PRELIMINARY OFFICIAL STATEMENT

NEW & RENEWAL ISSUES **BOND ANTICIPATION NOTES**

In the opinion of Bond, Schoeneck & King, PLLC, Syracuse, New York, Bond Counsel, assuming continuing compliance by the School District with its covenants relating to certain requirements contained in the Internal Revenue Code of 1986, as amended (the "Code"), interest on the Notes is excluded from the gross income of the owners thereof for Federal income tax purposes under existing statutes and court decisions. Moreover, interest on the Notes is not an "item of tax preference" for purposes of the alternative minimum tax imposed on individuals by the Code. However, interest on the Notes that is included in adjusted financial statement income of certain corporations is not excluded from the federal corporate alternative minimum tax imposed under the Code. So long as interest on the Notes is excluded from gross income for Federal income tax purposes, interest on the Notes is exempt from personal income taxes imposed by the State of New York or any political subdivision therein (including the City of New York). See "TAX MATTERS" herein for discussion of certain Federal taxes applicable to corporate owners of the Notes.

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

$36,027,264

LIVERPOOL CENTRAL SCHOOL DISTRICT

ONONDAGA COUNTY, NEW YORK

GENERAL OBLIGATIONS

$28,000,000 Bond Anticipation Notes, 2026 Series B

(the "Series B Notes")

Dated: September 17, 2026 **Due: June 25, 2027**

&

$8,027,264 Bond Anticipation Notes, 2026 Series C

(the "Series C Notes")

(collectively referred to herein as the "Notes")

Dated: September 17, 2026 **Due: September 17, 2027**

The Notes are general obligations of the Liverpool Central School District, Onondaga County, New York (the "District"), all of 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 "TAX LEVY LIMITATION LAW" herein.

The Notes are not subject to redemption prior to maturity. At the option of the purchaser(s), the Notes will be issued as registered notes or registered in the name of the purchaser. If such Notes are issued as registered in the name of the purchaser, principal of and interest on the Notes will be payable in Federal Funds. In such case, the Notes will be issued as registered in the name of the purchaser in denominations of $5,000 or multiples thereof, except for one necessary odd denomination which is or includes $7,264 with respect to the Series C Notes, as may be determined by such successful bidder(s).

Alternatively, if the Notes are issued as registered notes, the Notes will be registered in the name of Cede & Co. as nominee of The Depository Trust Company ("DTC"), New York, New York, which will act as the securities depository for the Notes. Noteholders will not receive certificates representing their ownership interest in the Notes purchased if the purchaser(s) elects to register the Notes. Such Notes will be issued in denominations of $5,000 or integral multiples thereof, except for one necessary odd denomination which is or includes $7,264 with respect to the Series C Notes, as may be determined by such successful bidder(s). If the Notes are issued as registered notes, payment of the principal of and interest on the Notes to the Beneficial Owner(s) of the Notes will be made by DTC Direct Participants and Indirect Participants in accordance with standing instructions and customary practices, as is now the case with municipal securities held for the accounts of customers registered in the name of the purchaser or registered in "street name". Payment will be the responsibility of such DTC Direct or Indirect Participants and not of DTC or the District, subject to any statutory and regulatory requirements as may be in effect from time to time. Payment of principal and interest to DTC is the responsibility of the District, disbursement of such payments to direct participants will be the responsibility of DTC, and disbursement of such payments to Beneficial Owners will be the responsibility of Direct and Indirect Participants. See "BOOK-ENTRY-ONLY SYSTEM" herein.

The Notes are offered when, as and if issued and received by the purchaser(s) and subject to the receipt of the approving legal opinion as to the validity of the Notes of Bond, Schoeneck & King, PLLC, Bond Counsel, Syracuse, New York. It is anticipated that the Notes will be available for delivery through the facilities of DTC located in Jersey City, New Jersey, or as may be agreed upon on with the purchaser(s), or about September 17, 2026.

ELECTRONIC BIDS for the Notes must be submitted on Fiscal Advisors Auction website ("Fiscal Advisors Auction") accessible via www.FiscalAdvisorsAuction.com, on September 3, 2026 by no later than 11:00 A.M. ET. Bids may also be submitted by facsimile at (315) 930-2354. No other form of electronic bidding services will be accepted. No phone bids will be accepted. Once the bids are communicated electronically via Fiscal Advisors Auction or via facsimile to the District, each bid will constitute an irrevocable offer to purchase the Notes pursuant to the terms provided in the Notices of Sale for the Notes.

August 26, 2026

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

LIVERPOOL CENTRAL SCHOOL DISTRICT
ONONDAGA COUNTY, NEW YORK

DISTRICT OFFICIALS

2026-2027 BOARD OF EDUCATION

ALEXANDRA GYDER
President

KIMBERLY MELNIK
Vice President

VICTORIA R. BARATTA
NICHOLAS BLANEY
JECENIA BRESETT
DAWN CURRY-CLARRY
MATT JONES
MICHELLE MERLINO
JOHN SOLAZZO

* * * * * * * *

RICHARD CHAPMAN
Superintendent of Schools

KIMBERLY VILE
Assistant Superintendent of Business Administration

VACANT
School District Treasurer

GAI ETT
School District Clerk

FISCAL ADVISORS & MARKETING, INC.
School District Municipal Advisors

BOND SCHOENECK & KING
Bond Counsel

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

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AUDITED FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION – JUNE 30, 2025

PREPARED WITH THE ASSISTANCE OF

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OFFICIAL STATEMENT

of the

LIVERPOOL CENTRAL SCHOOL DISTRICT
ONONDAGA COUNTY, NEW YORK

Relating To

$28,000,000 Bond Anticipation Notes, 2026 Series B
&
$8,027,264 Bond Anticipation Notes, 2026 Series C

This Official Statement, which includes the cover page and appendices, has been prepared by the Liverpool Central School District, Onondaga County, New York (the "School District" or "District", "County", and "State", respectively) in connection with the sale by the District of $28,000,000 principal amount of Bond Anticipation Notes, 2026 Series B (the "Series B Notes") and $8,027,264 principal amount of Bond Anticipation Notes, 2026 Series C (the "Series C Notes")(collectively referred to herein as the "Notes").

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

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

NATURE OF OBLIGATION

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

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

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

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

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

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

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

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

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

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

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

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

THE NOTES

Description of the Notes

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

The Series B Notes are dated September 17, 2026 and mature, without option of prior redemption, on June 25, 2027. The Series C Notes are dated September 17, 2026 and mature, without option of prior redemption, on September 17, 2027. Interest will be calculated on a 30-day month and 360-day year basis, payable at maturity. The Notes will be issued either as (i) registered in the name of the purchaser(s), in denominations of $5,000 each or multiples thereof, except for one necessary odd denomination which is or includes $7,264 with respect to the Series C Notes, with principal and interest payable in Federal Funds at such bank(s) or trust company(ies) located and authorized to do business in the State as may be selected by such successful bidder(s); or (ii) registered notes, and, if so issued, registered in the name of Cede & Co. as nominee of DTC, which will act as the securities depository for the Notes. See "BOOK-ENTRY-ONLY SYSTEM" herein.

No Optional Redemption

The Notes are not subject to redemption prior to maturity.

Purpose of Issue

The Series B 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 adopted on April 4, 2022 authorizing a capital project in the amount of $72,184,922, authorizing the appropriation of $13,061,116 from capital reserve funds and the issuance of up to $59,123,806 bonds to pay the costs of reconstruction, renovation and improvements to District buildings and facilities. Following a proposition approved by the District's voters, a bond resolution adopted on June 26, 2023 authorized the issuance of up to $8,000,000 additional bonds and the appropriation and expenditure of $1,000,000 of legally available budgetary funds of the District. Subsequently, following additional voter approval, a bond resolution adopted on April 21, 2025 authorized the issuance of an additional $13,525,000 of bonds and the appropriation and expenditure of $4,250,000 from a capital reserve fund. Together, these bond resolutions authorize capital project expenditures in the amount of $98,959,922, with up to $80,648,806 being authorized by the issuance of bonds. A portion of this project has been permanently financed with the proceeds of bonds through the Dormitory Authority of the State of New York in June 2026. The District currently has $15,000,000 bond anticipation notes outstanding for this project, maturing June 25, 2027. A $15,000,000 portion of the Series B Notes will provide new money for the aforementioned project.

The Series B Notes are also 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 adopted on April 11, 2024 authorizing a capital project in the amount of $50,343,941 authorizing the appropriation of $8,000,000 from capital reserve funds and the issuance of up to $42,343,941 bonds to pay the costs of reconstruction, renovation and improvements to District buildings and facilities. The District currently has $6,000,000 bond anticipation notes outstanding for this project, maturing June 25, 2027. A $13,000,000 portion of the Series B Notes will provide new money for the aforementioned project.

The Series C Notes are being issued pursuant to the Constitution and statutes of the State of New York, including the Education Law and the Local Finance Law and pursuant to various bond resolutions adopted by the Board of Education authorizing the purchase of buses, other motor vehicles and machinery and apparatus. The proceeds of the Series C Notes, along with $2,115,000 available funds of the District, will partially redeem and renew the $7,425,000 bond anticipation notes maturing September 18, 2026 and provide $2,717,264 in new money for the purchase of buses.

BOOK-ENTRY-ONLY SYSTEM

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

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

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

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

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

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

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

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

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

Source: The Depository Trust Company.

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

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

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

Certificated Notes

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

The Notes will be issued in registered form. Principal of and interest on the Notes will be payable at the option of the purchaser(s) at the office of the District or at a principal corporate trust office of a bank or trust company located and authorized to do business in the State of New York to be named as fiscal agent by the District. Paying agent fees, if any, shall be the responsibility of the purchaser(s). A single note certificate will be issued for those Notes bearing the same rate of interest in the aggregate principal amount held by each owner at such interest rate. The Notes will remain not subject to redemption prior to their stated final maturity date.

THE SCHOOL DISTRICT

General Information

The District encompasses approximately 50 square miles, is located in Central New York State within the Towns of Salina and Clay and includes the Village of Liverpool, which is situated within the Town of Salina. Major highways serving the District include The New York State Thruway, State Routes #690 and #481. Interstate Route #81 which runs north and south from Tennessee to Canada is located approximately four miles east of the District. Rail passenger service to and from the District is provided by Amtrak while The Central New York Regional Transportation Authority (CENTRO) provides bus service. Major air passenger and freight service are available at Syracuse Hancock International Airport, which is located approximately five miles from the District.

The District is primarily residential and commercial in nature. The Syracuse-Woodard Industrial Park Complex is located in the District and contains over thirty corporate facilities, including medium to heavy industries, and warehousing and wholesaling operations. This industrial park, consisting of fourteen hundred acres of land, was fully planned with utilities including water, sewer, drainage, railroad and the expressway-highway system, which were all constructed before substantial occupancy. In addition to these firms, many of the District residents are employed in the various industries, service companies or commercial establishments that constitute the diverse economic base of the Syracuse metropolitan area.

Police protection is afforded residents by Village, County and State agencies. Fire protection is provided by various volunteer groups. Gas and electricity are furnished by National Grid (formerly Niagara Mohawk Power Corporation). Sewer treatment is provided by the County of Onondaga. Water is supplied by the Town of Clay and by the Onondaga County Water Authority.

Recent Developments and Commercial Projects

There has been significant new commercial construction in the District in the last several years including the construction of a national retail and restaurant chains, multiple home improvement retailers, and big box stores.

The Trammell Crow Co. has completed an Amazon fulfillment center, which was approved by the Clay Planning Board in November 2019. The fulfillment center is located on a 110-acre site previously occupied by the Liverpool Public Golf and Country Club on Morgan Road in Liverpool, New York and cost approximately $350 million. The fulfillment center had its grand opening in June 2022.

In October 2022, Micron Technology, Inc. (“Micron”) announced their intention to make an investment of $100 Billion in four new semiconductor chip manufacturing facilities known as fabs over the next 20 years at the White Pines Industrial Park in Clay, New York. This investment is anticipated to result in the creation of up to 9,000 new jobs directly from Micron, and possibly more than 50,000 new jobs in total from suppliers and other firms. This does not include construction jobs and trades that will be used to construct these new chip fab facilities.

Source: District officials.

Population

The current estimated population of the District is 50,856. (Source: 2024 U.S. Census Bureau estimate)

Selected Wealth and Income Indicators

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

	Per Capita Income			Median Family Income		
	2006-2010	2016-2020	2020-2024	2006-2010	2016-2020	2020-2024
Towns of:						
Clay	$ 28,637	$ 36,767	$ 44,583	$ 74,777	$ 94,113	$ 110,368
Salina	25,864	33,968	39,492	57,883	71,145	84,401
County of:						
Onondaga	27,037	34,600	43,166	65,929	82,368	101,959
State of:						
New York	30,948	40,898	50,712	67,405	87,270	106,873

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

Source: 2006-2010, 2016-2020 and 2020-2024 American Community Survey data.

Banking Facilities

Commercial banks operating branch offices located within the metropolitan area of the School District include:

Bank of America, N.A.	Citizens Bank
JPMorgan Chase Bank, N.A	Solvay Bank
KeyBank, N.A.	Seneca Savings Bank
M&T Bank	

Major Employers

Listed below are the 10 largest major industrial and service-related employers in the County and the number of employees:

Name	Nature of Entity	Approximate Number of Employees
SUNY Upstate University Health System	Hospital	12,103
Syracuse University	Higher Education	5,913
Wegmans Food Markets	Grocery	5,110
Walmart	Retailer	4,600
Lockheed Martin	Technology	4,100
St. Joseph's Hospital Health Center	Hospital	4,000
National Grid	Utility	3,278
Crouse Hospital	Hospital	3,200
Loretto	Elder Care Services	2,000
Target Corp.	Retailer	1,750

Source: CNY Business Journal Book of Lists (2025).

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 Onondaga and the State of New York. The information set forth below with respect to the County and State is included for informational purposes only. It should not be inferred from the inclusion of such data in this Official Statement that the County or State, are necessarily representative of the District, or vice versa.

Annual Average

	2019	2020	2021	2022	2023	2024	2025
Onondaga County	3.8%	8.0%	5.0%	3.4%	3.5%	3.5%	3.6%
New York State	3.8%	9.8%	7.1%	4.3%	4.2%	4.3%	4.3%

2026 Monthly Figures

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
Onondaga County	4.0%	4.4%	3.9%	3.7%	3.8%	3.8%	N/A	N/A
New York State	4.7%	5.2%	4.4%	4.2%	4.2%	4.4%	N/A	N/A

Note: Unemployment rates for July and August 2026 are unavailable as of the date of this Official Statement.

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

Form of School Government

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

The administrative officers of the School District implement the policies of the Board of Education and supervise the operation of the school system.

Budgetary Procedures

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

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

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

If the proposed budget is not approved by the required margin, the Board of Education may resubmit the original budget or a revised budget to the voters on the 3rd Tuesday in June, or adopt a contingency budget (which would provide for ordinary contingent expenses, including debt service) that levies a tax levy no greater than that of the prior fiscal year (i.e. a 0% increase in the tax levy).

If the resubmitted and/or revised budget is not approved by the required margin, the Board of Education must adopt a budget that requires a tax levy no greater than that of the prior fiscal year (i.e. a 0% increase in the tax levy). Clarification may be needed to determine whether a Board of Education must adopt a budget that requires the same tax levy amount as used in the prior fiscal year, or whether changes to the levy are permitted for such purposes as the permitted school district exclusions or the tax base growth factor. For a complete discussion of Chapter 97, see "TAX LEVY LIMITATION LAW" herein.

Recent Budget Vote Results

The budget for the 2025-2026 fiscal year was approved by the qualified voters on May 20, 2025 by a vote of 774 to 329. The District's adopted budget for the 2025-2026 fiscal year remained within the School District Tax Cap imposed by the Tax Cap Law.

The budget for the 2026-2027 fiscal year was approved by the qualified voters on May 19, 2026 by a vote of 1,208 to 1,097. The District's adopted budget for the 2026-2027 fiscal year remained within the School District Tax Cap imposed by the Tax Cap Law.

Investment Policy

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

Consistent with the above statutory limitations, it is the School District's current policy to invest in: (1) savings accounts, now accounts or money market accounts of designated banks, (2) certificates of deposit issued by a bank or trust company located and authorized to do business in New York State, (3) demand deposit accounts in a bank or trust company authorized to do business in New York State, (4) obligations of New York State, (5) obligations of the United States Government (U.S. Treasury Bills and Notes) and (6) repurchase agreements involving the purchase and sale of direct obligations of the United States.

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 2026-27 fiscal year, approximately 46.72% of the revenues of the District are estimated to be received in the form of State aid. While the State has a constitutional duty to maintain and support a system of free common schools that provides a "sound basic education" to children of the State, there can be no assurance that the State appropriation for State aid to school districts will be continued in future years, either pursuant to existing formulas or in any form whatsoever.

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

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

State aid, including building aid appropriated and apportioned to the School District, can be paid only if the State has such monies available therefor. The availability of such monies and the timeliness of such payment could be affected by a delay in the adoption of the State budget or their elimination therefrom.

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

The amount of State aid to school districts can vary from year to year and is dependent in part upon the financial condition of the State. During the 2011 to 2019 fiscal years of the State, State aid to school districts was paid in a timely manner; however, during the State's 2010 and 2020 fiscal years, State budgetary restrictions resulted in delayed payments of State aid to school districts in the State. In addition, the availability of State aid and the timeliness of payment of State aid to school districts could be affected by a delay in the adoption of the State budget, which is due at the start of the State's fiscal year of April 1. The State's Enacted Budgets were adopted after the April 1 deadline in the State's fiscal years 2023-24 (adopted on May 2, 2023, thirty-one (31) days late), 2024-25 (adopted on April 22, 2024, twenty-one (21) days late), 2025-26 (adopted on May 9, 2025, thirty-eight (38) days late) and 2026-27 (adopted on May 27, 2026, fifty-six (56) days late). The State's Enacted Budgets were adopted by April 1 or shortly thereafter in the State's fiscal years 2016-17 through 2022-23, inclusive. 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 (the "Education 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 Education 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.

In furtherance of the Education Executive Order, on June 16, 2026, the U.S. Department of Education announced four new interagency agreements that shift the management and administration of federal special education programs to the Department of Health and Human Services ("HHS"). Key elements of the change include:

- **Oversight Shift**: Day-to-day management and grant administration for the Office of Special Education and Rehabilitative Services and the Office of Special Education Programs are being transferred to HHS.
- **Statutory Responsibility**: Legally, the statutory authority for the Individuals with Disabilities Education Act remains with the Department of Education, but its actual execution is outsourced.
- **DOJ Integration**: Civil rights and student privacy enforcement are simultaneously being moved to the Department of Justice.

While the interagency agreements are immediately, Senior Administration officials have publicly noted that operational details, staff relocations, and specific execution timelines are still actively being sorted out.

The full impact that the Education Executive Order will have on the State and school districts in the State is unknown at this time.

Building Aid

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

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

Pursuant to the provisions of Chapter 760 of the Laws of 1963, the District is eligible to receive a Building Aid Estimate from the New York State Department of Education. Since the gross indebtedness of the District is within the debt limit, the District is not required to apply for a Building Aid Estimate. Based on 2026-27 building aid ratios, the District expects to receive State building aid of approximately 83.8% of debt service on State Education Department approved expenditures from July 1, 2004 to the present.

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

State Aid History

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

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

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

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

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

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

Provisions in the State's 2025-26 Enacted Budget granted 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 provided 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. No "general fund imbalance" occurred during the State's 2025-26 fiscal year.

The State's 2026-27 Enacted Budget was signed into law on May 27, 2026 – fifty-six (56) days after the April 1 start of the fiscal year. The FY 2026-27 Education, Labor and Family Assistance (ELFA) legislation contains several significant provisions affecting New York public school districts. The major school district–related items include:

- **Foundation Aid increase:** The Enacted Budget provides an approximately $779 million increase in Foundation Aid, bringing total Foundation Aid to about $27.1 billion statewide. Every district is guaranteed at least a minimum annual increase.
- **Overall School Aid increase:** Total School Aid for the 2026-27 school year is projected at approximately $39.3 billion, an increase of roughly $1.6 billion over the prior year.
- **Universal Pre-K expansion:** The legislation significantly expands funding for universal prekindergarten programs. Districts will receive increased per-pupil funding for four-year-old programs, with the goal of statewide universal full-day Pre-K by the 2028-29 school year.
- **Expense-based aids fully funded:** The Enacted Budget continues statutory reimbursement formulas for Building Aid, Transportation Aid, BOCES Aid and special education expense aids. These aids are projected to increase by roughly $282 million statewide.
- **Building Aid for renewable energy projects:** Certain renewable energy improvements, including ground-mounted solar facilities, may now qualify as part of a project's "primary cost allowance" for Building Aid purposes.
- **Zero emission bus mandate:** The Enacted Budget also extended the zero-emission bus mandate by five years, allowing districts until July 1, 2032, to purchase only zero-emission buses and until July 1, 2040, to operate and maintain only zero-emission buses.

Foundation Aid formula adjustments. The budget continues recent efforts to modernize the Foundation Aid formula by relying more heavily on updated poverty and economic-need data instead of older census metrics and free-and-reduced lunch statistics.

State Aid Litigation

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

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

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

A breakdown of currently anticipated Foundation Aid funding is outlined below:

- FY 2022: $19.8 billion, covering 30% of the existing shortfall.
- FY 2023: Approximately $21.3 billion, covering 50% of the anticipated shortfall.
- FY 2024: Approximately $23.2 billion, eliminating the anticipated shortfall, and funding the full amount of Foundation Aid for all school districts.
- FY 2025: Funding the full amount of Foundation Aid for all school districts.
- FY 2026: $26.3 billion in Foundation Aid, a year over year increase of $1.42 billion and a 2% minimum increase in Foundation Aid to all school districts.
- FY 2027 Budget: $27.1 billion in Foundation Aid, an increase of $779 million from 2025-26, and a 1% minimum increase in Foundation Aid to all school districts.

The State's 2025-26 and 2026-27 Budgets also made a number of alterations to the Foundation Aid formula to more accurately reflect low-income student populations and provide additional aid to low-wealth school districts.

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State Aid Revenues

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

Fiscal Year	Total State Aid	Total Revenues [1]	Percentage of Total Revenues Consisting of State Aid
2020-2021	$ 65,061,294	$ 159,596,525	40.77%
2021-2022	68,503,308	163,367,637	41.93
2022-2023	73,137,531	177,933,526	41.10
2023-2024	82,989,096	186,058,037	44.60
2024-2025	86,485,546	191,544,202	45.15
2025-2026 (Budgeted)	90,900,309	195,120,494	46.59
2025-2026 (Unaudited)	91,660,010	199,179,041	46.02
2026-2027 (Budgeted)	94,487,348	202,256,682	46.72

[1] General fund only, does not include inter-fund transfers and use of reserve funds.

Source: Audited financial statements for the 2020-2021 through 2024-2025 fiscal years, unaudited figures for the 2025-2026 fiscal year, and the adopted budgets for the 2025-2026 and 2026-2027 fiscal years. The 2025-2026 unaudited figures are based upon certain current assumptions and estimated, and the audited results may vary therefrom. This table is not audited.

District Facilities

Name	Grades	Capacity	Year(s) Built/Additions/Renovations
Chestnut Hill Elementary	3-5	620	1956, ‘78 (A/R), ‘95 (T), ’14 (R), ’19 (R)
Donlin Drive Elementary	K-2	665	1971, ‘95 (R), ‘95 (T), ’05 (R), ’19 (R), ’24 (R)
Elmcrest Elementary	K-2	640	1963, ‘89 (A/R), ‘95 (T), ’14 (R), ’24 (R)
Liverpool Elementary	3-5	475	1952, ‘75 (R), ‘80 (R), ‘95 (R), ‘95 (T), ’10 (R), ’20 (R), ’24 (R)
Long Branch Elementary	K-2	665	1971, ‘95 (R), ‘95 (T), ’05 (R), ’19 (R), ’20 (R), ’24 (R)
Morgan Road Elementary	3-5	665	1969, ‘91 (A/R), ‘95 (T), ’12 (R), ’14 (R), ’18 (R), ’24 (R), ’25 (R)
Soule Road Elementary	3-5	665	1969, ‘92 (R), ‘‘95 (R), ‘95 (T), ’04 (R), ’14 (R)
Wetzel Road Elementary [1]	9-12	615	1962, ‘83 (R), ‘86 (R), ‘93 (R), ‘95 (T), ’09 (R), ’19 (R), ’20 (R) ‘24(R)
Willowfield Elementary	K-2	700	1989, ‘95 (T), ’12 (R), ’14 (R), ’24 (R)
Chestnut Hill Middle School	6-8	684	1956, ‘77 (A/R), ‘81 (R), ‘95 (R), ‘95 (T), ’14 (R), ’18 (R)
Liverpool Middle	6-8	654	1952, ‘61 (A), ‘76 (R), ‘95 (R), ‘95 (T), ’10 (R), ’20 (R), ’24 (R)
Soule Road Middle	6-8	846	1969, ‘92 (R), ‘95 (R), ‘95 (T), ’03 (R), ’14 (R), ’20 (R)
Morgan Road Middle	6-8	780	1969, ‘91 (R), ‘97-98 (R), ‘97-98 (T), ’14 (R)
Liverpool High School	9-12	3,066	1966, ‘69 (A), ‘80 (A/R), ‘83 (R), ‘98-00 (R/T), ’10 (R), ’14 (R), ‘16(R), ’18 (R), ’20 (R), ’24 (R)

A - Addition
R - Renovation
T - Technology Renovation

[1] Houses Liverpool High School students.

Source: District officials and Final Cost Reports.

Enrollment Trends

School Year	Actual Enrollment	School Year	Projected Enrollment
2021-2022	6,878	2026-2027	6,860
2022-2023	6,876	2027-2028	6,860
2023-2024	6,839	2028-2029	6,875
2024-2025	6,854	2029-2030	6,880
2025-2026	6,855	2030-2031	6,880

Source: District officials.

Employees

The School District employs approximately 1,130 full-time and 227 part-time employees. The following table sets forth a breakdown of employee representation by collective bargaining agreement and the dates of expiration of the various collective bargaining agreements:

Employees Represented	Union Representation	Expiration Date
1,032	United Liverpool Faculty Association	June 30, 2029
200	Service Employees' International Union	June 30, 2030
31	Liverpool Administrators' Association	June 30, 2028
20	Liverpool Association of Middle Managers	June 30, 2028
45	Liverpool Cafeteria Employees	June 30, 2027

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 System and Social Security Law (the "Retirement System Law"). The Retirement Systems offer a wide range of plans and benefits which are related to years of service and final average salary, vesting of retirement benefits, death and disability benefits and optional methods of benefit payments. All benefits generally 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 (other than those in Tier V and VI, as described below) working less than ten years must contribute 3% (ERS) or 3.5% (TRS) of gross annual salary towards the cost of retirement programs.

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

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

On March 16, 2012, a new Tier VI pension program was signed into law, 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 State's 2024-25 Enacted Budget included a provision that improved the pension benefits of Tier VI members by modifying the final average salary calculation from 5 years back to 3 years. This measure was effective as of April 1, 2024 for PFRS Tier VI members and April 20, 2024 for ERS Tier VI members.

The State's Enacted 2026-27 Budget made a number of changes to the Tier VI pension program:

- Lowered Retirement Age: The full-benefit retirement age for members of TRS is reduced from 63 to 58 for members with 30 years of service, allowing educators to retire without pension penalties earlier.
- Reduced Contribution Rates: Member pension contribution percentages for members of ERS are adjusted into tiered salary brackets:
    - $75,000 or less: 3%
    - Over $75,000 to $100,000: 4%
    - Over $100,000 to $125,000: 5.25%
    - Over $125,000: 5.75%
- Overtime Cap Increase: For eligible members, the maximum amount of overtime used to calculate final average salary benefits has been increased to $30,000 plus CPI (up from the previous $22,500 cap).

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 2025-2026 and 2026-2027 fiscal years are as follows:

Fiscal Year	ERS	TRS
2020-2021	$ 2,294,206	$ 5,505,572
2021-2022	2,078,098	5,777,253
2022-2023	1,855,288	6,222,365
2023-2024	3,152,924	6,278,754
2024-2025	2,827,685	6,892,922
2025-2026 (Budgeted)	3,876,270	7,270,305
2025-2026 (Unaudited)	3,039,783	6,939,877
2026-2027 (Budgeted)	4,299,096	6,402,308

Source: District records.

The annual required pension contribution and the annual ERS payment is due February 1 annually with the ability to pre-pay on December 15 at a discount. The District pre-pays this cost annually. Although permitted by recently enacted laws, the District is not amortizing any pension payments nor does it intend to do so in the foreseeable future.

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.

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 (2022-23 to 2026-27) is shown below:

Year	ERS	TRS
2022-23	11.6%	10.29%
2023-24	13.1	9.76
2024-25	15.2	10.02
2025-26	16.5	9.59
2026-27	17.6	8.24

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 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 authorized local governments, 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 Rate Pension Contribution Option"). For 2016-17 the stable contribution option rate is 15.1% for ERS and 14.13% for TRS. The pension contribution rates under this program would reduce near-term payments for employers, but 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 State's 2019-2020 Enacted Budget, which was signed into law as Chapter 59 of the Laws of 2019, included a provision that allows 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 are 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 as of June 2019.

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.

Other Post Employee Benefits

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

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

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

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

The District contracted with Armory Associates, LLC, an actuarial firm, to calculate its actuarial valuation under GAB 75. The following outlines the changes to the Total OPEB Liability for the 2024 and 2025 fiscal year, by source.

Balance beginning at:	June 30, 2023	June 30, 2024
	$ 426,808,932	$ 486,413,328
Changes for the year:		
Service cost	12,167,186	15,327,558
Interest on total OPEB liability	15,746,548	19,383,231
Changes in Benefit Terms	6,649,045	5,451,902
Differences between expected and actual experience	(2,051,669)	-
Changes in Assumptions or other inputs	42,220,953	(83,504,149)
Benefit payments	(15,127,667)	(17,057,819)
Net Changes	$ 59,604,396	$ (60,399,277)
Balance ending at:	June 30, 2024	June 30, 2025
	$ 486,413,328	**$ 426,014,051**

Source: Audited financial reports of the District. For additional information see "APPENDIX - D" attached hereto. The above table is not audited.

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

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

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

Other Information

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

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

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

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

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

Financial Statements

The District retains independent Certified Public Accountants. The last audit report covers the period ended June 30, 2025 and is attached hereto as "APPENDIX – D". The audit for the fiscal year ended June 30, 2026 is not available as of the date of this Official Statement. In addition, the State Comptroller's office, i.e., the Department of Audit and Control, periodically performs a compliance review to ascertain whether the District has complied with the requirements of various State and Federal statutes. 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 Districts in New York State by the State. This system differs from generally accepted accounting principles as prescribed by the American Institute of Certified Public Accountants' Industry Audit Guide, "Audits of State and Local Governmental Units", and codified in Government Accounting, Auditing and Financial Reporting ("GAAFR"), published by the Governmental Accounting Standards Board (GASB).

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

Unaudited Results of Operations for the Fiscal Year Ending June 30, 2026

The District expects to conclude the fiscal year ending June 30, 2026 with an unappropriated unreserved fund balance of approximately $8,635,348. Summary unaudited projected information for the General Fund for the period ending June 30, 2026 is as follows:

Projected Revenues:	$	199,534,050
Projected Expenditures:		198,600,510
Projected Excess (Deficit) Revenues Over Expenditures:	$	933,530
Total Fund Balance at June 30, 2025:	$	47,510,464
Total Projected General Fund Balance at June 30, 2026:	$	48,444,004

Note: These projections are based upon certain current assumptions and estimates, and the audited results may vary therefrom.

Source: District officials.

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.

There have been no State Comptrollers audits of the District in the past five years, nor any that are currently in progress or pending release.

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

The State Comptroller's Fiscal Stress Monitoring System

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

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

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

Fiscal Year Ending In	Stress Designation	Fiscal Score
2025	No Designation	0.0
2024	No Designation	0.0
2023	No Designation	3.3
2022	No Designation	0.0
2021	No Designation	0.0

Additional information regarding the Fiscal Stress Monitoring System can be found by visiting the Fiscal Stress Monitoring System section of the Office of the State Comptroller website.

Source: Website of the Office of the New York State Comptroller. References to website addresses presented herein are for informational purposes only. Unless specified otherwise, such websites and the information or links contained therein are not incorporated into, and are not part of, this Official Statement.

TAX INFORMATION

Taxable Assessed Valuations

Years Ending June 30:	2022	2023	2024	2025	2026
Towns of:					
Clay	$ 82,115,500	$ 82,247,327	$ 82,408,727	$ 82,793,683	$ 82,249,430
Salina	1,378,911,876	1,531,134,455	1,563,496,178	1,569,244,739	1,532,243,330
Totals	$ 1,461,027,376	$ 1,613,381,782	$ 1,645,904,905	$ 1,652,038,422	$ 1,614,492,760
New York State Equalization Rates					
Towns of:					
Clay	3.67%	3.34%	2.98%	2.75%	2.40%
Salina	100.00%	100.00%	89.00%	81.00%	75.00%
Total Full Valuation	$ 3,617,222,379	$ 3,994,629,299	$ 4,523,302,003	$ 4,949,237,084	$ 5,471,495,268

Tax Rates Per $1,000 (Assessed)

Years Ending June 30:	2022	2023	2024	2025	2026
Towns of:					
Clay	$ 682.90	$ 693.23	$ 708.74	$ 716.96	$ 764.94
Salina	25.05	23.14	23.72	24.33	24.47

Tax Collection Procedure

Tax payments are due September 1st. There is no penalty charge for the first thirty days after taxes are due, but a 2% penalty is charged from October 1st to October 31st. On or about November 1st, uncollected taxes are returned to the County for collection. The School District receives this amount from the County prior to the end of the School District's fiscal year, thereby assuring 100% tax collection annually. Tax sales are held annually by said County.

Tax Levy and Tax Collection Record

Years Ending June 30:	2022	2023	2024	2025	2026
Tax Levy	$ 90,640,892	$ 92,454,745	$ 95,541,686	$ 97,550,331	$100,417,293
Uncollected [1]	3,321,047	3,445,561	2,648,345	3,143,905	3,318,600
% Uncollected	3.67%	3.73%	2.77%	3.22%	3.30%

[1] School District taxes are made whole by the County. See "Tax Collection Procedure" hereunder.

Real Property Tax Revenues

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

Fiscal Year	Total Real Property Taxes & Tax Items	Total Revenues [1]	Total Revenues Consisting of Property Taxes
2020-2021	$ 90,151,825	$ 159,596,525	56.49%
2021-2022	91,366,749	163,367,637	55.93
2022-2023	93,295,627	177,933,526	52.43
2023-2024	96,325,783	186,058,037	51.77
2024-2025	98,434,752	191,544,202	51.39
2025-2026 (Budgeted)	101,372,125	195,120,494	51.95
2025-2026 (Unaudited)	101,370,679	199,179,041	50.86
2026-2027 (Budgeted)	104,754,999	202,256,682	51.79

[1] General fund only, does not include inter-fund transfers or use of reserve funds.

Source: Audited financial statements for the 2020-2021 through 2024-2025 fiscal years, unaudited figures for the 2025-2026 fiscal year, and the adopted budgets for the 2025-2026 and 2026-2027 fiscal years. The 2025-2026 unaudited figures are based upon certain current assumptions and estimates, and the audited results may vary therefrom. This table is not audited.

Ten Largest Taxpayers – 2025 Assessment Roll for 2025-2026 District Tax Roll

Name	Type	Taxable Full Valuation
National Grid (Town of Clay)	Utility	$ 163,158,917
Wegmans	Supermarket	64,103,000
Campus FSC, LLC	Private	55,442,833
Grenadier 75 Property, LLC	Apartments	39,160,000
Rivers Pointe, LLC	Senior Living	30,149,666
Morgan Woodlands Acres [1]	Town Homes	29,204,167
Syracuse NY Warehouse LLC	Warehouse	26,256,083
Norstar Apartment DE LLC	Apartments	25,850,000
Harbor Pearl DHM LLC	Apartments	25,733,333
Amerco Real Estate Company	Real Estate Company	24,570,837
	Total	$ 483,628,833

The ten largest taxpayers listed above have a total taxable full valuation of $483,628,836 which represents 8.84% of the tax base of the District.

The District experiences the impact of tax certiorari filings on a regular basis for which the District has a tax certiorari reserve to cover. At this time, the level of tax certiorari filings are within acceptable norms and are not anticipated or believed to have a material impact on the District's finances. Historically, the average settlement has been 30% of the maximum impact. The District maintains a Tax Certiorari reserve that has a balance of approximately $2.94 million as of June 30, 2026.

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 $110,750 or less for the 2026-27 school year, increased annually according to a cost of living adjustment, are eligible for a "full value" exemption of the first $88,500 for the 2026-27 school year (adjusted annually). Other homeowners with household STAR Adjusted Gross income not in excess of $250,000 ($500,000 in the case of a STAR credit, as discussed below) are eligible for a $30,000 "full value" exemption on their primary residence.

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

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

The table below lists the basic and enhanced exemption amounts for the 2026-27 District tax roll for the municipalities applicable to the District:

Towns of:	Enhanced Exemption	Basic Exemption	Date Certified
Clay	$ 2,120	$ 740	4/10/2026
Salina	66,380	22,500	4/10/2026

$7,329,986 of the District's 4100,417,293 school tax levy for the 2025-2026 fiscal year was exempt by the STAR Program. The District received full reimbursement of such exempt taxes from the State in January 2026.

Approximately $6,742,410 of the District's $103,729,377 school tax levy for the 2026-2027 fiscal year is expected to be exempt by the STAR Program. The District expects to receive full reimbursement of such exempt taxes from the State in January 2027.

Additional Tax Information

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

Senior citizens' exemptions are offered to those who qualify.

The estimated total annual property tax bill of a $100,000 market value residential property located in the School District is approximately $3,500 including State, County, Town, School District and Fire District taxes.

TAX LEVY LIMITATION LAW

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

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

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

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

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

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

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

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

STATUS OF INDEBTEDNESS

Constitutional Requirements

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

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

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

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

Debt Limit. 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 is by 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.

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

Statutory Procedure

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

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

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

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

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

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

(2) There has not been substantial compliance with the provisions of law which should have been complied within the authorization of such obligations and an action contesting such validity, is commenced within twenty days after the date of such publication, or

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

The District complied with this estoppel procedure in connection with the bond resolution pursuant to which the Notes are being issued. It is a procedure that is recommended by Bond Counsel, but it is not an absolute legal requirement.

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

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

Debt Outstanding End of Fiscal Year

Fiscal Year Ending June 30th:	2022	2023	2024	2025	2026
Bonds	$ 52,945,000	$ 78,075,000	$ 69,925,000	$ 61,460,000	$ 80,105,000
Energy Performance Contracts	0	0	0	0	0
Bond Anticipation Notes	41,683,293	4,515,463	5,579,621	35,796,944	28,425,000
Revenue Anticipation Notes	0	0	0	0	0
Other Debt (1)	2,057,894	1,912,335	2,242,351	2,894,897	1,583,930
Total Debt Outstanding	$ 96,686,187	$ 84,502,798	$ 77,746,972	$100,151,841	$ 110,113,930

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

Details of Outstanding Indebtedness

The following table sets forth the indebtedness of the District evidenced by bonds and notes as of August 26, 2026.

Type of Indebtedness	Maturity		Amount
Bonds	2027-2041		$ 80,105,000
Bond Anticipation Notes			
Purchase of Buses	September 18, 2026		7,425,000 (1)
2022 Capital Project	June 25, 2027		15,000,000
2024 Capital Project	June 25, 2027		6,000,000
		Total Indebtedness	$ 108,530,000

(1) To be partially redeemed and renewed at maturity with the proceeds of the Notes and $2,115,000 available funds of the District.

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Debt Statement Summary

Summary of Indebtedness, Debt Limit and Net Debt-Contracting Margin as of August 26, 2026:

Full Valuation of Taxable Real Property			$ 5,471,495,268
Debt Limit 10% thereof			547,149,526
Inclusions:			
Bonds	$ 80,105,000		
Bond Anticipation Notes (BANs):	28,425,000		
Total Inclusions prior to issuance of the Notes	108,530,000		
Less: BANs being redeemed from appropriations	(2,115,000)		
Add: New money proceeds of the Notes	2,717,264		
Total Net Inclusions after issuance of the Notes		$109,132,264	
Exclusions:			
State Building Aid [(1)]	$ 0		
Total Exclusions		$ 0	
Total Net Indebtedness after issuance of the Notes			$ 109,132,264
Net Debt-Contracting Margin			$ 438,017,262
The percent of debt contracting power exhausted is			19.95%

(1) Based on preliminary 2026-2027 building aid estimates, the District anticipates State Building aid of 83.8% for debt service on State Education Department approved expenditures from July 1, 2004 to the present. The District has no reason to believe that it will not ultimately receive all of the building aid it anticipates, however, no assurance can be given as to when and how much building aid the District will receive in relation to the outstanding bonds.

Note: The State Constitution does not provide for the inclusion of tax anticipation or revenue anticipation notes in the computation of the net indebtedness of the District. The above table does not include lease obligations of the District which are subject to appropriation but do not involve a pledge of faith and credit of the District, and therefore does not technically constitute indebtedness of the District. Such obligations do however count towards the debt limit of the District. The District remains within its debt limit after taking into account the outstanding balance of such obligations.

Other Obligations

The District has entered into various installment purchase agreements to finance the cost of various equipment. The following is a schedule of remaining payments due under such agreements:

Fiscal Year Ending	Principal	Interest
2027	$ 979,270	$ 63,211
2028	577,617	21,487
2029	27,043	133
Minimum Lease Payments	$ 1,583,930	$ 84,831

Source: Audited financial statements of the District. The table itself is not audited.

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

Bonded Debt Service

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

Capital Project Plans

District voters approved various projects totaling $98,959,922 with a total use of $18,311,116 in capital reserves. These projects had bond resolutions adopted on March 14, 2022, May 16, 2023, and March 27, 2025. The capital project consists of reconstruction and improvements to various District buildings and facilities to be paid for with the capital reserves and $80,648,806 financed through the issuance of bond anticipation notes or serial bonds. On September 19, 2024, the District issued $10,000,000 bond anticipation notes as the initial borrowing for the aforementioned project. On June 26, 2025, the District issued $29,385,000 bond anticipation notes which, along with $615,000 available funds of the District, partially redeemed and renewed the $10,000,000 bond anticipation notes which matured June 27, 2025 and provided $20,000,000 new money for the aforementioned project. On June 16, 2026, the District permanently financed a $28,616,194 portion of the $29,385,000 bond anticipation notes which matured June 26, 2026 through the Dormitory Authority of the State of New York along with $768,806 of available District funds. On June 25, 2026, the District issued $21,000,00 bond anticipation notes, of which a $15,000,000 portion was issued as new money. A $15,000,000 portion of the Series B Notes will provide an additional $15,000,000 in new money for the aforementioned project.

Voter Approval Date	Capital Reserve	Financed
3/14/2022	$ 13,061,116	$ 59,123,806
5/16/2023	1,000,000	8,000,000
3/27/2025	4,250,000	13,525,000
TOTAL	**$ 18,311,116**	**$ 80,648,806**

On March 14, 2024 the District voters approved a $50,343,941 capital project and using $8 million capital reserve monies with the remaining $42,343,941 coming from borrowings, for various reconstruction and improvements District buildings and facilities. On June 25, 2026, the District issued $21,000,000 bond anticipation notes, of which, a $6,000,000 portion was issued as new money against this authorization. A $13,000,000 portion of the Series B Notes will provide an additional $13,000,000 in new money for the aforementioned project.

The District annually authorizes bus purchases at the time of budget vote. The District currently has $7,425,000 bond anticipation notes maturing September 18, 2026 for the purchase of buses, other motor vehicles and machinery and apparatus. On May 19, 2026, the District voters approved an authorization of $2,717,264 for the purchase of buses. The proceeds of the Series C Notes, along with $2,115,000 available funds of the District, will partially redeem and renew the $7,425,000 bond anticipation notes maturing September 18, 2026 and provide $2,717,264 in new money.

Cash Flow Borrowings

The District has not borrowed for cash flow purposes since the 2015-16 fiscal year and does not expect to borrow for cash flow purposes for the foreseeable future.

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Estimated Overlapping Indebtedness

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

Municipality	Status of Debt as of	Gross Indebtedness [1]	District Share	Applicable Indebtedness
County of:				
Onondaga	12/31/2024	$ 746,268,360	11.54%	$ 86,119,369
Town of:				
Clay	12/31/2024	1,685,000	53.34%	898,779
Salina	12/31/2024	27,063,039	68.53%	18,546,301
Village of:				
Liverpool	5/31/2025	1,267,990	100.00%	1,267,990
			Total:	$ 106,832,438

[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.

Note: Gross indebtedness sourced from local government data provided by the State Comptroller's office. Information regarding excludable debt for municipalities, such as water debt, sewer debt and budgeted appropriations, to the extent such indebtedness may be applicable to the respective municipality, is not provided in the local government data the above table is sourced from.

Debt Ratios

The following table sets forth certain ratios relating to the District's indebtedness as of August 26, 2026:

	Amount	Per Capita [a]	Percentage of Full Value [b]
Net Indebtedness [c]	$ 109,132,264	$ 2,145.91	1.99%
Net Indebtedness Plus Gross Overlapping Indebtedness [d]	215,964,702	10,086.61	3.95

[a] The current estimated population of the District is 50,856. (See "THE SCHOOL DISTRICT – Population" herein.)
[b] The District's full value of taxable real estate for the 2025-2026 fiscal year is $5,471,495,268. (See "TAX INFORMATION – Taxable Assessed Valuations" herein.)
[c] See "Debt Statement Summary" for the calculation of Net Direct Indebtedness, herein.
[d] Estimated gross overlapping indebtedness is $106,832,438. (See "Estimated Overlapping Indebtedness" herein.)

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

SPECIAL PROVISIONS AFFECTING REMEDIES UPON DEFAULT

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

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

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

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

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

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

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

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

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

No Past Due Debt. No principal of or interest on District indebtedness is currently past due. To the best knowledge of current District officers, the District has not defaulted on the payment of the principal of and interest on any indebtedness in the past five years.

MARKET AND RISK FACTORS

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

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

The District relies in part on State aid to fund its operations. There can be no assurance that the State appropriation for State aid to school districts will be continued in future years, either pursuant to existing formulas or in any form whatsoever. State aid appropriated and apportioned to the District can be paid only if the State has such monies available therefore. The availability of such monies and the timeliness of such payment may also be affected by a delay in the adoption of the State budget, the State's ability to borrow funds in anticipation of the receipt of State taxes in order to pay State aid to municipalities and school districts in the State, including the District, in any year, the impact to the State's economy and financial condition due to other circumstances, including State fiscal stress. In several recent years, the District has received delayed payments of State aid which resulted from the State's delay in adopting its budget and appropriating State aid to municipalities and school districts, and consequent delay in State borrowing to finance such appropriations. In any event, State aid appropriated and apportioned to the District can be paid only if the State has such monies available therefore. Should the District fail to receive State aid expected from the State in the amounts or at the times expected, occasioned by a delay in the payment of such monies or by a reduction in State aid, the District is authorized by the Local Finance Law to provide operating funds by borrowing on account of the uncollected State aid. (See also "THE SCHOOL DISTRICT - State Aid").

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

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

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

An outbreak of disease or similar public health threat, such as the COVID-19 outbreak, or fear of such an event, could have an adverse impact on the District's financial condition and operating results by potentially delaying the receipt of real property taxes or resulting in a delay or reduction by the State in the payment of State aid. Should the District fail to receive State aid expected from the State in the amounts or at the times expected, occasioned by a delay in the payment of such monies or by a reduction in State aid, the District is authorized by the Local Finance Law to provide operating funds by borrowing on account of the uncollected State aid.

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

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

Cybersecurity

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

TAX MATTERS

The Internal Revenue Code of 1986, as amended (the "Code") establishes certain requirements that must be met subsequent to the issuance and delivery of the Notes in order that interest on the Notes be and remain excludable from gross income for federal income tax purposes. These requirements include provisions which prescribe yield and other limits relative to the investment and expenditures of the proceeds of the Notes and other amounts and require that certain earnings be rebated to the federal government. The District will agree to comply with certain provisions and procedures, pursuant to which such requirements can be satisfied. Non-compliance with such requirements may cause interest on the Notes to become included in gross income for federal income tax purposes retroactive to the date of issuance thereof, irrespective of the date on which non-compliance is ascertained.

The Code imposes a 30% branch profits tax on the earnings and profits of a United States branch of certain foreign corporations attributable to its income effectively connected (or treated as effectively connected) with a United States trade or business. Included in the earnings and profits of the United States branch of a foreign corporation is income that would be effectively connected with the United States trade or business if such income were taxable, such as the interest on the Notes. Existing United States income tax treaties may modify, reduce, or eliminate the branch profits tax, except in cases of treaty shopping.

The Code further provides that interest on the Notes is included in the calculation of modified adjusted gross income in determining whether a portion of Social Security or railroad retirement benefits is to be included in taxable income of individuals. In addition, certain S Corporations may have a tax imposed on passive income, including tax-exempt interest, such as interest on the Notes.

Prospective purchasers should consult their tax advisors with respect to the calculations of the alternative minimum tax or foreign branch profits tax liability, and the tax on passive income of S Corporations or the inclusion of Social Security or other retirement payments in taxable income.

In the opinion of Bond Counsel, assuming compliance with certain requirements of the Code, under existing laws, interest on the Notes is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed by the Code. However, interest on the Notes that is included in adjusted financial statement income of certain corporations is not excluded from the federal corporate alternative minimum tax imposed under the Code. Bond Counsel expresses no opinion regarding other federal tax consequences arising with respect to the Notes.

The opinion of Bond Counsel described herein with respect to the federal income tax treatment of interest paid on the Notes is based upon the current provisions of the Code. There can be no assurance that the Code will not be amended in the future so as to reduce or eliminate such favorable federal income tax treatment on the Notes. Any such future legislation would have an adverse effect on the market value of the Notes.

In addition, in the opinion of Bond Counsel, under existing laws, so long as interest is excluded from gross income for Federal income tax purposes, interest on the Notes is exempt from personal income taxes imposed by the State or any political subdivision thereof, including the City of New York.

LEGAL MATTERS

The legality of the authorization and issuance of the Notes will be covered by the unqualified legal opinion of Bond, Schoeneck & King, PLLC, Bond Counsel, Syracuse, New York. Such legal opinion will state that in the opinion of Bond Counsel (i) the Notes have been authorized and issued in accordance with the Constitution and statutes of the State of New York and constitute valid and legally binding general obligations of the District, all the taxable 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 amounts (ii) interest on the Notes is exempt from personal income taxes imposed by the State of New York or any political subdivision thereof, including the City of New York; and (iii) interest on the Notes is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed under the Code; however, interest on the Notes that is included in the adjusted financial statement income of certain corporations is not excluded from the corporate alternative minimum tax imposed under the Code. The opinions of Bond Counsel set forth in (iii) above are subject to the condition that the District comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Notes in order that interest thereon be, or continue to be, excluded from gross income for federal income tax purposes. The District has covenanted to comply with each such requirement. Failure to comply with certain of such requirements may cause the inclusion of interest on the Notes in gross income for federal income tax purposes to be retroactive to the date of issuance of the Notes. Bond Counsel expresses no opinion regarding other federal tax consequences arising with respect to the Notes. It is to be understood that the rights of the holders of the Notes and the enforceability thereof may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted to the extent constitutionally applicable and that their enforcement may be also subject to exercise of judicial discretion in appropriate cases.

Bond Counsel has not been engaged or undertaken to review the accuracy, completeness or sufficiency of the Official Statement (except to the extent, if any, stated in the Official Statement) or any other offering material relating to the Notes, and Bond Counsel expresses no opinion relating thereto (excepting only matters set forth as Bond Counsel's opinion in the Official Statement).

LITIGATION

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

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

CONTINUING DISCLOSURE

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

Historical Compliance

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

MUNICIPAL ADVISOR

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

CUSIP IDENTIFICATION NUMBERS

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

RATING

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

The District does not currently have an underlying rating assigned to its outstanding indebtedness.

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

MISCELLANEOUS

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

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

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

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

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

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

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

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

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

The District's contact information is as follows: Kimberly Vile, Assistant Superintendent of Business Administration, District Offices, 195 Blackberry Road, Liverpool, New York 13090, Phone: (315) 622-7148, Fax: (315) 622-7982, Email: kvile@liverpool.k12.ny.us.

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

LIVERPOOL CENTRAL SCHOOL DISTRICT

Dated: August 26, 2026

/s/_____
PRESIDENT OF THE BOARD OF EDUCATION AND CHIEF FISCAL OFFICER

GENERAL FUND

Balance Sheets

Fiscal Years Ending June 30:	2021	2022	2023	2024	2025
ASSETS					
Cash - Unrestricted	$ 14,530,468	$ 17,272,534	$ 8,245,855	$ 16,177,885	$ 18,846,460
Cash - Restricted	30,584,484	23,491,958	39,787,189	36,413,090	33,421,044
Due from Other Funds	2,134,026	3,207,320	5,190,702	2,933,225	3,923,349
Due from Other Governments	2,289,280	2,413,272	2,727,407	2,948,897	3,179,395
State and Federal Aid Receivable	4,265,197	2,954,866	4,675,147	4,254,502	3,965,334
Other Receivables	56,127	92,044	119,445	1,709,189	214,317
Prepaid Expenditures & Inventories	655,219	627,863	665,936	573,501	511,214
TOTAL ASSETS	$ 54,514,801	$ 50,059,857	$ 61,411,681	$ 65,010,289	$ 64,061,113
LIABILITIES AND FUND EQUITY					
Accounts Payable	$ 1,294,381	$ 2,188,770	$ 1,925,126	$ 1,799,737	$ 1,696,804
Accrued Liabilities	4,653,051	5,327,637	6,148,242	5,951,194	6,595,060
Due to Other Funds	10,134	-	-	40,760	-
Due to Other Governments	-	-	-	13,557	13,557
Due to Teachers' Retirement System	5,817,349	6,253,870	6,803,806	6,878,118	7,370,977
Due to Employees' Retirement System	679,144	569,129	815,385	731,474	874,251
TOTAL LIABILITIES	12,454,059	14,339,406	15,692,559	15,414,840	16,550,649
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue	-	-	33,366	-	-
TOTAL DEFERRED INFLOWS OF RESOURCES	-	-	33,366	-	-
FUND EQUITY					
Nonspendable	$ 655,219	$ 627,863	$ 665,936	$ 573,501	$ 511,214
Restricted	30,527,651	23,132,524	33,501,687	36,200,180	33,370,163
Assigned	4,143,324	5,022,950	4,143,555	5,043,005	5,508,896
Unassigned	6,734,548	6,937,114	7,374,578	7,778,763	8,120,191
TOTAL FUND EQUITY	42,060,742	35,720,451	45,685,756	49,595,449	47,510,464
TOTAL LIABILITIES and FUND EQUITY	$ 54,514,801	$ 50,059,857	$ 61,411,681	$ 65,010,289	$ 64,061,113

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

GENERAL FUND

Revenues, Expenditures and Changes in Fund Balance

Fiscal Years Ending June 30:	2021	2022	2023	2024	2025
REVENUES					
Real Property Taxes	$ 79,053,215	$ 80,547,604	$ 83,048,088	$ 86,852,562	$ 89,538,584
Other Tax Items	11,098,610	10,819,145	10,247,539	9,473,221	8,896,168
Nonproperty Tax Items	264,243	295,138	301,364	309,683	317,998
Charges for Services	296,972	284,186	312,812	595,805	541,866
Use of Money & Property	59,622	149,038	1,826,238	3,045,365	2,712,978
Sale of Property and Compensation for Loss	257,427	230,494	4,020,139	180,116	145,076
Miscellaneous	709,788	771,772	1,227,056	1,001,748	1,577,206
Revenues from State Sources	65,061,295	68,503,308	75,137,531	82,989,096	86,485,546
Revenues from Federal Sources	2,795,384	1,766,952	1,812,759	1,610,441	1,328,786
Total Revenues	$ 159,596,556	$ 163,367,637	$ 177,933,526	$ 186,058,037	$ 191,544,208
Other Sources:					
Proceeds from Capital Leases	-	1,182,633	1,195,868	1,433,008	2,184,097
Interfund Transfers	439,312	553,041	44,860	45,783	757,837
Total Revenues and Other Sources	160,035,868	165,103,311	179,174,254	187,536,828	194,486,142
EXPENDITURES					
General Support	$ 12,812,748	$ 14,191,113	$ 14,446,373	$ 15,812,514	$ 16,800,998
Instruction	75,431,812	76,000,465	79,953,612	82,971,054	88,240,268
Pupil Transportation	5,737,498	6,976,178	7,962,524	8,668,734	8,302,372
Employee Benefits	43,603,454	44,284,475	49,073,176	50,570,232	59,925,912
Capital Outlay	-	1,182,633	1,195,868	1,433,008	2,184,097
Debt Service	14,458,173	14,516,677	14,499,014	15,348,443	16,145,987
Total Expenditures	$ 152,043,685	$ 157,151,541	$ 167,130,567	$ 174,803,985	$ 191,599,634
Other Uses:					
Interfund Transfers	232,599	14,292,061	2,078,382	8,823,150	4,971,493
Total Expenditures and Other Uses	152,276,284	171,443,602	169,208,949	183,627,135	196,571,127
Excess (Deficit) Revenues Over Expenditures	7,759,584	(6,340,291)	9,965,305	3,909,693	(2,084,985)
FUND BALANCE					
Fund Balance - Beginning of Year	34,301,158	42,060,742	35,720,451	45,685,756	49,595,449
Prior Period Adjustments (net)	-	-	-	-	-
Fund Balance - End of Year	$ 42,060,742	$ 35,720,451	$ 45,685,756	$ 49,595,449	$ 47,510,464

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

GENERAL FUND

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

Fiscal Years Ending June 30:	2025			2026	2027
	Adopted Budget	Final Budget	Actual	Adopted Budget	Adopted Budget
REVENUES					
Real Property Taxes	$ 97,550,331	$ 89,551,683	$ 89,538,584	$ 100,417,293	$ 103,729,377
Other Tax Items	958,265	8,956,913	8,896,168	954,832	1,025,622
Nonproperty Tax Items	250,000	250,000	317,998	250,000	275,000
Charges for Services	191,010	191,010	541,866	292,010	292,010
Use of Money & Property	879,500	879,500	2,712,978	879,500	866,500
Sale of Property and Compensation for Loss	46,550	111,838	145,076	46,550	46,550
Miscellaneous	310,000	417,269	1,577,206	980,000	1,020,243
Revenues from State Sources	83,333,113	83,333,113	86,485,546	90,900,309	94,487,348
Revenues from Federal Sources	950,000	950,000	1,328,786	400,000	400,000
Total Revenues	$ 184,468,769	$ 184,641,326	$ 191,544,208	$ 195,120,494	$ 202,142,650
Other Sources:					
Proceeds from Capital Leases	-	2,184,097	2,184,097	-	-
Use of Reserves	-	-	-	2,500,000	13,627,025
Interfund Transfers	672,913	672,913	757,837	384,372	114,032
Total Revenues and Other Sources	185,141,682	187,498,336	194,486,142	198,004,866	215,883,707
EXPENDITURES					
General Support	$ 19,470,662	$ 17,622,867	$ 16,800,998	$ 26,192,308	27,663,732
Instruction	89,396,723	89,167,906	88,240,268	89,025,991	94,298,181
Pupil Transportation	8,997,651	8,429,057	8,302,372	9,186,432	9,650,894
Employee Benefits	59,218,717	60,971,921	59,925,912	62,303,819	67,714,255
Capital Outlay	-	2,184,097	2,184,097	-	-
Debt Service	14,604,523	16,145,987	16,145,987	15,826,316	16,556,645
Total Expenditures	$ 191,688,276	$ 194,521,835	$ 191,599,634	$ 202,534,866	$ 215,883,707
Other Uses:					
Interfund Transfers	470,000	5,020,898	4,971,493	470,000	-
Total Expenditures and Other Uses	192,158,276	199,542,733	196,571,127	203,004,866	215,883,707
Excess (Deficit) Revenues Over Expenditures	-	-	(2,084,985)	(5,000,000)	-
FUND BALANCE					
Fund Balance - Beginning of Year	-	-	49,595,449	5,000,000	-
Prior Period Adjustments (net)		-	-	-	-
Fund Balance - End of Year	$ -	$ -	$ 47,510,464	$ -	$ -

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

APPENDIX - B
Liverpool CSD

BONDED DEBT SERVICE

Fiscal Year Ending June 30th	Principal	Interest	Total
2027	$ 6,610,000	$ 2,669,231.26	$ 9,279,231.26
2028	6,935,000	2,338,731.26	9,273,731.26
2029	6,925,000	1,991,981.26	8,916,981.26
2030	6,980,000	1,645,731.26	8,625,731.26
2031	6,345,000	1,296,731.26	7,641,731.26
2032	5,245,000	979,481.26	6,224,481.26
2033	5,055,000	717,231.26	5,772,231.26
2034	4,560,000	464,481.26	5,024,481.26
2035	3,375,000	252,000.00	3,627,000.00
2036	1,260,000	83,250.00	1,343,250.00
2037	425,000	21,250.00	446,250.00
TOTALS	$ 53,715,000	$12,460,100.08	$ 66,175,100.08

CURRENT BONDS OUTSTANDING

Fiscal Year Ending June 30th	2016 DASNY Bonds		
2027	$ 1,590,000	$ 305,000.00	$ 1,895,000.00
2028	1,670,000	225,500.00	1,895,500.00
2029	1,405,000	142,000.00	1,547,000.00
2030	1,175,000	71,750.00	1,246,750.00
2031	260,000	13,000.00	273,000.00
TOTALS	$ 6,100,000	$ 757,250.00	$ 6,857,250.00

Fiscal Year Ending June 30th	2018 DASNY Bonds			2020 DASNY Bonds		
	Principal	Interest	Total	Principal	Interest	Total
2027	$ 2,365,000	$ 855,981.26	$ 3,220,981.26	$ 450,000	$ 244,250.00	$ 694,250.00
2028	2,480,000	737,731.26	3,217,731.26	470,000	221,750.00	691,750.00
2029	2,605,000	613,731.26	3,218,731.26	495,000	198,250.00	693,250.00
2030	2,740,000	483,481.26	3,223,481.26	525,000	173,500.00	698,500.00
2031	2,875,000	346,481.26	3,221,481.26	550,000	147,250.00	697,250.00
2032	1,880,000	202,731.26	2,082,731.26	575,000	119,750.00	694,750.00
2033	1,530,000	108,731.26	1,638,731.26	605,000	91,000.00	696,000.00
2034	955,000	32,231.26	987,231.26	635,000	60,750.00	695,750.00
2035	-	-	-	500,000	29,000.00	529,000.00
2036	-	-	-	100,000	4,000.00	104,000.00
TOTALS	$ 17,430,000	$ 3,381,100.08	$ 20,811,100.08	$ 4,905,000	$ 1,289,500.00	$ 6,194,500.00

Fiscal Year Ending June 30th	2023 DASNY Bonds		
	Principal	Interest	Total
2027	$ 2,205,000	$ 1,264,000.00	$ 3,469,000.00
2028	2,315,000	1,153,750.00	3,468,750.00
2029	2,420,000	1,038,000.00	3,458,000.00
2030	2,540,000	917,000.00	3,457,000.00
2031	2,660,000	790,000.00	3,450,000.00
2032	2,790,000	657,000.00	3,447,000.00
2033	2,920,000	517,500.00	3,437,500.00
2034	2,970,000	371,500.00	3,341,500.00
2035	2,875,000	223,000.00	3,098,000.00
2036	1,160,000	79,250.00	1,239,250.00
2037	425,000	21,250.00	446,250.00
TOTALS	$ 25,280,000	$ 7,032,250.00	$ 32,312,250.00

MATERIAL EVENT NOTICES

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

(a) principal and interest payment delinquencies

(b) non-payment related defaults, if material

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

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

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

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

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

(h) note calls, if material and tender offers

(i) defeasances

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

(k) rating changes

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

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

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

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

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

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

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

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

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

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

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

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

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

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

LIVERPOOL CENTRAL SCHOOL DISTRICT
ONONDAGA COUNTY, NEW YORK

FINANCIAL STATEMENTS
AND OTHER FINANCIAL INFORMATION

JUNE 30, 2025

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

LIVERPOOL CENTRAL SCHOOL DISTRICT

Financial Statements and
Independent Auditor's Reports as of and
For the Year Ended June 30, 2025

Bonadio & Co., LLP
Accounting, Consulting & More

LIVERPOOL CENTRAL SCHOOL DISTRICT

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LIVERPOOL CENTRAL SCHOOL DISTRICT

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Bonadio & Co., LLP
Accounting, Consulting & More

INDEPENDENT AUDITOR'S REPORT

October 7, 2025

To the Board of Education and Superintendent of
Liverpool Central School District:

Report on the Financial Statements

Opinions

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

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

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the 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 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.

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(Continued)

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

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

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

Required Supplementary Information
Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis; Schedule of Revenue, Expenditures, and Change in Fund Balance - Budget and Actual - General Fund; Schedule of Changes in Total OPEB Liability and Related Ratios; Schedule of Proportionate Share of Net Pension Liability (Asset) and the Schedule of Contributions - Pension Plans be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying combining and individual nonmajor fund financial statements 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 nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information
Management is responsible for the other information included in the financial statements. The other information comprises the Schedule of Change from Original Budget to Revised Budget and the Real Property Tax Limit - General Fund, Schedule of Project Expenditures - Capital Projects Fund and the Schedule of Net Investment in Capital Asset, but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 7, 2025 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

LIVERPOOL CENTRAL SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

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

Financial Highlights

- Liverpool CSD ended the 2024-2025 fiscal year with a $47,510,464 Fund Balance in the General Fund, which is a decrease of $2,084,985 from 2023-2024. Restricted and assigned fund balance in the General Fund, (including reserves and designations), was $38,879,059, a decrease of $2,364,126 from the beginning balance.

- The Statement of Net Position reflects a total net position (deficit) of ($276,824,178) at June 30, 2025. This compares to the prior year net position (deficit) of ($284,896,247). This is an increase of Net Position of $8,072,069.

- Total capital asset net increase during 2024-2025 amounted to $25,837,736 of which the main component consists of Construction in Progress ($24,317,757).

- The Serial Bond debt increased from $69,235,000 to $60,815,000. Principal payments of $8,420,000 were made during 2024-2025. Short-term debt related to bond anticipation notes (BAN) had a net increase from the prior year of $30,217,323. Short-term debt consists of the BAN to purchase buses and maintenance vehicles, totaling $6,411,944 and a capital construction ban of $29,385,000.

- The District continues to take measures to contain the growth of the General Fund.

This annual report consists of three parts: MD&A (this section), the basic financial statements (including footnotes) and supplementary information, both required and not required. The basic financial statements include two kinds of statements that are presented using different methods of accounting.

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

- The remaining statements are Governmental Fund financial statements that focus on individual parts of the School District, reporting the School District's operations in greater detail than the District-wide financial statements. The Governmental Fund financial statements concentrate on the School District's most significant funds with all other NonMajor Funds listed in total in one column.

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

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

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

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

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

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

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

Financial Analysis of the District's Funds

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

Figure 1

Condensed Statement of Net Position

	6/30/2025	6/30/2024	Difference $	Difference %
Current assets	$ 105,270,909	$ 93,207,466	12,063,443	12.94%
Non-current assets	235,980,377	203,711,432	32,268,945	15.84%
Total Assets	341,251,286	296,918,898	44,332,388	14.93%
Deferred Outflows of Resources	84,949,616	118,528,713	(33,579,097)	-28.33%
Current Liabilities	56,438,701	22,399,978	34,038,723	151.96%
Long-term Liabilities	509,961,082	583,439,252	(73,478,170)	-12.59%
Total Liabilities	566,399,783	605,839,230	(39,439,447)	-6.51%
Deferred Inflows of Resources	136,625,297	94,504,628	42,120,669	44.57%
Net Position	$ (276,824,178)	$ (284,896,247)	8,072,069	-2.83%

The increase in total assets of $44.3 million, combined with a decrease of $33.6 million in deferred outflows of resources, a $39.4 million decrease in total liabilities (BANs to Bonds, Pension liability and OPEB liability) and an increase of $42.1 million in deferred inflows of resources gives us the change of $8.0 million in Net Position. Deferred outflows of resources represent the use of resources that are applicable to future periods, while deferred inflows of resources are the acquisition of resources that will be applied to future periods. This focus is on funding.

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

The Statement of Activities reports the Revenue and Expenditures of the District and its Change in Net Position for all funds. It takes the Statement of Revenue, Expenditures, and Change in Fund Balance for the Government Funds and adjusts for long term liabilities and assets to represent the District's activities as a whole.

Figure 2
Condensed Statement of Activities

	6/30/2025	6/30/2024	Difference $	Difference %
Program Revenues:				
Charges for Services	$ 689,057	$ 749,232	(60,175)	-8.03%
Operating Grants & Contributions	13,714,187	17,048,518	(3,334,331)	-19.56%
Capital Grants	-	154,430	(154,430)	100.00%
Total Program Revenues	14,403,244	17,952,180	(3,548,936)	-19.77%
General Revenues:				
Real property taxes	89,538,584	86,852,562	2,686,022	3.09%
Other tax items	8,896,168	9,473,221	(577,053)	-6.09%
Nonproperty taxes	317,998	309,683	8,315	2.69%
Use of money and property	4,001,830	3,980,386	21,444	0.54%
Sale of property and compensation for loss	145,076	180,116	(35,040)	-19.45%
Miscellaneous	2,223,047	1,669,459	553,588	33.16%
State sources	81,388,437	74,032,878	7,355,559	9.94%
Federal sources	5,004,435	8,927,409	(3,922,974)	-43.94%
Medicaid reimbursement	672,545	885,141	(212,596)	-24.02%
Total General Revenues	192,188,120	186,310,855	5,877,265	3.15%
Expenses by Function:				
General Support	27,576,584	26,560,019	1,016,565	3.83%
Instruction	150,725,329	149,173,114	1,552,215	1.04%
Pupil Transportation	15,068,240	15,629,495	(561,255)	-3.59%
Community Services	96,987	142,397	(45,410)	-31.89%
Interest	2,981,233	3,415,220	(433,987)	-12.71%
School Lunch Program	2,070,922	2,010,935	59,987	2.98%
Total Expenses by Function	198,519,295	196,931,180	1,588,115	0.81%
Change in Net Position	$ 8,072,069	$ 7,331,855	740,214	10.10%

The total fund statements showed a change in fund balance from $71.3 million to $50.2 million. This decrease consisted of a decrease of nearly $2.1 million in the General Fund and $21.2 million in the Capital Fund and an increase in Nonmajor funds (School Lunch and Debt Service). The Capital Fund decrease in Fund Balance is due to the planned Capital Project expenditures, as construction activity is currently at its peak.BANS(liability) were issued to cover the cost (see Figure 6 for debt information). State sources increased across many aid categories, the majority being expense driven aids that resulted in higher than anticipated revenues. Federal sources decreased due to the ending phase of Stimulus monies.

Adjustments were made for long-term capital assets, pension changes and OPEB changes. The net position for 2024-2025 of $8,072,069 equals the Difference in Net Position in Figure 1.

General Fund

The District's General Fund balance at June 30, 2025 is $47,510,464, a decrease of $2,084,985 from the prior year. The District was able to maximize the 4% unassigned fund balance, make deposits of $606,000 into the Tax Certiorari Reserve, and $2,026,962 into the Capital Reserve 2022. The District allocated $5,000,000 from district accounts to appropriate funds in the 2025-26 year in addition to allocating the use of reserves.

General Fund Budgetary Highlights

Figure 3
Revenues – Budget to Actual

	Original Budget	Final Budget	Actual	Final Budget Variance with Budgetary Actual
REVENUES:				
Local Sources:				
Real property taxes	$ 97,550,331	$ 89,551,683	$ 89,538,584	$ (13,099)
Other tax items	958,265	8,956,913	8,896,168	(60,745)
Nonproperty taxes	250,000	250,000	317,998	67,998
Other local sources	1,427,060	1,599,617	4,977,126	3,377,509
	100,185,656	100,358,213	103,729,876	3,371,663
State sources	83,333,113	83,333,113	86,485,546	3,152,433
Medicaid reimbursement	400,000	400,000	672,545	272,545
Federal sources	550,000	550,000	656,241	106,241
Total revenue	184,468,769	184,641,326	191,544,208	6,902,882
Other Financing Sources	672,913	2,857,010	2,941,934	84,924
Total revenues and other sources	$ 185,141,682	$ 187,498,336	$ 194,486,142	$ 6,987,806

The District's General Fund total revenues and other sources show a $6.99 million excess over projected revenues in all major categories except PILOTs. The surplus is mainly in local sources (interest and refunds), and State aid (transportation, excess cost, and BOCES).

Figure 4
Expenditures – Budget to Actual

	Original Budget	Final Budget	Actual	Encumbrances	Final Budget Variance with Budgetary Actual
EXPENDITURES:					
General support	$ 19,470,662	$ 17,622,867	$ 16,800,998	$ 401,800	$ 420,069
Instruction	89,396,723	89,167,906	88,240,268	106,415	821,223
Pupil transportation	8,997,651	8,429,057	8,302,372	681	126,004
Employee benefits	59,218,717	60,971,921	59,925,912	-	1,046,009
Capital outlay	-	2,184,097	2,184,097	-	-
Debt service - principal	10,419,621	12,125,122	12,125,122	-	-
Debt service - interest	4,184,902	4,020,865	4,020,865	-	-
Total expenditures	191,688,276	194,521,835	191,599,634	508,896	2,413,305
Other Financing Uses	470,000	5,020,898	4,971,493	-	49,405
Total expenditures and other uses	192,158,276	199,542,733	196,571,127	508,896	2,462,710
NET CHANGE IN FUND BALANCES	$ (7,016,594)	$ (12,044,397)	$ (2,084,985)	$ (508,896)	$ 9,450,516
FUND BALANCE - beginning of year			49,595,449		
FUND BALANCE - end of year			$ 47,510,464		

The District had a favorable budget expenditure variance of $2.5 million. The employee benefits category had a $1.7 million transfer to account for the additional expenses. The budget transfer resulted in the positive variance in this line.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

As of June 30, 2025, the School District had invested in a broad range of capital assets. The net value of capital assets of $225,061,954 represents a net increase from the prior year.

Figure 5

	Beginning of Year	Increases	Decreases	End of Year	Net Change
Land	$ 3,293,962	$ -	$ -	$ 3,293,962	$ -
Construction in Progress	26,604,931	$ 24,317,757	$ (23,337,111)	27,585,577	980,646
Depreciable Assets	302,024,086	27,274,985	(2,417,895)	326,881,176	24,857,090
Lease assets	4,980,055	2,190,248	(880,424)	6,289,879	1,309,824
Total Capital Assets	336,903,034	53,782,990	(26,635,430)	364,050,594	27,147,560
Accumulated Deprecation and Amortization	(133,191,602)	(9,092,903)	3,295,865	(138,988,640)	(5,797,038)
Net Capital Assets	$ 203,711,432	$ 44,690,087	$ (23,339,565)	$ 225,061,954	$ 21,350,522

During 2024-25 there was reclassification of $23,337,111 from Construction in Progress to the appropriate categories (buildings, improvements, etc.), and began to be depreciated. Major capital projects that were approved by the voters in March 2022, May 2023, March of 2024 and March 2025 school buses, and depreciable assets make up the majority of the increase.

Debt Administration

Short-term debt, including premiums, increased by 538% in the fiscal year ending June 30, 2025 when compared to the prior year. Long-term debt decreased by 12.1% during that period. Total debt increased by 1.25% in 2024-2025. Both short-term and long-term debt are considered a liability on the Statement of Net Position. Details are described below in Figure 6.

Figure 6

	Beginning of Year	Issued	Redeemed	End of Year	Net Change
BANS	$ 5,579,621	$ 45,796,944	$ (15,579,621)	$ 35,796,944	$ 30,217,323
Premiums	63,887	304,170	(122,391)	$ 245,666	181,779
	$ 5,643,508	$ 46,101,114	$ (15,702,012)	$ 36,042,610	$ 30,399,102

	Beginning of Year	Issued	Redeemed	End of Year	Net Change
Serial Bonds	$ 69,235,000	$ -	$ (8,420,000)	$ 60,815,000	$ (8,420,000)
Premiums	9,423,611	-	(1,102,109)	$ 8,321,502	(1,102,109)
	$ 78,658,611	$ -	$ (9,522,109)	$ 69,136,502	$ (9,522,109)

Other obligations of the School District include accrued vacation pay, sick leave and other postemployment benefits for retired employees. More detailed information about the School District's long-term liabilities is presented in the notes to the financial statements.

In February 2024, Moody's Investors Service affirmed an “Aa3” rating to Liverpool Central School District. The “Aa3” rating incorporates the balanced financial operations marked by satisfactory reserve levels, the stable suburban tax base, and the affordable debt burden, which is expected to remain manageable. Our rating with Standard & Poor's at this time is "AA-".

FACTORS BEARING ON THE SCHOOL DISTRICT'S FUTURE

- The contract for United Liverpool Faculty Association (ULFA), the District's largest group of represented employees, has a four-year term; July 1, 2025 through June 30, 2029. Service Employees International Local 200 United (SEIU) contract runs from July 1, 2025 through June 30, 2030. The Liverpool Administrators Association (LAA) four-year contract was settled and runs from July 1, 2024 through June 30, 2028. The Liverpool Association of Middle Managers (LAMM) agreed to a new contract expiring June 30, 2028. The HERE Union for food service agreed to a two year contract July 1, 2025 through June 30, 2027 and is in negotiations with the District.

- Contractual obligations of the School District relating to employment contracts and employee benefits represent approximately 78.0% of the 2024-2025 annual budget.

- Annual health insurance contribution rate increases and actual retirement contribution rates were as follows:

Fiscal Year	Health Insurance Contribution Rate Increases	Teachers' Retirement System Contribution Rates	Employees' Retirement System Contribution Rates
2024-2025	5.00%	9.59%	15.2%
2023-2024	6.80%	9.76%	12.36%
2022-2023	3.25%	10.29%	11.60%
2021-2022	-1.59%	9.80%	16.20%
2020-2021	5.60%	9.53%	16.20%
2019-2020	4.82%	8.86%	14.60%
2018-2019	7.76%	10.62%	14.90%
2017-2018	10.00%	9.80%	15.30%
2016-2017	8.00%	11.72%	15.50%

- The Liverpool Central School District has been assigned a "No Designation" rating regarding fiscal stress since the 2017-18 school year. Fiscal Stress Monitoring System designations are established based on set criteria from the NYS Office of the State Comptroller. This rating confirms the continued fiscal health of the District as of June 30, 2024.

- On March 14, 2022, the District voters approved a Capital Project in the amount of $72,184,922, which includes major renovations and facility upgrades to five buildings. The voters authorized the use of $7,142,123 from the District's Capital Reserve 15-16 and $5,918,993 from the District's Capital Reserve 20-21, and the issuance of bonds in the amount of $59,123,806. On May 16, 2023, voters approved an additional $9,000,000 to aid and extend the current approved project as well as improvements to an additional 4 buildings. The second phase is to be funded from a $1,000,000 transfer from the School Food Service Fund and $8,000,000 through the issuance of a serial bond. March 27, 2025 the Voters approved an additional capital project to authorize an additional $17,775,000 of work to be completed and $4,250,000 being allocated from the 2021-22 capital reserve. The total authorization for this project is now $98,959,922

- On March 14, 2024, the District voters also approved a Capital Project in the amount of $50,343,941 for renovations and improvements to six buildings. Voters approved funding for this project is in the amount of $8,000,000 from Capital Reserves and $42,343,941 through the issuance of a serial bond.

FACTORS BEARING ON THE SCHOOL DISTRICT'S FUTURE (Continued)

- The State Education Department approved the District's 2022-2025 Instructional Technology Plan. The plan was developed from the strong stance that technology can significantly enhance the teaching and learning environment. This plan includes a Chromebook and iPad 1:1 initiative District-wide. The new plan will be updated and submitted prior to July 1, 2026.

- The Smart Schools Bond Act of 2014 (SSBA) was approved by New York State voters in 2014 and subsequently authorized the issuance of $2 billion in bonds to improve educational technology and infrastructure statewide. Liverpool's allocation is approximately $5.3 million. The District submitted an improvement plan in July 2015 consisting of three phases. Phase one and two are complete and total approximately $3.9 million. Phase 3 for high tech security has obtained SSBA approval. The purchase and installation of the equipment are currently underway. This plan includes the replacement of outdated systems and totals approximately $1.4 million. The district has spent $4,791,606.

- The School District's Audit Committee met four times during 2024-2025 and continues to serve as a valuable resource to the Administration and the Board of Education. We appreciate their important role.

CONTACTING THE SCHOOL DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide the Liverpool Central School District's citizens, taxpayers, customers, investors, and creditors with a general overview of the School District's finances and to demonstrate the School District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Assistant Superintendent for Business Administration, Liverpool Central School District, at 195 Blackberry Road, Liverpool, New York 13090.

LIVERPOOL CENTRAL SCHOOL DISTRICT

Statement of Net Position
June 30, 2025

ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	
CURRENT ASSETS:	
Cash - unrestricted	$ 24,333,903
Cash - restricted	69,370,948
Due from other governments	3,768,569
State and federal aid receivable	6,974,219
Other receivables	214,650
Inventories	97,406
Prepaid expenses	511,214
Total current assets	105,270,909
NON CURRENT ASSETS:	
Net pension asset - TRS	10,918,423
Capital assets, non-depreciable	30,879,539
Capital assets, depreciable, net	194,182,415
Total non current assets	235,980,377
DEFERRED OUTFLOWS OF RESOURCES:	
Deferred outflows of resources - pensions ERS	5,061,610
Deferred outflows of resources - pensions TRS	25,245,456
Deferred outflows of resources - OPEB related	54,642,550
Total deferred outflows of resources	84,949,616
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	
CURRENT LIABILITIES:	
Accounts payable	4,278,902
Accrued liabilities	6,617,109
Due to other governments	13,568
Retainage payable	785,077
Interest payable	331,214
Bond anticipation notes	36,042,610
Due to teachers' retirement system	7,370,977
Due to employees' retirement system	920,383
Unearned revenue	78,861
Total current liabilities	56,438,701
LONG-TERM LIABILITIES:	
Due and payable within one year:	
Bonds payable, current	8,657,109
Lease liabilities, current	1,310,966
Other postemployment benefits, current	17,944,826
Compensated absences, current	311,529
Due and payable in more than one year:	
Bonds payable, net of current portion	60,479,393
Lease liabilities, net of current portion	1,583,931
Net pension liability - ERS	9,155,715
Other postemployment benefits, net of current portion	408,069,225
Compensated absences, net of current portion	2,448,388
Total long-term liabilities	509,961,082
DEFERRED INFLOWS OF RESOURCES:	
Deferred inflows of resources - pensions ERS	508,056
Deferred inflows of resources - pensions TRS	13,704,785
Deferred inflows of resources - OPEB related	122,412,456
Total deferred inflows of resources	136,625,297
NET POSITION	
Net investment in capital assets	144,122,030
Restricted	45,397,424
Unrestricted	(466,343,632)
TOTAL NET POSITION	$ (276,824,178)

The accompanying notes are an integral part of these statements.

LIVERPOOL CENTRAL SCHOOL DISTRICT

Statement of Activities
For the Year Ended June 30, 2025

		Program Revenue		
	Expenses	Charges for Services	Operating Grants	Net (Expense) Revenue and Change in Net Position
FUNCTIONS/PROGRAMS:				
General support	$ 27,576,584	$ 541,866	$ -	$ (27,034,718)
Instruction	150,725,329	-	8,553,712	(142,171,617)
Pupil transportation	15,068,240	-	574,605	(14,493,635)
Community services	96,987	-	-	(96,987)
Interest	2,981,233	-	-	(2,981,233)
School lunch program	2,070,922	147,191	4,585,870	2,662,139
TOTAL FUNCTIONS AND PROGRAMS	$ 198,519,295	$ 689,057	$ 13,714,187	(184,116,051)
GENERAL REVENUE:				
Real property taxes				89,538,584
Other tax items				8,896,168
Nonproperty taxes				317,998
Use of money and property				4,001,830
Sale of property and compensation for loss				145,076
Miscellaneous				2,223,047
State sources				81,388,437
Federal sources				5,004,435
Medicaid reimbursement				672,545
TOTAL GENERAL REVENUE				192,188,120
CHANGE IN NET POSITION				8,072,069
NET POSITION - beginning of year				(284,896,247)
TOTAL NET POSITION - end of year				$ (276,824,178)

The accompanying notes are an integral part of these statements.

LIVERPOOL CENTRAL SCHOOL DISTRICT

Balance Sheet – Governmental Funds
June 30, 2025

	General	Capital Projects	Special Aid	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS:					
Cash - unrestricted	$ 18,846,460	$ -	$ -	$ 5,487,443	$ 24,333,903
Cash - restricted	33,421,044	29,493,243	-	6,456,661	69,370,948
Due from other funds	3,923,349	-	-	1,681	3,925,030
Due from other governments	3,179,395	-	546,585	42,589	3,768,569
State and federal aid receivable	3,965,334	-	2,644,249	364,636	6,974,219
Other receivables	214,317	-	-	333	214,650
Inventories	-	-	-	97,406	97,406
Prepaid expenditures	511,214	-	-	-	511,214
TOTAL ASSETS	$ 64,061,113	$ 29,493,243	$ 3,190,834	$ 12,450,749	$ 109,195,939
LIABILITIES:					
Accounts payable	$ 1,696,804	$ 2,359,158	$ 159,890	$ 63,050	$ 4,278,902
Accrued liabilities	6,595,060	-	2,413	19,636	6,617,109
Due to other funds	-	750,127	2,977,650	197,253	3,925,030
Due to other governments	13,557	-	-	11	13,568
Bond anticipation notes	-	35,796,944	-	-	35,796,944
Due to teachers' retirement system	7,370,977	-	-	-	7,370,977
Due to employees' retirement system	874,251	-	-	46,132	920,383
Unearned revenue	-	27,980	50,881	-	78,861
TOTAL LIABILITIES	16,550,649	38,934,209	3,190,834	326,082	59,001,774
FUND BALANCE:					
Nonspendable	511,214	-	-	97,406	608,620
Restricted:					
Workers' compensation	559,362	-	-	-	559,362
Unemployment insurance	229,395	-	-	-	229,395
Tax certiorari	2,944,376	-	-	-	2,944,376
Employee benefit accrued liability	3,102,803	-	-	-	3,102,803
Insurance	13,615,985	-	-	-	13,615,985
Capital projects	2,953,022	-	-	-	2,953,022
Retirement contribution	9,965,220	-	-	-	9,965,220
Debt service	-	-	-	6,063,980	6,063,980
School lunch	-	-	-	5,604,791	5,604,791
Other	-	-	-	358,490	358,490
Total restricted fund balance	33,370,163	-	-	12,027,261	45,397,424
Assigned:					
Encumbered for:					
General support	401,800	-	-	-	401,800
Instruction	106,415	-	-	-	106,415
Pupil transportation	681	-	-	-	681
Appropriated for subsequent years expenditures	5,000,000	-	-	-	5,000,000
Total assigned fund balance	5,508,896	-	-	-	5,508,896
Unassigned	8,120,191	(9,440,966)	-	-	(1,320,775)
TOTAL FUND BALANCE	47,510,464	(9,440,966)	-	12,124,667	50,194,165
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	$ 64,061,113	$ 29,493,243	$ 3,190,834	$ 12,450,749	$ 109,195,939

The accompanying notes are an integral part of these statements.

LIVERPOOL CENTRAL SCHOOL DISTRICT

Reconciliation of the Balance Sheet and Statement of Net Position
June 30, 2025

Amounts reported for governmental activities in the Statement of Net Position are different from amounts reported in the Balance Sheet because:		
Total Governmental Funds - Fund Balance per the Balance Sheet		$ 50,194,165
The cost of investment in capital assets (including lease assets) are reported as expenditures in the year they are incurred in the governmental funds. However, the Statement of Net Position includes those costs among the assets of the District, and their original costs are depreciated annually over the life of the asset.		
Original cost of capital assets	364,050,594	
Accumulated depreciation/amortization	(138,988,640)	
Net cost of capital assets		225,061,954
Net pension assets are not current resources, and therefore are not reported as assets in the governmental funds Balance Sheet. Long-term assets recorded in the Statement of Position are as follows:		
Net pension asset - TRS		10,918,423
Deferred outflows of resources not reported in the governmental funds Balance Sheet but included in the Statement of Net Position are as follows:		
Pensions - ERS	5,061,610	
Pensions - TRS	25,245,456	
Other postemployment benefits	54,642,550	
Total deferred outflows of resources		84,949,616
Long-term liabilities are not due and payable in the current period, and therefore are not reported as liabilities in the governmental funds Balance Sheet. Long-term liabilities recorded in the Statement of Position are as follows:		
Retainage payable	(785,077)	
Interest payable	(331,214)	
Lease liabilities	(2,894,897)	
Bond anticipation notes - premium	(245,666)	
Bonds payable	(69,136,502)	
Net pension liability - ERS	(9,155,715)	
Total other postemployment benefits liability	(426,014,051)	
Compensated absences	(2,759,917)	
Total long-term liabilities		(511,323,039)
Deferred inflows of resources not reported in the governmental funds Balance Sheet but recorded in the Statement of Net Position are as follows:		
Pensions - ERS	(508,056)	
Pensions - TRS	(13,704,785)	
Other postemployment benefits	(122,412,456)	
Total deferred inflows of resources		(136,625,297)
Net position per the Statement of Net Position		$ (276,824,178)

The accompanying notes are an integral part of these statements.

LIVERPOOL CENTRAL SCHOOL DISTRICT

Statement of Revenue, Expenditures, and Change in Fund Balance – Governmental Funds
For the Year Ended June 30, 2025

	General	Capital Projects	Special Aid	Nonmajor Governmental Funds	Total Governmental Funds
REVENUE:					
Real property taxes	$ 89,538,584	$ -	$ -	$ -	$ 89,538,584
Other tax items	8,896,168	-	-	-	8,896,168
Nonproperty taxes	317,998	-	-	-	317,998
Charges for services	541,866	-	-	-	541,866
Sales	-	-	-	147,191	147,191
Use of money and property	2,712,978	-	-	1,288,852	4,001,830
Sale of property and compensation for loss	145,076	-	-	-	145,076
Miscellaneous	1,577,206	-	273,174	372,667	2,223,047
State sources	86,485,546	-	4,031,208	1,325,281	91,842,035
Medicaid reimbursement	672,545	-	-	-	672,545
Federal sources	656,241	-	4,348,194	3,260,589	8,265,024
Total revenue	191,544,208	-	8,652,576	6,394,580	206,591,364
EXPENDITURES:					
General support	16,800,998	-	-	-	16,800,998
Instruction	88,240,268	-	7,268,706	1,465,142	96,974,116
Pupil transportation	8,302,372	-	502,229	-	8,804,601
Community services	-	-	-	96,987	96,987
Employee benefits	59,925,912	-	1,300,920	444,968	61,671,800
Cost of sales	-	-	-	1,812,389	1,812,389
Other expenditures	-	-	-	258,533	258,533
Capital outlay	2,184,097	27,401,776	6,151	-	29,592,024
Debt service - principal	12,125,122	-	97,200	-	12,222,322
Debt service - interest	4,020,865	-	7,801	154,490	4,183,156
Total expenditures	191,599,634	27,401,776	9,183,007	4,232,509	232,416,926
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	(55,426)	(27,401,776)	(530,431)	2,162,071	(25,825,562)
OTHER SOURCES AND (USES):					
BANs redeemed from appropriations	-	2,264,621	-	-	2,264,621
Premiums on obligations	-	-	-	304,170	304,170
Proceeds from leases	2,184,097	-	6,151	-	2,190,248
Operating transfers in	757,837	4,354,095	557,784	425,371	6,095,087
Operating transfers out	(4,971,493)	(447,177)	(33,504)	(642,913)	(6,095,087)
Total other sources (uses)	(2,029,559)	6,171,539	530,431	86,628	4,759,039
CHANGE IN FUND BALANCE	(2,084,985)	(21,230,237)	-	2,248,699	(21,066,523)
FUND BALANCE - beginning of year	49,595,449	11,789,271	-	9,875,968	71,260,688
FUND BALANCE - end of year	$ 47,510,464	$ (9,440,966)	$ -	$ 12,124,667	$ 50,194,165

The accompanying notes are an integral part of these statements.

LIVERPOOL CENTRAL SCHOOL DISTRICT

Reconciliation of the Statement of Revenue, Expenditures, and Change in Fund Balance to the Statement of Activities

For the Year Ended June 30, 2025

Amounts reported for governmental activities in the Statement of Net Activities are different from amounts reported in the Statement of Revenue, Expenditures, and Change In Fund Balances because:

Net changes in fund balance - total governmental funds	$ (21,066,523)
Capital outlays are expenditures in governmental funds, but are capitalized in the statement of net position.	
Capital asset (including lease asset) additions	30,445,879
Loss on disposition of capital assets	(2,454)
Depreciation and amortization expense	(9,092,903)
ERS pension (expense)/income resulting from the change in the pension related (liabilities)/assets and deferred outflows and inflows of resources, that are long-term in nature and therefore not reported in the funds.	
Net pension liability/asset	(764,549)
Deferred outflows of resources	(2,472,164)
Deferred inflows of resources	3,931,703
TRS pension (expense)/income resulting from the change in the pension related (liabilities)/assets and deferred outflows and inflows of resources, that are long-term in nature and therefore not reported in the funds.	
Net pension liability/asset	14,979,750
Deferred outflows of resources	(2,507,307)
Deferred inflows of resources	(11,605,092)
Other postemployment benefits (expense)/income resulting from the change in the other postemployment benefits related (liabilities)/assets and deferred outflows and inflows of resources, that are long-term in nature and therefore not reported in the funds.	
Total other postemployment benefits liability	60,399,277
Deferred outflows of resources	(28,599,626)
Deferred inflows of resources	(34,447,280)
Issuance of long-term debt and related premiums and lease liabilities are recognized as proceeds in the governmental funds, but recorded as a liability in the statement of net position.	(2,190,248)
Repayments of long-term serial bonds and lease liabilities are recorded as expenditures in the governmental funds, but are recorded as payments of liabilities in the statement of net position.	9,957,702
Amortization of premium on serial bonds not reported in the funds.	1,102,109
Increase in accrued interest not previously reported in the funds.	(22,578)
The net increase in premiums on bond anticipation notes not previously reported in the funds.	(181,779)
The net increase in long-term retainage expenses and accrued liabilities not reported in the funds.	(704,400)
Certain expenses in the statement of activities do not require the expenditure of current resources and are, therefore, not reported as expenditures in the governmental funds include the following:	
Compensated absences	912,552
Change in net position - governmental activities	$ 8,072,069

The accompanying notes are an integral part of these statements.

LIVERPOOL CENTRAL SCHOOL DISTRICT

Statement of Net Position – Fiduciary Fund
June 30, 2025

	Custodial Fund
ASSETS:	
Restricted cash	$ -
Other assets	-
Total assets	-
LIABILITIES:	
Accounts payable	-
Total liabilities	-
NET POSITION:	
Restricted net position	$ -

Statement of Change in Net Position – Fiduciary Fund
For the Year Ended June 30, 2025

	Custodial Fund
ADDITIONS:	
Tax collections for other governments	$ 4,239,802
Total additions	4,239,802
DEDUCTIONS:	
Payments of tax to other governments	4,239,802
Total deductions	4,239,802
Change in net position	-
Total net position - beginning of year	-
Total net position - end of year	$ -

The accompanying notes are an integral part of these statements.

1. NATURE OF OPERATIONS AND SUMMARY OF CERTAIN SIGNIFICANT ACCOUNTING POLICIES

Liverpool Central School District (the District) provides education for pupils. Services such as transportation of pupils, administration, finance and plant maintenance support the primary function.

The financial statements of the District have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. Those principles are prescribed by the Governmental Accounting Standards Board (GASB), which is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

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

Reporting Entity
The Liverpool Central School District is governed by the laws of New York State. The District is an independent entity governed by an elected Board of Education (BOE). The President of the Board serves as chief fiscal officer and the Superintendent is the chief executive officer. The BOE has authority to make decisions, power to appoint management and has accountability for all fiscal matters.

The reporting entity of the District is based upon criteria set forth by the GASB and consists of the primary government, and when applicable, organizations for which the primary government is financially accountable and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The accompanying financial statements present the activities of the District including the Extraclassroom Activity Funds (the ECA Funds).

The ECA Funds and the related transactions are facilitated by the student body. However, the Board of Education exercises general oversight of these funds. The District accounts for the ECA Funds in the Extraclassroom Activities Fund, a special revenue fund. Separate audited financial statements (cash basis) of the ECA Funds can be found at the District's business office.

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

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

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

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

Financial statements for the BOCES are available from the BOCES administrative office at 110 Elwood Davis Road, Liverpool, New York 13088.

Basis of Presentation
Government-wide Financial Statements
The statement of net position and the statement of activities present financial information about the District's governmental activities. These statements include the financial activities of the government in its entirety, except for those that are fiduciary. Eliminations have been made to minimize the double counting of internal transactions. Governmental activities generally are financed through taxes, state aid, intergovernmental revenue, and other exchange and non-exchange transactions. Operating grants include operating-specific and discretionary (either operating or capital) grants, while the capital grants column reflects capital-specific grants.

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

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

The District reports the following major governmental funds:

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

- Capital Projects Fund – This fund accounts for the financial resources used for the renovation of the District's educational complex and the purchase of District transportation equipment.

- Special Aid Fund – This is a special revenue fund that accounts for the proceeds of specific revenue sources, such as federal, state and local grants, that are legally restricted to expenditures for specified purposes, and other activities whose funds are restricted as to use. These legal restrictions may be imposed either by governments that provide the funds, or by outside parties.

The District reports the following nonmajor governmental funds:

- School Lunch Fund – This special revenue fund accounts for the financial transactions in connection with the District's food service program.

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

Fund Financial Statements (Continued)

- Extraclassroom Activities Fund – This special revenue fund accounts for the activities of the student run clubs and organizations of the District.

- Miscellaneous Special Revenue Fund – This special revenue fund accounts for proceeds from various funding sources, which may be restricted by a donor or designated by the District for specific purposes.

- Debt Service Fund – This fund accounts for the accumulation of resources and payment of principal and interest on long-term general obligation debt of the governmental activities.

The District reports the following fiduciary fund:

- Custodial Fund – These funds account for assets held by the District in a purely custodial capacity on a temporary basis. Property taxes and PILOT payments for Liverpool Public Library are paid to the District and are subsequently remitted to the Library. No custodial assets were held as of year-end June 30, 2025.

Use of Estimates

The preparation of basic financial statements, in conformity with accounting principles generally accepted in the United States of America, requires management to make estimates and assumptions that affect the amounts reported in the basic financial statements and the accompanying notes. Actual results could differ from these estimates and such differences may be significant.

Measurement Focus and Basis of Accounting

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

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

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

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

Cash and Cash Equivalents

The District's cash and cash equivalents consists of cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition. New York State law governs the District's investment policies. Resources must be deposited in FDIC-insured commercial banks or trust companies located within the state. Permissible investments include obligations of the United States Treasury, United States agencies, repurchase agreements and obligations of New York State or its localities. Collateral is required for demand and time deposits and certificates of deposit not covered by FDIC insurance.

Restricted Cash and Cash Equivalents

Restricted cash represents cash where use is limited by legal requirements. These assets represent amounts required by statute to be reserved for various purposes, as well unspent debt proceeds restricted for use in capital projects and amounts restricted for debt service.

Property Taxes

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

Uncollected real property taxes are subsequently enforced by Onondaga County (the County). An amount representing uncollected real property taxes transmitted to the County for enforcement is paid by the County to the District. This year, amounts were received on April 1, 2025.

Due From Other Governments

Due from other governments recorded as an asset at June 30, 2025 primarily relates to receivables due from BOCES and the County. Management does not believe an allowance for doubtful accounts is necessary.

State and Federal Aid Receivable

State and federal aid receivable recorded as an asset at June 30, 2025 relates to receivables due from New York State and/or the federal government. Management does not believe an allowance for doubtful accounts is necessary.

Other Receivables

Other receivables are shown gross, with uncollectible amounts recognized under the direct write-off method. No allowance for uncollectible accounts has been provided since management believed that such allowance would not be material.

Interfund Transactions

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

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

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

Interfund Transactions (Continued)
Eliminations have been made in the government-wide financial statements for all significant interfund receivables and payables, and transfers between the funds, with the exception of those due to/from between the governmental funds and fiduciary funds, when applicable.

Inventory and Prepaid Items
Inventories of food in the School Lunch Fund are recorded at cost on a first-in, first-out basis, or in the case of surplus food, at stated value, which approximates fair value. Purchases of inventory items in other funds are recorded as expenditures at the time of purchase and are considered immaterial in amount. Prepaid items represent payments made by the District for which benefits extend beyond year end. These payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and governmental fund financial statements. These items are reported as assets on the statement of net position using the consumption method. A current asset for the prepaid amounts is recorded at the time of purchase and an expense/expenditure is reported in the year the goods or services are consumed.

A portion of fund balance equal to inventories and prepaid amounts is reported as nonspendable, as these assets are not in spendable form in the current period.

Capital Assets
Capital assets are reported at actual cost when such data was available. For assets in which there was no data available, estimated historical costs, based on appraisals conducted by independent third-party professionals, were used. Donated assets are reported at estimated fair value at the time received.

Depreciation is calculated on a straight-line basis over the estimated useful life of the asset.

Capitalization thresholds (the dollar value above which asset acquisitions are added to the capital asset accounts), depreciation methods, and estimated useful lives of capital assets reported in the government-wide statements are as follows:

	Capitalization Threshold	Depreciation Method	Estimated Useful Life
Buildings	$ 50,000	SL	50 years
Improvements	$ 25,000	SL	7-20 years
Vehicles and equipment	$ 5,000	SL	5-20 years

Capital assets also include lease assets with a term greater than one year. The District does not implement a capitalization threshold for lease assets. Lease assets are amortized on a straight-line basis over the term of the lease.

Deferred Outflows and Inflows of Resources
In addition to assets, the statement of net position sometimes reports a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period and so will not be recognized as an outflow of resources (expense) until then. The District reports the following items in this category:

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

Deferred Outflows and Inflows of Resources (Continued)

- Deferred charges resulting from bond refunding. A deferred charge on a refunding results from the difference in the carrying value of the refunding debt and its reacquisition price. The amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The amortization is expensed against interest expense in future periods.

- Deferred charges related to pension plans and the other postemployment benefits plan (see Notes 9 and 10).

Deferred inflows of resources represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The District reports the following items in this category:

- Deferred resources related to pension plans and the other postemployment benefits plan (see Notes 9 and 10).

Vested Employee Benefits – Compensated Absences

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

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

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

Consistent with GASB Standards, the liability is included in the District-wide financial statements. The compensated absences liability is calculated based on the pay rates in effect at year-end.

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

Other Postemployment Benefits

In addition to providing the pension benefits described, the District provides postemployment health insurance coverage and survivor benefits to its retired employees and their survivors, in accordance with the provisions of the employment contracts negotiated between the District and its employee groups. Substantially, all of these employees may become eligible for these benefits if they reach normal retirement age while working for the District. Healthcare benefits are provided through plans whose premiums are based on the benefits paid during the year. The District pays a variable percentage of the cost of premiums to an insurance company that provides healthcare insurance. At the fund level the District recognizes the cost of providing healthcare insurance by recording its share of insurance premiums as an expenditure or operating transfer to other funds in the General Fund in the year paid. The financial disclosures relating to the District's other postemployment benefits are reflected in Note 10.

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

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

All encumbrances are classified as either restricted or assigned fund balance.

Restricted Resources
When an expense is incurred for purposes for which both restricted and unrestricted net position are available, it is the District's policy to apply restricted funds before unrestricted funds, unless otherwise prohibited by legal requirements.

Net Position/Fund Balance Classifications

Government-wide Statements
In the government-wide financial statements there are three classes of net position:

Net Investment in Capital Assets – Consists of net capital assets (cost less accumulated depreciation or amortization) plus unspent bond proceeds reduced by outstanding balances of related debt obligations or other liabilities from the acquisition, construction or improvements of those assets.

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

Unrestricted Net Position – Reports all other net position that do not meet the definition of the above two classifications and are deemed to be available for general use by the District.

Fund Financial Statements
In the governmental fund financial statements there are five classifications of fund balance:

Nonspendable Fund Balance – Includes amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. Nonspendable fund balance includes prepaid expenditures and inventories.

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

Workers' Compensation
Workers' compensation reserve (GML §6-j) is used to pay for compensation benefits and other expenses authorized by Article 2 of the Workers' Compensation Law and for payment of expenses of administrating this program. The reserve is established without voter approval and funded by budgetary appropriation. This reserve is accounted for in the General Fund.

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

Fund Financial Statements (Continued)

Unemployment Insurance
Unemployment insurance reserve (GML §6-m) is used to pay the cost of reimbursement to the State Unemployment Insurance Fund for payments made to claimants where the employer has elected to use the benefit reimbursement method. The reserve may be established by Board action and is funded by budgetary appropriations and such other funds as may be legally appropriated. Within 60 days after the end of any fiscal year, excess amounts may either be transferred to another reserve or the excess applied to the appropriations of the next succeeding fiscal year's budget. If the District elects to convert to tax (contribution) basis, excess resources in the fund over the sum sufficient to pay pending claims may be transferred to any other reserve fund. This reserve is accounted for in the General Fund.

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

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

Insurance
According to General Municipal Law §6-n, this reserve must be used to pay liability, casualty and other types of losses, except losses incurred for which the following types of insurance may be purchased: life, accident, health, annuities, fidelity and surety, credit, title residual value and mortgage guarantee. In addition, this reserve may not be used for any purpose for which a special reserve may be established pursuant to law (for example, for unemployment compensation insurance). The reserve may be established by Board action, and funded by budgetary appropriation, or such other funds as may be legally appropriated. There is no limit on the amount that may be accumulated in the Insurance Reserve. However, the annual contribution to this reserve may not exceed the greater of $33,000 or 5% of the budget. Settled or compromised claims up to $25,000 may be paid from the reserve without judicial approval. This reserve is accounted for in the General Fund.

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

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

Fund Financial Statements (Continued)

Retirement Contribution
Retirement contribution reserve (GML §6-r) is used for the purpose of financing retirement contributions. The reserve must be accounted for separate and apart from all other funds and a detailed report of operation and condition of the fund must be provided to the board. This reserve is accounted for in the General Fund. Of this reserve at June 30, 2025, $3,191,656 is reserved under the TRS Reserve Sub Fund.

Capital Projects
The Capital Projects Fund reports restricted fund balance for unspent debt proceeds restricted for use in capital projects.

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

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

Assigned Fund Balance – Includes amounts that are constrained by the District's intent to be used for specific purposes, but are neither restricted nor committed. All encumbrances are classified as assigned, as well as the amount of fund balance appropriated for the next year's budget.

Unassigned Fund Balance – Includes all other General Fund amounts that do not meet the definition of the above four classifications and are deemed to be available for general use by the District. Unassigned fund balance will also include any negative fund balance of all funds other than General Fund.

New York State Real Property Tax Law §1318 limits the amount of unexpended surplus funds the School District can retain to no more than 4% of the District's budget for the General Fund for the ensuing fiscal year. Non-spendable and restricted fund balance of the General Fund are excluded from the 4% limitation. Amounts appropriated for the subsequent year and encumbrances are also excluded from the 4% limitation.

Order of Fund Balance Spending Policy
By resolution, the Board of Education is authorized to assign fund balance. Assignments of fund balance cannot cause a negative unassigned fund balance. The District's policy is to apply expenditures against non-spendable fund balance, restricted fund balance, committed fund balance, assigned fund balance and then unassigned fund balance.

2. CASH AND CASH EQUIVALENTS

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

- Certificates of deposit issued by a bank or trust company authorized to do business in New York State
- Time deposit accounts in a bank or trust company authorized to do business in New York State
- Obligations of New York State
- Obligations of the United States Government

As of June 30, 2025, the District's aggregate bank balances (not including investments in external investment pools) were insured and collateralized as follows:

Description	Bank Balance	Carrying Amount
Primary government	$ 31,665,306	$ 28,549,674
Cash and cash equivalents	$ 31,665,306	$ 28,549,674
Category 1:		
Covered by FDIC insurance	$ 5,307,840	
Category 2:		
Collateralized with securities held by the pledging financial institution's trust department or agent in the District's name	26,357,466	
	$ 31,665,306	

Investments in External Investment Pools
At June 30, 2025, the District's cash and cash equivalents included amounts with a fair value of $65,155,177 invested in NYCLASS, an external investment pool for local governments in New York State.

NYCLASS measures its investments at fair value and therefore a Participant's investments in the pools are not required to be categorized within the fair value hierarchy for purposes of Paragraph 81a(2) of Statement 72.

NYCLASS and NYCLASS Prime are rated by S&P Global Ratings. The current rating is 'AAAm.'

The dollar weighted average days to maturity (WAM) of NYCLASS at June 30, 2025, was 45.71 days and the weighted average life (WAL) was 77.33 days. The WAM of NYCLASS Prime at June 30, 2025, was 43.58 days and the WAL was 64.37 days.

3. PARTICIPATION IN BOCES

During the year, the District was billed $11,578,353 for BOCES administrative and program costs.

The School District's share of BOCES aid amounted to $5,194,032.

4. CAPITAL ASSETS

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

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Acitivities:				
Capital Assets, not being depreciated:				
Land	$ 3,293,962	$ -	$ -	$ 3,293,962
Construction in progress	26,604,931	24,317,757	(23,337,111)	27,585,577
Total Capital Assets, not being depreciated	29,898,893	24,317,757	(23,337,111)	30,879,539
Capital Assets, being depreciated:				
Buildings	265,757,764	23,238,032	-	288,995,796
Improvements	9,311,425	-	-	9,311,425
Vehicles and equipment	26,954,896	4,036,953	(2,417,895)	28,573,954
Total Capital Assets, being depreciated	302,024,085	27,274,985	(2,417,895)	326,881,175
Less Accumulated Depreciation for:				
Buildings	(105,765,068)	(5,014,880)	-	(110,779,948)
Improvements	(7,473,192)	(291,113)	-	(7,764,305)
Vehicles and equipment	(17,528,247)	(2,194,171)	2,415,441	(17,306,977)
Total Accumulated Depreciation	(130,766,507)	(7,500,164)	2,415,441	(135,851,230)
Total Capital Assets, being depreciated, net	171,257,579	19,774,821	(2,454)	191,029,946
Lease Assets, being amortized:				
Copy machine	297,735	-	(4,806)	292,929
Equipment	4,682,320	2,190,248	(875,618)	5,996,950
Total Lease Assets, being amortized	4,980,055	2,190,248	(880,424)	6,289,879
Less Accumulated Amortization for:				
Copy machine	(61,497)	(97,910)	4,806	(154,601)
Equipment	(2,363,598)	(1,494,829)	875,618	(2,982,809)
Total Accumulated Amortization	(2,425,095)	(1,592,739)	880,424	(3,137,410)
Total Lease Assets, being amortized, net	2,554,960	597,509	-	3,152,469
Governmental Activities Capital Assets, net	$ 203,711,432	$ 44,690,087	$ (23,339,565)	$ 225,061,954

4. CAPITAL ASSETS

Depreciation and amortization was charged to governmental activities as follows:

	Depreciation	Amortization
General government support	$ 4,855,911	$ 5,910
Instruction	1,198,303	1,586,829
Pupil transportation	1,445,950	-
Total	$ 7,500,164	$ 1,592,739

5. SHORT-TERM DEBT

The District may issue Revenue Anticipation Notes (RANs) in anticipation of the receipt of revenues. These notes are recorded as a liability of the fund that will actually receive the proceeds from the issuance of the notes. RANs represent a liability that will be extinguished by the use of expendable, available resources of the General Fund. The District did not issue any RANs during the year ending June 30, 2025 and does not have any RANs outstanding at June 30, 2025.

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

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

Outstanding balances of short-term debt were comprised of the following at June 30, 2025:

Description	Issue Date	Maturity Date	Interest Rate	Balance Due
BAN - Buses	9/19/2024	9/19/2025	4.25%	$ 6,411,944
Add: premium on BANs				66,124
BAN - Construction	6/26/2025	6/26/2026	3.75%	29,385,000
Add: premium on BANs				179,542
Total				$ 36,042,610

Interest on short-term debt for the year ending June 30, 2025 was composed of:

Interest paid	$ 587,095
Less interest accrued in the prior year	(161,187)
Less premiums redeemed in the current year	(122,391)
Plus interest accrued in the current year	204,381
Total	$ 507,898

5. SHORT-TERM DEBT (Continued)

Transactions in short-term debt for the year ending June 30, 2025 are summarized below:

	Beginning Balance	Issued	Redeemed	Ending Balance
BANs	$ 5,579,621	$ 45,796,944	$ (15,579,621)	$ 35,796,944
Add: premiums	63,887	304,170	(122,391)	245,666
Total	$ 5,643,508	$ 46,101,114	$ (15,702,012)	$ 36,042,610

6. LONG-TERM DEBT

Changes in Long-Term Liabilities
Long-term liability balances and activity for the year ended June 30, 2025 are as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Amount Due Within One Year
Serial bonds	$ 69,235,000	$ -	$ (8,420,000)	$ 60,815,000	$ 7,555,000
Unamortized premiums on serial bonds	9,423,611	-	(1,102,109)	8,321,502	1,102,109
Lease liabilities	2,242,351	2,190,248	(1,537,702)	2,894,897	1,310,966
Compensated absences	3,672,469	-	(912,552)	2,759,917	311,529
Total other postemployment benefits	486,413,328	-	(60,399,277)	426,014,051	17,944,826
Net pension obligation - TRS	4,061,327	-	(4,061,327)	-	-
Net pension obligation - ERS	8,391,166	764,549	-	9,155,715	-
Governmental activities long-term liabilities	$ 583,439,252	$ 2,954,797	$ (76,432,967)	$ 509,961,082	$ 28,224,430

Changes presented for compensated absences are reported as the net change.

Summary of Debt Service on Serial Bonds to Maturity
As of June 30, 2025, amounts due to service general obligation serial bonds payable principal and interest in future years for governmental activities are as follows:

	Principal	Interest	Total
2026	$ 7,555,000	$ 2,998,057	$ 10,553,057
2027	6,705,000	2,640,632	9,345,632
2028	6,885,000	2,312,632	9,197,632
2029	6,870,000	1,968,507	8,838,507
2030	6,925,000	1,625,007	8,550,007
2031-2035	24,260,000	3,651,928	27,911,928
2036-2040	1,615,000	102,825	1,717,825
Total	$ 60,815,000	$ 15,299,588	$ 76,114,588

6. LONG-TERM DEBT (Continued)

Serial Bonds

Existing serial bond obligations at June 30, 2025 were as follows:

Description	Issue Date	Maturity Date	Interest Rate	Balance Due
Serial Bonds:				
2023 DASNY Bonds	6/15/2023	6/15/2037	5.00%	$ 27,380,000
Refunding Bonds 2021	3/10/2021	6/1/2026	1.00-4.00%	1,445,000
DASNY Bonds 2018	6/7/2018	6/15/2034	3.375-5.00%	19,685,000
DASNY Bonds 2016	6/15/2016	6/15/2031	2.00-5.00%	7,615,000
DASNY Bonds 2020	6/17/2020	6/15/2036	4.00-5.00%	4,690,000
				60,815,000
Add: unamortized premiums				8,321,502
Total bonds payable				$ 69,136,502

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

Interest paid on serial bonds	$ 3,427,681
Interest paid on leases	168,380
Less interest accrued in the prior year	(147,449)
Plus interest accrued in the current year	126,832
Less amortization of premiums	(1,102,109)
Total	$ 2,473,335

Interest paid varies from year to year, in accordance with the interest rates specified in the bond agreements.

Debt Defeasance

In 2022, the District sold Nate Perry Elementary School, part of which was financed by bonds. A portion of funds was placed into a irrevocable trust with an escrow agent to provide for future debt service payments on the bonds and call for redemption on the redemption date. The bonds are considered partially defeased for accounting purposes.

As of June 30, 2025, the outstanding principal on the defeased bonds is $645,000.

7. LEASES

The District leases various copiers and equipment, primarily from Onondaga-Cortland-Madison Board of Cooperative Educational Service (OCM BOCES). The leases do not contain renewal options. Lease agreements are summarized as follows:

Description	Inception Date	Term (in months)	Interest Rate / Discount Rate	Total Initial Lease Liability
Copier	9/3/2021	36	2.16%	$ 4,806
Mail machine	9/23/2021	48	2.16%	23,640
Equipment	12/2/2021	48	1.32%	1,154,187
Equipment	12/6/2022	48	4.45%	1,195,868
Equipment	9/1/2023	47	4.83%	1,433,008
Copier	12/2/2023	36	3.93%	292,929
Equipment	8/30/2024	47	3.99%	1,585,686
Copier	9/1/2024	48	3.93%	604,562

Annual requirements to amortize long-term obligations and related interest are as follows:

	Principal	Interest	Total
2026	$ 1,310,967	$ 120,376	$ 1,431,343
2027	979,270	63,211	1,042,481
2028	577,617	21,487	599,104
2029	27,043	133	27,176
Total	$ 2,894,897	$ 205,207	$ 3,100,104

8. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

Receivables and Payables

To improve cash management, instances occur where the District may have receivables and payables between the different funds. This cash management practice, as well as normal delays in processing interfund transfers and reimbursement, is the main reason why interfund receivables and payables exist. These receivables and payables are short term in nature and are typically repaid in less than one year. The following schedule summarizes individual fund interfund receivables and payables at June 30, 2025:

	Due To					
Due From	General Fund	Special Aid Fund	School Lunch Fund	Capital Projects Fund	Miscellaneous Special Revenue Fund	Debt Service Fund
General Fund	$ -	$ (2,977,650)	$ (195,834)	$ (748,446)	$ (1,419)	$ -
Special Aid Fund	2,977,650	-	-	-	-	-
School Lunch Fund	195,834	-	-	-	-	-
Capital Projects Fund	748,446	-	-	-	-	1,681
Debt Service Fund	1,419	-	-	(1,681)	-	-
Total	$ 3,923,349	$ (2,977,650)	$ (195,834)	$ (750,127)	$ (1,419)	$ 1,681

8. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS (Continued)

Transfers
Transfers among funds are provided for as part of the annual budget process. Interfund transfers for the year ended June 30, 2025, which were routine in nature, were as follows:

	Transfers In			
Transfers Out	General Fund	Special Aid Fund	Capital Projects Fund	Debt Service Fund
General Fund	$ -	$ 524,280	$ 4,272,675	$ (583,299)
Special Aid Fund	(524,280)	-	-	-
Capital Projects Fund	(4,272,675)	-	-	365,757
Debt Service Fund	583,299	-	(365,757)	-
Total	$ (4,213,656)	$ 524,280	$ 3,906,918	$ (217,542)

9. PENSION PLANS

New York State and Local Employee's Retirement System (ERS)
The District participates in the New York State and Local Employee's Retirement System (ERS). The net position of ERS is held in the New York State Common Retirement Fund (the Fund), which was established to hold all assets and record changes in fiduciary net position allocated to ERS.

ERS benefits are established under the provisions of the New York State Retirement and Social Security Law (RSSL). Once a public employer elects to participate in 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.

This is a cost-sharing, multiple-employer, defined benefit pension plan. The Public Employees' Group Life Insurance Plan (GLIP) provides death benefits in the form of life insurance. GLIP amounts are appropriated to and included in the ERS. ERS is included in the State's financial report as a pension trust fund. That report, including information regarding benefits provided, may be found at www.osc.state.ny.us/retire/publications/index.php or obtained by writing to the New York State and Local Retirement System, 110 State Street, Albany, NY 12244.

The significant dates shown below are referenced throughout the ERS section of this footnote:

- Fiscal year end – June 30, 2025
- Measurement date – March 31, 2025
- Actuarial valuation date – April 1, 2024

9. PENSION PLANS (Continued)

Membership Tiers

Membership, benefits, and employer and employee obligations to contribute are described in the RSSL using the tier concept. Pension legislation established tier membership by the date a member last joined ERS. They are as follows:

ERS

Tier 1	Those persons who last became members of ERS before July 1, 1973.
Tier 2	Those persons who last became members on or after July 1, 1973, but before July 27, 1976.
Tier 3	Generally, those persons who are State correction officers who last became members on or after July 27, 1976, but before January 1, 2010, and all others who last became members on or after July 27, 1976, but before September 1, 1983.
Tier 4	Generally, except for correction officers, those persons who last became members on or after September 1, 1983, but before January 1, 2010.
Tier 5	Those persons who last became members of ERS on or after January 1, 2010, but before April 1, 2012.
Tier 6	Those persons who first became members of ERS on or after April 1, 2012.

Vesting

All Members are vested when they reach five years of service credit.

Employer Contributions

Participating employers are required under the RSSL to contribute to ERS at an actuarially determined rate adopted annually by the Comptroller. The average contribution rate for ERS for the fiscal year ended March 31, 2025 was approximately 15.2 percent of covered payroll. Delinquent annual bills for employer contributions accrue interest at the actuarial interest rate applicable during the year. For the fiscal year ended March 31, 2025, the applicable interest rate was 5.9 percent. Contributions for the current year and two preceding years were equal to 100 percent of the contributions required, and were as follows:

		ERS
2025	$	2,782,104
2024	$	2,354,864
2023	$	1,836,284

Member Contributions

Generally, Tier 3, 4, and 5 members must contribute 3 percent of their salary to ERS. As a result, of Article 19 of the RSSL, eligible Tier 3 and 4 employees, with a membership date on or after July 27, 1976, who have ten or more years of membership or credited service with ERS, are not required to contribute. Members cannot be required to begin making contributions or to make increased contributions beyond what was required when membership began. For Tier 6 members, the contribution rate varies from 3 percent to 6 percent depending on salary. Generally, Tier 5 and 6 members are required to contribute for all years of service.

9. PENSION PLANS (Continued)

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

At year end, the District reported a liability of $9,155,715 for its proportionate share of the ERS total pension liability was reported. The net pension liability is determined as of the measurement date, and the total pension liability used to calculate the net pension liability was determined by the actuarial valuation date. The proportion of the net pension liability was based on a projection of the long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined.

At the measurement date, the proportion was 0.0533994%, a decrease from its proportion measured March 31, 2024 of 0.0569895%.

As of the fiscal year end, pension expense of $2,242,452 was recognized and the deferred outflows/inflows of resources related to pensions from the following sources were reported:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 2,272,510	$ 107,196
Changes in assumptions	383,972	-
Net difference between projected and actual earnings on pension plan investments	718,332	-
Changes in proportion and differences between the District's contributions and proportionate share of contributions	766,413	400,860
Contributions subsequent to the measurement date	920,383	-
Total	$ 5,061,610	$ 508,056

The net amount of the share of balances of deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Plan's Year Ended March 31:	
2026	$ 1,730,939
2027	2,522,032
2028	(673,896)
2029	54,096
	$ 3,633,171

At fiscal year end, $920,383 was recognized as a deferred outflow of resources related to pensions resulting from the contributions made subsequent to the measurement date. This outflow will be recognized as a reduction of the net pension liability in the following fiscal year.

9. PENSION PLANS (Continued)

Actuarial Assumptions

The total pension liability at the measurement date was determined by using an actuarial valuation as of the actuarial valuation date. Update procedures were used by the actuary to roll forward the total pension liability to be as of the measurement date.

Economic assumptions used in the actuarial valuation date include:

Actuarial cost method	Aggregate Cost Method
Inflation	2.9%
Salary increases	4.3%
Investment rate of return (net of investment expense, including inflation)	5.9%
Active member decrements	1.5%

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.

To set the long-term expected rate of return on pension plan investments, consideration was given to a building-block method using best-estimate ranges of expected future real rates of return (expected return, net of investment expenses and inflation) 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.

Demographic assumptions used in the actuarial valuation date are based on the results of an actuarial experience study completed April 1, 2020. Demographic assumptions are primarily based on System experience over the period April 1, 2015 – March 31, 2020. Annuitant mortality rates are adjusted to incorporate mortality improvements under the Society of Actuaries' Scale MP-2021.

The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocations in %	Long-term expected rate of return in %
Domestic equity	25.0	3.54
International equity	14.0	6.57
Private equity	15.0	7.25
Real estate	12.0	4.95
Opportunistic/ARS portfolio	3.0	5.25
Credit	4.0	5.40
Real assets	4.0	5.55
Fixed Income	22.0	2.00
Cash	1.0	0.25
	100.0	

9. PENSION PLANS (Continued)

Discount Rate

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

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

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

	1% Decrease	Current Discount	1% Increase
Proportionate share of net pension liability (asset)	$ 26,497,786	$ 9,155,715	$ (5,324,930)

Pension Plan Fiduciary Net Position

The components of the current-year net pension liability (in thousands) of the employers as of March 31, 2025, were as follows:

Total pension liability	$ 247,600,239
Plan net position	(230,454,512)
Net pension liability (asset)	$ 17,145,727
ERS net position as a percentage of total pension liability	93.08%

New York State Teachers' Retirement System (NYSTRS)

The District participates in the New York State Teachers' Retirement System (NYSTRS). NYSTRS is a public employee retirement system (PERS) that was created and exists, pursuant to Article 11 of the New York State Education Law. NYSTRS is the administrator of a cost-sharing, mutiple-employer, defined benefit plan, administered by a 10-member Board to Provide pension benefits for teachers employed in New York, excluding New York City. NYSTRS issues a publicly available Annual Comprehensive Final Report. The report may be obtained by writing to NYSTRS, 10 Corporate Woods Drive, Albany, New York 12211-2395.

The significant dates shown below are referenced throughout the NYSTRS section of this footnote:

- Fiscal year end – June 30, 2025
- Measurement date – June 30, 2024
- Actuarial valuation date – June 30, 2023, with update procedures used to roll forward the total pension liability to June 30, 2024

9. PENSION PLANS (Continued)

Benefits

The benefits provided to members of the System are established by New York State law and may be amended only by the Legislature with the Governor's approval. Benefit provisions vary depending on date of membership and are subdivided into the following six classes:

Tier 1	Members who last joined prior to July 1,1973, are covered by the provisions of Article 11 of the Education Law.
Tier 2	Members who last joined on or after July 1, 1973, and prior to July 27, 1976, are covered by the provisions of Article 11 of the Education Law and Article 11 of the Retirement and Social Security Law (RSSL).
Tier 3	Members who last joined on or after July 27, 1976, and prior to September 1, 1983, are covered by the provisions of Article 14 and Article 15 of the RSSL.
Tier 4	Members who last joined on or after September 1, 1983, and prior to January 1, 2010, are covered by the provisions of Article 15 of the RSSL.
Tier 5	Members who joined on or after January 1, 2010, and prior to April 1, 2012, are covered by the provisions of Article 15 of the RSSL.
Tier 6	Members who joined on or after April 1, 2012, are covered by the provisions of Article 15 of the RSSL.

Employer Contributions

Pursuant to Article 11 of the New York State Education Law, employers are required to contribute at an actuarially determined rate adopted annually by the Retirement Board. The actuarially determined contribution rate applied to 2023-24 salaries is 9.76%. The required contribution is an actuarially determined rate. The contributions made to NYSTRS were equal to 100% of the contributions required for each year. The required contributions for the current plan year and two preceding plan years were:

		TRS
2025	$	6,819,528
2024	$	6,878,118
2023	$	6,803,806

Member Contributions

Tier 3 and Tier 4 members are required by law to contribute 3.0% of salary to the System. Effective October 2000, contributions were eliminated for Tier 3 and 4 members with 10 or more years of service or membership. Effective January 1, 2010, Tier 5 members are required by law to contribute 3.5% of salary throughout their active membership. Effective April 1, 2012, Tier 6 members are required by law to contribute between 3.0% and 6.0% of salary throughout their active membership in accordance with a schedule based upon salary earned. Pursuant to Article 14 and Article 15 of the RSSL, those member contributions are used to help fund the benefits provided by the System. However, if a member dies or leaves covered employment with less than five years of credited service for Tiers 3 -6, the member contributions with interest calculated at 5.0% per annum are refunded to the employee or designated beneficiary. Eligible Tier 1 and Tier 2 members may make member contributions under certain conditions pursuant to the provisions of Article 11 of the Education Law and Article 11 of the RSSL. Upon termination of membership, such accumulated member contributions are refunded. At retirement, such accumulated member contributions can be withdrawn or are paid as a life annuity.

9. PENSION PLANS (Continued)

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

At fiscal year end, a net pension asset of $10,918,423 was reported for the proportionate share of the NYSTRS total pension liability. The net pension asset as of the measurement date, and the total pension liability used to calculate the net pension asset was determined by the actuarial valuation date. The proportion of the net pension asset was based on a projection of the long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined.

At the measurement date, the proportionate share was 0.365947%, which was an increase of 0.010807% from the prior measurement date.

For the fiscal year end, pension expense (income) of $5,933,582 was recognized and deferred outflows/inflows of resources related to pensions from the following sources were reported:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 11,757,136	$ -
Changes in assumptions	6,531,429	1,098,648
Net difference between projected and actual earnings on pension plan investments	-	12,131,298
Changes in proportion and differences between the District's contributions and proportionate share of contributions	137,363	474,839
Contributions subsequent to the measurement date	6,819,528	-
Total	$ 25,245,456	$ 13,704,785

At fiscal year end, $6,819,528 was recognized as a deferred outflow of resources related to pensions resulting from the contributions made subsequent to the measurement date.

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

Plan's Year Ended June 30:	
2025	$ (5,653,463)
2026	13,298,536
2027	(2,263,679)
2028	(2,517,539)
2029	1,355,039
Thereafter	502,249
	$ 4,721,143

9. PENSION PLANS (Continued)

Actuarial Assumptions

The total pension liability at the measurement date was determined by an actuarial valuation with update procedures used to roll forward the total pension liability to the measurement date, using the following actuarial valuations and assumptions:

Actuarial cost method	Entry age normal
Inflation	2.40%
Projected salary increases	Rates for increase differ based on service. They have been calculated based upon recent NYSTRS member experience.

Service	Rate
5	5.18%
15	3.64%
25	2.50%
35	1.95%

Projected COLAs	1.3% compounded annually.
Investment rate of return	6.95% compounded annually, net of pension plan investment expense, including inflation.

Annuitant and active mortality rates based on plan member experience, with adjustments for mortality improvements based on Society of Actuaries Scale MP2021, applied on a generational basis.

The demographic actuarial assumptions and the salary scales are based on the results of an actuarial experience study for the period July 1, 2015 to June 30, 2020. NYSTRS runs one-year and five-year experience studies annually in order to gauge the appropriateness of the assumptions. For the full details, please refer to the Recommended Actuarial Assumptions 2021 Report, which can be found on the System's website located at www.nystrs.org.

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* and generally accepted accounting principles. ASAP 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.

9. PENSION PLANS (Continued)

Actuarial Assumptions (Continued)
The Long-Term Expected Real Rates of Return are presented by asset allocation classify cation. Best estimates of arithmetic real rates of return for each major asset class included in the Systems' target asset allocation as of the measurement date are summarized in the following table:

Asset Class:	Target Allocation in %	Long-Term Expected Real Rate of Return in %*
Domestic equity	33	6.6
International equity	15	7.4
Global equity	4	6.9
Real estate equity	11	6.3
Private equity	9	10.0
Domestic fixed income	16	2.6
Global bonds	2	2.5
Private debt	2	5.9
Real estate debt	6	3.9
High-yield bonds	1	4.8
Cash equivalents	1	0.5
	100	

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

Discount Rate
The discount rate used to measure the total pension liability was 6.95%. 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.

Sensitivity of the Proportionate Share of the Net Pension Liability to the Discount Rate
The following presents the net pension liability (asset) of the NYSTRS participant calculated using the discount rate of 6.95%, as well as what the net pension liability (asset) would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
Proportionate share of net pension liability (asset)	$ 50,432,825	$ (10,918,423)	$ (62,516,469)

9. PENSION PLANS (Continued)

Pension Plan Fiduciary Net Position (in 000's)
The components of the current year net pension liability (asset) of the participating employers as of measurement date are as follows:

Total pension liability	$ 142,837,826
Plan fiduciary net position	145,821,434
Net pension liability (asset)	$ (2,983,608)
Plan fiduciary net position as a percentage of total pension liability	102.1%

10. OTHER POSTEMPLOYMENT BENEFITS OBLIGATION

Plan Description
The District provides certain other postemployment benefits (predominately health insurance and life insurance) for retired employees of the District in accordance with the provisions of various employment contracts. The District administers the Other Postemployment Benefits Plan (OPEB Plan) as a single-employer defined benefit Other Postemployment Benefit Plan (OPEB).

Funding Policy
As of the date of these financial statements, New York State did not yet have legislation that would enable government entities to establish a qualifying trust for the purpose of funding Other Postemployment Benefits. As such there are no assets accumulated in a trust that meets all of the criteria in GASB Statement No. 75, paragraph 4, to fund this obligation and benefits are paid on a pay as you go basis.

Employees Covered by Benefit Terms
At July 1, 2023, the following employees were covered by the benefit terms:

Actives	1,260
Inactive employees or beneficiaries currently receiving benefits	1,147
Total participants	2,407

Total OPEB Liability
The District's total OPEB liability of $426,014,051 was measured as of June 30, 2025, and was determined by an actuarial valuation as of July 1, 2023.

10. OTHER POSTEMPLOYMENT BENEFITS OBLIGATION (Continued)

Changes in the Total OPEB Liability

OPEB, BOY	$ 486,413,328
Changes for the Year-	
Service cost	15,327,558
Interest	19,383,231
Changes of benefit terms	5,451,902
Differences between expected and actual experience	-
Changes in assumptions	(83,504,149)
Benefit payments	(17,057,819)
Net changes	(60,399,277)
OPEB, EOY	$ 426,014,051

Changes of assumptions and other inputs reflect a change in the discount rate from 3.93% in 2024 to 5.20% in 2025.

Actuarial Assumptions and Other Inputs
The total OPEB liability as of the June 30, 2025 measurement date was determined using the following actuarial assumptions:

Discount Rate:	3.93% as of June 30, 2024; 5.20% as of June 30, 2025. The discount rate is based on a review of the Bond Buyer Weekly 20-Bond GO Index.
Rate of Compensation Increase:	2.6%
Rate of Inflation:	2.7%
Mortality:	Pub-2010 Mortality Table adjusted mortality improvements with scale MP-2021.
Medical Trend Rate:	6.80% for 2025, with an ultimate rate of 4.14% in 2094.
Dental Trend:	Assumed to increase at 3% per year.
Participation Rate:	Assumed that 100% of future eligible retirees to elect coverage at retirement.
Retirement Incidence:	Rates of decrement due to retirement based on the experience under the New York State & Local Retirement System.

10. OTHER POSTEMPLOYMENT BENEFITS OBLIGATION (Continued)

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate
The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is 1% lower (4.20%) or 1% higher (6.20%) than the current discount rate:

	Discount Rate		
	1% Decrease	Current Discount	1% Increase
Total OPEB Liability	$ 490,608,838	$ 426,014,051	$ 373,406,431

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates
The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1% lower or 1% higher than the current healthcare cost trend rates as defined in the Actuarial Assumptions and Other Inputs section of this footnote:

	Healthcare Cost Trend Rate		
	1% Decrease	Current Cost Trend	1% Increase
Total OPEB Liability	$ 360,887,389	$ 426,014,051	$ 509,121,425

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB
For the year ended June 30, 2025, the District recognized OPEB expense of $19,705,448. At June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions	$ 13,518,472	$ 8,481,474
Differences between Expected and Actual	41,124,078	113,930,982
Total	$ 54,642,550	$ 122,412,456

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

Fiscal Year Ending June	Amount
2026	$ (20,136,892)
2027	(20,062,411)
2028	(6,083,739)
2029	(7,089,605)
2030	(12,493,254)
Thereafter	(1,904,005)
	$ (67,769,906)

11. COMMITMENTS AND CONTINGENCIES

General

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

Health Insurance

As of September 1, 2014, the District is self-insured for employee medical, dental and prescription drug insurance coverage. The District uses a third party administrator who is responsible for processing claims and estimating liabilities. The District has also purchased stop-loss insurance for any major medical claims which exceed $300,000.

Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported. Claims liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of pay-out and other economic social factors. These liabilities are reported in accrued liabilities in the General Fund.

A reconciliation of the claims recorded for the year ended June 30 is as follows:

	2025	2024
Beginning liabilities	$ 1,881,891	$ 2,589,124
Incurred claims	50,620,749	40,027,421
Claims payments	(49,828,011)	(40,734,654)
Ending liabilities	$ 2,674,629	$ 1,881,891

Workers' Compensation

The District incurs costs related to workers' compensation claims as a member of the OCM BOCES Workers' Compensation Consortium (the Consortium). The Consortium's objectives are to formulate, develop and administer a program of insurance to obtain lower costs for that coverage, and to develop a comprehensive loss control program. School districts joining the Consortium must remain members for a minimum of two years; a member may withdraw from the Consortium after that time.

Consortium members include 31 school districts, with the District bearing a share of the Plan's assets and claims liabilities. Consortium members are subject to a supplemental assessment in the event of deficiencies. If the Consortium's assets were to be exhausted, members would be responsible for the Consortium's liabilities.

The Consortium uses a reinsurance agreement to reduce its exposure to large losses on insured events. Reinsurance permits recovery of a portion of losses from the reinsurer, although it does not discharge the liability of the Consortium as direct insurer of the risks reinsured.

The Plan establishes a liability for both reported and unreported insured events, which includes estimates of both future payments of losses and related claim adjustment expenses. However, because actual claims costs depend on complex factors, the process used in computing claims liabilities does not necessarily result in an exact amount. Such claims are based on the ultimate cost of claims (including future claim adjustment expenses) that have been reported but not settled, and claims that have been incurred but not reported. Adjustments to claims liabilities are charged or credited to expense in the periods in which they are made.

11. COMMITMENTS AND CONTINGENCIES (Continued)

Workers' Compensation (Continued)
During the year ended June 30, 2025, the District incurred premiums or contribution expenditures totaling $810,825.

The Consortium financial statements may be obtained from the Onondaga-Cortland-Madison BOCES administration office at 110 Elwood Davis Road, Liverpool, New York 13088.

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

12. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgets
The District's administration prepares a proposed budget for approval by the Board of Education for the General Fund of the District voters.

Appropriations are adopted at the program line item level.

Appropriations established by the adoption of the budget constitute a limitation on expenditures (and encumbrances) that may be incurred. Appropriations lapse at the end of the fiscal year unless expended or encumbered. Encumbrances will lapse if not expended in the subsequent year. Appropriations authorized for the current year are increased by the planned use of specific reserves, and budget amendments approved by the Board of Education as a result of selected new revenue sources not included in the original budget (when permitted by law). These supplemental appropriations may occur subject to legal restrictions, if the Board approves them because of a need that exists which was not determined at the time the budget was adopted. No supplemental appropriations occurred during the year.

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

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

Portions of fund balances are reserved and not available for current expenses or expenditures, as reported in the governmental funds balance sheet.

13. LITIGATION

The District has been named as defendant in several tax certiorari cases related to commercial real property tax assessments. A review by the District and the District's attorneys indicate the maximum potential liability related to these cases is approximately $6,200,000. The actual liability will be not be known until the cases reach a final resolution. The District's reserve balance related to Tax Certiorari is $2,944,376 at June 30, 2025.

14. TAX ABATEMENT

The District is subject to tax abatements granted by the Onondaga County Industrial Development Agency (OCIDA), which was created to promote and develop economic growth in the County. For projects providing significant and substantial economic and community benefit, as determined by OCIDA, OCIDA, at its sole discretion, may elect to provide up to 100% abatement of county, municipal and school taxes for a period not to exceed 20 years.

Under these programs, a total of $7,417,107 in District taxes were abated and $897,520 of payments in lieu of taxes were received by the District for the year ended June 30, 2025.

REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)

LIVERPOOL CENTRAL SCHOOL DISTRICT

REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
Schedule of Revenue, Expenditures, and Change in Fund Balance – Budget and Actual – General Fund
For the Year Ended June 30, 2025

	Original Budget	Final Budget	Actual	Final Budget Variance with Budgetary Actual
REVENUE				
LOCAL SOURCES:				
Real property taxes	$ 97,550,331	$ 89,551,683	$ 89,538,584	$ (13,099)
Other tax items	958,265	8,956,913	8,896,168	(60,745)
Nonproperty taxes	250,000	250,000	317,998	67,998
Charges for services	191,010	191,010	541,866	350,856
Use of money and property	879,500	879,500	2,712,978	1,833,478
Sale of property and compensation for loss	46,550	111,838	145,076	33,238
Miscellaneous	310,000	417,269	1,577,206	1,159,937
Total local sources	100,185,656	100,358,213	103,729,876	3,371,663
State sources	83,333,113	83,333,113	86,485,546	3,152,433
Medicaid reimbursement	400,000	400,000	672,545	272,545
Federal sources	550,000	550,000	656,241	106,241
Total revenue	184,468,769	184,641,326	191,544,208	6,902,882
OTHER FINANCING SOURCES				
Proceeds from leases	-	2,184,097	2,184,097	-
Transfers from other funds	672,913	672,913	757,837	84,924
Total other financing sources	672,913	2,857,010	2,941,934	84,924
Total revenues and other sources	$ 185,141,682	$ 187,498,336	$ 194,486,142	$ 6,987,806

LIVERPOOL CENTRAL SCHOOL DISTRICT

REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
Schedule of Revenue, Expenditures, and Change in Fund Balance – Budget and Actual – General Fund (Continued)
For the Year Ended June 30, 2025

	Original Budget	Final Budget	Actual	Encumbrances	Final Budget Variance with Budgetary Actual
EXPENDITURES					
GENERAL SUPPORT:					
Board of education	$ 117,019	$ 132,329	$ 107,563	$ 12,826	$ 11,940
Central administration	370,055	752,950	720,344	-	32,606
Finance	1,345,353	1,270,935	1,153,611	35,722	81,602
Staff	1,668,926	1,786,844	1,652,448	55,400	78,996
Central services	14,459,011	11,962,660	11,530,239	297,852	134,569
Special items	1,510,298	1,717,148	1,636,793	-	80,355
Total general support	19,470,662	17,622,867	16,800,998	401,800	420,069
INSTRUCTION:					
Instruction, administration, and improvement	6,129,595	5,776,098	5,646,556	18	129,524
Teaching - Regular school	43,430,169	44,565,742	44,408,362	28,192	129,188
Programs for children with handicapping conditions	24,053,202	24,963,266	24,795,915	56,777	110,574
Occupational education	1,391,477	1,391,477	1,391,477	-	-
Teaching - Special school	108,261	142,364	130,753	-	11,611
Instructional media	5,769,175	4,430,271	4,257,904	17,404	154,963
Pupil services	8,514,844	7,898,688	7,609,301	4,024	285,363
Total instruction	89,396,723	89,167,906	88,240,268	106,415	821,223
Pupil transportation	8,997,651	8,429,057	8,302,372	681	126,004
Employee benefits	59,218,717	60,971,921	59,925,912	-	1,046,009
Capital outlay	-	2,184,097	2,184,097	-	-
Debt service - principal	10,419,621	12,125,122	12,125,122	-	-
Debt service - interest	4,184,902	4,020,865	4,020,865	-	-
Total expenditures	191,688,276	194,521,835	191,599,634	508,896	2,413,305
OTHER FINANCING USES					
Transfers to other funds	470,000	5,020,898	4,971,493	-	49,405
Total expenditures and other uses	192,158,276	199,542,733	196,571,127	508,896	2,462,710
NET CHANGE IN FUND BALANCE	$ (7,016,594)	$ (12,044,397)	(2,084,985)	$ (508,896)	$ 9,450,516
FUND BALANCE - beginning of year			49,595,449		
FUND BALANCE - end of year			$ 47,510,464		

LIVERPOOL CENTRAL SCHOOL DISTRICT

REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
Schedule of Changes in Total OPEB Liability and Related Ratios
For the Year Ended June 30, 2025

	Last 10 Fiscal Years									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Total OPEB Liability										
Service cost	$ 15,327,558	$ 12,167,186	$ 11,364,477	$ 20,237,784	$ 19,430,701	$ 15,041,748	$ 13,156,273	$ 15,519,549		
Interest	19,383,231	15,746,548	14,683,137	10,873,075	10,681,987	15,675,960	15,092,883	17,197,235		
Changes of benefit terms	5,451,902	6,649,045	(1,599,583)	-	-	-	(15,282,746)	-		
Differences between expected and actual experience	-	(2,051,669)	-	42,434,992	-	(67,907,863)	(53,748,361)	-		
Changes in assumptions	(83,504,149)	42,220,953	6,472,536	(138,201,949)	3,955,632	82,599,251	3,276,877	(4,660,703)		
Benefit payments	(17,057,819)	(15,127,667)	(15,050,070)	(15,101,596)	(14,499,344)	(14,128,039)	(12,071,718)	(12,364,159)		
Total change in total OPEB liability	(60,399,277)	59,604,396	15,870,497	(79,757,694)	19,568,976	31,281,057	(49,576,792)	15,691,922		
Total OPEB liability - beginning	486,413,328	426,808,932	410,938,435	490,696,129	471,127,153	439,846,096	489,422,888	473,730,966		
Total OPEB liability - ending	$ 426,014,051	$ 486,413,328	$ 426,808,932	$ 410,938,435	$ 490,696,129	$ 471,127,153	$ 439,846,096	$ 489,422,888		
Covered-employee payroll	92,433,740	95,382,190	89,292,933	86,585,740	72,114,888	72,114,888	78,770,978	77,948,849		
Total OPEB liability as a percentage of covered-employee payroll	460.9%	510.0%	478.0%	474.6%	680.4%	653.3%	558.4%	627.9%		

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

Notes to schedule:

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

Discount rate	5.20%	3.93%	3.65%	3.54%	2.16%	2.21%	3.13%	3.62%	3.56%	

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

Plan assets. No assets are accumulated in a trust that meets all of the criteria of GASB No. 75, paragraph 4, to pay benefits.

LIVERPOOL CENTRAL SCHOOL DISTRICT

REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
Schedule of Proportionate Share of Net Pension Liability (Asset)
For the Year Ended June 30, 2025

NEW YORK STATE EMPLOYEES' RETIREMENT SYSTEM PLAN	Last 10 Fiscal Years (Dollar amounts displayed in thousands)									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Proportion of the net pension liability (asset)	0.0533994%	0.0569895%	0.0572323%	0.0466849%	0.0496226%	0.0484774%	0.0527841%	0.0551975%	0.0482786%	0.0518572%
Proportionate share of the net pension liability (asset)	$ 9,156	$ 8,391	$ 12,273	$ (3,816)	$ 49	$ 12,837	$ 3,740	$ 1,781	$ 4,536	$ 8,323
Covered-employee payroll	$ 20,102	$ 20,027	$ 18,608	$ 17,369	$ 15,602	$ 17,104	$ 17,754	$ 16,317	$ 15,781	$ 14,346
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	45.55%	41.90%	-21.97%	0.31%	75.05%	21.07%	10.91%	28.74%	58.02%	11.60%
Plan fiduciary net position as a percentage of the total pension liability	93.08%	93.88%	90.78%	103.65%	99.95%	86.39%	96.27%	98.24%	94.70%	90.70%

NEW YORK STATE TEACHERS' RETIREMENT SYSTEM PLAN	Last 10 Fiscal Years (Dollar amounts displayed in thousands)									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Proportion of the net pension liability (asset)	0.365947%	0.355140%	35.724900%	35.695110%	35.237850%	35.158470%	35.660600%	35.383300%	35.383300%	34.948200%
Proportionate share of the net pension liability (asset)	$ (10,918)	$ 4,061	$ 6,855	$ (61,856)	$ 9,737	$ (9,134)	$ (6,448)	$ (2,680)	$ 3,789	$ (36,300)
Covered-employee payroll	$ 72,484	$ 69,867	$ 65,620	$ 63,230	$ 60,615	$ 59,759	$ 58,786	$ 58,075	$ 55,867	$ 52,497
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	-15.06%	5.81%	10.45%	-97.83%	16.06%	-15.28%	-10.97%	-4.61%	6.78%	-69.15%
Plan fiduciary net position as a percentage of the total pension liability	102.10%	99.17%	98.57%	113.25%	97.80%	102.20%	101.53%	100.66%	99.01%	110.50%

LIVERPOOL CENTRAL SCHOOL DISTRICT

REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
Schedule of Contributions – Pension Plans
For the Year Ended June 30, 2025

NEW YORK STATE EMPLOYEES' RETIREMENT SYSTEM PLAN	Last 10 Fiscal Years (Dollar amounts displayed in thousands)									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Contractually required contribution	$ 920	$ 765	$ 1,836	$ 2,563	$ 2,316	$ 2,178	$ 2,287	$ 2,481	$ 2,168	$ 2,458
Contributions in relation to the contractually required contribution	920	765	1,836	2,563	2,316	2,178	2,287	2,481	2,168	2,458
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Covered-employee payroll	$ 20,102	$ 20,027	$ 18,608	$ 17,369	$ 15,602	$ 17,104	$ 17,754	$ 16,317	$ 15,781	$ 14,346
Contributions as a percentage of covered-employee payrc	4.58%	3.82%	9.87%	14.76%	14.84%	12.73%	12.88%	15.21%	13.74%	17.13%

NEW YORK STATE TEACHERS' RETIREMENT SYSTEM PLAN	Last 10 Fiscal Years (Dollar amounts displayed in thousands)									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Contractually required contribution	$ 6,820	$ 6,878	$ 6,804	$ 6,254	$ 5,817	$ 5,338	$ 6,267	$ 5,691	$ 6,548	$ 7,240
Contributions in relation to the contractually required contribution	6,820	6,878	6,804	6,254	5,817	5,338	6,267	5,691	6,548	7,240
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Covered-employee payroll	$ 72,484	$ 69,867	$ 65,620	$ 63,230	$ 60,615	$ 59,759	$ 58,786	$ 58,075	$ 55,867	$ 52,497
Contributions as a percentage of covered-employee	9.41%	9.84%	10.37%	9.89%	9.60%	8.93%	10.66%	9.80%	11.72%	13.79%

SUPPLEMENTARY INFORMATION

LIVERPOOL CENTRAL SCHOOL DISTRICT

SUPPLEMENTARY INFORMATION
Combining Balance Sheet – Nonmajor Governmental Funds
June 30, 2025

	School Lunch	Extraclassroom Activities	Miscellaneous Special Revenue	Debt Service	Total Nonmajor Governmental Funds
ASSETS					
Cash - unrestricted	$ 5,487,443	$ -	$ -	$ -	$ 5,487,443
Cash - restricted	-	236,272	158,090	6,062,299	6,456,661
Due from other funds	-	-	-	1,681	1,681
Due from other governments	42,589	-	-	-	42,589
State and federal aid receivable	364,636	-	-	-	364,636
Other receivables	333	-	-	-	333
Inventories	97,406	-	-	-	97,406
TOTAL ASSETS	$ 5,992,407	$ 236,272	$ 158,090	$ 6,063,980	$ 12,450,749
LIABILITIES					
Accounts payable	$ 28,597	$ -	$ 34,453	$ -	$ 63,050
Accrued liabilities	19,636	-	-	-	19,636
Due to other funds	195,834	-	1,419	-	197,253
Due to other governments	11	-	-	-	11
Due to employees' retirement system	46,132	-	-	-	46,132
TOTAL LIABILITIES	290,210	-	35,872	-	326,082
FUND BALANCE					
Nonspendable	97,406	-	-	-	97,406
Restricted	5,604,791	236,272	122,218	6,063,980	12,027,261
TOTAL FUND BALANCE	5,702,197	236,272	122,218	6,063,980	12,124,667
TOTAL LIABILITIES AND FUND BALANCE	$ 5,992,407	$ 236,272	$ 158,090	$ 6,063,980	$ 12,450,749

The accompanying notes are an integral part of these statements.

LIVERPOOL CENTRAL SCHOOL DISTRICT

SUPPLEMENTARY INFORMATION
Combining Statements of Revenues, Expenditures, and Change in Fund Balances – Nonmajor Governmental Funds
For the Year Ended June 30, 2025

	School Lunch	Extraclassroom Activities	Miscellaneous Special Revenue	Debt Service	Total Nonmajor Governmental Funds
REVENUE					
Sales	$ 147,191	$ -	$ -	$ -	$ 147,191
Use of money and property	78,542	-	-	1,210,310	1,288,852
Miscellaneous	4,619	262,711	105,337	-	372,667
State sources	1,325,281	-	-	-	1,325,281
Federal sources	3,260,589	-	-	-	3,260,589
Total revenue	4,816,222	262,711	105,337	1,210,310	6,394,580
EXPENDITURES					
Instruction	1,465,142	-	-	-	1,465,142
Community services	-	-	96,987	-	96,987
Employee benefits	440,659	-	4,309	-	444,968
Cost of sales	1,812,389	-	-	-	1,812,389
Other expenditures	2,787	255,746	-	-	258,533
Debt service - interest	-	-	-	154,490	154,490
Total expenditures	3,720,977	255,746	101,296	154,490	4,232,509
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	1,095,245	6,965	4,041	1,055,820	2,162,071
OTHER SOURCES AND (USES):					
Premiums on obligations	-	-	-	304,170	304,170
Operating transfers in	-	-	-	425,371	425,371
Operating transfers out	-	-	-	(642,913)	(642,913)
Total other sources (uses)	-	-	-	86,628	86,628
CHANGE IN FUND BALANCES	1,095,245	6,965	4,041	1,142,448	2,248,699
FUND BALANCE - beginning of year	4,606,952	229,307	118,177	4,921,532	9,875,968
FUND BALANCE - end of year	$ 5,702,197	$ 236,272	$ 122,218	$ 6,063,980	$ 12,124,667

The accompanying notes are an integral part of these statements.

OTHER INFORMATION (UNAUDITED)

LIVERPOOL CENTRAL SCHOOL DISTRICT

OTHER INFORMATION (UNAUDITED)
Schedule of Change from Original Budget to Revised Budget and Real Property Tax Limit – General Fund
For the Year Ended June 30, 2025

CHANGE FROM ADOPTED BUDGET TO REVISED BUDGET

Adopted Budget		$ 192,158,276
Add: Prior year's encumbrances		526,411
Original Budget		192,684,687
Budget revision		6,858,046
Final Budget		$ 199,542,733

SECTION 1318 OF REAL PROPERTY TAX LAW LIMIT CALCULATION

2025-26 Voter-approved Expenditure Budget	$ 203,004,866	
Maximum allowed (4% of 2025-26 Budget)		$ 8,120,195
General Fund fund balance subject to Section 1318 of Real Property Tax Law *:		
Total fund balance:	$ 47,510,464	
Less:		
Nonspendable fund balance	$ 511,214	
Restricted fund balance	33,370,163	
Assigned fund balance:		
Appropriated fund balance	5,000,000	
Encumbrances included in committed and assigned fund balance	508,896	
Total adjustments	$ 39,390,273	
General Fund fund balance subject to Section 1318 of Real Property Tax Law		$ 8,120,191
Actual percentage		4%

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

LIVERPOOL CENTRAL SCHOOL DISTRICT

OTHER INFORMATION (UNAUDITED)
Schedule of Project Expenditures – Capital Projects Fund
For the Year Ended June 30, 2025

		Expenditures				
		Original Budget	Revised Budget	Prior Years	Current Year	Total
PROJECT TITLE / SED PROJECT NUMBER						
Buses 2024-25		$ 2,481,944	$ 2,456,654	$ -	$ 2,456,654	$ 2,456,654
Buses 2023-24		2,484,621	2,481,335	1,027,485	1,195,058	2,222,543
Buses 2022-23		1,755,463	1,607,884	1,461,264	146,620	1,607,884
Buses 2021-22		1,245,293	1,231,055	1,231,055	-	1,231,055
Buses 2020-21		1,516,227	1,516,227	1,516,227	-	1,516,227
Buses 2019-20		1,372,787	1,372,787	1,372,787	-	1,372,787
Long Branch Elementary (Emerg) Drainage	0009-013	100,000	91,667	91,667	-	91,667
Liverpool High School Renovations (Phase 3)	0016-026	17,300,000	19,488,759	19,248,347	240,412	19,488,759
Liverpool High School (Capital Outlay)	0016-033	100,000	100,000	99,345	-	99,345
Morgan Rd Elementary (2023-24 Capital Outlay)	0018-017	-	-	-	-	-
Morgan Rd Elementary (Emerg Transformer)	0018-018	500,000	427,568	30,572	396,996	427,568
District-Wide Smart Schools Bond Act	7999-SB1	5,345,676	5,345,676	4,791,606	-	4,791,606
DASNY Playground Grant	SAM #19201	157,521	162,309	154,430	7,879	162,309
Discovered Buildings	Multiple	13,500	13,500	-	10,125	10,125
Morgan Rd Complex (24-25 Capital Outlay)	0018-019	100,000	90,595	-	90,595	90,595
Liverpool Elementary (Security 2018)	0004-008	53,400	97,100	100,266	-	100,266
Liverpool Middle School (Security 2018)	0005-012	67,600	71,300	81,693	-	81,693
Long Branch Elementary (Security Project)	0009-011	120,200	133,900	79,574	-	79,574
Donlin Drive Elementary (Security 2018)	0010-012	71,500	85,200	78,536	-	78,536
Wetzel Road Renovations (Security 2018)	0014-011	62,000	75,697	75,546	-	75,546
Elmcrest Elementary (Security 2018)	0015-007	55,500	69,200	70,774	-	70,774
Liverpool High School (Security 2018)	0016-029	216,350	150,050	288,003	-	288,003
Morgan Road Elementary (Security 2018)	0018-015	191,600	172,003	84,525	-	84,525
Willowfield Elementary (Security 2018)	0024-010	62,000	75,700	69,025	-	69,025
Long Branch Elementary (EDUC 2020)	0009-012	1,793,969	2,217,000	1,742,126	-	1,742,126
Transportation Center (EDUC 2020)	5008-009	640,316	923,500	904,577	-	904,577
Wetzel Road Renovations (EDUC 2020)	0014-013	15,832,500	15,832,500	1,114,668	8,858,876	9,973,544
Liverpool High School (EDUC 2020/Phase 5)	0016-032	12,549,000	12,549,000	2,819,000	8,141,346	10,960,346
Morgan Road Complex-Phase 5	0018-016	1,212,500	1,212,500	3,071	715,393	718,464
Stadium Press Box (existing)	7041-002	32,250	32,250	-	24,155	24,155
New Press Box	7043-001	332,500	332,500	-	72,667	72,667
Liverpool Elementary ('23 Controls Project)	0004-009	852,700	857,582	-	798,871	798,871
Liverpool Middle ('23 Controls Project)	0005-013	1,031,000	1,046,903	-	970,875	970,875
Soule Rd Complex ('23 Controls Project)	0019-016	1,885,400	1,865,464	-	1,821,676	1,821,676
Education Commun Ctr ('23 Controls Project)	3006-008	121,700	120,851	-	72,987	72,987
Elmcrest Elementary	0015-008	7,176,477	-	-	353,139	353,139
WillowField Elementary	0024-011	10,564,831	-	-	519,119	519,119
Morgan Rd Complex	0018-020	6,797,274	-	-	325,904	325,904
Donlin Dr Elementary	0010-013	3,673,098	-	-	53,586	53,586
Long Branch Elementary	0009-014	3,028,014	-	-	34,987	34,987
Soule Rd Complex	0019-017	7,389,525	-	-	93,856	93,856
2024 Cap. Imp. Proj.-UNALLOCATED		11,714,722	50,343,941	-	-	-
2022 Cap. Imp. Proj.-UNALLOCATED		44,901,087	61,969,872	-	-	-
Bond Anticipation Notes Payable		-	-	-	-	-
		$ 166,902,045	$ 186,620,029	$ 38,536,169	$ 27,401,776	$ 65,937,945

LIVERPOOL CENTRAL SCHOOL DISTRICT

OTHER INFORMATION (UNAUDITED)
Schedule of Project Expenditures – Capital Projects Fund (Continued)
For the Year Ended June 30, 2025

	Methods of Financing					
Available Balance	Proceeds of Obligations	State Aid	Local Sources	Transfers	Total	Fund Balance June 30, 2025
$ -	$ 2,481,944	$ -	$ -	$ (25,290)	$ 2,456,654	$ -
258,792	2,025,000	-	459,621	(3,286)	2,481,335	258,792
-	1,080,000	-	675,463	(147,579)	1,607,884	-
-	505,000	-	740,293	(14,238)	1,231,055	-
-	320,000	-	1,196,227	-	1,516,227	-
-	-	-	1,372,787	-	1,372,787	-
-	-	-	100,000	(8,333)	91,667	-
-	19,745,401	-	-	(256,642)	19,488,759	-
655	-	-	100,000	(655)	99,345	-
-	-	-	-	-	-	-
-	-	-	500,000	(72,432)	427,568	-
554,070	-	3,764,449	194,831	55,900	4,015,180	(776,426)
-	-	154,430	7,879	-	162,309	-
3,375	-	-	13,500	-	13,500	3,375
-	-	-	90,595	-	90,595	-
(3,166)	100,266	-	-	-	100,266	-
(10,393)	81,693	-	-	-	81,693	-
54,326	79,574	-	-	-	79,574	-
6,664	78,536	-	-	-	78,536	-
151	75,546	-	-	-	75,546	-
(1,574)	70,774	-	-	-	70,774	-
(137,953)	290,210	-	-	(2,207)	288,003	-
87,478	84,525	-	-	-	84,525	-
6,675	69,025	-	-	-	69,025	-
474,874	-	-	1,742,126	-	1,742,126	-
18,923	-	-	904,577	-	904,577	-
5,858,956	-	-	2,740,000	-	2,740,000	(7,233,544)
1,588,654	-	-	12,539,413	1,000,000	13,539,413	2,579,067
494,036	-	-	-	-	-	(718,464)
8,095	-	-	-	-	-	(24,155)
259,833	-	-	-	-	-	(72,667)
58,711	-	-	-	-	-	(798,871)
76,028	-	-	-	-	-	(970,875)
43,788	-	-	-	-	-	(1,821,676)
47,864	-	-	-	-	-	(72,987)
(353,139)	-	-	-	-	-	(353,139)
(519,119)	-	-	8,000,000	-	8,000,000	7,480,881
(325,904)	-	-	-	-	-	(325,904)
(53,586)	-	-	-	-	-	(53,586)
(34,987)	-	-	-	-	-	(34,987)
(93,856)	-	-	-	-	-	(93,856)
50,343,941	-	-	-	-	-	-
61,969,872	-	-	-	-	-	-
-	(6,411,944)	-	-	-	(6,411,944)	(6,411,944)
$ 120,682,084	$ 20,675,550	$ 3,918,879	$ 31,377,312	$ 525,238	$ 56,496,979	$ (9,440,966)

LIVERPOOL CENTRAL SCHOOL DISTRICT

OTHER INFORMATION (UNAUDITED)
Schedule of Net Investment in Capital Assets
June 30, 2025

Capital assets, net	$ 225,061,954
Deduct:	
Expenditures financed through bond anticipation notes	6,549,367
Short-term portion of bonds payable	8,657,109
Long-term portion of bonds payable	60,479,393
Short-term portion of lease liabilities	1,310,966
Long-term portion of lease liabilities	1,583,931
Other capital-related liabilities	2,359,158
	80,939,924
Net investment in capital assets	$ 144,122,030

REQUIRED REPORT

Bonadio & Co., LLP
Accounting, Consulting & More

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

October 7, 2025

To the Board of Education and Superintendent of
Liverpool Central School District:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Liverpool Central School District (District), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated October 7, 2025.

Report on Internal Control Over Financial Reporting
In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) 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 District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

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

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

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(Continued)

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

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

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