,763	4,998,530	4,905,782	4,743,137						
Change in benefit terms	-	(4,238,775)	-	-						
Difference between expected and actual experience	(13,708,908)	(3,479,392)	(6,399,771)	-						
Changes in assumptions and other inputs	11,321,299	38,108,364	13,188,887	(16,141,063)						
Benefit payments	(3,026,395)	(3,345,660)	(2,122,353)	(2,082,479)						
Total change in total OPEB liability	8,203,143	38,721,681	16,254,318	(7,047,582)						
Total OPEB liability - beginning	176,109,730	137,388,049	121,133,731	128,181,313						
Total OPEB liability - ending	$ 184,312,873	$ 176,109,730	$ 137,388,049	$ 121,133,731						
Covered-employee payroll	$ 60,579,875	$ 61,532,625	$ 60,538,298	$ 61,443,643						
Total OPEB liability as a percentage of covered-employee payroll	304.2%	286.2%	226.9%	197.1%						

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

Notes to schedule:

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

	2021	2020	2019	2018
Discount rate	2.16%	2.21%	3.51%	3.87%

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

Plan Assets. No assets are accumulated in a trust that meets the criteria in GASB 75, paragraph 4, to pay related benefits:
- Contributions from the employer and any nonemployer contributing entities, and earnings thereon, must be irrevocable.
- Plan assets must be dedicated to providing OPEB to Plan members in accordance with the benefit terms.
- Plan assets must be legally protected from the creditors of the employer, nonemployer contributing entities, the Plan administrator, and Plan members.

SUPPLEMENTARY INFORMATION (UNAUDITED)

NORTH COLONIE CENTRAL SCHOOL DISTRICT

SCHEDULE OF CHANGE FROM ORIGINAL BUDGET TO REVISED BUDGET - GENERAL FUND AND SECTION 1318 OF REAL PROPERTY TAX LAW LIMIT CALCULATION (UNAUDITED) FOR THE YEAR ENDED JUNE 30, 2021

CHANGE FROM ADOPTED BUDGET TO REVISED BUDGET

Adopted budget	$ 117,979,501
Add: Prior year's encumbrances	577,107
Original budget	118,556,608
Budget revisions	(6,196)
Final budget	$ 118,550,412

SECTION 1318 OF REAL PROPERTY TAX LAW LIMIT CALCULATION

2021-22 voter-approved expenditure budget	$ 124,977,067	
Maximum allowed (4% of 2021-22 budget)		$ 4,999,083
General Fund Fund Balance Subject to Section 1318 of Real Property Tax Law*:		
Unrestricted fund balance:		
Assigned fund balance	$ 4,145,150	
Unassigned fund balance	4,967,121	
	9,112,271	
Less:		
Appropriated fund balance	3,600,000	
Encumbrances included in assigned fund balance	545,150	
Total adjustments	4,145,150	
General Fund Fund Balance Subject to Section 1318 of Real Property Tax Law		$ 4,967,121
Actual percentage		3.97%

* Per Office of the State Comptroller's "Fund Balance Reporting and Governmental Fund Type Definitions", Updated April 2011 (Originally Issued November 2010), the portion of [General Fund] fund balance subject to Section 1318 of the Real Property Tax Law is: unrestricted fund balance (i.e., the total of the committed, assigned, and unassigned classifications), minus appropriated fund balance, amounts reserved for insurance recovery, amounts reserved for tax reduction, and encumbrances included in committed and assigned fund balance.

NORTH COLONIE CENTRAL SCHOOL DISTRICT

SCHEDULE OF PROJECT EXPENDITURES - CAPITAL PROJECTS FUND (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2021

				Expenditures				Methods of Financing				
PROJECT TITLE	PROJECT NUMBER	Original Appropriation	Revised Appropriation	Prior Years	Current Year	Total	Unexpended Balance	Proceeds of Obligations	State Aid	Local Sources	Total	Fund Balance June 30, 2020
Blue Creek	0003-007	172,833	$ 2,141,194	$ 1,106,738	$ 890,191	$ 1,996,929	$ 144,265	$ -	$ -	$ -	$ -	$ (1,996,929)
Blue Creek	0003-008	150,000	150,000	129,208	-	129,208	20,792	-	-	129,208	129,208	-
Blue Creek	0003-009	49,828	49,828	70,776	4,438	75,214	(25,386)	-	-	49,828	49,828	(25,386)
Loudonville	0004-008	420	197,164	604,942	681,074	1,286,016	(1,088,852)	-	-	-	-	(1,286,016)
Loudonville	0004-009	4,121	50,000	70,000	-	70,000	(20,000)	-	-	50,000	50,000	(20,000)
Loudonville	0004-010	439,603	439,603	249,864	11,245	261,109	178,494	-	-	439,603	439,603	178,494
Shaker High School	0005-010	1,240,000	685,150	1,566,332	-	1,566,332	(881,182)	-	-	1,566,332	1,566,332	-
Shaker High School	0005-011	983,546	1,842,818	2,364,606	3,079,949	5,444,555	(3,601,737)	-	-	-	-	(5,444,555)
Shaker High School	0005-012	945,000	945,000	319,030	-	319,030	625,970	-	-	319,030	319,030	-
Shaker High School	0005-013	23,489	23,489	265,954	-	265,954	(242,465)	-	-	285,000	285,000	19,046
Shaker High School	0005-014	1,992,512	9,321,203	10,077,037	1,130,213	11,207,250	(1,886,047)	-	-	-	-	(11,207,250)
Shaker High School	0005-015	-	4,285	4,285	-	4,285	-	-	-	-	-	(4,285)
Shaker High School	0005-016	84,848	84,848	235,047	15,494	250,541	(165,693)	-	-	84,848	84,848	(165,693)
Southgate	0006-006	636,526	4,744,382	4,503,705	823,424	5,327,129	(582,747)	-	-	-	-	(5,327,129)
Southgate	0006-007	100,000	100,000	67,455	-	67,455	32,545	-	-	67,455	67,455	-
Southgate	0006-008	30,907	30,907	265,119	-	265,119	(234,212)	-	-	375,000	375,000	109,881
Southgate	0006-009	48,076	48,076	60,048	2,519	62,567	(14,491)	-	-	48,076	48,076	(14,491)
Boght Hills	0007-004	1,167,595	5,206,530	4,027,914	944,337	4,972,251	234,279	-	-	-	-	(4,972,251)
Boght Hills	0007-005	290,000	290,000	240,541	-	240,541	49,459	-	-	240,541	240,541	-
Boght Hills	0007-006	12,775	12,775	62,297	73,669	135,966	(123,191)	-	-	155,000	155,000	19,034
Boght Hills	0007-007	40,200	40,200	50,688	1,852	52,540	(12,340)	-	-	40,200	40,200	(12,340)
Forts Ferry	0008-006	420	434,643	874,829	1,272,459	2,147,288	(1,712,645)	-	-	-	-	(2,147,288)
Forts Ferry	0008-007	75,000	75,000	225,870	-	225,870	(150,870)	-	-	225,870	225,870	-
Forts Ferry	0008-008	21,016	21,016	246,842	30,963	277,805	(256,789)	-	-	255,000	255,000	(22,805)
Forts Ferry	0008-009	234,844	234,844	81,443	5,005	86,448	148,396	-	-	234,844	234,844	148,396
Shaker Junior High	0009-006	13,646,400	51,884,913	47,501,774	6,642,406	54,144,180	(2,259,267)	-	-	3,744,524	3,744,524	(50,399,656)
Shaker Junior High	0009-008	40,000	40,000	18,884	-	18,884	21,116	-	-	18,884	18,884	-
Shaker Junior High	0009-009	33,791	33,791	46,482	-	46,482	(12,691)	-	-	410,000	410,000	363,518
Shaker Junior High	0009-010	-	15,739	138,636	204,072	342,708	(326,969)	-	-	-	-	(342,708)
Shaker Junior High	0009-011	74,619	74,619	50,350	4,316	54,666	19,953	-	-	74,619	74,619	19,953
Latham Ridge	0011-006	420	282,394	867,900	1,911,008	2,778,908	(2,496,514)	-	-	774,289	774,289	(2,004,619)
Latham Ridge	0011-007	15,000	15,000	3,917	-	3,917	11,083	-	-	3,917	3,917	-
Latham Ridge	0011-008	131,456	131,456	870,409	121,916	992,325	(860,869)	-	-	1,595,000	1,595,000	602,675
Latham Ridge	0011-009	57,453	57,453	41,422	4,177	45,599	11,854	-	-	57,453	57,453	11,854
Maplewood Emergency 2019	0030-002	-	-	64,037	-	64,037	(64,037)	-	-	64,323	64,323	286
Goodrich	1002-002	20,604	250,000	528,755	-	528,755	(278,755)	-	-	250,000	250,000	(278,755)
Goodrich	1002-003	52,736	52,736	56,058	-	56,058	(3,322)	-	-	56,058	56,058	-
Goodrich	1002-004	43,776	43,776	32,251	2,706	34,957	8,819	-	-	43,776	43,776	8,819
Storage Building	2034-001	2,819	219,922	215,978	14,033	230,011	(10,089)	-	-	-	-	(230,011)
Bus Garage	5015-004	33,201	419,852	558,352	41,579	599,931	(180,079)	-	-	-	-	(599,931)
Bus Garage	5015-005	500,000	500,000	470,033	-	470,033	29,967	-	-	470,033	470,033	-
Bus Garage	5015-006	6,181	6,181	328,680	-	328,680	(322,499)	-	-	75,000	75,000	(253,680)
Bus Garage	5015-008	96,753	96,753	103,638	5,442	109,080	(12,327)	-	-	96,753	96,753	(12,327)
Pressbox	7033-001	249,817	497,575	322,008	19,109	341,117	156,458	-	-	-	-	(341,117)
Concession Building	7035-001	48,624	968,299	928,428	133,535	1,061,963	(93,664)	-	-	-	-	(1,061,963)
Girls Dugout	7036-001	3,933	46,643	51,259	3,027	54,286	(7,643)	-	-	-	-	(54,286)
Boys Dugout	7037-001	3,933	46,643	51,259	3,027	54,286	(7,643)	-	-	-	-	(54,286)
District Wide Telephone	7999-002	2,053	12,018	417,474	-	417,474	(405,456)	-	-	417,474	417,474	-
District Wide SSBA	7999-BA1	447,703	447,703	490,178	40,124	530,302	(82,599)	-	-	490,178	490,178	(40,124)
District Wide SSBA	7999-EQU	358,211	358,211	765,453	-	765,453	(407,242)	-	-	765,453	765,453	-
		$ 24,613,042	$ 83,674,632	$ 82,694,185	$ 18,117,309	$ 100,811,494	$ (17,136,862)	$ -	$ -	$ 13,973,569	$ 13,973,569	$ (86,837,925)

NORTH COLONIE CENTRAL SCHOOL DISTRICT

SCHEDULE OF NET INVESTMENT IN CAPITAL ASSETS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2021

Capital assets, net		$ 156,751,069
Deduct:		
Bond anticipation notes	101,210,000	
Short-term portion of bonds payable	2,460,000	
Long-term portion of bonds payable	2,556,166	106,226,166
Add:		
Unspent bond proceeds	16,628,489	
Deferred amount on bond refunding	163,568	16,792,057
Net investment in capital assets		$ 67,316,960

See the independent auditor's report

REQUIRED REPORTS UNDER *GOVERNMENT AUDITING STANDARDS*

Bonadio & Co., LLP
Certified Public Accountants

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

October 14, 2021

To the Board of Education of
North Colonie Central School District:

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 and each major fund of North Colonie Central School District (School District), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements, and have issued our report thereon dated October 14, 2021.

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

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

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

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(Continued)

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

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

Purpose of this Report
The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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.