This Preliminary Offering Statement and the information contained herein are subject to completion or amendment without notice. Under no circumstances shall this Preliminary Offering Statement constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the securities, in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdiction.

PRELIMINARY OFFICIAL STATEMENT

NEW & RENEWAL ISSUE | **SERIAL BONDS & BOND ANTICIPATION NOTES**
STANDARD & POOR'S: "AAA/STABLE" | **See "BOND RATING" herein**

This Preliminary Official Statement is in a form "deemed final" by the District for the purposes of Securities and Exchange Commission Rule 15c2-12 (the "Rule"). For a description of the District's' agreement to provide continuing disclosure as described in securities and exchange commission Rule 15c2 12, see "Undertaking to Provide Notice of Events" herein.

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

The Bonds and Notes will NOT be designated as "qualified tax-exempt obligations" under Section 265(b)(3)(B) of the Code.

$35,000,000

HARRISON CENTRAL SCHOOL DISTRICT

WESTCHESTER COUNTY, NEW YORK

GENERAL OBLIGATIONS

CUSIP BASE #: 415365

$25,000,000** School District Serial Bonds – 2025

(the "Bonds")

Dated: July 24, 2025 | **Due: July 15, 2026-2050**

MATURITIES**

Year	Amount	Rate	Yield	CSP	Year	Amount	Rate	Yield	CSP	Year	Amount	Rate	Yield	CSP
2026	$ 125,000	%	%		2035	$ 855,000*	%	%		2043	$1,195,000*	%	%	
2027	630,000				2036	890,000*				2044	1,245,000*			
2028	655,000				2037	930,000*				2045	1,300,000*			
2029	680,000				2038	965,000*				2046	1,360,000*			
2030	705,000				2039	1,005,000*				2047	1,415,000*			
2031	730,000				2040	1,050,000*				2048	1,480,000*			
2032	760,000				2041	1,100,000*				2049	1,545,000*			
2033	790,000				2042	1,145,000*				2050	1,620,000*			
2034	825,000*													

* The Bonds maturing in the years 2034-2050 are subject to redemption prior to maturity. See "DESCRIPTION OF THE BONDS – Optional Redemption" herein.
** Subject to change pursuant to the accompanying Notice of Bond Sale.

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$10,000,000 Bond Anticipation Notes – 2025

(the "Notes")

(collectively referred to herein with the Bonds as the "Bonds and Notes")

Dated: July 24, 2025 | **Due: July 24, 2026**

The Bonds and Notes are general obligations of the Harrison Central School District, Westchester County, New York, all the taxable real property within which is subject to the levy of ad valorem taxes to pay the Notes and interest thereon without limitation as to rate or amount. See "*NATURE OF OBLIGATIONS*" herein.

The Bonds are subject to redemption prior to maturity as described herein under the heading "Optional Redemption." Notes are not subject to redemption prior to maturity.

The Bonds will be issued as registered bonds and, at the option of the purchaser, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York, which will act as securities depository for the Bonds. Individual purchases will be made in book-entry form only, in the principal amount of $5,000 or integral multiples thereof. Purchasers will not receive certificates representing their ownership interest in the Bonds. Interest on the Bonds will be payable on July 15, 2026 and semi-annually thereafter on January 15 and July 15 in each year until maturity. Principal and interest will be paid by the District to DTC, which will in turn remit such principal and interest to its participants, for subsequent distribution to the beneficial owners of the Bonds, as described herein. See "BOOK-ENTRY-ONLY SYSTEM" herein. If the Bonds are issued in registered certificated form, the Bonds will be issued in denominations of $5,000 or any integral multiple thereof, and the District will act as paying agent. Paying agent fees, if any, in such case are to be paid by the purchaser. The Bonds may not be converted into coupon bonds or be registered to bearer.

Proposals for the Bonds shall be for not less than $25,000,000 and accrued interest, if any, on the total principal amount of the Bonds. Proposals shall be accompanied by a good faith deposit in the form of a certified or cashier's check or wire transfer payable to the order of the Harrison Central School District, Westchester County, New York in the amount of $125,000.

At the option of the purchaser, the Notes may be either (i) registered in the name of the purchaser or (ii) registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York ("DTC") as book-entry notes. A single note certificate shall be delivered to the purchaser for those Notes of an issue registered in the name of the purchaser and bearing the same rate of interest in the aggregate principal amount awarded to such purchaser at such interest rate. Those Notes issued in book-entry form 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. Individual purchases of any Notes issued in book-entry form may be made only in book-entry form in denominations of $5,000 or integral multiples thereof. Holders of book-entry Notes will not receive certificates representing their respective ownership interests in any Notes issued in book-entry form. (See "*Description of Book-Entry System*" herein).

Payment of the principal of and interest on the Notes registered to the purchaser will be payable in lawful money of the United States of America (Federal Funds) at such bank or trust company located and authorized to do business in the State of New York as may be selected by the successful bidder. Payment of the principal of and interest on any Notes issued in book-entry form will be made by DTC Participants and Indirect Participants in accordance with standing instructions and customary practices. Payment will be the responsibility of the DTC Participants or Indirect Participants and not of DTC or the District, subject to any statutory and regulatory requirements as may be in effect from time to time. Principal and interest payments on any book-entry Notes shall be payable at the office of the District Clerk. (See "*Book-Entry System*" herein).

ELECTRONIC BIDS for the Bonds and Notes must be submitted via Fiscal Advisors Auction website ("Fiscal Advisors Auction") accessible via www.fiscaladvisorsauction.com on July 9, 2025 until 11:15 A.M., Prevailing Time, pursuant to the respective Notices 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 Bonds and Notes pursuant to the terms provided in the respective Notices of Sale.

THE DATE OF THIS PRELIMINARY OFFICIAL STATEMENT IS JUNE 25, 2025.

The Bonds and Notes are offered subject to the respective final approving opinions of Hawkins Delafield & Wood LLP, New York, New York, Bond Counsel, and certain other conditions. It is expected that delivery of the Bonds and Notes in book-entry or registered form through the facilities of DTC located in Jersey City, New Jersey, or as otherwise agreed by the purchasers and the District, on or about July 24, 2025.

HARRISON CENTRAL SCHOOL DISTRICT
WESTCHESTER COUNTY, NEW YORK

DISTRICT OFFICIALS

2024-2025 BOARD OF EDUCATION

KELLY KOZAK
President

KELLY MULVOY MANGAN
Vice President

BENJAMIN BLAUSTEIN
SAMANTHA GIBERGA
PLACIDO DINO PUCCIO
ROBERT C. SULLIVAN, JR.
JEROME VALENTI

* * * * *

ADMINISTRATION

DR. LOUIS N. WOOL
Superintendent of Schools

TIMOTHY P. WHIPPLE
Assistant Superintendent for Business

JOSEPH CECERE
District Treasurer

MICHELLE DECARLO
District Clerk

BOND SCHOENECK & KING
School District Attorney

FISCAL ADVISORS & MARKETING, INC.
Municipal Advisor

HAWKINS DELAFIELD & WOOD LLP
Bond Counsel

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

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PREPARED WITH THE ASSISTANCE OF

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

http://www.fiscaladvisors.com

OFFICIAL STATEMENT

of the

HARRISON CENTRAL SCHOOL DISTRICT
WESTCHESTER COUNTY, NEW YORK

Relating To

$25,000,000* School District Serial Bonds – 2025

&

$10,000,000 Bond Anticipation Notes – 2025

This Official Statement, which includes the cover page, has been prepared by the Harrison Central School District, Westchester County, New York (the "School District" or "District", "County", and "State", respectively) in connection with the sale by the District of $25,000,000* principal amount of School District Serial Bonds - 2025 (the “Bonds”) and $10,000,000 principal amount of Bond Anticipation Notes – 2025 (the "Notes") (collectively referred to herein as the "Bonds and Notes").

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

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

NATURE OF OBLIGATIONS

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

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

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

Under the Constitution of the State, the District is required to pledge its faith and credit for the payment of the principal of and interest on the Bonds and Notes, and the State is specifically precluded from restricting the power of the District to levy taxes on real estate therefore. However, Chapter 97 of the New York Laws of 2011, as amended (the “Tax Levy Limit Law”), imposes a limitation on the power of local governments and school districts, including the District, to increase their annual tax levy, with the amount of such increase limited by the formulas set forth in the Tax Levy Limit Law. The Tax Levy Limit Law also provides the procedural method to overcome that limitation. In addition, the Tax Levy Limit Law expressly provides an exclusion from the annual tax levy limitation for any taxes levied to pay the local share of debt service on bonds or notes issued to finance voter approved capital expenditures, or the refinancing or refunding of such bonds or notes. As the Bonds and Notes are being issued to finance voter approved capital expenditures, the Bonds and Notes qualify for such exclusion to the annual tax levy limitation. The exclusion does NOT apply to taxes to pay debt service on tax anticipation notes, revenue anticipation notes, budget notes and deficiency notes; and any obligations issued to finance deficits and certain judgments, including tax certiorari refund payments. (See “*The Tax Levy Limitation Law*” herein.)

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*Preliminary; subject to change.

THE BONDS

Description of the Bonds

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

The Bonds will be dated July 24, 2025 and will mature in the principal amounts as set forth on the cover page of this Official Statement.

The record payment date for the payment of principal and interest on the Bonds is the last business day of the calendar month immediately preceding each interest payment date.

The Bonds will be issued as fully registered bonds and, when issued, will be registered in the name of Cede & Co., as nominee of DTC. DTC will act as securities depository for the Bonds. Individual purchases of the Bonds may be made in book-entry form only, in the principal amount of $5,000 and integral multiples thereof. Purchasers will not receive certificates representing their interest in the Bonds. Payment of the principal of and interest on the Bonds will be made by the District to DTC, which will in turn remit such principal and interest to its Participants for subsequent disbursement to the Beneficial Owners of the Bonds as described herein. (See "*DESCRIPTION OF BOOK-ENTRY-ONLY SYSTEM*" herein.)

The Bonds will be issued as registered in the name of Cede & Co. as nominee of The Depository Trust Company, New York, New York ("DTC") which will act as the securities depository for the Bonds. See "BOOK-ENTRY-ONLY SYSTEM" herein.

Optional Redemption

The Bonds maturing on or before July 15, 2033 shall not be subject to redemption prior to maturity. The Bonds maturing on or after July 15, 2034 shall be subject to redemption prior to maturity as a whole or in part (and by lot if less than all of a maturity is to be redeemed) at the option of the District on July 15, 2033 and on any date thereafter at par (100.0%), plus accrued interest to the date of redemption.

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

Purpose of Issue

The Bonds are being issued pursuant to the Constitution and statutes of the State of New York, including among others, the Education Law and the Local Finance Law and a bond resolution of the District dated November 29, 2023 authorizing the issuance of up to $79,530,000 serial bonds and the use of up to $5,000,000 capital reserve funds for the construction of alterations and improvements to District facilities and sites thereof at a maximum estimated cost of $79,530,000.

The District currently has $10,000,000 bond anticipation notes outstanding and maturing July 25, 2025 for the aforementioned project. The proceeds of the Bonds will permanently finance the bond anticipation notes maturing July 25, 2025 and provide new $15,000,000 new money for the aforementioned project.

THE NOTES

Description of the Notes

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

The Notes will be dated July 24, 2025 and will mature July 24, 2026. 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) the name of the purchaser with principal and interest payable in Federal Funds at such bank or trust company located and authorized to do business in the State as may be selected by such successful bidder or (ii) registered in the name of Cede & Co. as nominee of The Depository Trust Company, New York, New York ("DTC") which will act as the securities depository for the Notes. See "*DESCRIPTION OF BOOK-ENTRY-ONLY SYSTEM*" herein.

No Optional Redemption

The Notes are not subject to redemption prior to maturity.

Purpose of Issue

The Notes are being issued pursuant to the Constitution and statutes of the State of New York, including among others, the Education Law and the Local Finance Law and a bond resolution of the District dated November 29, 2023 authorizing the issuance of up to $79,530,000 serial bonds and the use of up to $5,000,000 capital reserve funds for the construction of alterations and improvements to District facilities and sites thereof at a maximum estimated cost of $79,530,000.

The proceeds of the Notes will provide new money for the aforementioned project.

REMEDIES UPON DEFAULT

Neither the Bonds and Notes, nor the proceedings with respect thereto, specifically provide any remedies which would be available to owners of the Bonds and Notes should the District default in the payment of principal of or interest on the Bonds and Notes, nor do they contain any provisions for the appointment of a trustee to enforce the interests of the owners of the Bonds and Notes upon the occurrence of any such default. The Bonds and Notes are general obligation contracts between the District and the owners for which the faith and credit of the District are pledged and while remedies for enforcement of payment are not expressly included in the District's contract with such owners, any permanent repeal by statute or constitutional amendment of a bondholder's and/or noteholder's remedial right to judicial enforcement of the contract should, in the opinion of Bond Counsel, be held unconstitutional.

Upon default in the payment of principal of or interest on the Bonds and Notes at the suit of the owner, a Court has the power, in proper and appropriate proceedings, to render judgment against the District. The present statute limits interest on the amount adjudged due to contract creditors to nine per centum per annum from the date due to the date of payment. 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. A Court also has the power, in proper and appropriate proceedings, to order payment of a judgment on such bonds or notes from funds lawfully available therefor or, in the absence thereof, to order the District to take all lawful action to obtain the same, including the raising of the required amount in the next annual tax levy. In exercising its discretion as to whether to issue such an order, the Court may take into account all relevant factors, including the current operating needs of the District and the availability and adequacy of other remedies. Upon any default in the payment of the principal of or interest on the Bonds and Notes, the owners of such Notes could, among other remedies, seek to obtain a writ of mandamus from a Court ordering the governing body of the District to assess, levy and collect an ad valorem tax, upon all taxable property of the District subject to taxation by the District sufficient to pay the principal of and interest on the Bonds and Notes as the same shall come due and payable (and interest from the due date to date of payment) and otherwise to observe the covenants contained in the Bonds and Notes and the proceedings with respect thereto all of which are included in the contract with the owners of the Bonds and Notes. The mandamus remedy, however, may be impracticable and difficult to enforce. Further, the right to enforce payment of the principal of or interest on the Bonds and Notes may be limited by bankruptcy, insolvency, reorganization, moratorium and similar laws and equitable principles, which may limit the specific enforcement of certain remedies.

In 1976, the New York Court of Appeals, the State's highest court, held in *Flushing National Bank v. Municipal Assistance Corporation for the City of New York*, 40 N.Y.2d 731 (1976), that the New York State legislation purporting to postpone the payment of debt service on New York City obligations was an unconstitutional moratorium in violation of the New York State constitutional faith and credit mandate included in all municipal debt obligations. While that case can be viewed as a precedent for protecting the remedies of Noteholders, there can be no assurance as to what a Court may determine with respect to future events, including financial crises as they may occur in the State and in municipalities of the State, that require the exercise by the State of its emergency and police powers to assure the continuation of essential public services. (See also, *Flushing National Bank v. Municipal Assistance Corporation for the City of New York*, 41 N.Y.2d 1088 (1977), where the Court of Appeals described the pledge as a direct Constitutional mandate.)

As a result of the Court of Appeals decision, the constitutionality of that portion of Title 6-A of Article 2 of the Local Finance Law enacted at the 1975 Extraordinary Session of the State legislature authorizing any county, city, town or village with respect to which the State has declared a financial emergency to petition the State Supreme Court to stay the enforcement against such municipality of any claim for payment relating to any contract, debt or obligation of the municipality during the emergency period, is subject to doubt. In any event, no such emergency has been declared with respect to the District.

Pursuant to Article VIII, Section 2 of the State Constitution, the District is required to provide an annual appropriation of monies for the payment of due and payable principal of and interest on indebtedness. Specifically this constitutional provision states: "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. In *Quirk v. Municipal Assistance Corp.*, 41 N.Y.2d 644 (1977), 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 the 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 or may not be interpreted by a court of competent jurisdiction to include a constitutional or statutory lien upon any particular revenues. The Constitutional provision providing for first revenue set asides does not apply to tax anticipation notes, revenue anticipation notes or bond anticipation notes.

While the courts in the 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.

In prior years, certain events and legislation affecting a holder's remedies upon default have resulted in litigation. While courts of final jurisdiction have generally upheld and sustained the rights of bondholders and/or noteholders, such courts might hold that future events, including a financial crisis as such may occur in the State or in political subdivisions of the State, may 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.

SECTION 99-B OF THE STATE FINANCE LAW

Section 99-b of the State Finance Law (the "SFL") provides for a covenant between the State and the purchasers and the holders and owners from time to time of the Bonds and Notes and notes issued by school districts in the State for school purposes that it will not repeal, revoke or rescind the provisions of Section 99-b of the SFL, or amend or modify the same so as to limit, impair or impede the rights and remedies granted thereby.

Said section provides that in the event a holder or owner of any bond or note issued by a school district for school purposes shall file with the State Comptroller, a verified statement describing such bond or note 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 or note. Such investigation by the State Comptroller shall set forth a description of all such bonds and notes of the school district found to be in default and the amount of principal and interest thereon past due.

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

NO PAST DUE DEBT

No principal or interest payment on District indebtedness is past due.

BANKRUPTCY

The Federal Bankruptcy Code (Chapter IX) allows public bodies, such as municipalities, recourse to the protection of a Federal Court for the purpose of adjusting outstanding indebtedness. Title 6-A of the Local Finance Law specifically authorizes 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 become applicable in the future. As such, the undertakings of the District should be considered with reference, specifically, to Chapter IX, and, in general, to other bankruptcy laws affecting creditors' rights and municipalities. Bankruptcy proceedings by the District if authorized by the State in the future could have adverse effects on bondholders and/or noteholders including (a) delay in the enforcement of their remedies, (b) subordination of their claims to those supplying goods and services to the District after the initiation of bankruptcy proceedings and to the administrative expenses of bankruptcy proceedings and (c) imposition without their consent of a reorganization plan reducing or delaying payment of the Bonds and Notes.

The above references to said Chapter IX are not to be construed as an indication that the State will consent in the future to the right of the District to file a petition with any United States district court or court of bankruptcy under any provision of the laws of the United States, now or hereafter in effect for the composition or adjustment of municipal indebtedness or that the District is currently considering or expects to resort to the provisions of Chapter IX if authorized to do so in the future.

DESCRIPTION OF BOOK-ENTRY SYSTEM

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

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

Purchases of Notes under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds and 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 Bonds and Notes are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Notes, except in the event that use of the book-entry system for the Bonds and 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 Bonds and 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 Bonds and 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 Bonds and 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.

Principal and interest payments on the Bonds and Notes will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts 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 Bonds and Notes at any time by giving reasonable notice to the District. Under such circumstances, in the event that a successor depository is not obtained, 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 BONDS AND NOTES (1) PAYMENTS OF PRINCIPAL OF OR INTEREST OR REDEMPTION PREMIUM ON THE BONDS AND NOTES; (2) CONFIRMATIONS OF THEIR OWNERSHIP INTERESTS IN THE BONDS AND NOTES; OR (3) OTHER NOTICES SENT TO DTC OR CEDE & CO., ITS PARTNERSHIP NOMINEE, AS THE REGISTERED OWNER OF THE BONDS AND NOTES, OR THAT THEY WILL DO SO ON A TIMELY BASIS, OR THAT DTC, DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS WILL SERVE AND ACT IN THE MANNER DESCRIBED IN THIS OFFICIAL STATEMENT.

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

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

Certificated Bonds

DTC may discontinue providing its services with respect to the Bonds at any time by giving notice to the District and discharging its responsibilities with respect thereto under applicable law, or the District may terminate its participation in the system of book-entry-only transfers through DTC at any time. In the event that such book-entry-only system is discontinued, the following provisions will apply: the Bonds will be issued in fully registered form in denominations of $5,000 each or any integral multiple thereof for any single maturity. Principal of the Bonds when due will be payable upon presentation at the office of a bank or trust company located and authorized to do business in the State as a fiscal agent bank to be named by the District upon termination of the book-entry-only system. Interest on the Bonds will be payable on July 15, 2026 and semi-annually thereafter on January 15 and July 15 in each year until maturity. Such interest will be payable by check drawn on the fiscal agent and mailed to the registered owner on each interest payment date at the address as shown on the registration books of the fiscal agent as of the last business day of the calendar month preceding each such interest payment date. Bonds may be transferred or exchanged at no cost to the registered owner at any time prior to maturity at the office of the fiscal agent for Bonds of the same or any other authorized denomination or denominations in the same aggregate principal amount upon the terms set forth in the Bond Determinations Certificate of the President of the Board of Education authorizing the sale of the Bonds and fixing the details thereof and in accordance with the Local Finance Law. The fiscal agent shall not be obligated to make any such transfer or exchange of Bonds between the last business day of the calendar month preceding an interest payment date and such interest payment date.

Certificated Notes

If the book-entry form is initially chosen by the purchaser 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 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

The District is located in the southeastern portion of the County, about 22 miles northeast of Manhattan, and includes all of the Town of Harrison (the "Town") and minor portions of the towns of North Castle and Rye. Although primarily residential in nature, the District is home to several "Fortune 500" corporations such as Mastercard International, IBM, and Pepsico. Manhattanville College and the State University of New York at Purchase are also located in the District.

Rail transportation is provided by the Metro-North Railroad. Major highways serving the District include State Route 127, Interstates 95 and 287, the Hutchinson River and Merritt parkways. The District is also served by an extensive network of County and Town roads. Public bus transportation is generally available in the area of the District. Air transportation is provided by the County Airport, partially located in the District, as well as the Metropolitan New York airports.

Source: District officials.

Population

The 2023 estimated population of the District is 29,279. (Source: U.S. Census Bureau, 2019-2023 American Community Survey 5-Year data.)

Larger Employers

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

Name	Approximate Number Employed
Morgan Stanley	1,800
Pepsico, Inc.	1,500
US Postal Service	825
Mastercard, Inc.	800
DANSK International Designs	600
Diversified Investment Advisors	555
Consolidated Edison Co. of NY	500
Citigroup	500

Source: Village of Harrison – Official Statement dated November 19, 2024.

Selected Wealth and Income Indicators

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

	Per Capita Income			Median Family Income		
	2006-2010	2016-2020	2019-2023	2006-2010	2016-2020	2019-2023
Towns of:						
Harrison	$ 66,547	$ 67,190	$ 79,867	$ 131,712	$ 155,625	$ 195,086
North Castle	76,063	101,213	114,885	152,610	206,324	250,000+
Rye	39,563	47,742	61,203	77,883	107,135	126,711
County of:						
Westchester	47,814	57,953	70,607	100,863	126,992	153,491
State of:						
New York	30,948	40,898	49,520	67,405	87,270	105,060

Note: 2020-2024 American Community Survey estimates are not available as of the date of this Official Statement.

Source: U.S. Census Bureau, 2006-2010, 2016-2020, 2019-2023 American Community Survey data.

Unemployment Rate Statistics

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

Annual Average

	2018	2019	2020	2021	2022	2023	2024
Westchester County	3.8%	3.5%	7.9%	4.7%	3.0%	3.0%	3.3%
New York State	4.1	3.9	9.8	7.0	4.3	4.1	4.3

2025 Monthly Figures

	Jan	Feb	Mar	Apr	May	Jun
Westchester County	3.6%	3.9%	3.4%	2.6%	N/A	N/A
New York State	4.6	4.3	4.1	3.6	N/A	N/A

Note: Unemployment rates for May and June 2025 are not available as of the date of this Official Statement.

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

District Organization

The District is an independent entity governed by an elected board of education comprised of seven members. District operations are subject to the provisions of the Education Law affecting school districts; other statutes applicable to the District include the General Municipal Law, the Local Finance Law and the Real Property Tax Law.

Members of the Board of Education are elected on a staggered term basis by qualified voters at the annual election of the District (held on the third Tuesday in May). The term of office for each board member is 3 years and the number of terms that may be served is unrestricted. A president is selected by the board from its members and also serves as the chief fiscal officer of the District. The Board of Education is vested with various powers and duties as set forth in the Education Law. Among these are the adoption of annual budgets (subject to voter approval), the levy of real property taxes for the support of education, the appointment of such employees as may be necessary, and other such duties reasonably required to fulfill the responsibilities provided by law.

The Board of Education appoints the Superintendent of Schools who serves at the pleasure of the Board. Such Superintendent is the chief executive officer of the District and the education system. It is the responsibility of the Superintendent to enforce all provisions of law and all rules and regulations relating to the management of the schools and other educational, social and recreational activities under the direction of the Board of Education. Also, certain of the financial functions of the District are the responsibility of the Superintendent of Schools and the Assistant Superintendent for Business and the District Treasurer.

Budgetary Procedures

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

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

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

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

Recent Budget Vote Results

The budget for the 2024-2025 fiscal year was approved by qualified voters on May 21, 2024 by a vote of 1,129 to 554. The adopted budget called for a total tax levy increase of 4.49%, which exceeded the District's Tax Cap of 3.13%. The District received the 60% majority vote required to exceed its Tax Cap.

The budget for the 2025-2026 fiscal year was approved by qualified voters on May 20, 2025 by a vote of 1,040 to 331. The adopted budget called for a total tax levy increase of 3.10%, which was within the District's Tax Cap of 3.10%.

Investment Policy

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

Consistent with the above statutory limitations, it is the District's current policy to invest in: (1) certificates of deposit or time deposit accounts that are fully secured as required by statute, (2) obligations of the United States of America or (3) obligations guaranteed by agencies of the United States of America where the payment of principal and interest is guaranteed by the United States of America. In the case of obligations of the United States government, the District may purchase such obligations pursuant to a written repurchase agreement that requires the purchased securities to be delivered to a third party custodian.

The District does not invest in so-called "derivatives" including reverse purchase agreements, which are not authorized investments for municipalities and school districts in the State.

State Aid

The District receives financial assistance from the State in the form of State aid for operating, building and other purposes at various times throughout its fiscal year, pursuant to formulas and payment schedules set forth by statute. In its adopted budget for the 2025-26 fiscal year, approximately 4.92% of the revenues of the District are estimated to be received in the form of State aid. While the State has a constitutional duty to maintain and support a system of free common schools that provides a "sound basic education" to children of the State, there can be no assurance that the State appropriation for State aid to school districts will be continued in future years, either pursuant to existing formulas or in any form whatsoever.

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

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

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.

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

The amount of State aid to school districts can vary from year to year and is dependent in part upon the financial condition of the State. During the 2011 to 2019 fiscal years of the State, State aid to school districts was paid in a timely manner; however, during the State's 2010 and 2020 fiscal years, State budgetary restrictions resulted in delayed payments of State aid to school districts in the State. In addition, the availability of State aid and the timeliness of payment of State aid to school districts could be affected by a delay in the adoption of the State budget, which is due at the start of the State's fiscal year of April 1. With the exception of the State's fiscal year 2025-26 Enacted Budget (which was adopted on May 9, 2025, twenty-eight (28) days after the April 1 deadline, the State's fiscal year 2024-25 Enacted Budget (which was adopted on April 22, 2024, twenty-one (21) days after the April 1 deadline) and the State's fiscal year 2023-24 Enacted Budget (which was adopted on May 2, 2023, thirty-one (31) days after the April 1 deadline), the State's budget has been adopted by April 1 or shortly thereafter for over ten (10) years. No assurance can be given that the State will not experience delays in the adoption of the budget in future fiscal years. Significant delays in the adoption of the State budget could result in delayed payment of State aid to school districts in the State which could adversely affect the financial condition of school districts in the State.

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

Federal Aid Received by the State

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

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

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

Building Aid

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

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

Pursuant to the provisions of Chapter 760 of the Laws of 1963, the District is eligible to receive a Building Aid Estimate from the New York State Department of Education. Since the gross indebtedness of the District is within the debt limit, the District is not required to apply for a Building Aid Estimate. Based on 2025-2026 preliminary building aid ratios, the District State Building aid of approximately 10.0% for debt service on State Education Department approved expenditures from July 1, 2004 to the present.

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

State Aid History

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

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

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

School district fiscal year (2024-2025): The State's 2024-25 Enacted Budget provides $35.9 billion in State funding to school districts for the 2024-25 school year, the highest level of State aid ever. This represents an increase of $1.3 billion compared to the 2023-24 school year and includes a $934 million or 3.89 percent Foundation Aid increase. The State's 2024-25 Enacted Budget maintains the "save harmless" provision, which currently ensures a school district receives at least the same amount of Foundation Aid as it received in the prior year. The State's 2024-25 Enacted Budget also authorizes a comprehensive study by the Rockefeller Institute and the State Department of Education to develop a modernized school funding formula.

School district fiscal year (2025-2026): The State's 2025-26 Budget includes approximately $37 billion in State funding to school districts for the 2025-2026 school year, an estimated year-to-year funding increase of $1.7 billion. The State's 2025-26 Budget provides an estimated $26.3 billion in Foundation Aid, a year over year increase of $1.42 billion and includes a 2% minimum increase in Foundation Aid to all school districts. The State's 2025-26 Budget also makes a number of alterations to the Foundation Aid formula to more accurately reflect low-income student populations and provide additional aid to low-wealth school districts.

Provisions in the State's 2025-26 Enacted Budget grant the State Budget Director the authority to withhold all or some of the amounts appropriated therein, including amounts that are to be paid on specific dates prescribed in law or regulation (such as State Aid) if, on a cash basis of accounting, a "general fund imbalance" has or is expected to occur in fiscal year 2025-26. Specifically, the State's 2025-26 Enacted Budget provides that a "general fund imbalance" has occurred, and the State Budget Director's powers are activated, if any State fiscal year 2025-26 quarterly financial plan update required by Subdivision 4 of Section 23 of the New York State Finance Law reflects, or if at any point during the final quarter of State fiscal year 2025-26 the State Budget Director projects, that estimated general fund receipts and/or estimated general fund disbursements have or will vary from the estimates included in the State's 2025-26 Enacted Budget financial plan required by sections 22 and 23 of the New York State Finance Law results in a cumulative budget imbalance of $2 billion or more. Any significant reductions or delays in the payment of State aid could adversely affect the financial condition of school districts in the State.

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.

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 on the following page:

A breakdown of currently anticipated Foundation Aid funding is available below

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

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

State Aid Revenues

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

Fiscal Year	Total Revenues [1]	Total State Aid	Percentage of Total Revenues Consisting of State Aid
2019-2020	$118,417,473	$ 4,690,628	3.96%
2020-2021	121,308,299	4,479,090	3.69
2021-2022	123,342,618	5,178,794	4.20
2022-2023	130,644,461	5,736,790	4.39
2023-2024	135,071,864	6,400,726	4.74
2024-2025 (Budgeted)	138,398,806	6,556,068	4.74
2025-2026 (Budgeted)	142,980,050	7,037,358	4.92

(1) Does not include appropriated fund balance or appropriated reserve funds.

Source: Audited Financial Statements for the 2019-2020 through 2023-2024 fiscal years, and the adopted budgets for the 2024-2025 and 2025-2026 fiscal years. This table is not audited.

District Facilities

Name	Grades	Capacity	Year(s) Built
Harrison High School	9-12	1365	1973
Louis M. Klein Middle School	6-8	1200	1939
Harrison Avenue School	K-5	874	1923
Parsons Memorial School	K-5	929	1898
Purchase School	K-5	350	1929
Samuel J. Preston School	K-5	475	1932

Source: District officials.

Enrollment Trends

School Year	Actual Enrollment	School Year	Projected Enrollment
2020-21	3,675	2025-26	3,800
2021-22	3,614	2026-27	3,800
2022-23	3,636	2027-28	3,800
2023-24	3,747	2028-29	3,800
2024-25	3,797	2029-30	3,800

Source: District officials.

Employees

The District currently employs 665 full-time and 49 part-time persons. The following employees are represented by the following bargaining agents:

Employees	Bargaining Unit	Contract Expiration Date
409	Instructional	June 30, 2026
106	Clerical and Custodial	June 30, 2026
161	School Teacher Aides & Assistants	June 30, 2027
32	Administrators	June 30, 2027
6	Non-Union Staff	N/A

Source: District officials.

Status and Financing of Employee Pension Benefits

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

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

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

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

The District is required to contribute at an actuarially determined rate. The actual contributions for the last five years and the budgeted figures for the 2025-26 fiscal year are as follows:

Fiscal Year	TRS	ERS
2019-2020	$ 4,853,422	$ 1,521,491
2020-2021	5,374,399	1,629,269
2021-2022	5,670,231	1,507,148
2022-2023	6,184,978	1,288,810
2023-2024	5,882,305	1,478,384
2024-2025 (Budgeted)	6,364,424	1,710,000
2024-2025 (Estimated)	6,312,144	1,728,973
2025-2026 (Budgeted)	6,175,305	1,902,000

Source: District officials.

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 teaching employees. The District currently does have early retirement incentive programs for its teaching employees fro those individuals electing to retire on June 30, 2025. The expected 2025-26 savings as a result of the retirement incentive program are approximately $630,000.

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

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

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

*Estimated.

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

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

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

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

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

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

The State's 2019-2020 Enacted Budget, which was signed into law as Chapter 59 of the Laws of 2019, includes a provision that will allow school districts in the State to establish a reserve fund for the purpose of funding the cost of TRS contributions, as a sub-fund of retirement contribution reserve funds presently authorized for amounts payable to the ERS by a school district. School districts will be permitted to pay into such reserve fund during any particular fiscal year, an amount not to exceed two percent of the total compensation or salaries of all district-employed teachers who are members of the TRS paid during the immediately preceding fiscal year; provided that the balance of such fund may not exceed ten percent of the total compensation or salaries of all district-employed teachers who are members of the TRS paid during the immediately preceding fiscal year. The District established a TRS reserve fund in the 2018-2019 fiscal year.

Other Post-Employment Benefits

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

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

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

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

The District contracted with USI Consulting Group, an actuarial firm, to calculate its valuation under GASB 75. The table on the following page outlines the changes to the Total OPEB Liability during the 2023 and 2024 fiscal years, by source.

Balance beginning at:	July 1, 2022	June 30, 2023
	$ 226,545,217	$ 209,643,752
Changes for the year:		
Service cost	5,676,238	5,632,970
Interest on total OPEB liability	7,390,862	7,750,325
Changes in Benefit Terms	-	-
Differences between expected and actual experience	(6,731,377)	-
Changes in Assumptions or other inputs	(18,124,519)	(9,816,739)
Benefit payments	(5,112,669)	(5,931,268)
Net Changes	$ (16,901,465)	$ (2,364,712)
Balance ending at:	June 30, 2023	June 30, 2024
	$ 209,643,752	$ 207,279,040

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

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

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

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

Other Information

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

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

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

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

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

Financial Statements

The District retains independent Certified Public Accountants. The last audit report covers the period ending June 30, 2024 and may be found attached hereto as "APPENDIX – E" to this Official Statement. Certain financial information of the District can be found attached as appendices to the Official Statement.

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

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

New York State Comptroller Report of Examination

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

The State Comptroller's office released its most recent audit report of the District on July 3, 2019. The purpose of the audit was to determine whether the Board and District officials adopted budgets with reasonable estimates for the period July 1, 2013 through July 19, 2018.

Key Findings:

The Board and District Officials:

- Did not reasonably estimate certain general fund appropriations in the annual budget in each of the past five years (2013-14 through 2017-18).

Key Recommendations:

- Adopt annual budgets that contain reasonable estimates for appropriations based on historical and/or other known factors.

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

Other than as stated above, there have been no other State Comptroller's audits of the District released within the past five years, nor are there any that are currently in progress or pending release.

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

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

The State Comptroller's Fiscal Stress Monitoring System

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

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

The reports of the State Comptroller for the last three fiscal years of the District are as follows:

Fiscal Year Ending In	Stress Designation	Fiscal Score
2024	No Designation	0.0
2023	No Designation	0.0
2022	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 the website is not included herein by reference.

TAX INFORMATION

Taxable Assessed Valuations

Fiscal Year Ending June 30:	2021	2022	2023	2024	2025
Towns of:					
Harrison	$ 127,113,340	$ 126,075,019	$ 126,443,874	$ 125,214,775	$ 125,948,994
North Castle	45,363	45,505	45,550	45,446	45,317
Rye	10,968,739	11,429,586	10,858,056	10,858,048	10,858,094
Total Assessed Values	$ 138,127,442	$ 137,550,110	$ 137,347,480	$ 136,118,269	$ 136,852,405
State Equalization Rates					
Towns of:					
Harrison	1.45%	1.47%	1.42%	1.29%	1.17%
North Castle	2.30%	2.38%	2.24%	1.94%	1.65%
Rye	100.00%	100.00%	100.00%	100.00%	100.00%
Total Taxable Full Valuation	$ 8,779,378,285	$ 8,589,873,466	$ 8,917,389,707	$ 9,719,772,331	$ 10,778,475,861

Source: District officials.

Tax Rates Per $1,000 (Assessed)

Fiscal Year Ending June 30:	2021	2022	2023	2024	2025
Towns of:					
Harrison	$ 871.42	$ 895.19	$ 917.96	$ 944.27	$ 980.87
North Castle	549.65	553.18	582.32	627.92	695.63
Rye	12.64	13.17	13.04	12.18	11.48

Source: District officials.

Tax Collection Procedure

Real property taxes are levied by the District but are collected by the Towns which comprise the District. Such taxes may be paid in two equal installments on September 1 and January 1 and may be paid without penalty on or before September 30 and January 31, respectively. Delinquent school tax payments are assessed penalties in accordance with an ascending scale which starts at 2% in the month of October and increases to a maximum of 12% for all payments received the following April and thereafter.

According to the County Tax Code, the Towns must remit school tax collections to the District by the fifth day of the month following their collection. In addition, the Towns are obligated to pay the District the full amount of its current tax levy by April 1. The District is therefore guaranteed 100% of its real property during the current fiscal year. Subsequently, the Towns enforce unpaid school taxes in the same manner as unpaid Town taxes.

Tax Levy and Tax Collection Record

Fiscal Year Ending June 30:	2021	2022	2023	2024	2025
Total Tax Levy	$ 110,990,190	$ 113,090,944	$ 116,318,295	$ 118,402,804	$ 123,713,449
Amount Uncollected (1)	-	-	-	-	-
% Uncollected	0.00%	0.00%	0.00%	0.00%	0.00%

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

Source: District officials.

Real Property Taxes & Tax Items

The following table illustrates the percentage of total General Fund revenues of the District for each of the below completed fiscal years and budgeted new figures comprised of Real Property Taxes.

Fiscal Year	Total Revenues [(1)]	Total Real Property Taxes & Other Tax Items	Percentage of Total Revenues Consisting of Real Property Tax
2019-2020	$118,417,473	$109,687,753	92.63%
2020-2021	121,308,299	111,974,467	92.31
2021-2022	123,342,617	114,114,605	92.52
2022-2023	130,644,461	117,552,827	89.98
2023-2024	135,071,864	121,113,912	89.67
2024-2025 (Budgeted)	138,398,806	126,225,238	91.20
2025-2026 (Budgeted)	142,980,050	130,188,692	91.05

[(1)] Does not include appropriated fund balance or appropriated reserve funds.

Source: Audited Financial Statements for the 2019-2020 through 2023-2024 fiscal years, and the adopted budgets for the 2024-2025 and 2025-2026 fiscal years. This table is not audited.

Ten Largest Taxpayers – 2024 Assessment Roll for 2024-2025 School District Tax Roll

Name	Type	Taxable Assessed Valuation
Consolidated Edison of New York	Utility	$3,221,860
Carraway Apartments, LLC	Apartment Complex	1,401,225
OCC Purchase, LLC	Office Complex	1,386,000
MasterCard International	Corporate Headquarters	1,245,000
County of Westchester	Airport Hangars	1,064,473
Consolidated Edison	Utility	741,420
3 WPD Apartments LLC	Apartment Complex	684,488
ESRT 500 Mamaroneck Avenue	Office Building	639,775
2500/2700 Westchester	Office Building	575,000
Harrison Rye Realty	Office Building	573,170

The taxpayers listed above have a total assessed valuation of $11,532,411, which represents 8.43% of the 2024-2025 tax base of the District.

The District currently does not have any pending or outstanding tax certioraris that are known or believed could have a material impact on the finances of the District. The District maintains a tax certiorari reserve that District management believes is sufficient to settle active cases after Board of Education approval.

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 individual retirement annuities ("STAR Adjusted Gross Income") of $107,300 or less in the 2025-2026 school year, increased annually according to a cost of living adjustment, are eligible for a "full value" exemption of the first $86,100 of the full value of a home for the 2025-2026 school year (adjusted annually). Other homeowners with household STAR Adjusted Gross income not in excess of $250,000 ($500,000 in the case of a STAR credit, as discussed below) are eligible for a $30,000 "full value" exemption on their primary residence.

The 2019-2020 State Budget made several changes to the STAR program, which went into effect immediately. The changes are intended to encourage homeowners to switch from the STAR exemption to the STAR credit. The income limit for the exemption was lowered to $250,000, compared with a $500,000 limit for the credit. The amount received for the STAR exemption will remain the same each year, while the amount of the STAR credit can increase up to two percent annually. Homeowners with STAR Adjusted Gross Income of $250,000 or less have the option to select the credit or the exemption.

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

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

The below table lists the basic and enhanced exemption amounts for the 2025-26 District tax roll for the municipalities applicable to the District:

Towns of:	Enhanced Exemption	Basic Exemption	Date Certified
Harrison	$ 2,600	$ 910	10/16/2024
North Castle	33,430	12,320	10/16/2024
Rye	222,150	77,400	10/16/2024

$1,885,752 of the District's $123,713,449 school tax levy for the 2024-2025 fiscal year was exempt by the STAR Program. The District received full reimbursement of such exempt taxes from the State in January 2025.

Approximately $1,700,000 of the District's $127,551,309 school tax levy for the 2025-2026 fiscal year is expected to be exempt by the STAR Program. The District anticipates receiving full reimbursement of such exempt taxes from the State in January 2026.

Additional Tax Information

Senior citizens' exemptions are offered to those who qualify.

Total assessed valuation of the District is estimated to be categorized as follows: Residential-65%; Commercial-20%; Agricultural-15%.

The estimated total annual school tax bill for an average residential property with a market value of $1,620,517 located in the District is approximately $17,903.

TAX LEVY LIMITATION LAW

On June 24, 2011, Chapter 97 of the Laws of 2011 (herein referred to as the "Tax Levy Limit Law" or "Law") was signed by the Governor. The Tax Levy Limit Law modified previous law by imposing a limit on the amount of real property taxes that a school district may levy. The Law will affect school district tax levies for the school district fiscal year beginning July 1, 2012.

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

The Tax Levy Limit Law imposes a limitation on the amount of tax levy growth from one fiscal year to the next. Such limitation is the lesser of (i) 2% or (ii) the annual percentage increase in the consumer price index, as described in the Law. A budget with a tax levy that does not exceed such limit will require approval by at least 50% of the voters. Approval by at least 60% of the voters will be required for a budget with a tax levy in excess of the limit. In the event the voters reject the budget twice, the tax levy for the school district's budget for the ensuing fiscal year may not exceed the amount of the tax levy for the prior fiscal year.

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

STATUS OF INDEBTEDNESS

Constitutional and Statutory Requirements

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

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

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

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

General. The District is further subject to constitutional limitation by the general constitutionally imposed duty on the State Legislature to restrict the power of taxation and contracting indebtedness to prevent abuses in the exercise of such power; however, the State Legislature is prohibited by a specific constitutional provision from restricting the power of the District to levy taxes on real estate for the payment of interest on or principal of indebtedness theretofore contracted. There is no constitutional limitation on the amount that may be raised by the District by tax on real estate in any fiscal year to pay principal of and interest on all indebtedness. However, the Tax Levy Limit Law imposes a statutory limitation on the power of the District to increase its annual tax levy. The amount of such increase is limited by the formulas set forth in such law. (See "*TAX LEVY LIMIT LAW*," herein).

Statutory Procedure

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

The District is generally required by such laws to submit propositions for the expenditure of money for capital purposes to the qualified electors of the District. Upon approval thereby, the Board of Education may adopt a bond resolution authorizing the issuance of bonds and notes in the anticipation of the bonds. No down payment is required in connection with the issuance of District obligations. With respect to certain school building construction projects, the District is not permitted to spend in excess of $100,000 for construction costs until the plans and specifications for such project have been approved by the commissioner of Education of the State.

The Local Finance Law also provides a twenty-day statute of limitations after publication of a bond resolution, or summary thereof, together with a statutory form of notice which, in effect, estops legal challenges to the validity of obligations authorized by such bond resolution except for alleged constitutional violations. Except on rare occasions the District complies with this estoppel procedure.

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

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

Debt Outstanding End of Fiscal Year

Fiscal Year Ending June 30th:	2020	2021	2022	2023	2024
Bonds [1]	$ 45,005,000	$ 43,920,000	$ 42,840,000	$ 41,725,000	$ 40,575,000
Bond Anticipation Notes	0	0	0	0	0
Energy Performance Contracts [2]	6,393,152	6,068,496	5,735,084	5,392,680	5,041,041
Other Indebtedness [3]	0	0	0	0	0
Total Debt Outstanding	$ 51,398,152	$ 49,988,496	$ 48,575,084	$ 47,117,680	$ 45,616,041

[1] Does not include refunded bonds outstanding at the end of the respective fiscal year, where applicable.
[2] See "Energy Performance Contract" herein.
[3] In 2022, the District implemented GASB Statement No. 87 for accounting and reporting leases. GASB Statement No. 87 requires the recognition of certain lease assets and liabilities for leases previously classified as operating leases along with the recognition of inflows and outflows of resources, as applicable.

Note: Apart from as noted above, the figures above do not include any capital lease or installment purchase indebtedness, to the extent that any such indebtedness may be applicable to the District.

Details of Outstanding Indebtedness

The following table sets forth the indebtedness of the District as of June 25, 2025.

Type of Indebtedness	Maturity	Amount
Bonds	2025-2048	$ 39,380,000
Bond Anticipation Notes		
Capital project	July 25, 2025	10,000,000 [1]
	Total Debt Outstanding	$ 49,380,000

[1] To be permanently financed at maturity with a portion of the proceeds of the Bonds.

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Debt Statement Summary

Summary of Indebtedness, Debt Limit and Net Debt-Contracting Margin as of June 25, 2025:

Full Valuation of Taxable Real Property			$ 10,778,475,861
Debt Limit – 10% thereof			1,077,847,586
Inclusions:			
Bonds	$ 39,380,000		
Bond Anticipation Notes (BANs):	10,000,000		
Total Inclusions prior to issuance of the Notes	49,380,000		
Less: BANs being redeemed from appropriations	-		
Add: New money proceeds of the Bonds & Notes	25,000,000		
Total Net Inclusions after issuance of the Notes		$ 74,380,000	
Exclusions:			
State Building Aid [1]	$ 0		
Total Exclusions		$ 0	
Total Net Indebtedness			$ 74,380,000
Net Debt-Contracting Margin			$1,003,467,586
The percent of debt contracting power exhausted is			6.90%

[1] Based on 2025-2026 preliminary building aid estimates, the District anticipates State Building aid of 10.0% for debt service on State Education Department approved expenditures from July 1, 2004 to the present. The District has no reason to believe that it will not ultimately receive all of the building aid it anticipates, however, no assurance can be given as to when and how much building aid the District will receive in relation to the outstanding bonds.

Notes: The State Constitution does not provide for the inclusion of tax anticipation or revenue anticipation notes in the computation of the statutory debt limit of the School District. Figures above do not include anergy performance contract indebtedness of the District. See "Energy Performance Contract" herein for a summary of debt service payments.

Bonded Debt Service

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

Cash Flow Borrowings

The District, historically, does not issue tax or revenue anticipation notes, nor does it anticipate issuing any in the foreseeable future.

Capital Project Plans

On November 16, 2023, District voters approved a capital project referendum in the amount of $79,530,000 which addresses critical building and instructional needs throughout the district and will enhance the safety and quality of educational spaces for students and staff. The District is utilizing up to $5 million capital reserve funds for the project along with $2 million from its annual capital budget to offset a portion of debt service. The issuance of $10,000,000 bond anticipation notes on July 25, 2024 represented the first borrowing for the aforementioned project. The Bonds are being issued to permanently finance the bond anticipation notes maturing July 25, 2025 and provide $15,000,000 new money for the aforementioned project. The Notes are being issued to provide additional new monies for the aforementioned project. Future borrowings would occur as the project's cash flow needs warrant. It is anticipated the project will conclude in 2027.

Energy Performance Contract

The District, during 2018 entered into a $6,969,318 contractual agreement to install energy saving equipment and/or upgrade existing facilities to enhance performance. The agreement provides for annual payments of $493,754 including interest at 2.679% through September 2035. The contract further provides that the savings in energy costs resulting from this modernization will equal or exceed the payment terms.

The following is a summary of the payments to be made as of June 30, 2024:

Fiscal Year Ending	Principal	Interest
2025	$ 361,123	$ 132,631
2026	370,863	122,891
2027	380,865	112,889
2028	391,138	102,617
2029	401,687	92,067
2030-2034	2,176,904	291,867
2035-2039	958,461	29,047
TOTAL	$ 5,041,041	$ 884,009

Source: Audited Financial Statements of the District. See “APPENDIX – C” herein.

Energy performance contracts (leases) do not constitute debt for Local Finance Law purposes; however, they are included for purposes of calculating the debt limit of the District.

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 indebtedness of the respective municipalities is outlined in the table below:

Municipality	Status of Debt as of	Gross Indebtedness (1)	Exclusions (2)	Net Indebtedness	District Share	Net Overlapping Indebtedness
County of:						
Westchester	12/31/2024 (3)	$ 1,431,627,206	$ 360,285,394	$ 1,071,341,812	4.26%	$ 45,639,161
Town of:						
Harrison	12/31/2023 (4)	-	- (5)	-	100.00%	-
North Castle	12/31/2023 (3)	24,329,000	13,097,775	11,231,225	0.04%	4,492
Rye	7/31/2024 (3)	11,370,000	-	11,370,000	0.13%	14,781
					Total:	$ 45,658,435

(1) Outstanding bonds and bond anticipation notes of the respective municipality. Not adjusted to include subsequent issuances, if any, from the date of the status of indebtedness stated in the table above for each respective municipality.

(2) Water debt, sewer debt and budgeted appropriations as applicable to the respective municipality. Water Indebtedness excluded pursuant to Article VIII, Section 5B of the New York State Constitution. Sewer Indebtedness excluded pursuant to Article VIII, Section 5E of the New York State Constitution, as further prescribed under section 124.10 of the Local Finance Law. Appropriations are excluded pursuant to Section 136.00 of the Local Finance Law.

(3) Gross indebtedness, exclusions, and net-indebtedness sourced from available annual financial information & operating data filings and/or official statements of the respective municipality.

(4) Gross indebtedness sourced from local government data provided by the State Comptroller’s office for the most recent fiscal year such data is available for the respective municipality.

(5) Information regarding excludable debt not available.

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Debt Ratios

The following table sets forth certain ratios relating to the District's indebtedness as of June 25, 2025:

	Amount	Per Capita [a]	Percentage of Full Value [b]
Net Indebtedness [c]	$ 74,380,000	$ 2,540.39	0.69%
Net Indebtedness Plus Net Overlapping Indebtedness [d]	120,038,435	4,099.81	1.11

[a] The 2023 estimated population of the District is 29,279. (See "THE SCHOOL DISTRICT – District Population" herein.)
[b] The District's full value of taxable real estate for 2024-2025 is $10,778,475,861. (See "TAX INFORMATION – Taxable Assessed Valuations" herein.)
[c] See "Debt Statement Summary" herein.
[d] Estimated net overlapping indebtedness is $45,658,435. (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.

MARKET MATTERS AFFECTING FINANCINGS OF THE MUNICIPALITIES OF THE STATE

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

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

If and when an owner of any of the Bonds and Notes should elect to sell all or a part of the Bonds and Notes prior to maturity, there can be no assurance that a market will have been established, maintained and continue in existence for the purchase and sale of any of those Bonds. The market value of the Bonds and Notes is dependent upon the ability of holder to potentially incur a capital loss if such Bonds are sold prior to its maturity.

There can be no assurance that adverse events including, for example, the seeking by another municipality in the State or elsewhere of remedies pursuant to the Federal Bankruptcy Act or otherwise, will not occur which might affect the market price of and the market for the Bonds and Notes. In particular, if a significant default or other financial crisis should occur in the affairs of the State or any of its municipalities, public authorities or other political subdivisions thereby possibly further impairing the acceptability of obligations issued by those entities, both the ability of the District to arrange for additional borrowing(s) as well as the market for and market value of outstanding debt obligations, including the Bonds and Notes, could be adversely affected.

The District relies in part on State aid to fund its operations. There can be no assurance that the State appropriation for State aid to school districts will be continued in future years, either pursuant to existing formulas or in any form whatsoever. State aid appropriated and apportioned to the District can be paid only if the State has such monies available therefore. The availability of such monies and the timeliness of such payment may also be affected by a delay in the adoption of the State budget, the State's economy and financial condition and other circumstances. In any event, State aid appropriated and apportioned to the District can be paid only if the State has such monies available therefore. (See "*State Aid*" and "*Events Affecting New York School Districts*" herein). Should the District fail to receive State aid expected from the State in the amounts or at the times expected, occasioned by a delay in the payment of such monies or by a reduction in State aid, the District is authorized by the Local Finance Law to provide operating funds by borrowing on account of the uncollected State aid.

Future amendments to applicable statutes whether enacted by the State or the United States of America affecting the treatment of interest paid on municipal obligations, including the Bonds and Notes, for income taxation purposes could have an adverse effect on the market value of the Bonds and Notes (see "*TAX MATTERS*" herein).

The enactment of the Tax Levy Limit Law, which imposes a tax levy limitation upon municipalities, school districts and fire districts in the State, including the District, without providing exclusion for debt service on obligations issued by municipalities and fire districts, may affect the market price and/or marketability for the Bonds and Notes. (See "*TAX LEVY LIMIT LAW*" herein.)

Federal or State legislation imposing new or increased mandatory expenditures by municipalities, school districts and fire districts in the State, including the District could impair the financial condition of such entities, including the District and the ability of such entities, including the District to pay debt service on the Bonds and Notes.

Cybersecurity

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

TAX MATTERS

Opinion of Bond Counsel

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

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

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

Certain Ongoing Federal Tax Requirements and Certifications

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

Certain Collateral Federal Tax Consequences

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

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

Original Issue Discount

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

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

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

Bond & Note Premium

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

Information Reporting and Backup Withholding

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

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

Miscellaneous

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

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

LEGAL MATTERS

Legal matters incident to the authorization, issuance and sale of the Bonds and Notes are subject to the approving legal opinions of Hawkins Delafield & Wood LLP, Bond Counsel. Bond Counsel's opinions will be in substantially the forms attached hereto as "APPENDIX – F & G".

UNDERTAKING TO PROVIDE NOTICES OF EVENTS

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

Historical Compliance

The District is, in all material respects, in compliance with all prior undertakings pursuant to Rule 15c2-12 for the past five years.

LITIGATION

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

The District is a defendant in a matter involving alleged sexual abuse by a teacher that took place forty years ago. The case was brought under the New York State Child Victims Act. The School District is the only Defendant as the alleged perpetrator was not sued. In 2023 the alleged perpetrator pled guilty to various Federal charges involving the possession of child pornography. The perpetrator is serving prison sentence for these crimes. The case is currently in the discovery phase. There has been no court intervention as of yet in this case as both parties, plaintiff and defendant, still owe one another written discovery. The School District has engaged an organization known as Policy Find to locate any potential insurance policies which may have been in effect at the time of the alleged claims of abuse from 1978-82.

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

MUNICIPAL ADVISOR

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

CUSIP IDENTIFICATION NUMBERS

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

RATING

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

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

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

MISCELLANEOUS

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

Statements in this Official Statement, and the documents included by specific reference, that are not historical facts are forward-looking statements, which are based on the District management's beliefs as well as assumptions made by, and information currently available to, the District's management and staff. Because the statements are based on expectations about future events and economic performance and are not statements of fact, actual results may differ materially from those projected. Important factors that could cause future results to differ include legislative and regulatory changes, changes in the economy, and other factors discussed in this and other documents that the District's files with the repositories. When used in District documents or oral presentation, the words "anticipate", "estimate", "expect", "objective", "projection", "forecast", "goal", or similar words are intended to identify forward-looking statements.

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

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

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

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

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

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

The District's contact information is as follows: Timothy Whipple, Assistant Superintendent for Business, Harrison Central School District, 50 Union Avenue, Harrison, New York 10528 , Phone: (914) 630-3010, Fax: (914) 835-3356, Email: whipplet@harrisoncsd.org.

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

HARRISON CENTRAL SCHOOL DISTRICT

Dated: June 25, 2025

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PRESIDENT OF THE BOARD OF EDUCATION AND CHIEF FISCAL OFFICER

GENERAL FUND

Balance Sheets

Fiscal Years Ending June 30:	2020	2021	2022	2023	2024
ASSETS					
Cash and equivalents	$ 41,987,408	$ 44,286,046	$ 43,964,654	$ 184,325	$ 59,309
Investments	-	-	-	45,732,076	46,548,292
Due from Other Governments	752,880	999,590	907,407	946,456	818,027
Due from Other Funds	1,717,579	2,297,544	1,385,534	3,363,036	2,634,556
Accounts Receivable	5,344	6,064	93,934	17,973	15,494
State and Federal Aid Receivable	439,794	822,344	566,508	903,471	1,004,853
Prepaid Expenditures	4,848	4,848	-	-	15,603
Deferred Expenditures	-	-	-	-	-
TOTAL ASSETS	$ 44,907,853	$ 48,416,436	$ 46,918,037	$ 51,147,337	$ 51,096,134
LIABILITIES AND FUND BALANCES					
Accounts Payable	$ 3,376,993	$ 3,403,828	$ 3,545,749	$ 4,644,398	$ 4,213,172
Accrued Liabilities	155,182	658,547	480,776	289,602	272,069
Due to Other Funds	3,121,659	3,417,650	445,863	2,045,362	1,655,074
Due to Other Governments	401,597	963,757	922,257	748,126	628,127
Employee Payroll Deductions	-	20,447	23,103	4,268	-
Due to Retirement Systems	5,885,552	6,636,097	6,871,987	7,598,606	7,635,241
Unearned Revenue	587,090	505,267	372,937	322,996	289,968
TOTAL LIABILITIES	$ 13,528,073	$ 15,605,593	$ 12,662,672	$ 15,653,358	$ 14,693,651
FUND BALANCES					
Nonspendable	$ 4,848	$ 4,848	$ -	$ -	$ 15,603
Restricted	22,191,721	24,571,085	22,913,894	26,791,347	28,411,119
Assigned	4,246,080	3,212,596	3,939,917	3,291,895	2,313,516
Unassigned	4,937,131	5,022,314	7,401,554	5,410,737	5,662,245
TOTAL FUND BALANCE	$ 31,379,780	$ 32,810,843	$ 34,255,365	$ 35,493,979	$ 36,402,483
TOTAL LIABILITIES and FUND BALANCES	$ 44,907,853	$ 48,416,436	$ 46,918,037	$ 51,147,337	$ 51,096,134

Source: Audited Financial Statements of the District. This Appendix is not itself audited.

GENERAL FUND

Revenues, Expenditures and Changes in Fund Balance

Fiscal Years Ending June 30:	2020	2021	2022	2023	2024
REVENUES					
Real Property Taxes	$ 105,193,880	$ 107,762,093	$ 110,257,964	$ 113,901,777	$ 116,366,833
Other Tax Items	4,493,873	4,212,374	3,856,641	3,651,050	4,747,079
Non-Property Tax Items	2,159,239	2,631,429	2,472,920	2,882,644	2,997,729
Charges for Services	368,795	388,469	401,844	347,323	527,931
Use of Money & Property	720,687	243,827	144,839	2,295,765	3,185,721
Sale of Property and					
Compensation for Loss	32,152	78,715	179,594	11,283	30,023
Miscellaneous	758,224	961,526	687,721	768,954	815,822
Interfund Revenue	-	-	-	-	-
Revenues from State Sources	4,690,627	4,479,091	5,178,794	5,736,790	6,400,726
Revenues from Federal Sources	-	550,773	162,300	1,048,875	-
Total Revenues	$ 118,417,477	$ 121,308,297	$ 123,342,617	$ 130,644,461	$ 135,071,864
Other Sources:					
Proceeds from Refunding Bonds	-	-	-	-	-
Interfund Transfers	458,826	110,962	1,109,636	-	-
Total Revenues and Other Sources	118,876,303	121,419,259	124,452,253	130,644,461	135,071,864
EXPENDITURES					
General Support	$ 12,790,450	$ 13,512,725	$ 12,694,968	$ 13,407,593	$ 13,296,507
Instruction	64,796,236	67,095,101	69,315,464	72,443,956	74,672,818
Pupil Transportation	6,408,997	6,236,476	6,876,989	7,256,245	8,511,871
Community Services	-	-	-	-	-
Employee Benefits	28,190,819	29,417,409	30,035,537	31,046,498	32,405,143
Debt Service	-	-	3,012,588	3,011,863	3,008,775
Total Expenditures	$ 112,186,502	$ 116,261,711	$ 121,935,546	$ 127,166,155	$ 131,895,114
Other Uses:					
Payment to refunding bond escarow agent	-	-	-	-	-
Interfund Transfers	3,996,380	3,726,485	1,072,185	2,239,692	2,268,246
Total Expenditures and Other Uses	116,182,882	119,988,196	123,007,731	129,405,847	134,163,360
Excess (Deficit) Revenues Over					
Expenditures	2,693,421	1,431,063	1,444,522	1,238,614	908,504
FUND BALANCE					
Fund Balance - Beginning of Year	28,686,359	31,379,780	32,810,843	34,255,365	35,493,979
Prior Period Adjustments (net)	-	-	-	-	-
Fund Balance - End of Year	$ 31,379,780	$ 32,810,843	$ 34,255,365	$ 35,493,979	$ 36,402,483

Source: Audited Financial Statements of the District. This Appendix is not itself audited.

GENERAL FUND

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

Fiscal Years Ending June 30:	2024 Original Budget	2024 Final Budget	2024 Actual	2025 Adopted Budget	2026 Adopted Budget
REVENUES					
Real Property Taxes & Other Tax Items	$ 121,101,320	$ 121,101,320	$ 121,113,912	$ 126,225,238	$ 130,188,692
Non-Property Tax Items	2,800,000	2,800,000	2,997,729	2,850,000	2,950,000
Charges for Services	443,500	443,500	527,931	475,000	486,500
Use of Money & Property	1,052,500	1,052,500	3,185,721	1,752,500	1,752,500
Sale of Property and Compensation for Loss	-	-	30,023	-	-
Miscellaneous	515,000	515,000	815,822	540,000	565,000
Interfund Revenues	-	-	-	-	-
Revenues from State Sources	6,081,116	6,081,116	6,400,726	6,556,068	7,037,358
Revenues from Federal Sources	-	-	-	-	-
Total Revenues	$ 131,993,436	$ 131,993,436	$ 135,071,864	$ 138,398,806	$ 142,980,050
Other Sources:					
Appropriated Fund Balance	$ -	$ -	$ -	$ 3,157,334	$ 3,456,935
Appropriated Reserve	-	-	-	-	-
Interfund Transfers	-	-	-	-	-
Total Revenues and Other Sources	131,993,436	131,993,436	135,071,864	141,556,140	146,436,985
EXPENDITURES					
General Support	$ 13,009,683	$ 13,975,254	$ 13,296,507	$ 12,997,128	$ 13,296,150
Instruction	76,678,717	76,559,694	74,672,818	78,581,429	80,658,705
Pupil Transportation	8,827,549	8,770,134	8,511,871	9,252,207	9,493,612
Community Services	-	-	-	-	-
Employee Benefits	32,572,606	32,526,706	32,405,143	35,458,052	37,387,539
Debt Service	3,008,776	3,008,776	3,008,775	3,014,324	3,458,274
Total Expenditures	$ 134,097,331	$ 134,840,564	$ 131,895,114	$ 139,303,140	$ 144,294,280
Other Uses:					
Payment to refunding bond escrow agent	-	-	-	-	-
Capital Outlay	-	-	-	-	-
Interfund Transfers	2,188,000	2,268,250	2,268,246	2,253,000	2,142,705
Total Expenditures and Other Uses	136,285,331	137,108,814	134,163,360	141,556,140	146,436,985
Excess (Deficit) Revenues Over Expenditures	(4,291,895)	(5,115,378)	908,504	-	-
FUND BALANCE					
Fund Balance - Beginning of Year	4,291,895	5,115,378	35,493,979	-	-
Prior Period Adjustments (net)	-	-	-	-	-
Fund Balance - End of Year	$ -	$ -	$ 36,402,483	$ -	$ -

Source: Audited Financial Statements and budgets (unaudited) of the District. This Appendix is not itself audited.

BONDED DEBT SERVICE

Fiscal Year Ending June 30th	Principal	Interest	Total
2025	$ 1,195,000	$ 1,325,570	$ 2,520,570
2026	1,230,000	1,284,520	2,514,520
2027	1,275,000	1,242,283	2,517,283
2028	1,320,000	1,198,445	2,518,445
2029	1,365,000	1,155,058	2,520,058
2030	1,405,000	1,110,170	2,515,170
2031	1,445,000	1,069,483	2,514,483
2032	1,490,000	1,028,108	2,518,108
2033	1,525,000	984,920	2,509,920
2034	1,575,000	940,558	2,515,558
2035	1,625,000	894,708	2,519,708
2036	1,675,000	847,370	2,522,370
2037	1,720,000	797,005	2,517,005
2038	1,775,000	743,850	2,518,850
2039	1,825,000	687,988	2,512,988
2040	1,890,000	630,381	2,520,381
2041	1,680,000	569,800	2,249,800
2042	1,735,000	511,713	2,246,713
2043	1,800,000	450,463	2,250,463
2044	1,860,000	386,938	2,246,938
2045	1,930,000	321,313	2,251,313
2046	1,995,000	253,238	2,248,238
2047	2,070,000	180,450	2,250,450
2048	2,150,000	101,935	2,251,935
2049	1,020,000	20,400	1,040,400
TOTALS	$ 40,575,000	$ 18,736,661	$ 59,311,661

The table above does not include any energy performance contract, capital lease, or installment purchase contract indebtedness, to the extent any such indebtedness may be applicable to the District. See "Energy Performance Contract" herein.

CURRENT BONDS OUTSTANDING

Fiscal Year Ending June 30th	2018 Serial Bonds Principal	2018 Serial Bonds Interest	2018 Serial Bonds Total	2019 Serial Bonds Principal	2019 Serial Bonds Interest	2019 Serial Bonds Total
2025	$ 550,000	$ 662,045	$ 1,212,045	$ 465,000	$ 573,188	$ 1,038,188
2026	565,000	644,170	1,209,170	480,000	559,013	1,039,013
2027	585,000	625,808	1,210,808	495,000	544,388	1,039,388
2028	605,000	606,795	1,211,795	510,000	529,313	1,039,313
2029	625,000	587,133	1,212,133	525,000	513,788	1,038,788
2030	645,000	566,820	1,211,820	540,000	497,813	1,037,813
2031	665,000	545,858	1,210,858	555,000	481,388	1,036,388
2032	685,000	524,245	1,209,245	575,000	464,438	1,039,438
2033	705,000	501,983	1,206,983	590,000	446,963	1,036,963
2034	730,000	479,070	1,209,070	610,000	428,963	1,038,963
2035	755,000	455,345	1,210,345	630,000	410,363	1,040,363
2036	780,000	430,808	1,210,808	650,000	391,163	1,041,163
2037	805,000	405,068	1,210,068	665,000	371,438	1,036,438
2038	830,000	378,100	1,208,100	690,000	350,250	1,040,250
2039	860,000	350,088	1,210,088	710,000	327,500	1,037,500
2040	890,000	321,063	1,211,063	735,000	304,019	1,039,019
2041	920,000	291,025	1,211,025	760,000	278,775	1,038,775
2042	950,000	259,975	1,209,975	785,000	251,738	1,036,738
2043	985,000	226,725	1,211,725	815,000	223,738	1,038,738
2044	1,015,000	192,250	1,207,250	845,000	194,688	1,039,688
2045	1,055,000	156,725	1,211,725	875,000	164,588	1,039,588
2046	1,090,000	119,800	1,209,800	905,000	133,438	1,038,438
2047	1,130,000	81,650	1,211,650	940,000	98,800	1,038,800
2048	1,170,000	41,535	1,211,535	980,000	60,400	1,040,400
2049	-	-	-	1,020,000	20,400	1,040,400
TOTALS	$ 19,595,000	$ 9,454,080	$ 29,049,080	$ 17,350,000	$ 8,620,544	$ 25,970,544

Fiscal Year Ending June 30th	2020 Serial Bonds Principal	2020 Serial Bonds Interest	2020 Serial Bonds Total
2025	$ 180,000	$ 90,338	$ 270,338
2026	185,000	81,338	266,338
2027	195,000	72,088	267,088
2028	205,000	62,338	267,338
2029	215,000	54,138	269,138
2030	220,000	45,538	265,538
2031	225,000	42,238	267,238
2032	230,000	39,425	269,425
2033	230,000	35,975	265,975
2034	235,000	32,525	267,525
2035	240,000	29,000	269,000
2036	245,000	25,400	270,400
2037	250,000	20,500	270,500
2038	255,000	15,500	270,500
2039	255,000	10,400	265,400
2040	265,000	5,300	270,300
TOTALS	$ 3,630,000	$ 662,038	$ 4,292,038

UNDERTAKING TO PROVIDE CONTINUING DISCLOSURE

Section 1. Definitions

"Annual Information" shall mean the information specified in Section 3 hereof.

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

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

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

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

"Issuer" shall mean the **Harrison Central School District,** in the County of Westchester, a school district of the State of New York.

"MSRB" shall mean the Municipal Securities Rulemaking Board established in accordance with the provisions of Section 15B(b)(1) of the Securities Exchange Act of 1934, or any successor thereto or to the functions of the MSRB contemplated by this Agreement.

"Municipal Advisor" shall mean Fiscal Advisors & Marketing, Inc., 250 South Clinton Street, Suite 502, Syracuse, New York 13202, or another nationally recognized municipal advisory firm.

"Purchaser" shall mean the financial institution referred to in the Certificate of Award, executed by the President of the Board of Education as of July 24, 2025.

"Rule" shall mean Rule 15c2-12 promulgated by the SEC under the Securities Exchange Act of 1934 (17 CFR Part 240, §240.15c2-12), as amended, as in effect on the date of this Undertaking, including any official interpretations thereof issued either before or after the effective date of this Undertaking which are applicable to this Undertaking.

"Securities" shall mean the Issuer's **$25,000,000 School District Serial Bonds – 2025**, dated July 24, 2025, maturing in various principal amounts on July 15 in each of the years 2026 to 2050, inclusive, and delivered on the date hereof.

Section 2. Obligation to Provide Continuing Disclosure. (a) The Issuer hereby undertakes, for the benefit of Holders of the Securities, to provide or cause to be provided either directly or through its Municipal Advisor to the EMMA System:

(i) (A) no later than six months after the end of each fiscal year, commencing with the fiscal year ending June 30, 2025, the Annual Information relating to such fiscal year, and (B) no later than six months after the end of each fiscal year, commencing with the fiscal year ending June 30, 2025, the audited financial statements of the Issuer for each fiscal year, if audited financial statements are prepared by the Issuer and then available; provided, however, that if audited financial statements are not prepared or are not then available, unaudited financial statements shall be provided and audited financial statements, if any, shall be delivered to the EMMA System within sixty (60) days after they become available and in no event later than one (1) year after the end of each fiscal year; provided further, however, that the unaudited financial statement shall be provided for any fiscal year only if the Issuer has made a determination that providing such unaudited financial statement would be compliant with federal securities laws, including Rule 10b-5 of the Securities Exchange Act of 1934 and Rule 17 (a)(2) of the Securities Act of 1933; and

(ii) in a timely manner, not in excess of ten (10) business days after the occurrence of such event, notice of any of the following events with respect to the Securities:

(1) principal and interest payment delinquencies;

(2) non-payment related defaults, if material;

(3) unscheduled draws on debt service reserves reflecting financial difficulties;

(4) unscheduled draws on credit enhancements reflecting financial difficulties;

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

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

(7) modifications to rights of Securities holders, if material;

(8) Bond calls, if material, and tender offers;

(9) defeasances;

(10) release, substitution, or sale of property securing repayment of the Securities, if material;

(11) rating changes;

(12) bankruptcy, insolvency, receivership or similar event of the Issuer;

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

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

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

(15) incurrence of a Financial Obligation of the Issuer, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Issuer, any of which affect security holders, if material; and

(16) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Issuer, any of which reflect financial difficulties.

(iii) in a timely manner, not in excess of ten (10) business days after the occurrence of such event, notice of a failure to provide by the date set forth in Section 2(a)(i) hereof any Annual Information required by Section 3 hereof.

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

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

Section 3. Annual Information. (a) The required Annual Information shall consist of the financial information and operating data for the preceding fiscal year, in a form generally consistent with the information contained or cross-referenced in the Issuer's final official statement relating to the Securities under the headings: "THE SCHOOL DISTRICT," "STATUS OF INDEBTEDNESS", "TAX INFORMATION" and "LITIGATION" and "APPENDIX – A" and "APPENDIX – B".

(b) All or any portion of the Annual Information may be incorporated in the Annual Information by cross reference to any other documents which are (i) available to the public on the EMMA System or (ii) filed with the SEC. If such a document is a final official statement, it also must be available from the EMMA System.

(c) Annual Information for any fiscal year containing any modified operating data or financial information (as contemplated by Section 7(e) hereof) for such fiscal year shall explain, in narrative form, the reasons for such modification and the effect of such modification on the Annual Information being provided for such fiscal year. If a change in accounting principles is included in any such modification, such Annual Information shall present a comparison between the financial statements or information prepared on the basis of the modified accounting principles and those prepared on the basis of the former accounting principles.

Section 4. Financial Statements. The Issuer's annual financial statements for each fiscal year, if prepared, shall be prepared in accordance with GAAP or New York State regulatory requirements as in effect from time to time. Such financial statements, if prepared, shall be audited by an independent accounting firm. The Issuer's Annual Financial Report Update Document prepared by the Issuer and filed annually with New York State in accordance with applicable law, shall not be subject to the foregoing requirements.

Section 5. Remedies. If the Issuer shall fail to comply with any provision of this Undertaking, then any Holder of Securities may enforce, for the equal benefit and protection of all Holders similarly situated, by mandamus or other suit or proceeding at law or in equity, this Undertaking against the Issuer and any of the officers, agents and employees of the Issuer, and may compel the Issuer or any such officers, agents or employees to perform and carry out their duties under this Undertaking; provided that the sole and exclusive remedy for breach of this Undertaking shall be an action to compel specific performance of the obligations of the Issuer hereunder and no person or entity shall be entitled to recover monetary damages hereunder under any circumstances. Failure to comply with any provision of this Undertaking shall not constitute an event of default on the Securities.

Section 6. Parties in Interest. This Undertaking is executed to assist the Purchaser to comply with paragraph (b)(5) of the Rule and is delivered for the benefit of the Holders. No other person shall have any right to enforce the provisions hereof or any other rights hereunder.

Section 7. Amendments. Without the consent of any holders of Securities, the Issuer at any time and from time to time may enter into any amendments or changes to this Undertaking for any of the following purposes:

(a) to comply with or conform to any changes in Rule 15c2-12 (whether required or optional);

(b) to add a dissemination agent for the information required to be provided hereby and to make any necessary or desirable provisions with respect thereto;

(c) to evidence the succession of another person to the Issuer and the assumption of any such successor of the duties of the Issuer hereunder;

(d) to add to the duties of the Issuer for the benefit of the Holders, or to surrender any right or power herein conferred upon the Issuer;

(e) to modify the contents, presentation and format of the Annual Information from time to time to conform to changes in accounting or disclosure principles or practices and legal requirements followed by or applicable to the Issuer or to reflect changes in the identity, nature or status of the Issuer or in the business, structure or operations of the Issuer or any mergers, consolidations, acquisitions or dispositions made by or affecting any such person; provided that any such modifications shall comply with the requirements of Rule 15c2-12 or Rule 15c2-12 as in effect at the time of such modification; or

(f) to cure any ambiguity, to correct or supplement any provision hereof which may be inconsistent with any other provision hereof, or to make any other provisions with respect to matters or questions arising under this Undertaking which, in each case, comply with Rule 15c2-12 or Rule 15c2-12 as in effect at the time of such amendment or change;

provided that no such action pursuant to this Section 7 shall adversely affect the interests of the Holders in any material respect. In making such determination, the Issuer shall rely upon an opinion of nationally recognized bond counsel.

Section 8. Termination. This Undertaking shall remain in full force and effect until such time as all principal, redemption premiums, if any, and interest on the Securities shall have been paid in full or the Securities shall have otherwise been paid or legally defeased pursuant to the their terms. Upon any such legal defeasance, the Issuer shall provide notice of such defeasance to the EMMA System. Such notice shall state whether the Securities have been defeased to maturity or to redemption and the timing of such maturity or redemption.

In addition, this Agreement, or any provision hereof, shall be null and void in the event that those portions of the Rule which require this Agreement, or such provision, as the case may be, do not or no longer apply to the Securities, whether because such portions of the Rule are invalid, have been repealed, or otherwise.

Section 9. Undertaking to Constitute Written Agreement or Contract. This Undertaking shall constitute the written agreement or contract for the benefit of Holders of Securities, as contemplated under Rule 15c2-12.

Section 10. Governing Law. This Undertaking shall be governed by the laws of the State of New York determined without regard to principles of conflict of law.

IN WITNESS WHEREOF, the undersigned has duly authorized, executed and delivered this Undertaking as of July 24, 2025.

HARRISON CENTRAL SCHOOL DISTRICT

By: ____

President of the Board of Education

MATERIAL EVENT NOTICES

Section 1. Definitions

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

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

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

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

"Issuer" shall mean the **Harrison Central School District, Westchester County, New York.**

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

"Purchaser" shall mean the financial institution referred to in the Certificate of Determination, executed by the President of the Board of Education as of July 24, 2025.

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

"Securities" shall mean the Issuer's $10,000,000 Bond Anticipation Notes – 2025, dated July 24, 2025, maturing on July 24, 2026, and delivered on the date hereof.

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

(17) principal and interest payment delinquencies;

(18) non-payment related defaults, if material;

(19) unscheduled draws on debt service reserves reflecting financial difficulties;

(20) unscheduled draws on credit enhancements reflecting financial difficulties;

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

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

(23) modifications to rights of Securities holders, if material;

(24) Bond calls, if material, and tender offers;

(25) defeasances;

(26) release, substitution, or sale of property securing repayment of the Securities, if material;

(27) rating changes;

(28) bankruptcy, insolvency, receivership or similar event of the Issuer;

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

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

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

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

(32) 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.

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

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

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

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

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

(a) to comply with or conform to any changes in Rule 15c2-12 (whether required or optional);

(b) to add a dissemination agent for the information required to be provided hereby and to make any necessary or desirable provisions with respect thereto;

(c) to evidence the succession of another person to the Issuer and the assumption of any such successor of the duties of the Issuer hereunder;

(d) to add to the duties of the Issuer for the benefit of the Holders, or to surrender any right or power herein conferred upon the Issuer;

(e) to cure any ambiguity, to correct or supplement any provision hereof which may be inconsistent with any other provision hereof, or to make any other provisions with respect to matters or questions arising under this Undertaking which, in each case, comply with Rule 15c2-12 or Rule 15c2-12 as in effect at the time of such amendment or change;

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

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

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

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

IN WITNESS WHEREOF, the undersigned has duly authorized, executed and delivered this Undertaking as of **July 24, 2025**.

HARRISON CENTRAL SCHOOL DISTRICT

By____

President of the Board of Education and Chief Fiscal Officer

HARRISON CENTRAL SCHOOL DISTRICT

WESTCHESTER COUNTY, NEW YORK

AUDITED FINANCIAL STATEMENTS

JUNE 30, 2024

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

Harrison Central School District, New York

Financial Statements and
Supplementary Information

Year Ended June 30, 2024

Harrison Central School District, New York

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Independent Auditors' Report

The Board of Education of the
Harrison Central School District, New York

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Harrison Central School District, New York ("School District"), as of and for the year ended June 30, 2024, 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.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of the School District, as of June 30, 2024, and the respective changes in financial position and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

PKF O'CONNOR DAVIES, LLP
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Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School District's basic financial statements. The combining and individual fund financial statements and schedules and the schedule of expenditures of federal awards as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 2, 2024 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.

PKF O'Connor Davies, LLP

PKF O'Connor Davies, LLP
Harrison, New York
October 2, 2024

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The following is a discussion and analysis of the Harrison Central School District's ("School District") financial performance for the fiscal year ended June 30, 2024. This section, which is introductory only, is a summary of the School District's financial activities based on currently known facts, decisions, or conditions, inclusive of both the district-wide and fund-based financial statements. The complete information is included in the School District's basic financial statements, which immediately follow this section.

School District Overview

The School District was established as a centralized school district in 1969 and is situated in the Town/Village of Harrison in the southern portion of Westchester County, New York. The School District is a 22 square mile community, approximately twenty minutes northeast of New York City and due west of the Long Island Sound. The School District includes all of the Town/Village of Harrison and minor portions of the towns of North Castle and Rye. The latest data available indicates that the Town/Village of Harrison has a population of 30,780 with a per capita income of $76,274 and an unemployment rate of 3.7%.

The School District employs approximately 680 full and part-time professional and support staff. These employees are organized into four collective bargaining units (Teaching Staff, Support Staff, Teacher/School Aides and Assistants and Administrators). On June 12, 2024, the School District's Board of Education approved successor bargaining agreements with the Teacher/School Aides and Teaching Assistants Association as well as the Harrison Administrators' Association, covering the period of July 1, 2024 - June 30, 2027. With the signing of these latest two agreements, all four of the School District's bargaining units have unexpired contracts as represented below:

CSEA Harrison Unit ("CSEA") – July 1, 2022 – June 30, 2026
Harrison Teacher/School Aide and Teaching Assistants Unit – July 1, 2024 – June 30, 2027
Harrison Administrators' Association ("HAA") – July 1, 2024 – June 30, 2027
Harrison Association of Teachers (HAT) – July 1, 2023 – June 30, 2026

The Board of Education proposed a 2024-2025 school budget in the amount of $141,556,140, which included a tax levy increase of 4.49%. The levy increase of 4.49% was above the tax levy limit of 3.13%. This was the first time since the New York State Property Tax Cap legislation was established in 2012 that the Board of Education proposed a budget that exceeded the tax levy limit. School District voters passed the 2024-2025 budget with a total of 1,129 yes votes and 555 no votes, translating into 67% of the total community participants voting in the affirmative. This approval highlights the community's commitment to investing in education, recognizing the importance of funding for critical resources like teacher salaries, student programs, and infrastructure improvements. The positive response from residents, parents, and local organizations reflects a shared belief in the value of a well-funded school system that can provide quality education and support the growth and development of students. This collective backing also underscores a broader community effort to prioritize education as a cornerstone for future success, even in the midst of challenging economic conditions. The School District enjoys the third lowest tax rate on true value of all Westchester County school districts at $12.18 per thousand of assessed value.

Financial Highlights

Key financial highlights for fiscal year 2024 are as follows:

- The General Fund's total fund balance, as reflected in the fund financial statements, increased by $908,504 to a total fund balance of $36,402,483.

- New York State Law limits the amount of unassigned fund balance that can be retained by the General Fund to 4% of the ensuing year's budget. At the end of the current fiscal year, the unassigned fund balance of the General Fund was $5,662,245, or 4% of the 2024-2025 adopted budget.

- Each year, the School District receives new claims relating to tax certiorari challenges to assessment levels, as established by the Town of Harrison Assessor. Total restricted funds for potential tax certiorari claims of $9,937,404 in the General Fund at June 30, 2024 are below the six year average of $12,280,384.

- On the district-wide financial statements, the liabilities and deferred inflows of resources of the School District exceeded the assets and deferred outflows of resources at June 30, 2024 by $164,308,264 (deficit net position), a decrease of $3,551,970 from the deficit net position of $167,860,234 for the year ended June 30, 2023. This deficit net position is primarily the result of the School District's implementation of the provisions of the Governmental Accounting Standards Board ("GASB") Statement No. 75, "*Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions ("OPEB")*". This statement addressed accounting and financial reporting for OPEB by establishing standards for recognizing and measuring liabilities, deferred outflows/inflows of resources and expenses/expenditures. This statement identified the methods and assumptions that were required to be used to project benefit payments, discount projected benefit payments to their actuarial present value and attribute that present value to the periods of employee service. Since no mechanism exists under current New York State law for New York municipalities and school districts to pre-fund these obligations in an irrevocable trust, entities such as the School District are required to report their *total* OPEB liability (as opposed to the *net* OPEB liability that had been reported under a prior standard). For the year ending June 30, 2024, the School District's OPEB liability of $207,279,040 is reflected as a liability on the district-wide Statement of Net Position and, thus, negatively impacts the total net position calculation. More detailed information about the School District's OPEB liabilities reported in accordance with the provisions of GASB Statement No. 75 is presented in Note 3E in the notes to the financial statements.

- The district-wide financial statements for the year ended June 30, 2024 are also significantly impacted by the provisions of GASB Statement No. 68, "*Accounting and Financial Reporting for Pensions*." This pronouncement established accounting and financial reporting requirements associated with the School District's participation in the cost sharing multiple employer pension plans administered by the New York State and Local Employees' Retirement System ("ERS") and the New York State Teachers' Retirement System ("TRS"). Under this standard, cost-sharing employers are required to report in their district-wide financial statements a net pension liability (asset), pension expense and pension-related deferred inflows and outflows of resources based on their proportionate share of the collective amounts for all of the municipalities and school districts in the plan. At June 30, 2024, the non-current liabilities reported in its Statement of Net Position includes a liability for its proportionate share of the ERS net pension liability in the amount of $4,574,411 and a liability in the amount of $3,634,054 for its proportionate share of the TRS net pension liability. More detailed information about the School District's pension plan reporting in accordance with the provisions of GASB Statement No. 68, including amounts reported as pension expense and deferred inflows/outflows of resources, is presented in Note 3E in the notes to financial statements.

- The School District retired $1,150,000 in outstanding bonded indebtedness and $351,639 in energy performance contract debt during the year ended June 30, 2024. More detailed information regarding this debt is presented in Note 3E in the notes to financial statements.

Overview of the Financial Statements

This annual report consists of four parts - management's discussion and analysis *(this section)*, the basic financial statements, fund financial statements and schedules, and supplementary information. The basic financial statements consist of district-wide financial statements, fund financial statements and notes to financial statements.

The District-Wide Financial Statements

The district-wide financial statements are organized to provide an understanding of the fiscal performance of the School District as a whole in a manner similar to a private sector business. There are two district-wide financial statements - the Statement of Net Position and the Statement of Activities. These statements provide both an aggregate and long-term view of the School District's finances.

These statements utilize the accrual basis of accounting. This basis of accounting recognizes the financial effects of events when they occur, without regard to the timing of cash flows related to the events.

Statement of Net Position

The statement of net position presents information on all of the School District's assets, liabilities and deferred inflows/outflows of resources, with the difference reported as net position. Increases or decreases in net position may serve over time as a useful indicator of whether the financial position of the School District is improving or deteriorating.

Statement of Activities

The statement of activities presents information showing the change in net position during the fiscal year. All changes in net position are recorded at the time the underlying financial event occurs. Therefore, revenues and expenses are reported in the statement for some items that will result in cash flow in future fiscal periods.

The Fund Financial Statements

The fund financial statements provide more detailed information about the School District's funds, not the School District as a whole. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The School District also uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The funds of the School District are reported in the *governmental funds* and the *fiduciary funds*.

These governmental funds statements utilize the modified accrual basis of accounting. This basis of accounting recognizes revenues in the period that they become measurable and available. It recognizes expenditures in the period that they become measurable, funded through available resources and payable within a current period.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the district-wide financial statements. However, the governmental fund financial statements focus on shorter term inflows and outflows of expendable resources, as well as on balances of spendable resources available at the end of the fiscal year for spending in future years. Consequently, the governmental fund statements provide a detailed short-term view of the School District's operations and the services it provides.

Because the focus of governmental funds is narrower than that of district-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the district-wide financial statements. By doing so, you may better understand the long-term impact of the School District's short-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The School District maintains five (5) individual governmental funds: General Fund, Special Aid Fund, School Lunch Fund, Special Purpose Fund and Capital Projects Fund. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General, Special Aid and Capital Projects funds, since the School District has elected to report them as major funds. Combining information for the other two non-major funds can be found elsewhere in this report.

The School District adopts an annual budget for the General Fund. A budgetary comparison statement has been provided for the General Fund within the basic financial statements to demonstrate compliance with the budget.

Fiduciary Funds

Fiduciary funds are used to account for assets held by the School District on behalf of others. All of the School District's fiduciary activities are reported in a separate Custodial Fund. The fiduciary activities have been excluded from the School District's district-wide financial statements because the School District cannot use these assets to finance its operations.

Notes to Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the district-wide and fund financial statements. The notes to financial statements can be found following the basic financial statements section of this report.

Other Information

Additional statements and schedules can be found immediately following the notes to the financial statements. These include the required supplementary information for the School District’s other postemployment and pension benefit liabilities, the combining statements for the non-major governmental funds and schedules of budget to actual comparisons.

Financial Analysis of the School District as a Whole

Net Position

The School District's total net position increased by $3,551,970 between fiscal year 2023 and 2024. A summary of the School District's Statement of Net Position for June 30, 2024 and 2023 is as follows:

	June 30, 2024	June 30, 2023	Increase (Decrease)	Percentage Change
Current Assets	$ 51,440,457	$ 51,703,889	$ (263,432)	(0.51) %
Capital Assets, net	92,651,927	91,688,990	962,937	1.05
Total Assets	144,092,384	143,392,879	699,505	0.49
Deferred Outflows of Resources	51,958,301	69,531,575	(17,573,274)	(25.27)
Current Liabilities	14,403,252	14,706,236	(302,984)	(2.06)
Long-term Liabilities	264,042,559	273,187,437	(9,144,878)	(3.35)
Total Liabilities	278,445,811	287,893,673	(9,447,862)	(3.28)
Deferred Inflows of Resources	81,913,138	92,891,015	(10,977,877)	(11.82)
Net Position				
Net Investment in Capital Assets	47,035,886	44,571,310	2,464,576	5.53
Restricted	26,551,038	24,565,710	1,985,328	8.08
Unrestricted	(237,895,188)	(236,997,254)	(897,934)	0.38
Total Net Position	$ (164,308,264)	$ (167,860,234)	$ 3,551,970	(2.12) %

Total assets increased by $699,505. Current assets decreased by $263,432. This was offset by an increase in Capital Assets, Net of $962,937, based on capital project activity, which accounted for the increase to total assets.

Long-term liabilities, which consist primarily of general obligation bonds, energy performance contract debt, and OPEB and pension liabilities decreased by $9,144,878 from the previous year. The OPEB liability decreased by $2,364,712 primarily due to an increase in the discount rate. The ERS and TRS net pension liabilities decreased by $4,857,768 due to strong returns on pension investments. The School District retired $1,150,000 and $351,639 in previously issued bonded indebtedness and energy performance contract debt, respectively.

The net investment in capital assets relates to the investment in capital assets at cost such as land, buildings and improvements and machinery and equipment, net of depreciation, less any related outstanding debt used to acquire those assets. The School District uses these capital assets to provide services to the students and consequently, these assets are not available for future spending. This amount has increased from the prior year by $2,464,576 and consists of a combination of the retirement of debt and additional capital assets as a result of improvements to buildings.

The restricted net position in the amount of $26,551,038 relates to the School District's restrictions for capital projects, tax certiorari obligations, retirement contributions, property loss, liability, insurance, future capital projects, debt service and special purposes.

While overall net position improved, the unrestricted net position has decreased by $897,934 for a variety of reasons, the most significant of which are attributable to an increase in restricted net position of $1,985,328. This increase is primarily attributable to $2,694,257 more for future capital projects, $283,239 more for tax certiorari claims and the establishment of an insurance restriction for $250,162. These increases are partially offset by a decrease in the ERS retirement contributions restriction of $875,000.

Changes in Net Position

The results of this year's operations as a whole are reported in the Statement of Activities in a programmatic format in the accompanying financial statements. A summary of this statement for the years ended June 30, 2024 and 2023 is as follows:

	2023-24	2022-23	Increase (Decrease)	Percentage Change
REVENUES				
Program revenues				
Charges for services	$ 1,696,853	$ 1,636,862	$ 59,991	3.67 %
Operating grants and contributions	6,112,106	7,779,100	(1,666,994)	(21.43)
Capital grants and contributions	56,035	4,116	51,919	1,261.39
Total Program Revenues	7,864,994	9,420,078	(1,555,084)	(16.51)
General revenues				
Real property taxes	116,366,833	113,901,777	2,465,056	2.16
Other tax items	2,711,108	1,234,532	1,476,576	119.61
Unrestricted intergovernmental revenues				
School tax relief reimbursement	2,035,971	2,416,518	(380,547)	(15.75)
Non-property tax distribution from County	2,997,729	2,882,644	115,085	3.99
Unrestricted use of money and property	1,866,723	1,550,373	316,350	20.40
Sale of property and compensation for loss	30,023	11,283	18,740	166.09
Unrestricted State aid	6,050,184	5,384,160	666,024	12.37
Miscellaneous	815,822	768,954	46,868	6.10
Total General Revenues	132,874,393	128,150,241	4,724,152	3.69
Total Revenues	140,739,387	137,570,319	3,169,068	2.30
PROGRAM EXPENSES				
General support	18,858,324	20,874,380	(2,016,056)	(9.66)
Instruction	106,091,805	100,690,675	5,401,130	5.36
Pupil transportation	8,719,432	7,461,366	1,258,066	16.86
Cost of food sales	1,796,368	1,804,943	(8,575)	(0.48)
Other	228,112	207,218	20,894	10.08
Interest	1,493,376	1,542,408	(49,032)	(3.18)
Total Expenses	137,187,417	132,580,990	4,606,427	3.47
Change in Net Position	3,551,970	4,989,329	$ (1,437,359)	
NET POSITION				
Beginning	(167,860,234)	(172,849,563)		
Ending	$ (164,308,264)	$ (167,860,234)		

The following are the major changes in Net Position:

Revenues:

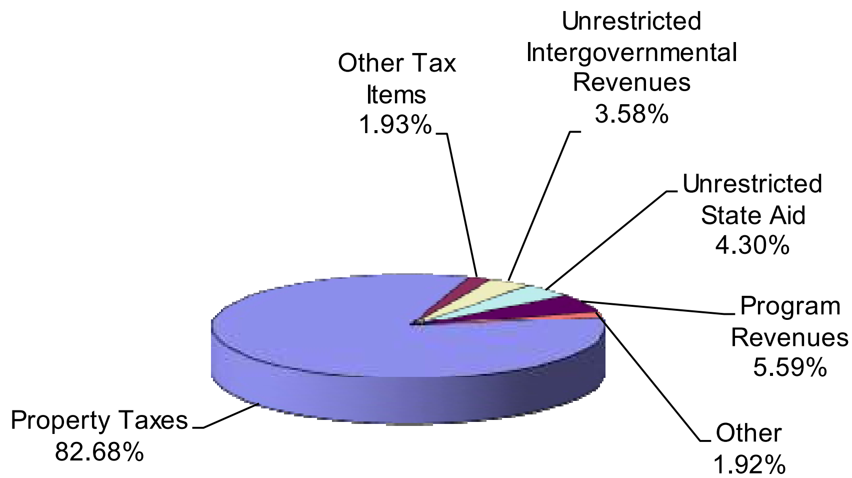
- Real property taxes, not including STAR exemptions, increased by $2,465,056 or 2.16%. The current property tax increase is attributed to projected increased expenses related to instructional programs. It is also a result of the continuing decrease in STAR (see below). The School District relies upon real property taxes as its primary source of revenue.
- Other tax items represent revenues from Payments in Lieu of Tax (“PILOT”) agreements. In the current year, a new PILOT agreement with Morgan Stanley commenced, resulting in an increase in PILOT revenue of $1,476,576 compared to the prior year.
- Unrestricted intergovernmental revenues include revenues received for the School Tax Relief Reimbursement Program (“STAR”). The STAR Program provides tax relief to homeowners by decreasing the assessments taxable to the homeowner or by providing a refund of a portion of school taxes paid. As a result of changes to the NYS law, this revenue decreased by $380,547 during the 2023-2024 fiscal year. This category also includes the non-property tax distribution from Westchester County (i.e. sales tax), which increased by $115,085 or 3.99%.
- Unrestricted use of money and property increased by $316,350 or 20.4%. Interest income, due to higher interest rates, was the main cause for continued escalation of that revenue stream.
- Operating grants and contributions decreased by $1,666,994 primarily due to previous year receipt of pandemic era federal assistance under the American Rescue Plan and CARES Act funding. These one-time funds are paid to the School District periodically at the time of formal request through the State’s reimbursement process.
- Unrestricted State aid increased by $666,024, or 12.4%, as a result of increases in BOCES aid, excess cost aid and transportation aid.

Expenses:

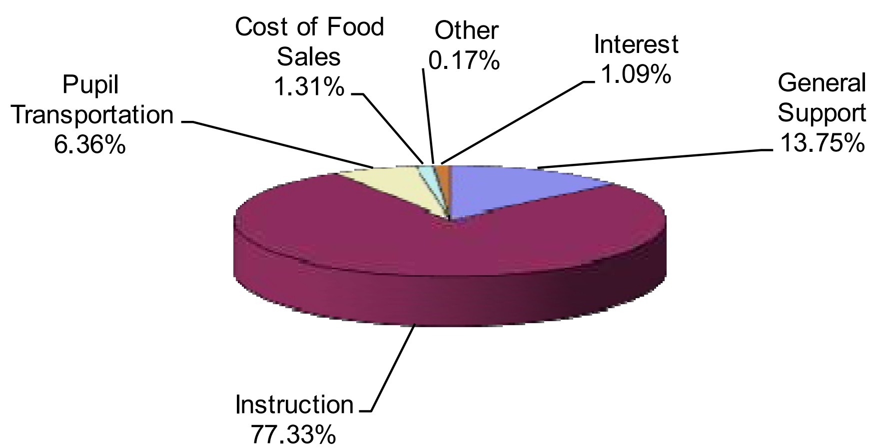
- General Support expenses decreased by $2,016,056, due primarily to the reduction of Board approved tax certiorari payments from the previous year.
- Instructional program expenses increased by $5,401,130 from the prior year. This is primarily the result of increases to instructional salaries and associated employee benefits.
- Pupil transportation expenses increased by $1,258,066, or 16.9%. The School District conducted a formal request for proposal process for a four-year period, beginning in the 2023/2024 fiscal year. The daily transportation rate in year one (1) of the contract increased by 21%. Future increases will be significantly less and projected to be 5% each year for the remaining three years.

As indicated on the pie charts that follow, real property taxes and unrestricted intergovernmental revenues (comprised of school tax relief reimbursement and non-property tax distribution from County) are the largest components of revenues recognized. Instructional expenses are the largest category of expenses incurred.

Sources of Revenue for Fiscal Year 2023-24
Governmental Activities



Expenses for Fiscal Year 2023-24
Governmental Activities



Financial Analysis of the School District's Fund Balances

As noted earlier, the School District uses fund accounting to ensure and demonstrate compliance with finance related legal requirements.

The focus of the School District's *governmental funds* is to provide information on near-term inflows, outflows and balances of *spendable* resources. Such information is useful in assessing the School District's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a School District's net resources available for spending at the end of the fiscal year.

At June 30, 2024, the School District's governmental funds, excluding the Capital Projects Fund, reported a combined fund balance of $37,535,474, representing an increase of $883,424 over the prior year. The School District continues to recognize savings through efficiencies by reducing its reliance on the use of outside contractors and utilizes its trained in-house crews to perform much of the work that is contracted to outside vendors in most school districts. This model not only saves taxpayers' dollars, but provides the School District with greater control over the project. This, combined with stringent fiscal oversight and monitoring, has led to further recognized district-wide savings.

The revenue side of the budget concluded with a favorable variance in the amount of $3,078,428, or 2.3%. While significant, the vast majority of the variance is driven by three revenue categories: Sales tax payments from Westchester County (+$197,729), earnings on investments (+$2,135,721), state aid mostly from BOCES (+319,610). In total, these three positive variances account for 86% of the total variance. Other positive variances include refunds from prior years (+$222,194) and various fees and tuition payments from other districts.

The fund balance in the Capital Projects Fund decreased by $857,632 during the fiscal year. This is due to expenditures incurred for projects to be funded in the $79,530,000 bond authorization approved in November 2023, while revenues from the issuance of the bond have not been received yet. The School District has funded its capital program during the past several years solely from budgetary appropriations from the General Fund, rather than through borrowings.

A summary of the change in fund balance by fund is as follows:

	2023-24	2022-23	Changes
General Fund			
Nonspendable - Prepaid expenditures	$ 15,603	$ -	$ 15,603
Restricted			
Tax certiorari	9,937,404	10,027,500	(90,096)
Employee benefit accrued liability	727,655	776,583	(48,928)
Employee benefit accrue liability - for subsequent year's expenditures	125,000	125,000	-
ERS retirement contributions	5,500,000	6,375,000	(875,000)
ERS retirement contributions - for subsequent year's expenditures	875,000	875,000	-
TRS retirement contributions	4,000,000	4,308,991	(308,991)
TRS retirement contributions - for subsequent year's expenditures	382,334	-	382,334
Property loss and liability	22,243	22,243	-
Liability claims	360,000	800,000	(440,000)
Insurance	250,162	-	250,162
Capital Reserve	5,130,695	2,436,438	2,694,257
Debt Service	900,626	1,044,592	(143,966)
Debt Service - for subsequent year's expenditures	200,000	-	200,000
Assigned			
Encumbrances	738,516	1,016,895	(278,379)
For subsequent year's expenditures	1,575,000	2,275,000	(700,000)
Unassigned	5,662,245	5,410,737	251,508
	36,402,483	35,493,979	908,504
School Lunch Fund			
Assigned	763,851	835,861	(72,010)
Capital Projects Fund			
Restricted	(90,658)	766,974	(857,632)
Total Fund Balances	$ 37,075,676	$ 37,096,814	$ (21,138)

Note: The fund balance of the Special Purpose fund is not included on this chart.

General Fund Budgetary Highlights

2023-24 Budget

The School District's General Fund adopted budget for the year ended June 30, 2024 was $135,268,436. This amount was then increased by the encumbrances (‘purchase orders”) carried forward from the prior year in the amount of $1,016,895. Additionally, the Board of Education took action to increase 2023-24 appropriations for the payment of tax certiorari claims ($505,753), as well as for Board approved settlement agreements for tuition reimbursement ($317,730). Total authorized spending for the 2023-2024 fiscal year was $137,108,814.

The 2023-24 budget was funded through a combination of local, county and state generated revenues, as well as assigned fund balance. The majority of this funding source totaling $118,402,804 (over 89%) was derived from the levy of real property taxes and STAR property tax relief aid from New York State. Additional revenue from county sales tax receipts and state aid support from NYS was included in the funding plan, as well as appropriated fund balance in the amount of $3,275,000.

Change In General Fund's Unassigned Fund Balance (Budget to Actual)

The General Fund's unassigned fund balance is the component of total fund balance that is the residual of excess revenues over expenditures, net of transfers to restricted fund balance components and assignments to fund subsequent year's budgets. It is this balance that is commonly referred to as the "Fund Balance". The change in this balance demonstrated through a comparison of the actual revenues and expenditures for the year compared to budget follows:

	2023-24
Opening, unassigned fund balance	$ 5,410,737
Revenues over budget	3,078,428
Expenditures, other financing uses and encumbrances under budget	2,206,938
Revenues allocated to restricted fund balances	(1,318,998)
Transfers from/to restricted fund balances, net	(541,923)
Transfers to nonspendable fund balance	(15,603)
Assigned to balance the 2024-25 budget	(3,157,334)
Closing, unassigned fund balance	$ 5,662,245

The $5,662,245 shown in the table above is the portion of the School District's June 30, 2024 fund balance that was retained as unassigned. This represents 4% of the School District's 2024-25 approved operating budget of $141,556,140, the maximum permitted by New York State.

The revised 2023-24 budget for expenditures and other financing uses, including prior year open encumbrances as of June 30, 2024, was $137,108,814. Actual expenditures and other financing uses as of June 30, 2024 were $134,163,360 plus outstanding encumbrances of $738,516. Combined, the expenditures plus encumbrances for 2023-24 were $134,901,876 which was $2,206,938 less than anticipated.

The expenditure savings in the 2023-24 budget is primarily attributable to the following areas and amounts:

Staff	$ 42,649
Central Services	293,626
Instruction, Administration and Improvement	193,900
Teaching - Regular School	395,778
Programs for Students with Disabilities	421,032
Instructional Media	58,033
Pupil Services	329,053
Pupil Transportation	258,263
Employee Benefits	121,563
The net sum of all other variances	93,041
Net Total of All Budgetary Expenditure Variances	$ 2,206,938

Assigned/Restricted Fund Balance For Use In 2024-25

The School District utilized $3,157,334 of its available June 30, 2024 fund balance to provide property tax relief and partially fund its 2024-25 approved operating budget. A significant portion of the appropriated fund balance, $1,575,000, was derived and assigned from operations over a series of years. There were also funds appropriated from restricted fund balance that was planned for use in 2024-25, including monies from the restricted for ERS retirement system contributions ($875,000), employee benefit accrued liability restriction ($125,000), restricted for TRS retirement system contributions ($382,334), and restricted for debt service payments ($200,000).

Capital Asset and Debt Administration

Capital Assets

At June 30, 2024, the School District invested in a broad range of capital assets, including land, construction-in-progress, land improvements, buildings and improvements and machinery and equipment. A summary of the School District's capital assets, net of depreciation at June 30, 2024 and 2023 is as follows:

	2023-24	2022-23	Increase (Decrease)
Land	$ 1,403,050	$ 1,403,050	$ -
Construction-in-Progress	2,851,937	593,413	2,258,524
Land Improvements	6,286,752	6,780,806	(494,054)
Buildings and improvements	81,297,605	82,072,486	(774,881)
Machinery and equipment	812,583	839,235	(26,652)
Capital assets, net	$ 92,651,927	$ 91,688,990	$ 962,937

More detailed information about the School District’s capital assets is presented in Note 3B in the notes to financial statements.

Debt Administration

The School District retired $1,150,000 in outstanding bonded indebtedness and $351,639 in energy performance contract debt during the year ended June 30, 2024. More detailed information regarding this debt is presented in Note 3E in the notes to financial statements.

Economic Factors and Next Year's Budget

The General Fund budget for the year ended June 30, 2025 was particularly challenging due to several inflationary pressures and rising costs. Growing student enrollment has increased the demand for resources, while inflation has driven up prices for essential goods and services. High electric and fuel costs have strained the School District’s operating budget, and health insurance premiums have risen sharply, exceeding the consumer price index. These factors have made it difficult to balance the need for adequate funding to support educational programs, staff, and infrastructure while minimizing the financial burden on taxpayers. The budget process required careful planning and difficult decisions to meet these competing demands. As evidenced by a supermajority of taxpayers that voted to approve a tax levy increase above the NYS established tax levy limit, there is a high level of community support of the instructional and extra-curricular activities of the School District due to strong and consistent executive leadership.

Looking ahead to the upcoming budget year, the current economic climate suggests these pressures are unlikely to ease. As a result, the School District anticipates continued financial strain, requiring even more careful planning, potential cost-cutting measures, and prioritization of critical needs to ensure the quality of education remains intact while managing the financial impact on the community.

The final 2023 assessment roll for the Town of Harrison indicates significant growth in the full value assessment of the community, which increased by $1,058,703,530, or 10.89%. As a result, the School District enjoys the third lowest tax rate on true value of all Westchester County school districts at $11.48 per thousand of assessed value.

Contacting the School District

This financial report is designed to provide the reader with a general overview of the School District's finances and to demonstrate the School District's accountability for the funds it receives. Requests for additional information can be directed to:

Dr. Louis N. Wool, Superintendent
Harrison Central School District
50 Union Avenue
Harrison, NY 10528

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Harrison Central School District, New York

Statement of Net Position
June 30, 2024

	Governmental Activities
ASSETS	
Cash and equivalents	$ 346,883
Investments	46,548,292
Receivables	
Accounts	15,494
State and Federal aid	3,696,158
Due from other governments	818,027
Prepaid expenses	15,603
Capital assets	
Not being depreciated	4,254,987
Being depreciated, net	88,396,940
Total Assets	144,092,384
DEFERRED OUTFLOWS OF RESOURCES	
Pension related	29,039,464
OPEB related	22,918,837
Total Deferred Outflows of Resources	51,958,301
LIABILITIES	
Accounts payable	5,054,496
Accrued liabilities	272,069
Due to other governments	628,127
Unearned revenues	405,708
Due to retirement systems	7,635,241
Accrued interest payable	407,611
Non-current liabilities	
Due within one year	8,796,099
Due in more than one year	255,246,460
Total Liabilities	278,445,811
DEFERRED INFLOWS OF RESOURCES	
Pension related	4,714,467
OPEB related	77,198,671
Total Deferred Inflows of Resources	81,913,138
NET POSITION	
Net investment in capital assets	47,035,886
Restricted	
Capital projects	863,337
Tax certiorari	7,897,501
ERS retirement contribution	6,375,000
TRS retirement contribution	4,382,334
Property loss	22,243
Liability	360,000
Insurance	250,162
Future capital projects	5,130,695
Debt service	900,626
Special purposes	
Extraclassroom activities	175,802
Other	193,338
Unrestricted	(237,895,188)
Total Net Position	$ (164,308,264)

The notes to financial statements are an integral part of this statement.

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Harrison Central School District, New York

Statement of Activities
Year Ended June 30, 2024

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position
Governmental activities					
General support	$ 18,858,324	$ -	$ 1,366,163	$ -	$ (17,492,161)
Instruction	106,091,805	527,931	3,795,621	-	(101,768,253)
Pupil transportation	8,719,432	-	168,935	-	(8,550,497)
Cost of food sales	1,796,368	1,168,922	540,730	-	(86,716)
Other	228,112	-	240,657	-	12,545
Interest	1,493,376	-	-	56,035	(1,437,341)
Total Governmental Activities	$ 137,187,417	$ 1,696,853	$ 6,112,106	$ 56,035	(129,322,423)

General revenues	
Real property taxes	116,366,833
Other tax items	
Payments in lieu of taxes	2,711,108
Unrestricted intergovernmental revenues	
School tax relief reimbursement	2,035,971
Non-property tax distribution from County	2,997,729
Unrestricted use of money and property	1,866,723
Sale of property and compensation for loss	30,023
Unrestricted State aid	6,050,184
Miscellaneous	815,822
Total General Revenues	132,874,393
Change in Net Position	3,551,970
Net Position - Beginning	(167,860,234)
Net Position - Ending	$ (164,308,264)

The notes to financial statements are an integral part of this statement.

Harrison Central School District, New York

Balance Sheet
Governmental Funds
June 30, 2024

	General		Special Aid		Capital Projects
ASSETS					
Cash and equivalents	$	59,309	$	-	$	-
Investments		46,548,292		-		-
Receivables						
Accounts		15,494		-		-
State and Federal aid		1,004,853		2,653,987		-
Due from other governments		818,027		-		-
Due from other funds		2,634,556		-		541,415
Prepaid expenditures		15,603				-
Total Assets	$	51,096,134	$	2,653,987	$	541,415
LIABILITIES AND FUND BALANCES						
Liabilities						
Accounts payable	$	4,213,172	$	18,057	$	632,073
Accrued liabilities		272,069		-		-
Due to other funds		1,655,074		2,634,556		-
Due to other governments		628,127		-		-
Unearned revenues		289,968		1,374		-
Due to retirement systems		7,635,241		-		-
Total Liabilities		14,693,651		2,653,987		632,073
Fund balances						
Nonspendable		15,603				-
Restricted		28,411,119		-		-
Assigned		2,313,516		-		-
Unassigned		5,662,245		-		(90,658)
Total Fund Balances		36,402,483		-		(90,658)
Total Liabilities and Fund Balances	$	51,096,134	$	2,653,987	$	541,415

The notes to financial statements are an integral part of this statement.

Non-Major Governmental Funds	Total Governmental Funds
$ 287,574	$ 346,883
-	46,548,292
-	15,494
37,318	3,696,158
-	818,027
1,113,659	4,289,630
-	15,603
$ 1,438,551	$ 55,730,087
$ 191,194	$ 5,054,496
-	272,069
-	4,289,630
-	628,127
114,366	405,708
-	7,635,241
305,560	18,285,271
-	15,603
369,140	28,780,259
763,851	3,077,367
-	5,571,587
1,132,991	37,444,816
$ 1,438,551	$ 55,730,087

Harrison Central School District, New York

Reconciliation of Governmental Funds Balance Sheet to
the District-Wide Statement of Net Position
June 30, 2024

Amounts Reported for Governmental Activities in the Statement of Net Position are Different Because

Fund Balances - Total Governmental Funds	$ 37,444,816
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	
Capital assets - non-depreciable	4,254,987
Capital assets - depreciable	137,351,874
Accumulated depreciation	(48,954,934)
	92,651,927
Differences between expected and actual experiences, assumption changes and net differences between projected and actual earnings and contributions subsequent to the measurement date for the postretirement benefits (pension and OPEB) are recognized as deferred outflows of resources and deferred inflows of resources on the statement of net position.	
Deferred outflows - pension related	29,039,464
Deferred outflows - OPEB related	22,918,837
Deferred inflows - pension related	(4,714,467)
Deferred inflows - OPEB related	(77,198,671)
	(29,954,837)
Long-term liabilities that are not due and payable in the current period and, therefore, are not reported in the funds.	
Accrued interest payable	(407,611)
General obligation bonds payable	(40,575,000)
Energy performance contract debt payable	(5,041,041)
Compensated absences	(899,110)
Claims payable	(2,039,903)
Net pension liability - ERS	(4,574,411)
Net pension liability - TRS	(3,634,054)
Total OPEB liability	(207,279,040)
	(264,450,170)
Net Position of Governmental Activities	$ (164,308,264)

The notes to financial statements are an integral part of this statement.

Harrison Central School District, New York

Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
Year Ended June 30, 2024

	General	Special Aid	Capital Projects
REVENUES			
Real property taxes	$ 116,366,833	$ -	$ -
Other tax items	4,747,079	-	-
Non-property taxes	2,997,729	-	-
Charges for services	527,931	-	-
Use of money and property	3,185,721	-	-
Sale of property and compensation for loss	30,023	-	-
State aid	6,400,726	619,836	-
Federal aid	-	2,985,796	-
Food sales	-	-	-
Miscellaneous	815,822	-	-
Total Revenues	135,071,864	3,605,632	-
EXPENDITURES			
Current			
General support	13,296,507	103,200	-
Instruction	74,672,818	3,573,743	-
Pupil transportation	8,511,871	168,935	-
Employee benefits	32,405,143	-	-
Cost of food sales	-	-	-
Other	-	-	-
Debt service			
Principal	1,501,639	-	-
Interest	1,507,136	-	-
Capital outlay	-	-	2,885,632
Total Expenditures	131,895,114	3,845,878	2,885,632
Excess (Deficiency) of Revenues Over Expenditures	3,176,750	(240,246)	(2,885,632)
OTHER FINANCING SOURCES (USES)			
Transfers in	-	240,246	2,028,000
Transfers out	(2,268,246)		-
Total Other Financing Sources (Uses)	(2,268,246)	240,246	2,028,000
Net Change in Fund Balances	908,504	-	(857,632)
FUND BALANCES (DEFICITS)			
Beginning of Year	35,493,979	-	766,974
End of Year	$ 36,402,483	$ -	$ (90,658)

The notes to financial statements are an integral part of this statement.

Non-Major Governmental	Total Governmental Funds
$ -	$ 116,366,833
-	4,747,079
-	2,997,729
-	527,931
5,092	3,190,813
-	30,023
24,576	7,045,138
511,775	3,497,571
1,168,794	1,168,794
351,654	1,167,476
2,061,891	140,739,387
-	13,399,707
77,197	78,323,758
-	8,680,806
-	32,405,143
1,781,662	1,781,662
228,112	228,112
-	1,501,639
-	1,507,136
-	2,885,632
2,086,971	140,713,595
(25,080)	25,792
-	2,268,246
-	(2,268,246)
-	-
(25,080)	25,792
1,158,071	37,419,024
$ 1,132,991	$ 37,444,816

Harrison Central School District, New York

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities
Year Ended June 30, 2024

Amounts Reported for Governmental Activities in the Statement of Activities are Different Because

Net Change in Fund Balances - Total Governmental Funds	$ 25,792
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.	
Capital outlay expenditures	4,072,310
Depreciation expense	(3,109,373)
	962,937
Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.	
Principal paid on general obligation bonds	1,150,000
Principal paid on energy performance contract debt	351,639
	1,501,639
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	
Accrued interest	13,760
Compensated absences	47,424
Claims payable	373,335
Changes in pension liabilities and related deferred outflows and inflows of resources	(5,165,444)
Changes in OPEB liabilities and related deferred outflows and inflows of resources	5,792,527
	1,061,602
Change in Net Position of Governmental Activities	$ 3,551,970

The notes to financial statements are an integral part of this statement.

Harrison Central School District, New York

Statement of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
General Fund
Year Ended June 30, 2024

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Real property taxes	$ 116,366,833	$ 116,366,833	$ 116,366,833	$ -
Other tax items	4,734,487	4,734,487	4,747,079	12,592
Non-property taxes	2,800,000	2,800,000	2,997,729	197,729
Charges for services	443,500	443,500	527,931	84,431
Use of money and property	1,052,500	1,052,500	3,185,721	2,133,221
Sale of property and compensation for loss	-	-	30,023	30,023
State aid	6,081,116	6,081,116	6,400,726	319,610
Miscellaneous	515,000	515,000	815,822	300,822
Total Revenues	131,993,436	131,993,436	135,071,864	3,078,428
EXPENDITURES				
Current				
General support	13,009,683	13,975,254	13,296,507	678,747
Instruction	76,678,717	76,559,694	74,672,818	1,886,876
Pupil transportation	8,827,549	8,770,134	8,511,871	258,263
Employee benefits	32,572,606	32,526,706	32,405,143	121,563
Debt service				
Principal	1,501,640	1,501,640	1,501,639	1
Interest	1,507,136	1,507,136	1,507,136	-
Total Expenditures	134,097,331	134,840,564	131,895,114	2,945,450
Excess (Deficiency) of Revenues Over Expenditures	(2,103,895)	(2,847,128)	3,176,750	6,023,878
OTHER FINANCING USES				
Transfers out	(2,188,000)	(2,268,250)	(2,268,246)	4
Net Change in Fund Balance	(4,291,895)	(5,115,378)	908,504	6,023,882
FUND BALANCE				
Beginning of Year	4,291,895	5,115,378	35,493,979	30,378,601
End of Year	$ -	$ -	$ 36,402,483	$ 36,402,483

The notes to financial statements are an integral part of this statement.

Harrison Central School District, New York

Fiduciary Fund
Statement of Fiduciary Net Position
June 30, 2024

	Custodial Fund
ASSETS	
Cash and equivalents	$ 23,854
Accounts receivable	6,505
Total Assets	$ 30,359
NET POSITION	
Restricted for individuals and organizations	$ 30,359

The notes to financial statements are an integral part of this statement.

Fiduciary Fund
Statement of Changes in Fiduciary Net Position
Year Ended June 30, 2024

	Custodial Fund
ADDITIONS	
Miscellaneous	$ 143,303
DEDUCTIONS	
Payments to individuals and organizations	145,291
Change in Fiduciary Net Position	(1,988)
NET POSITION	
Beginning of Year	32,347
End of Year	$ 30,359

The notes to financial statements are an integral part of this statement.

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Note 1 - Summary of Significant Accounting Policies

The Harrison Central School District, New York ("School District"), as presently constituted, was established in 1969 and operates in accordance with the provisions of the Education Law of the State of New York. The Board of Education is the legislative body responsible for overall operation of the School District and is elected by the voters of the School District. The Superintendent serves as the chief executive officer. The School District's primary function is to provide education for its pupils. Services such as transportation of pupils, administration, finance and plant maintenance support the primary function.

The financial statements of the School District have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to local governmental units and the Uniform System of Accounts as prescribed by the State of New York. The Governmental Accounting Standards Board ("GASB") is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The School District's significant accounting policies are described below:

A. Financial Reporting Entity

The financial reporting entity consists of a) the primary government, which is the School District, b) organizations for which the School District is financially accountable and c) other organizations for which the nature and significance of their relationship with the School District are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete as set forth by GASB.

In evaluating how to define the School District, for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the School District's reporting entity was made by applying the criteria set forth by GASB, including legal standing, fiscal dependency and financial accountability. Based upon the application of these criteria, there are no other entities which would be included in the financial statements.

The School District participates in the Southern Westchester Board of Cooperative Educational Services ("BOCES"), a jointly governed entity. BOCES is a voluntary cooperative association of school districts in a geographic area that share planning, services and programs which provide educational and support services. BOCES' governing board is elected based on the vote of members of the participating district's governing boards. BOCES' budget is comprised of separate budgets for administrative, program and capital costs. BOCES charges the districts for program costs based on participation and for administrative and capital costs. Each component school district's share of administrative and capital costs is determined by resident public school enrollment as defined in Education Law. Copies of BOCES' financial statement can be requested from Southern Westchester BOCES, 17 Berkley Drive, Rye Brook, New York 10573.

B. District-Wide Financial Statements

The district-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all non-fiduciary activities of the School District as a whole. For the most part, the effect of interfund activity has been removed from these statements, except for interfund services provided and used.

Note 1 - Summary of Significant Accounting Policies (Continued)

The Statement of Net Position presents the financial position of the School District at the end of its fiscal year. The Statement of Activities demonstrates the degree to which direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use or directly benefit from goods or services, or privileges provided by a given function or segment, (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment and (3) interest earned on grants that is required to be used to support a particular program. Taxes and other items not identified as program revenues are reported as general revenues. The School District does not allocate indirect expenses to functions in the Statement of Activities.

While separate district-wide and fund financial statements are presented, they are interrelated. Separate financial statements are provided for governmental and fiduciary funds, even though the latter is excluded from the district-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

C. Fund Financial Statements

The accounts of the School District are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts which comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund balances, revenues and expenditures. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance related legal and contractual provisions. The School District maintains the minimum number of funds consistent with legal and managerial requirements. The focus of governmental fund financial statements is on major funds as that term is defined in professional pronouncements. Each major fund is to be presented in a separate column, with non-major funds, if any, aggregated and presented in a single column. Fiduciary funds are reported by type. Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the district-wide statements' governmental activities column, a reconciliation is presented on the pages following, which briefly explains the adjustments necessary to transform the fund based financial statements into the governmental activities column of the district-wide presentation. The School District's resources are reflected in the fund financial statements in two broad fund categories, in accordance with generally accepted accounting principles as follows:

Fund Categories

a. Governmental Funds - Governmental Funds are those through which most general government functions are financed. The acquisition, use and balances of expendable financial resources and the related liabilities are accounted for through governmental funds. The following represents the School District's major governmental funds.

General Fund - The General Fund constitutes the primary fund of the School District and is used to account for and report all financial resources not accounted for and reported in another fund.

Special Revenue Funds - Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to

Note 1 - Summary of Significant Accounting Policies (Continued)

expenditures for specified purposes other than debt service or capital projects. The major special revenue fund of the School District is the Special Aid Fund. The Special Aid Fund is used to account for special projects or programs supported in whole or in part with Federal or State funds. The major revenues of this fund are Federal and State aid.

Capital Projects Fund - The Capital Projects Fund is used to account for and report financial resources that are restricted, committed or assigned to expenditures for capital outlays, including the acquisition or construction of major capital facilities and other capital assets.

The School District also reports the following non-major governmental funds:

Special Revenue Funds:

School Lunch Fund - The School Lunch Fund is used to record the operations of the breakfast and lunch programs of the School District.

Special Purpose Fund - The Special Purpose Fund is used to account for assets held by the School District in accordance with grantor or contributor stipulations. Among the activities included in the Special Purpose Fund are extraclassroom activity funds.

b. Fiduciary Funds (Not Included in District-Wide Financial Statements) - The Fiduciary Funds are used to account for assets held by the School District on behalf of others. The Custodial Fund is used to account for certain deposits payable.

D. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources (current assets less current liabilities) or economic resources (all assets and liabilities). The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The district-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting* as is the Fiduciary fund. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized when they have been earned and they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Property taxes are considered to be available if collected within sixty days of the fiscal year end. If expenditures are the prime factor for determining eligibility, revenues from Federal and State grants are recognized as revenues when the expenditure is made and the

Note 1 - Summary of Significant Accounting Policies (Continued)

amounts are expected to be collected within one year of the fiscal year end. A ninety day availability period is generally used for revenue recognition for most other governmental fund revenues. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, certain claims, net pension liabilities and other postemployment benefit liability are recognized later based on specific accounting rules applicable to each, generally when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuances of long-term debt are reported as other financing sources.

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position or Fund Balances

Cash and Equivalents, Investments and Risk Disclosure

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

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

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

Investments - Permissible investments include obligations of the U.S. Treasury, U.S. Agencies, repurchase agreements and obligations of New York State or its political subdivisions.

The School District follows the provisions of GASB Statement No. 72, "*Fair Value Measurement and Application",* which defines fair value and establishes a fair value hierarchy organized into three levels based upon the input assumptions used in pricing assets. Level 1 inputs have the highest reliability and are related to assets with unadjusted quoted prices in active markets. Level 2 inputs relate to assets with other than quoted prices in active markets which may include quoted prices for similar assets or liabilities or other inputs which can be corroborated by observable market data. Level 3 inputs are unobservable inputs and are used to the extent that observable inputs do not exist.

The School District participates in the Cooperative Liquid Assets Securities System ("CLASS"), a cooperative investment pool, established pursuant to Articles 3A and 5G of General Municipal Law of the State of New York. CLASS has designated Public Trust Advisors, LLC as its registered investment advisor. Public Trust Advisors, LLC is registered with the Securities and Exchange Commission ("SEC"), and is subject to all of

Note 1 - Summary of Significant Accounting Policies (Continued)

the rules and regulations of an investment advisor handling public funds. As such, the SEC provides regulatory oversight of CLASS.

The pool is authorized to invest in various securities issued by the United States and its agencies, obligations of the State of New York and repurchase agreements. These investments are reported at fair value. CLASS issues separately available audited financial statements with a year end of June 30th.

The School District's position in the pool at June 30, 2024 of $46,548,292 is equal to the value of the pool shares. The maximum maturity for any specific investment in the portfolio is 397 days.

CLASS is rated AAAm by Standard & Poor's Rating Service. Local government investment cooperatives in this rating category meet the highest standards for credit quality, conservative investment policies and safety of principal. The cooperative invests in a high quality portfolio of investments legally permissible for municipalities and school districts in the State.

Additional information concerning the cooperative is presented in the annual report of CLASS, which may be obtained from Public Trust Advisors, LLC, 717 17th Street, Suite 1850, Denver, CO 80202.

Risk Disclosure

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

Custodial Credit Risk - 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. GASB Statement No. 40, "*Deposit and Investment Risk Disclosures – an amendment of GASB Statement No. 3*", directs that deposits be disclosed as exposed to custodial credit risk if they are not covered by depository insurance and the deposits are either uncollateralized, collateralized by securities held by the pledging financial institution or collateralized by securities held by the pledging financial institution's trust department but not in the School District's name. The School District's aggregate bank balances that were not covered by depository insurance were not exposed to custodial credit risk at June 30, 2024.

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

Concentration of Credit Risk - Concentration of credit risk is the risk attributed to the magnitude of a government's investments in a single issuer. The School

Note 1 - Summary of Significant Accounting Policies (Continued)

District's investment policy limits the amount on deposit at each of its banking institutions.

Property Taxes Receivable - Real property taxes attach as an enforceable lien on real property as of July 1st and are levied and payable in two installments in September and January. The Town of Harrison, New York ("Town") is responsible for the billing and collection of the taxes. The Town guarantees the full payment of the School District warrant and assumes responsibility for uncollected taxes.

Other Receivables - Other receivables include amounts due from other governments and individuals for services provided by the School District. Receivables are recorded and revenues recognized as earned or as specific program expenditures are incurred. Allowances are recorded when appropriate.

Due From/To Other Funds - During the course of its operations, the School District has numerous transactions between funds to finance operations, provide services and construct assets. To the extent that certain transactions between funds had not been paid or received as of June 30, 2024, balances of interfund amounts receivable or payable have been recorded in the fund financial statements.

Inventories - There are no inventory values presented in the balance sheets of the respective funds of the School District. Purchases of inventoriable items are recorded as expenditures at the time of purchase and year-end balances are not material.

Prepaid Expenses/Expenditures - Certain payments to vendors reflect costs applicable to future accounting periods, and are recorded as prepaid items using the consumption method in both the district-wide and fund financial statements. Prepaid expenses/expenditures consists of certain charges which have been satisfied prior to the end of the fiscal year, but represent items which have been provided for in the subsequent years budget and will benefit such periods. Reported amounts are equally offset by nonspendable fund balance in the fund financial statements, which indicates that these amounts do not constitute "available spendable resources" even though they are a component of current assets.

Capital Assets - Capital assets, which include property, plant and equipment, are reported in the governmental activities column in the district-wide financial statements. Capital assets are defined by the School District as assets with an initial, individual cost of more than $5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation. Acquisition value is the price that would be paid to acquire an asset with equivalent service potential on the date of the donation.

Major outlays for capital assets and improvements are capitalized as projects are constructed. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives is not capitalized.

Land and construction-in-progress are not depreciated. Property, plant and equipment of the School District are depreciated using the straight line method over the following estimated useful lives.

Note 1 - Summary of Significant Accounting Policies (Continued)

Class	Life in Years
Land Improvements	5-50
Buildings and Improvements	20-50
Machinery and Equipment	5-20

The costs associated with the acquisition or construction of capital assets are shown as capital outlay expenditures on the governmental fund financial statements. Capital assets are not shown on the governmental fund balance sheet.

Unearned Revenues - Unearned revenues arise when assets are recognized before revenue recognition criteria have been satisfied. In the district-wide financial statements, unearned revenues consist of revenue received in advance and/or grants received before the eligibility requirements have been met.

Unearned revenues in the fund financial statements are those where asset recognition criteria have been met, but for which revenue recognition criteria have not been met. The School District has reported unearned revenues of $289,968 in the General Fund ($40,121 for health insurance premiums and $249,847 rebate for utilities), $1,374 in the Special Aid Fund for Federal aid received in advance, and $114,366 in the School Lunch Fund ($61,460 for student meal monies received in advance and $52,906 for Federal aid received in advance). Such amounts have been deemed to be measurable but not "available" pursuant to generally accepted accounting principles.

Deferred Outflows/Inflows of Resources - In addition to assets, the statement of financial position includes a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net assets that applies to a future period and so will not be recognized as an outflow of resources (expenditures/expense) until then.

In addition to liabilities, the statement of financial position includes a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net assets that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time.

The School District reports deferred outflows of resources and deferred inflows of resources in relation to its pension and other postemployment benefit liabilities in the district-wide financial statements. These amounts are detailed in the discussion of the School District's pension and other postemployment benefit liabilities in Note 3E.

Long-term Liabilities - In the district-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed as incurred.

In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs,

Note 1 - Summary of Significant Accounting Policies (Continued)

whether or not withheld from the actual debt proceeds received, are reported as Capital Projects Fund expenditures.

Compensated Absences - The various collective bargaining agreements and contractual agreements with certain administrators provide for the payment of accumulated vacation and sick leave upon separation from service. The liability for such accumulated leave is reflected in the district-wide Statement of Net Position as current and long-term liabilities. A liability for these amounts is reported in the governmental funds only if the liability has matured through employee resignation or retirement. The liability for compensated absences includes salary related payments, where applicable.

Net Pension Liability (Asset) - The net pension liability (asset) represents the School District's proportionate share of the net pension liability (asset) of the New York State and Local Employees' Retirement System and the New York State Teachers' Retirement System. The financial reporting of these amounts are presented in accordance with the provisions of GASB Statement No. 68, *"Accounting and Financial Reporting for Pensions"* and GASB Statement No. 71, *"Pension Transition for Contributions Made Subsequent to the Measurement Date – An Amendment of GASB Statement No. 68."*

Other Postemployment Benefit Liability ("OPEB") - In addition to providing pension benefits, the School District provides health care benefits for certain retired employees and their survivors. The financial reporting of these amounts are presented in accordance with the provisions of GASB Statement No. 75, "*Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*".

Net Position - Net position represents the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources. Net position is comprised of three components: net investment in capital assets, restricted, and unrestricted.

Net investment in capital assets consists of capital assets, net of accumulated depreciation and reduced by outstanding balances of bonds and other debt that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt are also included in this component of net position.

Restricted net position consists of restricted assets and deferred outflows of resources reduced by liabilities and deferred inflows of resources related to those assets. Assets are reported as restricted when constraints are placed on asset use either through the enabling legislation adopted by the School District or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Restricted net position for the School District includes restricted for capital projects, tax certiorari, ERS/TRS retirement contributions, property loss, liability, insurance, future capital projects, debt service and special purposes.

Unrestricted net position is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that does not meet the definition of the two preceding categories.

Sometimes the School District will fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the district-wide financial statements, a flow assumption must be made

Note 1 - Summary of Significant Accounting Policies (Continued)

about the order in which the resources are considered to be applied. It is the School District's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

Fund Balance - Generally, fund balance represents the difference between current assets and deferred outflows of resources and current liabilities and deferred inflows of resources. In the fund financial statements, governmental funds report fund classifications that comprise a hierarchy based primarily on the extent to which the School District is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Under this standard, the fund balance classifications are as follows:

Nonspendable fund balance includes amounts that cannot be spent because they are either not in spendable form (inventories, prepaid amounts, long-term receivables) or they are legally or contractually required to be maintained intact (the corpus of a permanent fund).

Restricted fund balance is reported when constraints placed on the use of the resources are imposed by grantors, contributors, laws or regulations of other governments or imposed by law through enabling legislation. Enabling legislation includes a legally enforceable requirement that these resources be used only for the specific purposes as provided in the legislation. This fund balance classification is used to report funds that are restricted for debt service obligations and for other items contained in the General Municipal Law or the Education Law of the State of New York.

Committed fund balance is reported for amounts that can only be used for specific purposes pursuant to formal action of the entity’s highest level of decision making authority. The Board of Education is the highest level of decision making authority for the School District that can, by the adoption of a resolution prior to the end of the fiscal year, commit fund balance. Once adopted, these funds may only be used for the purpose specified unless the Board of Education removes or changes the purpose by taking the same action that was used to establish the commitment. This classification includes certain designations established and approved by the Board of Education.

Assigned fund balance, in the General Fund, represents amounts constrained either by policies of the Board of Education for amounts assigned for balancing the subsequent year’s budget or by delegated authority to the Assistant Superintendent for Business for amounts assigned for encumbrances. Unlike commitments, assignments generally only exist temporarily, in that additional action does not normally have to be taken for the removal of an assignment. An assignment cannot result in a deficit in the unassigned fund balance in the General Fund. Assigned fund balance in all funds except the General Fund includes all remaining amounts, except for negative balances, that are not classified as nonspendable and are neither restricted nor committed.

Unassigned fund balance, in the General Fund, represents amounts not classified as nonspendable, restricted, committed or assigned. The General Fund is the only fund that would report a positive unassigned fund balance. For all governmental funds other than the General Fund, any deficit fund balance is reported as unassigned.

In order to calculate the amounts to report as restricted and unrestricted fund balance in the governmental fund financial statements, a flow assumption must be made about the

Note 1 - Summary of Significant Accounting Policies (Continued)

order in which the resources are considered to be applied. When both restricted and unrestricted amounts of fund balance are available for use for expenditures incurred, it is the School District's policy to use restricted amounts first and then unrestricted amounts as they are needed. For unrestricted amounts of fund balance, it is the School District's policy to use fund balance in the following order: committed, assigned, and unassigned.

F. Encumbrances

In governmental funds, encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve applicable appropriations, is generally employed as an extension of formal budgetary integration in the General Fund. Encumbrances outstanding at year-end are reported as assigned fund balance since they do not constitute expenditures or liabilities (See Note 3F).

G. Use of Estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities and deferred inflows of resources and disclosures of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

H. Subsequent Events Evaluation by Management

Management has evaluated subsequent events for disclosure and/or recognition in the financial statements through the date that the financial statements were available to be issued, which date is October 2, 2024.

Note 2 - Stewardship, Compliance and Accountability

A. Budgetary Data

The School District generally follows the procedures enumerated below in establishing the budgetary data reflected in the fund financial statements:

a) At least seven days prior to the budget hearing, a copy of the budget is made available to the voters.

b) At the budget hearing, the voters may raise questions concerning the items contained in the budget.

c) The Board of Education establishes a date for the annual meeting, which by law will be held on the third Tuesday in May.

d) The voters are permitted to vote upon the General Fund budget at the annual meeting.

e) If the original proposed budget is not approved by the voters, the Board of Education has the option of either resubmitting the original or revising the budget for voter approval at a special meeting held at a later date; or the Board of

Note 2 - Stewardship, Compliance and Accountability (Continued)

Education may, at that point, adopt a contingency budget. If the Board of Education decides to submit either the original or a revised budget to the voters for a second time, and the voters do not approve the second budget submittal, the Board of Education must adopt a contingency budget and the tax levy cannot exceed the total tax levy of the prior year (0% levy growth). In addition, the administrative component of the contingency budget shall not comprise a greater percentage of the contingency budget exclusive of the capital component than the lesser of either 1) the percentage the administrative component had comprised in the prior year budget exclusive of the capital component; or 2) the percentage the administrative component had comprised in the last proposed defeated budget exclusive of the capital component.

f) Formal budgetary integration is employed during the year as a management control device for the General Fund.

g) The budget for the General Fund is legally adopted annually on a basis consistent with generally accepted accounting principles. The Capital Projects Fund is budgeted on a project basis. The Board of Education does not adopt an annual budget for the Special Aid, School Lunch and Special Purpose funds since other means control the use of these resources (e.g., grant awards) and sometimes span a period of more than one fiscal year.

h) The Board of Education has established legal control of the budget at the function level of expenditures. Transfers between appropriation accounts, at the function level, require approval by the Board of Education. Any modification to appropriations resulting from increases in revenue estimates or supplemental reserve appropriations also require a majority vote by the Board.

i) Appropriations in the General Fund lapse at the end of the fiscal year, except that outstanding encumbrances are reappropriated in the succeeding year pursuant to the Uniform System of Accounts promulgated by the Office of the State Comptroller.

Budgeted amounts are as originally adopted, or as amended by the Board of Education.

B. Limitation on Fund Balance

The School District is limited to the amount of committed, assigned and unassigned fund balance, with certain exceptions, that can be retained. New York State law limits this amount of fund balance to 4% of the ensuing year's budget.

C. Property Tax Limitation

Chapter 97 of the Laws of 2011, as amended (“Tax Levy Limitation Law”), modified previous law by imposing a limitation on the amount of tax levy growth from one fiscal year to the next. Such limitation is the lesser of (i) 2% or (ii) the annual percentage increase in the CPI subject to certain exclusions. A budget with a tax levy that does not exceed such limit will require approval by at least 50% of the voters. Approval by at least 60% of the voters will be required for a budget with a tax levy in excess of the limit. In the event the voters reject the budget, the tax levy for the school district’s budget for the ensuing fiscal year may not exceed the amount of the tax levy for the prior

Note 2 - Stewardship, Compliance and Accountability (Continued)

fiscal year. School districts will be permitted to carry forward a certain portion of their unused tax levy limitation from a prior year.

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

D. Expenditures in Excess of Budget

The records management officer expenditure in the General Fund exceeded its budgetary provision by $56.

E. Capital Projects Fund Deficit

The Capital Projects Fund reflects a deficit of $90,658 at June 30, 2024. This results from expenditures exceeding revenues on the voter approved $79,530,000 district-wide improvement capital projects. This deficit will be eliminated with the subsequent receipt of authorized financing on the projects.

Note 3 - Detailed Notes on All Funds

A. Interfund Receivables/Payables

The composition of due from/to other funds at June 30, 2024 was as follows:

Fund	Due From	Due To
General	$ 2,634,556	$ 1,655,074
Special Aid	-	2,634,556
Capital Projects	541,415	-
Non-Major Governmental	1,113,659	-
	$ 4,289,630	$ 4,289,630

The outstanding balances between funds result mainly from the time lag between the dates that 1) interfund goods and services are provided or reimbursable expenditures occur, 2) transactions are recorded in the accounting system and 3) payments between funds are made.

Note 3 - Detailed Notes on All Funds (Continued)

B. Capital Assets

Changes in the School District's capital assets are as follows:

Class	Balance July 1, 2023	Additions	Deletions	Balance June 30, 2024
Capital assets, not being depreciated:				
Land	$ 1,403,050	$ -	$ -	$ 1,403,050
Construction-in-progress	593,413	2,752,221	493,697	2,851,937
Total Capital Assets, not being depreciated	$ 1,996,463	$ 2,752,221	$ 493,697	$ 4,254,987
Capital assets, being depreciated:				
Land Improvements	$ 11,670,749	$ 26,030	$ -	$ 11,696,779
Buildings and Improvements	119,228,608	1,621,581	-	120,850,189
Machinery and Equipment	4,691,854	166,175	53,123	4,804,906
Total Capital Assets, being depreciated	135,591,211	1,813,786	53,123	137,351,874
Less Accumulated Depreciation for:				
Land Improvements	4,889,943	520,084	-	5,410,027
Buildings and Improvements	37,156,122	2,396,462	-	39,552,584
Machinery and Equipment	3,852,619	192,827	53,123	3,992,323
Total Accumulated Depreciation	45,898,684	3,109,373	53,123	48,954,934
Total Capital Assets, being depreciated, net	$ 89,692,527	$ (1,295,587)	$ -	$ 88,396,940
Capital Assets, net	$ 91,688,990	$ 1,456,634	$ 493,697	$ 92,651,927

Depreciation expense was charged to School District functions and programs as follows:

General Support	$ 3,042,737
Instruction	51,930
Cost of Food Sales	14,706
	$ 3,109,373

D. Accrued Liabilities

Accrued liabilities at June 30, 2024 were as follows:

	General Fund
Payroll and Employee Benefits	$ 272,069

Note 3 - Detailed Notes on All Funds (Continued)

E. Long-Term Liabilities

The following table summarizes changes in the School District's long-term liabilities for the year ended June 30, 2024:

	Balance July 1, 2023	New Issues/ Additions	Maturities and/or Payments	Balance June 30, 2024	Due Within One-Year
General Obligation Bonds Payable	$ 41,725,000	$ -	$ 1,150,000	$ 40,575,000	$ 1,195,000
Energy Performance Contract Debt Payable	5,392,680	-	351,639	5,041,041	361,123
Other Non-current Liabilities:					
Compensated Absences	946,534	47,276	94,700	899,110	89,900
Claims Payable	2,413,238	-	373,335	2,039,903	339,984
Net Pension Liability - ERS	6,925,559	-	2,351,148	4,574,411	-
Net Pension Liability - TRS	6,140,674	-	2,506,620	3,634,054	-
Other Postemployment Benefit Liability	209,643,752	3,566,556	5,931,268	207,279,040	6,810,092
Total Other Non-Current Liabilities	226,069,757	3,613,832	11,257,071	218,426,518	7,239,976
Total Long-Term Liabilities	$ 273,187,437	$ 3,613,832	$ 12,758,710	$ 264,042,559	$ 8,796,099

Each governmental fund's liability for general obligation bonds, energy performance contract debt, compensated absences, claims payable, net pension liability and other postemployment benefit liability is liquidated by the General Fund.

General Obligation Bonds Payable

General obligation bonds payable at June 30, 2024 are comprised of the following individual issues:

Purpose	Year of Issue	Original Issue Amount	Final Maturity	Interest Rates	Amount Outstanding at June 30, 2024
District-Wide Reconstruction	2018	$ 22,580,000	March, 2048	3.25-3.55 %	$ 19,595,000
District-Wide Reconstruction	2019	19,380,000	September, 2048	3.00-4.00	17,350,000
District-Wide Reconstruction	2020	4,300,000	June, 2040	1.25-5.00	3,630,000
					$ 40,575,000

Interest expenditures of $1,365,021 were recorded in the General Fund. Interest expense of $1,354,131 was recorded in the district-wide financial statements.

Note 3 - Detailed Notes on All Funds (Continued)

Energy Performance Contract Payable

The School District, during 2018, entered into a $6,969,318 contractual agreement to install energy saving equipment and/or to upgrade existing facilities to enhance performance. The agreement provides for annual payments of $493,754, including interest at 2.679% through September 2035. The contract further provides that the savings in energy costs resulting from this modernization will equal or exceed the payment terms. Interest expenditures of $142,115 were recorded in the General Fund. Interest expense was $139,245 in the district-wide financial statements. The balance due at June 30, 2024 was $5,041,041.

Payments to Maturity

The annual requirements to amortize all outstanding bonded and energy performance contract debt as of June 30, 2024 including interest payments of $19,620,670 are as follows:

Year Ending June 30,	General Obligation Bonds Principal	General Obligation Bonds Interest	Energy Performance Contract Debt Principal	Energy Performance Contract Debt Interest	Total Principal	Total Interest
2025	$ 1,195,000	$ 1,325,570	$ 361,123	$ 132,631	$ 1,556,123	$ 1,458,201
2026	1,230,000	1,284,520	370,863	122,891	1,600,863	1,407,411
2027	1,275,000	1,242,283	380,865	112,889	1,655,865	1,355,172
2028	1,320,000	1,198,445	391,138	102,617	1,711,138	1,301,062
2029	1,365,000	1,155,057	401,687	92,067	1,766,687	1,247,124
2030-2034	7,440,000	5,133,237	2,176,904	291,867	9,616,904	5,425,104
2035-2039	8,620,000	3,970,920	958,461	29,047	9,578,461	3,999,967
2040-2044	8,965,000	2,549,294	-	-	8,965,000	2,549,294
2045-2049	9,165,000	877,335	-	-	9,165,000	877,335
	$ 40,575,000	$ 18,736,661	$ 5,041,041	$ 884,009	$ 45,616,041	$ 19,620,670

The above general obligation bonds are direct borrowings of the School District for which its full faith and credit are pledged and are payable from taxes levied on all taxable real property within the School District.

Legal Debt Margin

The School District is subject to legal limitations on the amount of debt that it may issue. The School District's legal debt margin is 10% of the most recent full valuation of taxable real property. At June 30, 2024, that amount was $951,970,233. As of June 30, 2024, the total outstanding debt applicable to the limit was $40,575,000 which is 4.26% of the total debt limit.

Compensated Absences

Under the terms of existing collective bargaining agreements, upon separation of service, the School District converts each employee's unused sick leave into a bank for the purpose of paying their portion of retiree health insurance premiums. Compensated absences also includes the value for twelve month employee's vacation days earned in the prior year. The value of the compensated absences has been reflected in the district-wide financial statements.

Note 3 - Detailed Notes on All Funds (Continued)

Claims Payable

Claims payable reflects a liability of $2,039,903 for court ordered tax certiorari refunds, which were not due and payable at year-end. These amounts have been recorded as an expense in the district-wide financial statements.

Pension Plans

New York State and Local Employees' Retirement System and Teachers' Retirement System

The School District participates in the New York State and Local Employees' Retirement System ("ERS"). This is a cost-sharing, multiple-employer defined benefit pension plan. ERS provides retirement benefits as well as death and disability benefits. The net position of the ERS is held in the New York State Common Retirement Fund ("Fund"), which was established to hold all assets and record changes in fiduciary net position. The Comptroller of the State of New York serves as the trustee of the Fund and is the administrative head of the ERS. The Comptroller is an elected official determined in a direct statewide election and serves a four year term. Obligations of employers and employees to contribute and benefits to employees are governed by the New York State Retirement and Social Security Law ("NYSRSSL"). Once a public employer elects to participate in the ERS, 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, which provides death benefits in the form of life insurance. The ERS 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/about_us/financial_statements_index.php or obtained by writing to the New York State and Local Retirement System, 110 State Street, Albany, NY 12244.

The School District also participates in the New York State Teachers' Retirement System ("TRS"). This is a cost-sharing, multiple-employer defined benefit pension plan. TRS provides retirement benefits as well as death and disability benefits. The TRS is governed by a ten member Board of Trustees, which sets policy and oversees operations consistent with its fiduciary obligations under applicable law. Obligations of employers and employees to contribute and benefits to employees are governed by the Education Law of the State of New York. Once a public employer elects to participate in the TRS, 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 TRS issues a stand-alone financial report which may be found at www.nystrs.org or obtained by writing to the New York State Teachers' Retirement System, 10 Corporate Woods Drive, Albany, NY 12211-2395.

ERS and TRS are noncontributory for employees who joined the systems before July 27, 1976. Employees who joined the systems after July 27, 1976 and before January 1, 2010 contribute 3% of their salary for the first ten years of membership. Employees who joined the systems after January 1, 2010 generally contribute between 3% and 6% 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 ERS's fiscal year ending March 31. Pursuant to Article 11 of the Education Law of

Note 3 - Detailed Notes on All Funds (Continued)

the State of New York, actuarially determined employer contributions are established annually for the TRS by its Board of Trustees. The employer contribution rates for the plans' year ending in 2024 are as follows:

	Tier/Plan	Rate
ERS	3 A15	15.0 %
	4 A15	15.0
	5 A15	13.0
	6 A15	9.6
TRS	1-6	9.76 %

At June 30, 2024, the School District reported the following for its proportionate share of the net pension liability for ERS and TRS:

	ERS	TRS
Measurement date	March 31, 2024	June 30, 2023
Net pension liability	$ 4,574,411	$ 3,634,054
School Districts' proportion of the net pension liability	0.0310676 %	0.317777 %
Change in proportion since the prior measurement date	(0.0012284) %	(0.002235) %

The net pension liability was measured as of March 31, 2024 for ERS and June 30, 2023 for TRS and the total pension liability used to calculate the net pension liability were determined by actuarial valuations as of those dates. The School District's proportion of the net pension liability for ERS was based on a computation of the actuarially determined indexed present value of future compensation by employer relative to the total of all participating members. The School District's proportion of the net pension liability for TRS was based on the School District's contributions to the pension plan relative to the contributions of all participating members.

For the year ended June 30, 2024, the School District recognized its proportionate share of pension expense in the district-wide financial statements of $12,561,479 ($2,090,361 for ERS and $10,471,118 for TRS). Pension expenditures of $7,360,689 ($1,478,384 for ERS and $5,882,305 for TRS) and $35,346 ($7,126 for ERS and $28,220 for TRS) were recorded in the fund financial statements and were charged to the General and Special Aid funds, respectively.

Note 3 - Detailed Notes on All Funds (Continued)

At June 30, 2024, the School District reported its proportionate share of deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	ERS		TRS	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 1,473,414	$ 124,732	$ 8,811,614	$ 21,777
Changes of assumptions	1,729,482	-	7,824,010	1,705,200
Net difference between projected and actual earnings on pension plan investments	-	2,234,576	1,857,656	-
Changes in proportion and differences between School District contributions and proportionate share of contributions	355,982	152,001	557,403	476,181
School District contributions subsequent to the measurement date	519,377	-	5,910,526	-
	$ 4,078,255	$ 2,511,309	$ 24,961,209	$ 2,203,158

	Total	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 10,285,028	$ 146,509
Changes of assumptions	9,553,492	1,705,200
Net difference between projected and actual earnings on pension plan investments	1,857,656	2,234,576
Changes in proportion and differences between School District contributions and proportionate share of contributions	913,385	628,182
School District contributions subsequent to the measurement date	6,429,903	-
	$ 29,039,464	$ 4,714,467

$519,377 reported as deferred outflows of resources related to ERS resulting from the School District's accrued contributions subsequent to the measurement date will be recognized as a decrease of the net pension liability in the plan's year ended March 31, 2025. The $5,910,526 reported as deferred outflows of resources related to TRS will be recognized as a decrease of the net pension liability in the plan's year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to ERS and TRS will be recognized in pension expense as follows:

Year Ended	March 31, ERS	June 30, TRS
2024	$ -	$ 1,436,641
2025	(767,071)	(1,883,945)
2026	938,507	14,625,002
2027	1,359,735	1,168,105
2028	(483,602)	945,798
Thereafter	-	555,924
	$ 1,047,569	$ 16,847,525

Note 3 - Detailed Notes on All Funds (Continued)

The total pension liability for the ERS and TRS measurement dates were determined by using actuarial valuation dates as noted below, with update procedures used to roll forward the total pension liabilities to those measurement dates. Significant actuarial assumptions used in the valuations were as follows:

	ERS	TRS
Measurement Date	March 31, 2024	June 30, 2023
Actuarial valuation date	April 1, 2023	June 30, 2022
Investment rate of return	5.9% *	6.95% *
Salary scale	4.4%	1.95%-5.18%
Inflation rate	2.9%	2.4%
Cost of living adjustments	1.5%	1.3%

*Compounded annually, net of pension plan investment expenses, including inflation.

For ERS, annuitant mortality rates are based on the ERS's experience with adjustments for mortality improvements based on Society of Actuaries' Scale MP-2021. For TRS, annuitant mortality rates are based on plan member experience, with adjustments for mortality improvements based on Society of Actuaries' Scale MP-2021, applied on a generational basis. Active member mortality rates are based on plan member experience.

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

For ERS, 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 percentage and by adding expected inflation.

For TRS, 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.

Note 3 - Detailed Notes on All Funds (Continued)

Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation is summarized in the following table:

	ERS March 31, 2024		TRS June 30, 2023	
Asset Type	Target Allocation	Long-Term Expected Real Rate of Return	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	32 %	4.00 %	33 %	6.80 %
International Equity	15	6.65	15	7.60
Private Equity	10	7.25	9	10.10
Real Estate Equity	9	4.60	11	6.30
Opportunistic/ARS Portfolio	3	5.25	-	-
Credit	4	5.40	-	-
Real Assets	3	5.79	-	-
Domestic Fixed Income	-	-	16	2.20
Global Equity	-	-	4	7.20
Global Bonds	-	-	2	1.60
Private Debt	-	-	2	6.00
Real Estate Debt	-	-	6	3.20
High Yield Bonds	-	-	1	4.40
Fixed Income	23	1.50	-	-
Cash	1	0.25	1	0.30
	100 %		100 %	

The real rate of return is net of the long-term inflation assumption of 2.9% for ERS and 2.4% for TRS.

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

The following presents the School District's proportionate share of the net pension liability (asset) calculated using the discount rate of 5.9% for ERS and 6.95% for TRS, as well as what the School District's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1 percentage point lower (4.9% for ERS and 5.95% for TRS) or 1 percentage point higher (6.9% for ERS and 7.95% for TRS) than the current rate:

Note 3 - Detailed Notes on All Funds (Continued)

	1% Decrease (4.9%)	Current Discount Rate (5.9%)	1% Increase (6.9%)
School District's proportionate share of the ERS net pension liability (asset)	$ 14,382,416	$ 4,574,411	$ (3,617,308)

	1% Decrease (5.95%)	Current Assumption (6.95%)	1% Increase (7.95%)
School District's proportionate share of the TRS net pension (asset)	$ 55,348,484	$ 3,634,054	$ (39,860,018)

The components of the collective net pension liability as of the March 31, 2024 ERS measurement date and the June 30, 2023 TRS measurement date were as follows:

	ERS	TRS
Total pension liability	$ 240,696,851,000	$ 138,365,121,961
Fiduciary net position	225,972,801,000	137,221,536,942
Employers' net pension liability	$ 14,724,050,000	$ 1,143,585,019
Fiduciary net position as a percentage of total pension liability	93.88%	99.17%

Employer contributions to ERS are paid annually and cover the period through the end of ERS's fiscal year, which is March 31st. Accrued retirement contributions as of June 30, 2024 represent the projected employer contribution for the period April 1, 2024 through June 30, 2024 based on paid ERS wages multiplied by the employers' contribution rate, by tier. Employee contributions are remitted monthly.

Employer and employee contributions for the year ended June 30, 2024 are paid to TRS in the following fiscal year through a state aid intercept or, if state aid is insufficient, through a payment by the School District to TRS. Accrued retirement contributions as of June 30, 2024 represent employee and employer contributions for the fiscal year ended June 30, 2024 based on paid TRS wages multiplied by the employers' contribution rate plus employee contributions for the fiscal year as reported to TRS.

Accrued retirement contributions as of June 30, 2024 were $519,377 to ERS and $7,115,864 to TRS (including current year employee contributions of $914,255 and accrued amounts from prior years of $291,083).

Voluntary Defined Contribution Plan

The School District can offer a defined contribution plan to all non-union employees hired on or after July 1, 2013 and earning at the annual full-time salary rate of $75,000 or more. The employee contribution is between 3% and 6% depending on salary and the School District will

Note 3 - Detailed Notes on All Funds (Continued)

contribute 8%. Employer contributions vest after 366 days of service. No current employees participated in this program.

Other Postemployment Benefit Liability ("OPEB")

In addition to providing pension benefits, the School District provides certain health care benefits for retired employees through a single employer defined benefit OPEB plan. The various collective bargaining agreements stipulate the employees covered and the percentage of contribution. Contributions by the School District may vary according to length of service. The cost of providing postemployment health care benefits is shared between the School District and the retired employee as noted below. Substantially all of the School District's employees may become eligible for those benefits if they reach normal retirement age while working for the School District. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75, "*Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*", so the net OPEB liability is equal to the total OPEB liability. Separate financial statements are not issued for the plan.

At June 30, 2024, the following employees were covered by the benefit terms:

Inactive employees currently receiving benefit payments	374
Active employees	626
	1,000

The School District's total OPEB liability of $200,279,040 was measured as of June 30, 2024, and was determined by an actuarial valuation as of July 1, 2022.

The total OPEB liability in the July 1, 2022 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Salary increases	3.50%, average, including inflation
Discount rate	3.93%
Healthcare cost trend rates	7.0% for 2024, decreasing 0.5% per year to an ultimate rate of 5.0% for 2028 and later years
Retirees' share of benefit-related costs	For those employees who retired prior to July 1, 2009, the School District is responsible for 100% of the cost of the retiree's health insurance plan. For those employees retiring after July 1, 2009, the retiree's share varies depending on bargaining unit, years of service to the School District and whether the retiree has reached age 65. The retiree's share of the health insurance premium ranges between 2% and 20%, based on these factors.

The discount rate was based on the Bond Buyer's 20 Bond Index.

Note 3 - Detailed Notes on All Funds (Continued)

Mortality rates were based on the Society of Actuaries Pub-2010 Public Retirement Healthy Male and Female Total Dataset Headcount-Weighted Mortality tables based on Employee and Healthy Annuitant Tables for pre and post retirement projected with mortality improvements using the most current Society of Actuaries' Mortality Improvement Scale MP-2021.

The School District's change in the total OPEB liability for the year ended June 30, 2024 is as follows:

Total OPEB Liability - Beginning of Year	$ 209,643,752
Service cost	5,632,970
Interest	7,750,325
Changes of benefit terms	-
Differences between expected and actual experience	-
Changes in assumptions or other inputs	(9,816,739)
Benefit payments	(5,931,268)
Total OPEB Liability - End of Year	$ 207,279,040

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 (2.93%) or 1 percentage point higher (4.93%) than the current discount rate:

	1% Decrease (2.93%)	Current Discount Rate (3.93%)	1% Increase (4.93%)
Total OPEB Liability	$ 245,762,161	$ 207,279,040	$ 177,203,293

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 (6.0% decreasing to 4.0%) or 1 percentage point higher (8.0% decreasing to 6.0%) than the current healthcare cost trend rates:

	1% Decrease (6.0% decreasing to 4.0%)	Current Healthcare Cost Trend Rates (7.0% decreasing to 5.0%)	1% Increase (8.0% decreasing to 6.0%)
Total OPEB Liability	$ 174,178,963	$ 207,279,040	$ 250,053,247

For the year ended June 30, 2024, the School District recognized OPEB expense of $138,741 in the district-wide financial statements. At June 30, 2024, the School District reported deferred

Note 3 - Detailed Notes on All Funds (Continued)

outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions or other inputs	$ 22,918,837	$ 60,237,611
Differences between expected and actual experience	-	16,961,060
	$ 22,918,837	$ 77,198,671

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

Year Ended June 30,	
2025	$ (12,534,134)
2026	(11,764,525)
2027	(10,884,580)
2028	(11,226,426)
2029	(7,870,169)
Thereafter	-
	$ (54,279,834)

F. Significant Commitments – Encumbrances

As discussed in Note 2A, Budgetary Data, encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At June 30, 2024, the amount of encumbrances expected to be honored upon performance by the vendor in the next year were as follows:

General Fund	$ 738,516

G. Revenues and Expenditures

Interfund Transfers

Interfund transfers are defined as the flow of assets, such as cash or goods and services, without equivalent flows of assets in return. The interfund transfers reflected below have been reported as transfers.

Note 3 - Detailed Notes on All Funds (Continued)

	Transfers In		
Transfers Out	Special Aid Fund	Capital Projects Fund	Total
General Fund	$ 240,246	$ 2,028,000	$ 2,268,246

Transfers are used to move amounts earmarked in the operating funds to fulfill commitments for Capital Projects and Special Aid funds expenditures.

H. Net Position

The components of net position are detailed below:

Net Investment in Capital Assets - the component of net position that reports the difference between capital assets less both the accumulated depreciation and the outstanding balance of debt, excluding unexpended proceeds, that is directly attributable to the acquisition construction or improvement of those assets.

Restricted for Capital Projects - the component of net position that reports the amounts restricted for capital projects.

Restricted for Tax Certiorari - the component of net position that has been established in accordance with the Education Law of the State of New York to provide funding for court ordered tax refunds which are currently in process.

Restricted for ERS Retirement Contribution - the component of net position that reports the amounts set aside to be used for ERS retirement costs in accordance with Section 6-r of the General Municipal Law of the State of New York.

Restricted for TRS Retirement Contribution - the component of net position that reports the amounts set aside to be used for TRS retirement costs in accordance with Section 6-r of the General Municipal Law of the State of New York.

Restricted for Property Loss - the component of net position that has been established to set aside funds for property loss claims in accordance with Section 6-n of the General Municipal Law of the State of New York.

Restricted for Liability - the component of net position that has been established to pay liability claims in accordance with the Education Law of the State of New York.

Restricted for Insurance - the component of net position that has been established to set aside funds to repair assets funded by insurance recoveries pursuant to the Education Law of the State of New York.

Restricted for Future Capital Projects – the component of net position that has been established in accordance with the Education Law of the State of New York to set aside funds to be used for future capital projects.

Restricted for Debt Service - the component of net position that reports the difference between assets and liabilities with constraints place on their use by Local Finance Law.

Note 3 - Detailed Notes on All Funds (Continued)

Restricted for Special Purposes - the component of net position that has been established to set aside funds to be used for extraclassroom activities and other purposes with constraints placed on their use by either external parties and/or statute.

Unrestricted - all other amounts that do not meet the definition of "restricted" or "net investment in capital assets".

I. Fund Balances

	General Fund	Capital Projects Fund	Non-Major Governmental Funds	Total
Nonspendable -				
Prepaid expenditures	$ 15,603	$ -	$ -	$ 15,603
Restricted:				
Tax certiorari	9,937,404	-	-	9,937,404
Employee benefit accrued liability	727,655	-	-	727,655
Employee benefit accrued liability - for subsequent year's expenditures	125,000	-	-	125,000
ERS retirement contributions	5,500,000	-	-	5,500,000
ERS retirement contributions - for subsequent year's expenditures	875,000	-	-	875,000
TRS retirement contributions	4,000,000	-	-	4,000,000
TRS retirement contributions - for subsequent year's expenditures	382,334	-	-	382,334
Property loss	22,243	-	-	22,243
Liability claims	360,000	-	-	360,000
Insurance	250,162	-	-	250,162
Future capital projects	5,130,695	-	-	5,130,695
Special purposes - extraclassroom activities	-	-	175,802	175,802
Special purposes - other	-	-	193,338	193,338
Debt service	900,626	-	-	900,626
Debt service - for subsequent year's expenditures	200,000	-	-	200,000
Total Restricted	28,411,119	-	369,140	28,780,259
Assigned:				
Purchases on order:				
General government support	310,074	-	-	310,074
Instruction	428,442	-	-	428,442
	738,516	-	-	738,516
For subsequent year's expenditures - General Fund	1,575,000	-	-	1,575,000
School Lunch Fund	-	-	763,851	763,851
Total Assigned	2,313,516	-	763,851	3,077,367
Unassigned	5,662,245	(90,658)	-	5,571,587
Total Fund Balances (Deficits)	$ 36,402,483	$ (90,658)	$ 1,132,991	$ 37,444,816

Note 3 - Detailed Notes on All Funds (Continued)

Certain elements of fund balance are described above. Those additional elements which are not reflected in the Statement of Net Position but are reported in the governmental funds balance sheet are described below.

Restricted for Employee Benefit Accrued Liability - the component of fund balance that has been restricted pursuant to Section 6-p of the General Municipal Law of the State of New York to provide funds for the payment of unused sick time and other forms of payment for accrued leave time granted upon termination or separation from service.

Purchases on order are assigned and represent the School District's intention to honor the contracts in process at year-end. The subsequent year's appropriation will be amended to provide authority to complete the transactions.

Subsequent year's expenditures represent that at June 30, 2024, the Board of Education has utilized the above amounts to be appropriated for the ensuing year's budget.

Assigned for School Lunch Fund represents the component of fund balance that reports the difference between assets and liabilities in the School Lunch Fund.

Unassigned fund balance in the General Fund represents amounts not classified as nonspendable, restricted, committed or assigned. Unassigned fund balance in the Capital Projects Fund represents the deficit balance in the fund.

Note 4 - Summary Disclosure of Significant Contingencies

A. Litigation

There are currently pending certiorari proceedings, the results of which could require the payment of future tax refunds by the School District if existing assessment rolls are modified based on the outcome of the litigation proceedings. However, the amount of these possible refunds cannot be determined at the present time. Any payments resulting from adverse decisions will be funded in the year the payment is made. The district-wide financial statements reflect a liability of $2,039,903 at June 30, 2024 for tax certiorari obligations due but not yet payable.

The School District is defendant in a matter involving alleged sexual abuse by a teacher that took place forty years ago. Council for the School District filed an amended answer to the plaintiff's complaint and the parties have exchanged discovery demands. Upon completion of discovery, Council for the School District will likely submit a motion for summary judgment.

B. Contingencies

The School District participates in various Federal grant programs. These programs are subject to program compliance audits pursuant to the Uniform Guidance. The amount of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the School District anticipates such amounts, if any, to be immaterial.

Note 4 - Summary Disclosure of Significant Contingencies (Continued)

The School District is subject to audits of State aid by the New York State Education Department. The amount of aid previously paid to the School District which may be disallowed cannot be determined at this time, although the School District anticipates that such amounts, if any, to be immaterial.

C. Risk Management

The School District and other school districts have formed a reciprocal insurance company to be owned by these districts. This Company operates under an agreement effective July 1, 1989. The purpose of the Company is to provide general liability, auto liability, all risk building and contents and auto physical damage coverage. In addition, as part of the reciprocal program, excess insurance, school board legal liability, equipment floaters, boilers and machinery and crime and bond coverages will be purchased from commercial carriers and be available to the subscriber districts. The Company retains a management company which is responsible for the overall supervision and management of the reciprocal. The reciprocal is managed by a Board of Governors and an Attorney-in-fact, which is comprised of employees of the subscriber districts. The subscribers have elected those who sit on the board and each subscriber has a single vote. The Company is an "assessable" insurance company, in that, the subscribers are severally liable for any financial shortfall of the Company and can be assessed their proportionate share by the State Insurance Department if the funds of the Company are less than what is required to satisfy its liabilities. The subscriber districts are required to pay premiums as well as a minimal capital contribution.

The School District purchases various insurance coverages from the Company to reduce its exposure to loss. The School District maintains a general liability insurance policy with coverage up to $1 million per occurrence. The School District maintains liability coverage for school board members up to $1 million per occurrence and $3 million in the aggregate. The School District also maintains an excess liability policy with coverage up to $25 million per occurrence. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

The School District and neighboring school districts in Southern Westchester County participate in the State-Wide Schools Cooperative Health Plan. This Plan operates under an agreement, as amended, dated December 12, 1985. The purposes of the Plan are to effect cost savings in members' expenses for health coverage; to provide for centralized administration, funding and disbursements for health coverage; and to provide for such risk management services as may be appropriate to reduce future expense and liability for health coverage. The governance of the Plan shall be in all respects in the hands of the Board of Trustees. The Board of Trustees shall consist of seven trustees elected by the general membership of the Plan. No action may be taken by the Board of Trustees except by a vote of a majority of the total number of trustees. Billings to participants are based upon coverage provided to each participants' employees. The School District has transferred all related risk to the Plan.

Note 4 - Summary Disclosure of Significant Contingencies (Continued)

The School District and neighboring school districts in Southern Westchester County, participate in the Southern Westchester Schools Cooperative Self-Insurance Plan for Workers' Compensation. The purpose of the Plan is to provide efficient and economical evaluation, processing, administration, defense and payment of claims against plan members for workers' compensation and to provide for risk management to reduce future liability for workers' compensation and employers' liability payments. The Plan is managed and governed by a Board of Trustees comprised of a representative from each district. Billings are based upon participants' experience rating. The School District has transferred all related risk to the Plan.

Note 5 - Recently Issued GASB Pronouncements

GASB Statement No. 101, "*Compensated Absences*", provides guidance on the accounting and financial reporting for compensated absences. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The requirements of this Statement are effective for reporting periods beginning after December 15, 2023.

GASB Statement No. 102, "*Certain Risk Disclosures*", provides guidance on disclosures for risks related to a government's vulnerabilities due to certain concentrations or constraints. A concentration is defined as a lack of diversity related to an aspect of a significant inflow of resources or outflow of resources. A constraint is a limitation imposed on a government by an external party or by formal action of the government's highest level of decision-making authority. Concentrations and constraints may limit a government's ability to acquire resources or control spending.

Under this Statement, a government is required to assess whether an event or events associated with a concentration or constraint that could cause substantial impact have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued. The requirements of this Statement are effective for reporting periods beginning after June 15, 2024.

GASB Statement No. 103, "*Financial Reporting Model Improvements*", has been issued to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. The requirements of this Statement are effective for reporting periods beginning after June 15, 2025.

This is not an all-inclusive list of recently issued GASB pronouncements but rather a listing of Statements that the School District believes will most impact its financial statements. The School District will evaluate the impact of this and other pronouncements may have on its financial statements and will implement them as applicable and when material.

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Harrison Central School District, New York

Required Supplementary Information - Schedule of Changes in the School District's Total OPEB Liability and Related Ratios
Last Ten Fiscal Years (1)(2)

	2024		2023		2022	
Total OPEB Liability:						
Service cost	$ 5,632,970		$ 5,676,238		$ 14,209,553	
Interest	7,750,325		7,390,862		6,182,563	
Changes of benefit terms	-		-		-	
Differences between expected and actual experience	-		(6,731,377)		-	
Changes of assumptions or other inputs	(9,816,739)	(4)	(18,124,519)	(4)	(63,149,316)	(4)
Benefit payments	(5,931,268)		(5,112,669)		(5,406,702)	
Net Change in Total OPEB Liability	(2,364,712)		(16,901,465)		(48,163,902)	
Total OPEB Liability – Beginning of Year	209,643,752		226,545,217		274,709,119	
Total OPEB Liability – End of Year	$ 207,279,040		$ 209,643,752		$ 226,545,217	
School District's covered-employee payroll	$ 71,299,716		$ 69,402,837		$ 67,035,940	
Total OPEB liability as a percentage of covered-employee payroll	290.72%		302.07%		337.95%	
Discount Rate	3.93%		3.65%		3.54%	

(1) Data not available prior to fiscal year 2018 implementation of Governmental Accounting Standards Board Statement No. 75, "*Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*".
(2) No assets are accumulated in a trust that meets the criteria in paragraph 4 of this Statement to pay related benefits.
(3) Restated for the implementation of the provisions of GASB Statement No. 75.
(4) Decrease in liability due to increase in discount rate.

See independent auditors' report.

	2021	2020	2019	2018	
	$ 13,653,018	$ 9,289,818	$ 8,110,829	$ 8,429,274	
	5,938,388	7,593,808	7,446,927	7,849,377	
	-	-	(11,121)	-	
	(10,029,383)	(5,365,878)	(23,958,440)	-	
	(3,228,893)	56,809,086	10,586,556	(11,129,812)	
	(4,938,059)	(5,331,946)	(5,129,087)	(5,357,708)	
	1,395,071	62,994,888	(2,954,336)	(208,869)	
	273,314,048	210,319,160	213,273,496	213,482,365	(3)
	$ 274,709,119	$ 273,314,048	$ 210,319,160	$ 213,273,496	
	$ 65,248,794	$ 56,374,777	$ 54,999,782	$ 53,410,184	
	421.02%	484.82%	382.40%	399.31%	
	2.16%	2.21%	3.50%	3.87%	

Harrison Central School District, New York

Required Supplementary Information
New York State Teachers' Retirement System
Last Ten Fiscal Years

Schedule of the School District's Proportionate Share of the Net Pension Liability (Asset) (1)

	2024 (3)	2023 (2)	2022 (3)	2021 (2)
School District's proportion of the net pension liability (asset)	0.317777%	0.320012%	0.330456%	0.318515%
School District's proportionate share of the net pension liability (asset)	$ 3,634,054	$ 6,140,674	$ (57,264,898)	$ 8,801,423
School District's covered payroll	$ 60,282,266	$ 58,035,413	$ 56,471,417	$ 54,509,341
School District's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	6.03%	10.58%	(101.41)%	16.15%
Plan fiduciary net position as a percentage of the total pension liability	99.17%	98.57%	113.20%	97.76%
Discount Rate	6.95%	6.95%	6.95%	7.10%

Schedule of Contributions

	2023	2022	2022	2021
Contractually required contribution	$ 5,910,526	$ 6,203,045	$ 5,687,471	$ 5,381,726
Contributions in relation to the contractually required contribution	(5,910,526)	(6,203,045)	(5,687,471)	(5,381,726)
Contribution excess	$ -	$ -	$ -	$ -
School District's covered payroll	$ 60,558,670	$ 60,282,266	$ 58,035,413	$ 56,471,417
Contributions as a percentage of covered payroll	9.76%	10.29%	9.80%	9.53%

(1) The amounts presented for each fiscal year were determined as of the June 30 measurement date of the prior fiscal year.
(2) Increase in the School District's proportionate share of the net pension liability mainly attributable to decrease in plan fiduciary net position due to investment losses.
(3) Decrease in the School District's proportionate share of the net pension liability mainly attributable to increase in plan fiduciary net position due to investment gains.

See independent auditors' report.

2020	2019	2018	2017	2016	2015
0.311993%	0.310794%	0.306607%	0.309822%	0.313699%	0.312539%
$ (8,105,587)	$ (5,619,980)	$ (2,330,521)	$ 3,318,320	$ (32,583,296)	$ (34,814,853)
$ 52,497,704	$ 50,955,296	$ 49,294,676	$ 48,452,860	$ 47,688,368	$ 46,479,123
(15.44)%	(11.03)%	(4.73)%	6.85%	(68.33)%	(74.90)%
102.17%	101.53%	100.66%	99.01%	110.46%	111.48%
7.10%	7.25%	7.25%	7.50%	8.00%	8.00%

2020	2019	2018	2017	2016	2015
$ 4,854,528	$ 5,575,256	$ 4,993,619	$ 5,777,336	$ 6,424,849	$ 8,359,771
(4,854,528)	(5,575,256)	(4,993,619)	(5,777,336)	(6,424,849)	(8,359,771)
$ -	$ -	$ -	$ -	$ -	$ -
$ 54,509,341	$ 52,497,704	$ 50,955,296	$ 49,294,676	$ 48,452,860	$ 47,688,368
8.86%	10.62%	9.80%	11.72%	13.26%	17.53%

Required Supplementary Information
New York State and Local Employees' Retirement System
Last Ten Fiscal Years

Schedule of the School District's Proportionate Share of the Net Pension Liability (Asset) (1)

	2024	2023 (2)	2022	2021 (3)
School District's proportion of the net pension liability (asset)	0.0310676%	0.0322960%	0.0322541%	0.0327576%
School District's proportionate share of the net pension liability (asset)	$ 4,574,411	$ 6,925,559	$ (2,636,640)	$ 32,618
School District's covered payroll	$ 9,957,826	$ 10,932,696	$ 10,861,264	$ 10,588,479
School District's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	45.94%	63.35%	(24.28)%	0.31%
Plan fiduciary net position as a percentage of the total pension liability	93.88%	90.78%	103.65%	99.95%
Discount Rate	5.90%	5.90%	5.90%	5.90%

Schedule of Contributions

	2024	2023	2022	2021
Contractually required contribution	$ 1,381,096	$ 1,217,325	$ 1,664,874	$ 1,570,870
Contributions in relation to the contractually required contribution	(1,381,096)	(1,217,325)	(1,664,874)	(1,570,870)
Contribution excess	$ -	$ -	$ -	$ -
School District's covered payroll	$ 11,444,660	$ 11,200,972	$ 10,793,565	$ 10,714,936
Contributions as a percentage of covered payroll	12.07%	10.87%	15.42%	14.66%

(1) The amounts presented for each fiscal year were determined as of the March 31 measurement date within the current fiscal year.

(2) Increase in the School District's proportionate share of the net pension liability mainly attributable to decrease in plan fiduciary net position due to investment losses.

(3)Decrease in the School District's proportionate share of the net pension liability mainly attributable to increase in plan fiduciary net position due to investment gains.

See independent auditors' report.

2020 (2)	2019	2018	2017	2016	2015
0.0344692%	0.0349333%	0.0372104%	0.0352946%	0.0358263%	0.0366299%
$ 9,127,643	$ 2,475,131	$ 1,200,945	$ 3,316,358	$ 5,750,226	$ 1,237,446
$ 10,859,447	$ 10,495,882	$ 10,650,981	$ 10,204,328	$ 9,678,523	$ 9,863,064
84.05%	23.58%	11.28%	32.50%	59.41%	12.55%
86.39%	96.27%	98.24%	94.70%	90.70%	97.90%
6.80%	7.00%	7.00%	7.00%	7.00%	7.50%

2020	2019	2018	2017	2016	2015
$ 1,543,093	$ 1,513,593	$ 1,582,343	$ 1,552,878	$ 1,710,235	$ 1,947,445
(1,543,093)	(1,513,593)	(1,582,343)	(1,552,878)	(1,710,235)	(1,947,445)
$ -	$ -	$ -	$ -	$ -	$ -
$ 11,038,494	$ 10,951,746	$ 10,620,442	$ 10,284,020	$ 10,285,320	$ 10,132,715
14.48%	13.82%	14.90%	15.10%	16.63%	19.22%

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Harrison Central School District, New York

General Fund
Comparative Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Year Ended June 30, 2024

	Original Budget	Final Budget	Actual	Encumbr- ances	Variance with Final Budget
REVENUES					
Real property taxes	$ 116,366,833	$ 116,366,833	$ 116,366,833	$	$ -
Other tax items	4,734,487	4,734,487	4,747,079		12,592
Non-property taxes	2,800,000	2,800,000	2,997,729		197,729
Charges for services	443,500	443,500	527,931		84,431
Use of money and property	1,052,500	1,052,500	3,185,721		2,133,221
Sale of property and compensation for loss	-	-	30,023		30,023
State aid	6,081,116	6,081,116	6,400,726		319,610
Miscellaneous	515,000	515,000	815,822		300,822
Total Revenues	131,993,436	131,993,436	135,071,864		3,078,428
EXPENDITURES					
Current					
General support					
Board of education	96,216	96,216	88,595	280	7,341
Central administration	566,232	566,232	561,035	-	5,197
Finance	1,136,505	1,117,179	1,099,133	805	17,241
Staff	1,161,947	1,205,295	1,162,543	103	42,649
Central services	8,602,508	8,966,610	8,364,098	308,886	293,626
Special items	1,446,275	2,023,722	2,021,103	-	2,619
Total General Support	13,009,683	13,975,254	13,296,507	310,074	368,673
Instruction					
Instruction, administration and improvement	7,452,542	7,722,694	7,516,985	11,809	193,900
Teaching - Regular school	42,610,079	41,996,819	41,407,055	193,986	395,778
Programs for students with disabilities	15,715,462	16,002,366	15,537,701	43,633	421,032
Teaching - Special schools	540,326	540,326	479,688	-	60,638
Instructional media	3,241,496	3,322,657	3,112,795	151,829	58,033
Pupil services	7,118,812	6,974,832	6,618,594	27,185	329,053
Total Instruction	76,678,717	76,559,694	74,672,818	428,442	1,458,434
Pupil transportation	8,827,549	8,770,134	8,511,871	-	258,263
Employee benefits	32,572,606	32,526,706	32,405,143	-	121,563
Debt Service					
Principal	1,501,640	1,501,640	1,501,639	-	1
Interest	1,507,136	1,507,136	1,507,136	-	-
Total Expenditures	134,097,331	134,840,564	131,895,114	738,516	2,206,934
Excess (Deficiency) of Revenues Over Expenditures	(2,103,895)	(2,847,128)	3,176,750	(738,516)	5,285,362
OTHER FINANCING USES					
Transfers out	(2,188,000)	(2,268,250)	(2,268,246)	-	4
Net Change in Fund Balance	(4,291,895)	(5,115,378)	908,504	$ (738,516)	$ 5,285,366
FUND BALANCE					
Beginning of Year	4,291,895	5,115,378	35,493,979		
End of Year	$ -	$ -	$ 36,402,483		

See independent auditors' report.

Harrison Central School District, New York

General Fund
Schedule of Revenues Compared to Budget
Year Ended June 30, 2024

	Original Budget	Final Budget	Actual	Variance with Final Budget
REAL PROPERTY TAXES	$ 116,366,833	$ 116,366,833	$ 116,366,833	$ -
OTHER TAX ITEMS				
Payments in lieu of taxes	2,698,516	2,698,516	2,711,108	12,592
School tax relief reimbursement	2,035,971	2,035,971	2,035,971	-
	4,734,487	4,734,487	4,747,079	12,592
NON-PROPERTY TAXES				
Non-property tax distribution from County	2,800,000	2,800,000	2,997,729	197,729
CHARGES FOR SERVICES				
Day school tuition - other districts	34,500	34,500	68,667	34,167
Other charges for services	77,000	77,000	98,874	21,874
Health services - Other districts	332,000	332,000	360,390	28,390
	443,500	443,500	527,931	84,431
USE OF MONEY AND PROPERTY				
Earnings on investments	1,050,000	1,050,000	3,185,721	2,135,721
Rental of real property - BOCES	2,500	2,500	-	(2,500)
	1,052,500	1,052,500	3,185,721	2,133,221
SALE OF PROPERTY AND COMPENSATION FOR LOSS				
Sale of equipment	-	-	17,232	17,232
Insurance recoveries	-	-	12,791	12,791
	-	-	30,023	30,023

STATE AID				
Basic formula	4,857,729	4,857,729	4,987,746	130,017
BOCES	871,027	871,027	1,062,438	191,411
Textbooks	261,271	261,271	260,145	(1,126)
Computer software	64,273	64,273	63,785	(488)
Library aid	26,816	26,816	26,612	(204)
	6,081,116	6,081,116	6,400,726	319,610
MISCELLANEOUS				
Refund of prior year's expenditures	400,000	400,000	560,573	160,573
Refund for BOCES aided services	75,000	75,000	136,621	61,621
Other	40,000	40,000	118,628	78,628
	515,000	515,000	815,822	300,822
TOTAL REVENUES	$ 131,993,436	$ 131,993,436	$ 135,071,864	$ 3,078,428

See independent auditors' report.

Harrison Central School District, New York

General Fund
Schedule of Expenditures and Other Financing Uses Compared to Budget
Year Ended June 30, 2024

	Original Budget	Final Budget	Actual	Encumbr-ances	Variance with Final Budget
GENERAL SUPPORT					
BOARD OF EDUCATION					
Board of education	$ 41,625	$ 41,900	$ 40,411	$ 280	$ 1,209
District clerk	21,341	21,341	21,317	-	24
District meeting	33,250	32,975	26,867	-	6,108
Total Board of Education	96,216	96,216	88,595	280	7,341
CENTRAL ADMINISTRATION					
Chief school administrator	566,232	566,232	561,035	-	5,197
FINANCE					
Business administration	856,205	856,557	844,234	26	12,297
Accounting and auditing	91,800	91,800	90,261	-	1,539
Treasurer	150,500	150,500	150,400	-	100
Purchasing	38,000	18,322	14,238	779	3,305
Total Finance	1,136,505	1,117,179	1,099,133	805	17,241
STAFF					
Legal	484,500	526,548	510,642	103	15,803
Human resources	583,011	579,311	556,945	-	22,366
Public information and services	91,500	96,500	91,964	-	4,536
Records management officer	2,936	2,936	2,992	-	(56)
Total Staff	1,161,947	1,205,295	1,162,543	103	42,649

CENTRAL SERVICES					
Operation of plant	6,586,138	6,944,910	6,516,904	230,482	197,524
Maintenance of plant	1,283,175	1,255,434	1,161,277	70,000	24,157
Central printing and mailing	153,145	147,995	94,559	404	53,032
Central data processing	580,050	618,271	591,358	8,000	18,913
Total Central Services	8,602,508	8,966,610	8,364,098	308,886	293,626
SPECIAL ITEMS					
Unallocated insurance	460,700	469,730	469,465	-	265
Judgments and claims	-	505,752	505,752	-	-
School association dues	7,500	7,500	7,246	-	254
Assessments on school property	130,000	161,070	158,970	-	2,100
Refund on real property taxes	191,000	222,595	222,595	-	-
Administrative charge - BOCES	657,075	657,075	657,075	-	-
Total Special Items	1,446,275	2,023,722	2,021,103	-	2,619
Total General Support	13,009,683	13,975,254	13,296,507	310,074	368,673
INSTRUCTION					
INSTRUCTION, ADMINISTRATION AND IMPROVEMENT					
Curriculum development and supervision	456,895	448,385	440,515	-	7,870
Supervision - Regular school	5,678,002	5,659,227	5,519,414	10,817	128,996
Supervision - Special education	826,699	835,299	803,617	-	31,682
In-service training - Instruction	490,946	779,783	753,439	992	25,352
Total Instruction, Administration and Improvement	7,452,542	7,722,694	7,516,985	11,809	193,900
TEACHING - REGULAR SCHOOL	42,610,079	41,996,819	41,407,055	193,986	395,778
PROGRAMS FOR STUDENTS WITH DISABILITIES	15,715,462	16,002,366	15,537,701	43,633	421,032
TEACHING - SPECIAL SCHOOLS	540,326	540,326	479,688	-	60,638

(Continued)

General Fund
Schedule of Expenditures and Other Financing Uses Compared to Budget (Continued)
Year Ended June 30, 2024

	Original Budget	Final Budget	Actual	Encumbr- ances	Variance with Final Budget
INSTRUCTION (Continued)					
INSTRUCTIONAL MEDIA					
School library and audiovisual	$ 1,258,192	$ 1,264,566	$ 1,232,286	$ 28	$ 32,252
Computer assisted instruction	1,983,304	2,058,091	1,880,509	151,801	25,781
Total Instructional Media	3,241,496	3,322,657	3,112,795	151,829	58,033
PUPIL SERVICES					
Attendance - Regular school	194,712	75,683	75,682	-	1
Guidance - Regular school	1,733,367	1,733,367	1,673,843	17	59,507
Health services - Regular school	1,441,272	1,442,247	1,261,986	871	179,390
Psychological services - Regular school	1,510,750	1,428,400	1,380,694	-	47,706
Social work services - Regular school	116,119	116,119	115,689	-	430
Co-curricular activities - Regular school	638,339	621,876	600,939	3,297	17,640
Interscholastic athletics - Regular school	1,484,253	1,557,140	1,509,761	23,000	24,379
Total Pupil Services	7,118,812	6,974,832	6,618,594	27,185	329,053
Total Instruction	76,678,717	76,559,694	74,672,818	428,442	1,458,434
PUPIL TRANSPORTATION					
District transportation services	98,312	108,312	104,048	-	4,264
Contract and public carrier transportation	8,715,237	8,648,822	8,396,689	-	252,133
Public transportation	9,000	13,000	11,134	-	1,866
Transportation from BOCES	5,000	-	-	-	-
Total Pupil Transportation	8,827,549	8,770,134	8,511,871	-	258,263

EMPLOYEE BENEFITS					
State retirement	1,425,000	1,478,390	1,478,384	-	6
Teachers' retirement	5,982,090	5,928,700	5,882,305	-	46,395
Social security	5,483,570	5,507,570	5,505,103	-	2,467
Hospital, medical and dental insurance	18,200,944	18,218,044	18,147,085	-	70,959
Workers' compensation benefits	441,002	441,002	439,536	-	1,466
Unemployment benefits	60,000	14,000	13,946	-	54
Dental and life insurance	980,000	939,000	938,784	-	216
Total Employee Benefits	32,572,606	32,526,706	32,405,143	-	121,563
DEBT SERVICE					
Principal					
Serial bonds	1,150,000	1,150,000	1,150,000	-	-
Energy performance contract	351,640	351,640	351,639	-	1
	1,501,640	1,501,640	1,501,639	-	1
Interest					
Serial bonds	1,365,021	1,365,021	1,365,021	-	-
Energy performance contract	142,115	142,115	142,115	-	-
	1,507,136	1,507,136	1,507,136	-	-
Total Debt Service	3,008,776	3,008,776	3,008,775	-	1
TOTAL EXPENDITURES	134,097,331	134,840,564	131,895,114	738,516	2,206,934
OTHER FINANCING USES					
Transfers out					
Capital Projects Fund	2,028,000	2,028,000	2,028,000	-	-
Special Aid Fund	160,000	240,250	240,246	-	4
TOTAL OTHER FINANCING USES	2,188,000	2,268,250	2,268,246	-	4
TOTAL EXPENDITURES AND OTHER FINANCING USES	$ 136,285,331	$ 137,108,814	$ 134,163,360	$ 738,516	$ 2,206,938

See independent auditors' report.

Project	Account	Original Authorization	Amended Authorization	Expenditures and Transfers to Date: Prior Years	Current Year	Total
LMK RENOVATE AND REPAIR TOILET ROOMS	H1006	$ 300,000	$ 374,850	$ 331,224	$ -	$ 331,224
DISTRICT-WIDE PAVING	H1620	54,068	153,144	84,392	24,228	108,620
SMART SCHOOLS BOND ACT	H1705	430,913	430,913	397,713	-	397,713
PARSONS ADDITION - NEW CONSTRUCTION	H1765	5,224,976	6,501,773	6,501,114	659	6,501,773
DISTRICT-WIDE FLOOR/OFFICE REPLACEMENT	H2200	421,000	728,283	388,312	324,688	713,000
PRESTON A/C	H2203	123,500	130,237	45,172	77,832	123,004
LMK LOBBY RENOVATION	H2205	80,000	90,965	85,986	-	85,986
PARSONS AIR CIRCULATION	H2206	200,000	102,735	100,445	2,290	102,735
DISTRICT-WIDE SECURITY PA/SOUND	H2207	-	200,000	127,301	40,156	167,457
HAS ROOF REPLACEMENT	H2208	-	622,648	25,600	597,048	622,648
PURCHASE ELEMENTARY PARTIAL ROOF REPLACEMENT	H2209	-	120,380	5,950	10,449	16,399
PARSONS AIR CIRCULATION	H2306	1,083,500	1,083,500	-	739,916	739,916
HS ART ROOM RENOVATIONS	H2307	150,000	150,000	-	-	-
PRE-REFERENDUM COSTS	H2250	475,000	300,000	68,045	114,371	182,416
TOTAL OTHER PROJECTS		8,542,957	10,989,428	8,161,254	1,931,637	10,092,891
2023 BOND PROJECTS						
HHS WINDOW REPLACEMENT	H2251	379,070	379,070	-	110,797	110,797
HHS STEM ADDITIONS	H2252	1,524,350	1,524,350	-	115,403	115,403
LMK PD ROOM	H2256	2,017,946	2,017,946	-	304,939	304,939
HAS ADDITIONS	H2259	1,251,910	1,251,910	-	56,041	56,041
PAR WINDOW REPLACEMENT	H2261	210,825	210,825	-	61,620	61,620
PAR ALTERATIONS/RENOVATIONS	H2262	1,062,153	1,062,153	-	71,540	71,540
PUR PLAYGROUND AND FLOORING	H2263	553,533	553,533	-	3,737	3,737
PUR ADDITIONS	H2264	1,236,139	1,236,139	-	91,332	91,332
PRESTON ADDITIONS	H2266	829,393	829,393	-	91,018	91,018
DISTRICT-WIDE SECURITY	H2268	932,576	932,576	-	1,796	1,796
DISTRICT-WIDE COSTS	H2269	800,000	800,000	-	45,772	45,772
UNCOMMITTED BOND FUNDS	H2279	68,732,105	68,732,105	-	-	-
TOTAL 2023 BOND PROJECTS		79,530,000	79,530,000	-	953,995	953,995
TOTAL		$ 88,072,957	$ 90,519,428	$ 8,161,254	$ 2,885,632	$ 11,046,886

See independent auditors' report.

Unexpended Balance	Methods of Financing: Proceeds of Obligations	Interfund Transfers	State Aid/ Other	Total	Fund Balance (Deficit) at June 30, 2024
$ 43,626	$ -	$ 374,850	$ -	$ 374,850	$ 43,626
44,524	-	153,144	-	153,144	44,524
33,200	-	-	397,713	397,713	-
-	6,266,083	235,690	-	6,501,773	-
15,283	-	728,283	-	728,283	15,283
7,233	-	130,237	-	130,237	7,233
4,979	-	90,965	-	90,965	4,979
-	-	102,735	-	102,735	-
32,543	-	200,000	-	200,000	32,543
-	-	622,648	-	622,648	-
103,981	-	120,380	-	120,380	103,981
343,584	-	1,083,500	-	1,083,500	343,584
150,000	-	150,000	-	150,000	150,000
117,584	-	300,000	-	300,000	117,584
896,537	6,266,083	4,292,432	397,713	10,956,228	863,337
268,273	-	-	-	-	(110,797)
1,408,947	-	-	-	-	(115,403)
1,713,007	-	-	-	-	(304,939)
1,195,869	-	-	-	-	(56,041)
149,205	-	-	-	-	(61,620)
990,613	-	-	-	-	(71,540)
549,796	-	-	-	-	(3,737)
1,144,807	-	-	-	-	(91,332)
738,375	-	-	-	-	(91,018)
930,780	-	-	-	-	(1,796)
754,228	-	-	-	-	(45,772)
68,732,105	-	-	-	-	-
78,576,005	-	-	-	-	(953,995)
$ 79,472,542	$ 6,266,083	$ 4,292,432	$ 397,713	$ 10,956,228	$ (90,658)

Harrison Central School District, New York

Combining Balance Sheet
Non-Major Governmental Funds
June 30, 2024

	School Lunch	Special Purpose	Total Non-Major Governmental Funds
ASSETS			
Cash and equivalents	$ 91,669	$ 195,905	$ 287,574
Receivables			
State and Federal aid	37,318	-	37,318
Due from other funds	929,774	183,885	1,113,659
	967,092	183,885	1,150,977
Total Assets	$ 1,058,761	$ 379,790	$ 1,438,551
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable	$ 180,544	$ 10,650	$ 191,194
Unearned revenues	114,366	-	114,366
Total Liabilities	294,910	10,650	305,560
Fund balances			
Restricted	-	369,140	369,140
Assigned	763,851	-	763,851
Total Fund Balances	763,851	369,140	1,132,991
Total Liabilities and Fund Balances	$ 1,058,761	$ 379,790	$ 1,438,551

See independent auditors' report.

Harrison Central School District, New York

Combining Statement of Revenues, Expenditures and
Changes in Fund Balances
Non-Major Governmental Funds
Year Ended June 30, 2024

	School Lunch	Special Purpose	Total Non-Major Governmental Funds
REVENUES			
Use of money and property	$ 4,379	$ 713	$ 5,092
State aid	24,576	-	24,576
Federal aid	511,775	-	511,775
Food sales	1,168,794	-	1,168,794
Miscellaneous	128	351,526	351,654
Total Revenues	1,709,652	352,239	2,061,891
EXPENDITURES			
Current			
Instruction	-	77,197	77,197
Cost of food sales	1,781,662	-	1,781,662
Other	-	228,112	228,112
Total Expenditures	1,781,662	305,309	2,086,971
Excess (Deficiency) of Revenues Over Expenditures	(72,010)	46,930	(25,080)
FUND BALANCES			
Beginning of Year	835,861	322,210	1,158,071
End of Year	$ 763,851	$ 369,140	$ 1,132,991

See independent auditors' report.

Harrison Central School District, New York

General Fund
Analysis of Change from Adopted Budget to Final Budget
Year Ended June 30, 2024

Adopted Budget	$ 135,268,436
Encumbrances	1,016,895
Original Budget	136,285,331
Budget Amendments	823,483
Final Budget	$ 137,108,814

General Fund
Section 1318 of Real Property Tax Law Limit Calculation

2024-25 Expenditure Budget		$ 141,556,140
General Fund Fund Balance Subject to Section 1318 of Real Property Tax Law		
Unrestricted fund balance		
Assigned fund balance	$ 2,313,516	
Unassigned fund balance	5,662,245	
Total Unrestricted Fund Balance	7,975,761	
Less		
Appropriated for subsequent year's budget	1,575,000	
Encumbrances	738,516	
Total Adjustments	2,313,516	
General Fund Fund Balance Subject to Section 1318 of Real Property Tax Law		$ 5,662,245
Actual Percentage		4.00%

See independent auditors' report.

Schedule of Net Investment in Capital Assets
Year Ended June 30, 2024

Capital Assets, net		$ 92,651,927
Less		
General obligation bonds payable	$ (40,575,000)	
Energy performance contract debt payable	(5,041,041)	(45,616,041)
Net Investment in Capital Assets		$ 47,035,886

See independent auditors' report.

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Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards*

Independent Auditors' Report

The Board of Education of the
Harrison Central School District, New York

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Harrison Central School District, New York ("School District") as of and for the year ended June 30, 2024 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 2, 2024.

Report on 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 School District's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

PKF O'CONNOR DAVIES, LLP
500 Mamaroneck Avenue, Harrison, NY 10528 I Tel: 914.381.8900 I Fax: 914.381.8910 I www.pkfod.com

Report on 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 School District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

PKF O'Connor Davies, LLP

PKF O'Connor Davies, LLP
Harrison, New York
October 2, 2024

Report on Compliance For Each Major Federal Program and Report on Internal Control Over Compliance Required by the Uniform Guidance

Independent Auditors' Report

The Board of Education of the
Harrison Central School District, New York

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Harrison Central School District, New York's ("School District") compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the School District's major federal programs for the year ended June 30, 2024. The School District's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the School District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2024.

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditors' Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control Over Compliance

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

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

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

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

PKF O'Connor Davies, LLP

PKF O'Connor Davies, LLP
Harrison, New York
October 2, 2024

Harrison Central School District, New York

Schedule of Expenditures of Federal Awards
Year Ended June 30, 2024

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Provided to Sub-recipients	Total Federal Expenditures
U.S. Department of Agriculture				
Indirect Programs - Passed through New York State Department of Education				
Child Nutrition Cluster				
School Breakfast Program	10.553	N/A	$ -	$ 55,235
School Lunch Program - Commodities	10.555	N/A	-	15,244
National School Lunch Program - Cash	10.555	N/A	-	441,296
Total U.S. Department of Agriculture			-	511,775
U.S. Department of Education				
Indirect Programs - Passed through New York State Department of Education				
Special Education Cluster (IDEA)				
Special Education - Grants to States	84.027	0032-24-1066		949,152
Special Education - Preschool Grants	84.173	0033-24-1066	-	21,335
Subtotal Special Education Cluster			-	970,487
Title I Grants to Local Educational Agencies	84.010	0021-24-3695	-	448,348
English Language Acquisition State Grants	84.365	0293-23-3695	-	44,222
English Language Acquisition State Grants	84.365	0293-24-3695	-	44,593
English Language Acquisition State Grants	84.365	0149-23-3695	-	2,451
			-	91,266
Supporting Effective Instruction State Grants	84.367	0147-23-3695	-	1,500
Supporting Effective Instruction State Grants	84.367	0147-24-3695	-	74,725
			-	76,225
Student Support and Academic Enrichment Program	84.424	0204-23-3695	-	27,520
Student Support and Academic Enrichment Program	84.424	0204-24-3695	-	4,211
			-	31,731
Elementary and Secondary School Emergency Relief (ESSER) Fund (CARES)	84.425R	5891-21-3695	-	103,200
American Rescue Plan (ARP) ESSER II	84.425U	5880-21-3695	-	1,264,539
			-	1,367,739
Total U.S. Department of Education			-	2,985,796
Total Expenditures of Federal Awards			$ -	$ 3,497,571

The accompanying notes are an integral part of this schedule.

Note 1 - Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards ("Schedule") includes the federal award activity of the Harrison Central School District, New York ("School District") under programs of the federal government for the year ended June 30, 2024. Federal awards received directly from the Federal agencies as well as Federal awards passed through other government agencies are included in the Schedule. The information in this Schedule is presented in accordance with the requirements of Title 2 *U.S. Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* ("Uniform Guidance"). Because the Schedule presents only a selected portion of the operations of the School District, it is not intended to and does not present the financial position, changes in net position or cash flows of the School District.

Note 2 - Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through identifying numbers are presented where available.

Note 3 - Indirect Cost Rate

The School District has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

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Harrison Central School District, New York

Schedule of Findings and Questioned Costs
Year Ended June 30, 2024

Section I - Summary of Auditors' Results

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP	Unmodified
Internal control over financial reporting:	
• Material weakness(es) identified?	____Yes __X__No
• Significant deficiency(ies) identified?	____Yes __X__None reported
Noncompliance material to financial statements noted?	____Yes __X__No

Federal Awards

Internal control over major federal programs:	
• Material weakness(es) identified?	____Yes __X__No
• Significant deficiency(ies) identified?	____Yes __X__None reported
Type of auditors' report issued on compliance for major federal programs	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	____Yes __X__No

Identification of major federal programs:

Assistance Listing Numbers	Name of Federal Program or Cluster
	Special Education Cluster (IDEA)
84.027	Special Education – Grants to States
84.173	Special Education – Preschool Grants

Dollar threshold used to distinguish between Type A and Type B programs:	$750,000
Auditee qualified as low-risk auditee?	__X__Yes ____No

Section II - Financial Statement Findings

None

Section III - Federal Award Findings and Questioned Costs

None

FORM OF OPINION OF BOND COUNSEL – THE BONDS

Hawkins Delafield & Wood LLP
140 Broadway – 42nd Floor
New York, New York 10005

July 24, 2025

The Board of Education of
Harrison Central School District,
in the County of Westchester, New York

Ladies and Gentlemen:

We have acted as Bond Counsel to Harrison Central School District, in the County of Westchester (the "School District"), a school district of the State of New York, and have examined a record of proceedings relating to the authorization, sale and issuance of the $25,000,000 School District Serial Bonds – 2025 (the "Bonds"), dated and delivered the date hereof.

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

Contemporaneous with the issuance of the Bonds, the District expects to issue its $10,000,000 Bond Anticipation Notes-2025 (the "Notes"). The Notes are treated, together with the Bonds, as a single issue for federal tax purposes. We have served and are serving as Bond Counsel with respect to the issuance of the Notes and, on their issue date, we expect to render our opinion with respect to the exclusion of interest on the Notes from gross income for federal income tax purposes in substantially the form of paragraph 2 below and subject to the same conditions and limitations set forth herein. Noncompliance with such conditions and limitations may cause interest on the Bonds and the Notes to become subject to federal income taxation retroactive to the date hereof, irrespective of the date on which such noncompliance occurs or is ascertained.

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

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

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

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

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

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

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

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

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

Very truly yours,

/s/ Hawkins Delafield & Wood LLP

FORM OF BOND COUNSEL'S OPINION – THE NOTES

Hawkins Delafield & Wood LLP
140 Broadway – 42nd Floor
New York, New York 10005

July 24, 2025

The Board of Education of the
Harrison Central School District,
in the County of Westchester, New York

Ladies and Gentlemen:

We have acted as Bond Counsel to the Harrison Central School District, (the "School District"), in the County of Westchester, a school district of the State of New York and have examined a record of proceedings relating to the authorization, sale and issuance of the $10,000,000 Bond Anticipation Note – 2025 (the "Note"), dated and delivered on the date hereof.

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

Contemporaneous with the issuance of the Note, the District expects to issue its $25,000,000 School District Serial Bonds-2025 (the "Bonds"). The Bonds are treated, together with the Note, as a single issue for federal tax purposes. We have served and are serving as Bond Counsel with respect to the issuance of the Bonds and, on their issue date, we expect to render our opinion with respect to the exclusion of interest on the Bonds from gross income for federal income tax purposes in substantially the form of paragraph 2 below and subject to the same conditions and limitations set forth herein. Noncompliance with such conditions and limitations may cause interest on the Note and the Bonds to become subject to federal income taxation retroactive to the date hereof, irrespective of the date on which such noncompliance occurs or is ascertained.

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

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

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

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

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

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

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

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

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

Very truly yours,

/s/ Hawkins Delafield & Wood LLP