PRELIMINARY OFFICIAL STATEMENT DATED SEPTEMBER 14, 2020

NEW/RENEWAL ISSUE **BOND ANTICIPATION NOTES**

In the opinion of Bond Counsel, assuming continuing compliance by the District with its covenants relating to certain requirements contained in the Internal Revenue Code of 1986 (the "Code"), interest on the Notes is excludable from gross income of the owners thereof for Federal income tax purposes under existing statutes and court decisions. Moreover, interest on the Notes is not a specific preference item for purposes of Federal individual alternative minimum tax. No opinion is expressed regarding other Federal tax consequences arising with respect to the Notes. 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). See "TAX MATTERS" herein for a discussion of certain Federal taxes applicable to owners of the Notes.

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

$1,487,680

MAINE-ENDWELL CENTRAL SCHOOL DISTRICT

BROOME AND TIOGA COUNTIES, NEW YORK

GENERAL OBLIGATIONS

$1,487,680 Bond Anticipation Notes, 2020

(the "Notes")

Dated: October 1, 2020 **Due: October 1, 2021**

The Notes are general obligations of the Maine-Endwell Central School District, Broome and Tioga Counties, New York (the "District"), all the taxable real property within which is subject to the levy of ad valorem taxes to pay the Notes and interest thereon, without limitation as to rate or amount. See "NATURE OF THE OBLIGATION" and "TAX LEVY LIMITATION LAW" herein. **The Notes are not subject to redemption prior to maturity.**

At the option of the purchaser, the Notes will be issued in (i) registered certificated form registered in the name of the successful bidder(s) or (ii) registered book-entry-only form registered to Cede & Co., as the partnership nominee for The Depository Trust Company, New York, New York ("DTC"). The District will act as Paying Agent for the Notes.

If the Notes are issued as registered in the name of the purchaser, principal of and interest on the Notes will be payable in Federal Funds at such bank(s) or trust company(ies) located and authorized to do business in the State of New York. 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 a necessary odd denomination, as may be determined by such successful bidder(s). A single note certificate will be issued for those Notes bearing the same rate of interest in the aggregate principal amount awarded to such purchaser(s) at such interest rate.

Alternatively, if the Notes are issued as registered book-entry-only 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 a necessary odd denomination. If the Notes are issued as registered notes, payment of the principal of and interest on the Notes to the Beneficial Owner(s) of the Notes will be made by DTC Direct Participants and Indirect Participants in accordance with standing instructions and customary practices, as is now the case with municipal securities held for the accounts of customers registered in the name of the purchaser or registered in "street name". Payment will be the responsibility of such DTC Direct or Indirect Participants and the District, subject to any statutory and regulatory requirements as may be in effect from time to time. See "BOOK-ENTRY-ONLY SYSTEM" herein.

The School District is unable to identify and state herein all of the direct or indirect effects, if any, of the COVID-19 pandemic on the School District or on the fair market value, at any time, of the Notes.

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 the Law Offices of Timothy R. McGill, Bond Counsel, Fairport, 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 October 1, 2020.

ELECTRONIC BIDS for the Notes must be submitted on Fiscal Advisors Auction website ("Fiscal Advisors Auction") accessible via www.FiscalAdvisorsAuction.com, on September 17, 2020 by no later than 10:15 A.M. ET. Bids may also be submitted by facsimile at (315) 930-2354. No other form of electronic bidding services will be accepted. No phone bids will be accepted. Once the bids are communicated electronically via Fiscal Advisors Auction or via facsimile to the District, each bid will constitute an irrevocable offer to purchase the Notes pursuant to the terms provided in the Notice of Sale for the Notes.

September __, 2020

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

MAINE-ENDWELL CENTRAL SCHOOL DISTRICT
BROOME AND TIOGA COUNTIES, NEW YORK

2020-2021 BOARD OF EDUCATION

GREGG ARMEZZANI
President

WILLIAM POWELL
Vice President

PETER BALZANI
THOMAS HENDERSON
MELINDA SPOONER
LINDSEY STANTON
VICTORIA WILLIAMS

* * * * *

JASON R. VAN FOSSEN
Superintendent of Schools

JEFFREY A. L'AMOREAUX
Assistant Superintendent

PATRICIA WALSH
School District Treasurer

MICHELLE ANDREWS
School District Clerk

CHERYL I. SACCO, ESQ.
School District Attorney

FISCAL ADVISORS & MARKETING, INC.
Municipal Advisor

TIMOTHY R. MCGILL, ESQ.
Bond Counsel

No person has been authorized by Maine-Endwell 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 Maine-Endwell Central School District.

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PREPARED WITH THE ASSISTANCE OF

Fiscal Advisors & Marketing, Inc.
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Syracuse, New York 13202
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OFFICIAL STATEMENT

of the

MAINE-ENDWELL CENTRAL SCHOOL DISTRICT
BROOME AND TIOGA COUNTIES, NEW YORK

Relating To

$1,487,680 Bond Anticipation Notes, 2020

This Official Statement, which includes the cover page and appendices, has been prepared by the Maine-Endwell Central School District, Broome and Tioga Counties, New York (the "School District" or "District", "Counties", and "State", respectively) in connection with the sale by the District of $1,487,680 principal amount of Bond Anticipation Notes, 2020 (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. See "NATURE OF OBLIGATION" herein and "TAX LEVY LIMITATION LAW" herein.

The Notes are dated October 1, 2020 and mature, without option of prior redemption, on October 1, 2021. Interest will be calculated on a 30-day month and 360-day year basis, payable at maturity.

The Notes will be issued in denominations of $5,000 each or multiples thereof, except for a necessary odd denomination, and at the option of the purchaser(s) either (i) registered in the name of the purchaser, in certificated form 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) as registered book-entry-only 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 Notes are issued pursuant to the Constitution and statutes of the State of New York, including among other things, the Education Law and the Local Finance Law, and various bond resolutions duly adopted by the Board of Education authorizing the issuance of bonds for the acquisition of buses.

Purpose of Issue	Authorization Date	Amount Outstanding	Paydown	New Money	Notes to be Issued
Purchase of Buses - 2015	7/23/2015	88,435	88,435	-	-
Purchase of Buses - 2016	5/26/2016	158,174	79,087	-	79,087
Purchase of Buses - 2017	9/14/2017	345,006	115,002	-	230,004
Purchase of Buses - 2018	6/14/2018	424,400	106,100	-	318,300
Purchase of Buses - 2019	6/6/2019	438,515	87,703	-	350,812
Purchase of Buses - 2020	6/25/2020	-		509,477	509,477
	Totals:	$ 1,454,530	$ 476,327	$ 509,477	$ 1,487,680

The proceeds of the Notes, along with $476,327 in available funds of the District, will partially redeem and renew $1,454,530 bond anticipation notes maturing October 2, 2020 and provide $509,477 in new monies for the aforementioned purpose.

BOOK-ENTRY-ONLY SYSTEM

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

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

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

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

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

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

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

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

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

Source: The Depository Trust Company.

THE DISTRICT CANNOT AND DOES NOT GIVE ANY ASSURANCES THAT DTC, DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS OF DTC WILL DISTRIBUTE TO THE BENEFICIAL OWNERS OF THE NOTES (1) PAYMENTS OF PRINCIPAL OF OR INTEREST 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 in denominations of $5,000 or integral multiples thereof, except for a necessary odd denomination. Principal of and interest on the Notes will be payable at a principal corporate trust office of a bank or trust company located and authorized to do business in the State of New York to be named as fiscal agent by the District. The Notes will remain not subject to redemption prior to their stated final maturity date.

THE SCHOOL DISTRICT

General Information

The District is located in upstate New York in the geographical location known as the Southern Tier just north of the Pennsylvania border. The District encompasses an area of approximately 50 square miles. With over three-quarters of its valuation in the Town of Union, Broome and Tioga Counties, the District is seated in the unincorporated area of Endwell, 10 miles west of the City of Binghamton and approximately one hour south of Syracuse. The District is conveniently located within minutes of I-88, I-81, and New York State Rt. 17. The Town of Maine is a rural bedroom community encompassing 45.8 square miles. The Town of Nanticoke, located in Broome County, was formed in 1831 on the border of Broome and Tioga Counties. The Town of Newark Valley is located in Tioga County northwest of the City of Binghamton. The Town of Owego is the largest town in Tioga County. Lockheed Martin operates a manufacturing facility in the Town of Owego and is the Town's largest employer.

Source: District officials.

District Population

The current estimated population of the District is 15,683. (Source: U.S. Census Bureau, 2014-2018 American Community Survey 5-Year Estimates)

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

	Per Capita Income			Median Family Income		
	2000	2006-2010	2014-2018	2000	2006-2010	2014-2018
Towns of:						
Maine	$ 17,733	$ 22,220	$ 29,840	$ 42,514	$ 54,306	$ 72,038
Nanticoke	15,683	20,624	25,319	39,545	53,269	61,827
Union	20,077	25,732	29,032	46,170	57,913	66,866
Newark Valley	17,577	21,623	36,650	45,321	54,148	78,345
Owego	21,996	29,083	36,410	53,735	67,301	89,767
Counties of:						
Broome	19,168	24,314	27,744	55,099	57,545	67,342
Tioga	18,673	24,596	31,330	46,509	59,907	75,333
State of:						
New York	23,389	30,948	37,470	51,691	67,405	80,419

Note: 2015-2019 American Community Survey estimates are not available as of the date of this Official Statement.

Source: U.S. Census Bureau, 2000 census, 2006-2010 and 2014-2018 American Community Survey data.

Banking Facilities

Commercial banking services located within the School District are provided by the following banks:

JPMorgan Chase Bank, N.A.
Manufacturers & Traders Trust Company
KeyBank, N.A.

Education

The State University of New York at Binghamton, which began in 1946 as Triple Cities College of Syracuse University, joined the State University System in 1950 as Harpur College and was designated a State University Center in 1965. SUNY-Binghamton has an enrollment of over 13,000 undergraduates and 2,000 graduate students. It has recently retained a Dean of Medicine to establish a school of medicine.

Broome Community College is a two-year college sponsored by the County of Broome and supervised by the State University of New York. The College offers courses leading to an associate degree in 52 fields of study under six general categories: business, computer science, health science, liberal arts, engineering and engineering technology, as well as special career programs.

Transportation

Major highways in and in close proximity of the School District include Interstate 81, the primary north-south route extending from Tennessee to Canada. The Southern Tier Expressway runs east-west and connects with Interstate 87 just north of New York City and with Interstate 90 near Erie, Pennsylvania. Interstate 88 provides direct access to Albany and principal New England cities.

Air transportation through Broome and Tioga Counties Airport is provided by various national, commuter and regional airlines and includes US Airways, Colgar, Mall, Alleghany - Commuter, Altair, Air Vector and Air North Airlines. Emery Air Freight and Federal Express also operate from the Airport. The School District is also served by the Tri-Cities Airport, which is located within the Village of Endicott.

Larger Employers

Many residents of the District find employment with one of the following major employers located within Broome County.

Some of the major employers located within the Binghamton, NY Metropolitan Statistical Area (MSA) are as follows:

Company	Location	Employees	Type
Binghamton University	Vestal	5,943	Education
United Health Services	Binghamton	5,428	Healthcare
Lockheed Martin	Owego	2,700	Systems Integration
Lourdes Hospital	Binghamton	2,311	Healthcare
New York State	Binghamton	2,034	Government
Broome County Government	Binghamton	1,913	Government
Raymond Corp.	Greene	1,500	Electric Products
Broome Developmental Center	Binghamton	1,400	Human Services
Amphenol Aerospace	Sidney	1,400	Electronic Devices
BAE Systems	Endicott	1,300	Mission Systems
Chobani	Norwich	1,300	Food Products
Maines Paper & Food Service	Conklin	1,100	Food Distribution
Broome-Tioga BOCES	Binghamton	1,049	Education
NBT Bank	Binghamton	1,039	Financial Institution
IBM Corp.	Endicott	1,100	Technology
Weis Markets	Binghamton	1,000	Food Products
I3 Electronics	Endicott	1,000	Electronics
MeadWestvaco	Sidney	900	Office Products
Felchar Manufacturing Corp.	Binghamton	800	Electronics
NYSEG	Binghamton	800	Electricity & Natural Gas
Nationwide Credit Inc.	Vestal	700	Asset Recovery
United Methodist Homes	Binghamton	621	Senior Living
Matrix Integrated Facility Management	Johnson City	600	Facility Management
Frito-Lay	Kirkwood	540	Food Distribution
Time Warner	Vestal	500	Communications
Wegmans	Johnson City	454	Food Products

Source: Broome County Industrial Development Agency. (www.bcida.com)

Unemployment Rate Statistics

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

Annual Average

	2013	2014	2015	2016	2017	2018	2019
Broome County	7.8%	6.6%	6.0%	5.4%	5.5%	4.9%	4.7%
Tioga County	7.1%	6.1%	5.5%	5.1%	5.1%	4.4%	4.1%
New York State	7.7%	6.3%	5.3%	4.8%	4.7%	4.1%	4.0%

2020 Monthly Figures

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept
Broome County	5.7%	5.4%	5.4%	15.2%	10.7%	11.3%	12.8%	N/A	N/A
Tioga County	5.2%	5.0%	5.1%	15.0%	10.2%	10.3%	11.3%	N/A	N/A
New York State	4.1%	3.9%	4.2%	15.1%	14.2%	15.5%	16.0%	N/A	N/A

Note: Unemployment rates for the months of August and September 2020 are not available as of the date of this Official Statement. Due to the COVID-19 pandemic, unemployment rates for April, May, June and July 2020 were substantially higher than in prior periods. Unemployment rates are expected to remain high for the foreseeable future.

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

Form of School Government

The Board of Education, which is the policy-making body of the School District, consists of seven members with overlapping three-year terms so that as nearly an equal number as possible is elected to the Board each year. Each Board member must be a qualified voter of the School District. The President and the Vice President are selected by the Board members.

Budgetary Procedures and Recent Budget Votes

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

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

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

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

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

Recent Budget Vote Results

The budget for the 2018-19 fiscal year was adopted by the qualified voters on May 15, 2018 by a vote 727 yes to 244 no. The budget was within the Tax Cap imposed by Chapter 97 of the Laws of 2011. The budget included a total tax levy increase of 2.08%, which was equal to the District tax levy limit of 2.08% for the 2018-19 fiscal year.

The budget for the 2019-20 fiscal year was adopted by the qualified voters on May 21, 2019 by a vote of 690 yes to 184 no. The budget was within the Tax Cap imposed by Chapter 97 of the Laws of 2011. The budget included a total tax levy increase of 1.86%, which is equal to the District tax levy limit of 1.86% for the 2019-20 fiscal year.

The school budget vote for the 2020-21 fiscal year was originally scheduled to be held on May 19, 2020, however, under Executive Order annual school budget votes and board of education elections across the State were postponed until June 16, 2020 and were conducted using only absentee ballots.

The school budget vote for the 2020-21 fiscal year was originally scheduled to be held on May 19, 2020, however, under Executive Order annual school budget votes and board of education elections across the State were postponed until June 9, 2020 and was conducted using only absentee ballots. Absentee ballots received by the School District by no later than 5:00 pm. On June 16, 2020 were counted in the vote tally. The budget for the 2020-21 fiscal year was adopted by the qualified voters on June 16, 2020 by a vote of 2,119 yes to 801 no. The budget was within the Tax Cap imposed by Chapter 97 of the Laws of 2011. The budget includes a total tax levy increase of 1.92%, which is equal to the District tax levy limit of 1.92% for the 2020-21 fiscal year.

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) Certificates of Deposit issued by a bank or trust company authorized to do business in New York State, (2) Time Deposit Accounts in a bank or trust company authorized to do business in New York State, (3) Obligations of New York State, (4) Obligations of the United States Government, (5) 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 its adopted budget for the 2020-21 fiscal year, approximately 50.5% of the revenues of the District are estimated to be received in the form of State aid. If the State should not adopt its budget in a timely manner, in any year, municipalities and school districts in the State, including the District, may be affected by a delay in the payment of State aid.

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

According to the four-year financial plan released by the State on May 8, 2020, as a result of the COVID – 19 pandemic, State spending will be significantly reduced. Such reductions will include reductions to “aid to localities” which includes State aid to school districts, including the School District. See “State Aid -School District Fiscal Year (2020-2021)”.

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

Building Aid

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

Aid on debt service is generally paid in the current fiscal year provided such debt service is reported to the Commissioner of Education by November 15 of that year. Any debt service in excess of amounts reported by November 15 will not be aided until the following fiscal year. The building aid received is equal to the approved building expense, or bond percent, times the building aid ratio that is assigned to the District. The building aid ratio is calculated based on a formula that involves the full valuation per pupil in the District compared to a State-wide average.

Pursuant to the provisions of Chapter 760 of the Laws of 1963, the District is eligible to receive a Building Aid Estimate from the New York State Department of Education. Since the gross indebtedness of the District is within the debt limit, the District is not required to apply for a Building Aid Estimate. Based on 2020-2021 preliminary building aid ratios, the District State Building aid of approximately 90.9% for debt service on State Education Department approved expenditures from July 1, 2004 to the present

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

State Aid History

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

School district fiscal year (2016-2017): The 2016-17 State budget included a school aid increase of $991 million over 2015-16, $863 million of which consisted of traditional operating aid. In addition to full-funding of expense based aids ($408 million), the budget also included a $266 million increase in Foundation Aid and an $189 million restoration to the Gap Elimination Adjustment. The bulk of the remaining increase included $100 million in Community Schools Aid, an aid category, to support school districts that wish to create community schools. The funds may only be used for certain purposes such as providing health, mental health and nutritional services to students and their families. The District is not part of the Community Schools Grant Initiative (CSGI).

School district fiscal year (2017-2018): The State 2017-2018 Enacted Budget increased State aid to education by $1.1 billion, including a $700 million increase in Foundation Aid, bringing the total amount of State aid to education to $25.8 billion or an increase of 4.4%. Expense-based aids to support school construction, pupil transportation, BOCES and special education were continued in full, as is the State's usual practice. Transportation aid increased by 5.5% and building aid increased by 4.8%. The State 2017-18 Enacted Budget continued to link school aid increases for 2017-2018 and 2018-2019 to teacher and principal evaluation plans approved by September 1 of the current year in compliance with Education Law Section 3012-d. The State 2017-2018 Enacted Budget allowed the Governor to reduce aid to school districts mid-year if receipts from the federal government were less than what was expected. The Legislature then will have 90 days to approve the Governor's plan.

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

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

School district fiscal year (2020-2021): Due to the anticipated impact of the COVID-19 pandemic on State revenues, State aid in the State's 2020-2021 Enacted Budget is 3.7 percent lower than in the State's 2019-2020 Enacted Budget but is offset in part with increased Federal support. This reduction in State Operating Funds support will be offset by approximately $1.1 billion in funding provided to the State through the Federal CARES Act, including the Elementary and Secondary School Emergency Education Relief Fund and the Governor's Emergency Education Relief Fund. With these Federal funds, State aid totals $27.9 billion in the State's 2020-2021 Enacted Budget, an annual increase of approximately $100 million or 0.4 percent.

The State's 2020-2021 Enacted Budget continues prior year funding levels for existing programs, including Foundation Aid, Community Schools and Universal Prekindergarten. The 2020-2021 Enacted Budget also provides over $200 million in support for competitive grant programs, including $1 million for development of a new Civics Education curriculum and $10 million for a Student Mental Health program. Funding for expense-based aids, such as Building Aid, Transportation Aid, and Boards of Cooperative Educational Services (BOCES) Aid is continued under existing aid formulas. Out-year growth in School Aid reflects current projections of the ten-year average growth in State personal income.

Provisions in the State's 2020-2021 Enacted Budget grant the Budget Director the authority to reduce "aid-to-localities" appropriations and disbursements by any amount needed to achieve a balanced budget, as estimated by the New York State Division of the Budget. Aid-to-localities is a broad spending category that includes funding for health care, K-12 schools, and higher education as well as support for local governments, public transit systems, and the State's not-for-profit partners. In addition, the Budget Director is authorized to withhold and reduce specific local aid payments during the fiscal year. The State's Enacted Budget is deemed out of balance for the fiscal year, and the Budget Director's powers are activated, if actual tax receipts are less than 99 percent of estimated tax receipts, or actual disbursements are more than 101 percent of estimated disbursements, as measured at three points during the year (April 1-30, May 1-June 30, and July 1-December 31). The State's 2020-2021 Enacted Budget is premised on the assumption that the Budget Director's powers will be activated and across-the-board and targeted reductions to local aid programs will be taken to close a substantial portion of the State fiscal year 2021 budget gap caused by the receipts shortfall. Due principally to the COVID-19 pandemic, reduced receipts are expected through State fiscal year 2024. According to the four-year financial plan released by the State on May 8, 2020, as a result of the COVID-19 pandemic, State spending will be significantly reduced. Such reductions will include reductions to "aid to localities" which includes State aid to school districts, including the School District. Any significant reductions or delays in the payment of State aid could adversely affect the financial condition of school districts in the State.

On August 20, 2020, The State Education Department released a notice based on the August 13, 2020 New York State Division of Budget's (the "DOB") Fiscal Year 2021 Quarterly State Budget Financial Plan Update, which states that, in the absence of Federal action since enactment of the Fiscal Year 2021 budget, DOB began withholding 20 percent of most local aid payments in June, and that all or a portion of these withholds may be converted to permanent reductions, depending on the size and timing of new Federal aid, if any. In July, DOB began approving General Support for Public Schools (GSPS) payments to school districts (including 3609-a General Aid, 3609-b Excess Cost Aid, and 3609-d BOCES Aid payments) at 80% of the otherwise scheduled amounts. DOB's Updated Financial Plan includes $8.2 billion in recurring local aid reductions, and states that the earliest DOB expects to transmit a detailed aid-to-localities reduction plan to the Legislature is late in the second quarter of the State's Fiscal Year 2021, and that, in the absence of unrestricted Federal aid, DOB will continue to withhold a range of payments through the second quarter of FY 2021.

Source: NYS Dept. Of Education, State Aid Website. This source pertains only to the August 2020 updates detailed in the paragraph above.

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

As described above the amount of State aid to school districts 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 fiscal year, 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. Although the State's 2019-2020 Enacted Budget was adopted on March 31, 2019 and the State's 2018-2019 Enacted Budget was adopted on March 30, 2018, both in advance of the April 1 deadline, the State's 2017-2018 Enacted Budget was adopted on April 9, 2017, a delay of approximately 8 days, and the State's 2020-21 Enacted Budget was adopted on April 2, 2020, a one-day delay. No assurance can be given that the State will not experience delays in the adoption of the budget in future fiscal years. Significant delays in the adoption of the State budget could result in delayed payment of State aid to school districts in the State which could adversely affect the financial condition of school districts in the State.

There can be no assurance that the State'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.

Potential Reductions in 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 because of changes in Federal policy and the impacts of the COVID-19 pandemic.

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

State Aid Litigation

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

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

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

A case related to the *Campaign for Fiscal Equity, Inc. v. State of New York* was heard on appeal on May 30, 2017 in *New Yorkers for Students' Educational Rights v. State of New York ("NYSER")* and a consolidated case on the right to a sound basic education. The *NYSER* lawsuit asserts that the State has failed to comply with the original decision in the Court of Appeals in the *Campaign for Fiscal Equity* case, and asks the Court of Appeals to require the State to develop new methodologies, formulas and mechanisms for determining State aid, to fully fund the foundation aid formula, to eliminate the supermajority requirement for voter approval of budgets which increase school district property tax levies above the property tax cap limitation, and related matters. On June 27, 2017, the Court of Appeals held that the plaintiffs' causes of action were properly dismissed by the earlier Appellate Division decision except insofar as two causes of action regarding accountability mechanisms and sufficient State funding for a "sound basic education" as applicable solely to the school districts in New York City and Syracuse. The Court emphasized its previous ruling in the *Campaign for Fiscal Equity* case that absent "gross education inadequacies", claims regarding state funding for a "sound basic education" must be made on a district-by-district basis based on the specific facts therein.

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

State Aid Revenues

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

Fiscal Year	Total Revenues	Total State Aid	Percentage of Total Revenues Consisting of State Aid
2014-2015	$46,700,972	$22,157,236	47.44%
2015-2016	48,496,712	23,857,025	49.19
2016-2017	49,821,529	25,088,958	50.36
2017-2018	50,975,488	25,803,154	50.62
2018-2019	52,688,393	27,316,497	51.85
2019-2020 (Unaudited)	52,968,516	27,090,260	51.14
2020-2021 (Budgeted)	54,190,263	27,344,632	50.46

Source: 2014-15 through and including the 2018-19 audited financial statements, unaudited results of operations for the 2019-20 fiscal year and the adopted budget of the District for the 2020-21 fiscal year.

Note: These unaudited projections are based upon certain current assumptions and estimates, and the 2019-2020 audited results may vary therefrom.

District Facilities

The District operates the following facilities:

Name	Grades	Capacity	Year(s) Built / Additions
Homer Brink Elementary	K-5	750	1951, 2000, 2008
Maine Memorial Elementary	K-5	550	1960, ('65), 2001, 2008
Maine-Endwell Middle School	6-8	1,000	1965, 2001, 2008, 2010
Maine-Endwell Senior High School	9-12	1,200	1961, ('68), 2000, 2001, 2008, 2010

Source: District officials.

Enrollment Trends

School Year	Actual Enrollment	School Year	Projected Enrollment
2015-16	2,403	2020-21	2,500
2016-17	2,415	2021-22	2,500
2017-18	2,461	2022-23	2,500
2018-19	2,475	2023-24	2,500
2019-20	2,502	2024-25	2,500

Source: District officials.

District Employees

The District employs a total of approximately 325 full-time and 80 part-time employees. Employees are represented by various unions as follows:

Employees	Union Representation	Contract Expiration Date
220	Maine-Endwell Teachers' Association	June 30, 2022
23	Maine-Endwell School Lunch	June 30, 2022
99	Clerical Association – NYSUT	June 30, 2022
13	Maine-Endwell Administrators	June 30, 2021
45	Maine-Endwell Transportation Unit	June 30, 2019 (1)
30	Maine-Endwell Custodial & Maintenance Association	June 30, 2020 (1)

(1) Currently under negotiation.

Source: District officials.

Status and Financing of Employee Pension Benefits

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

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

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

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

The District is required to contribute at an actuarially determined rate. The actual contributions for the last five years and budgeted figures for the 2019-20 and 2020-21 fiscal years are as follows:

Fiscal Year	ERS	TRS
2014-2015	$ 469,151	$ 2,353,032
2015-2016	477,358	1,877,631
2016-2017	580,087	1,755,154
2017-2018	468,284	1,414,176
2019-2020	554,802	1,334,800
2020-2021 (Budgeted)	599,000	1,430,000

Source: District records.

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

Pursuant to various laws enacted between 1991 and 2002, the State Legislature authorized local governments to make available certain early retirement incentive programs to its employees. During the 2017-2018 fiscal year the District offered a retirement incentive above the normal contractual incentive. The one-time cost of the incentive was $230,000 and expected savings each year is $400,000.

The District currently does not offer any early retirement incentive above the normal contractual incentive programs for its employees nor does the District plan to offer any such plans in the 2019-2020 fiscal year.

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 (2017 to 2021) is shown below:

Year	ERS	TRS
2016-17	15.5%	11.72%
2017-18	15.3	9.80
2018-19	14.9	10.62
2019-20	14.6	8.86
2020-21	14.6	9.53

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

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

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

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

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

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

The State's 2019-2020 Enacted Budget, which was signed into law as Chapter 59 of the Laws of 2019, includes a provision that will allow school districts in the State to establish a reserve fund for the purpose of funding the cost of TRS contributions, as a sub-fund of retirement contribution reserve funds presently authorized for amounts payable to the ERS by a school district. School districts will be permitted to pay into such reserve fund during any particular fiscal year, an amount not to exceed two percent of the total compensation or salaries of all district-employed teachers who are members of the TRS paid during the immediately preceding fiscal year; provided that the balance of such fund may not exceed ten percent of the total compensation or salaries of all district-employed teachers who are members of the TRS paid during the immediately preceding fiscal year. The district established and funded the TRS Sub-reserve for $300,000 in June 2019.

Other Post-Employment Benefits

Healthcare Benefits. It should also be noted that the District provides employment healthcare benefits to various categories of former employees. These costs may be expected to rise substantially in the future. There is now an accounting rule that will require governmental entities, such as the District, to account for employment healthcare benefits as it accounts for vested pension benefits. GASB Statement No. 45 ("GASB 45") of the Governmental Accounting Standards Board ("GASB"), described below, requires such accounting.

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.

GASB 75 and OPEB. In 2015, the GASB released new accounting standards for public other postemployment benefits ("OPEB") plans and participating employers. These standards, GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* ("GASB 75"), have substantially revised the valuation and accounting requirements previously mandated under GASB Statements No. 43 and 45. For the fiscal year ended June 30, 2018, the District implemented GASB 75. The implementation of this statement requires school districts to report 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 requires school districts to calculate and report a net other postemployment benefit 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.

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

The District contracted with an actuarial firm to calculate its actuarial valuation under GASB 75 for the fiscal years ending June 30, 2019 and 2020.

The following outlines the changes to the Total OPEB Liability during the 2019 and 2020 fiscal years, by source.

Balance beginning at:	July 1, 2018	July 1, 2019
	$ 126,280,795	$ 124,227,876
Changes for the year:		
Service cost	4,216,030	3,585,455
Interest	4,623,805	4,859,829
Differences between expected and actual experience	(2,111,447)	-
Changes in assumptions or other inputs	(4,665,687)	3,537,449
Benefit payments	(4,115,620)	(4,472,718)
Net Changes	$ (2,052,919)	$ 7,510,015
Balance ending at:	June 30, 2019	June 30, 2020
	$ 124,227,876	**$ 131,737,891**

Source: 2019 Audited financial statements and actuarial report of the District. The above table is not audited. For additional information regarding the District's OPEB liability for fiscal year ended June 30, 2019, see "APPENDIX - E" attached hereto.

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

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

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

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

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

Financial Statements

The District retains independent Certified Public Accountants. The last audit report covers the period ending June 30, 2019 and is attached hereto as "APPENDIX – E". Certain financial information of the District can be found attached as Appendices to the Official Statement.

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

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

Unaudited Results for Fiscal Year Ending June 30, 2020

The District expects to conclude the fiscal year ending June 30, 2020 with an unappropriated unreserved fund balance of approximately $2,053,899. Summary unaudited projected information for the General Fund for the period ending June 30, 2020 is as follows:

Projected Revenues:	$ 52,968,516
Projected Expenditures:	55,385,434
Projected Excess (Deficit) Revenues Over Expenditures:	$ (2,416,919)
Total General Fund Balance at June 30, 2019:	$ 9,318,372
Total Projected General Fund Balance at June 30, 2020:	$ 6,901,453

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

New York State Comptroller Reports of Examination

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

The State Comptroller's office released its most recent audit report of the District on June 7, 2019. The purpose of the audit was to determine whether District officials maintained accurate and supported employee leave accrual records. Key findings and recommendations from the audit report are summarized below:

Key Findings:

- Employee timekeeping records were inconsistent, and leave used was not always deducted from the leave accrual records. Our tests of 69 employees found 12 days, valued at $3,700, which were not deducted from employees' leave accruals.
- District officials did not always ensure employees submitted a leave request form or ensure the legitimacy of leave taken. The District may have paid as much as $14,200 for the cost of substitute employees for unsupported and potentially inappropriate leave taken.
- Leave earned by employees was not always in accordance with collective bargaining agreements.

Key Recommendations:

- Increase oversight of personnel responsible for leave accrual records.
- Explore options for a more streamlined leave accrual system.

The District provided a complete response to the State Comptroller's office on April 25, 2019. A copy of the complete report and response can be found via the website of the Office of the New York State Comptroller.

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

Source: Website of the Office of the New York State Comptroller. Reference to website implies no warranty of accuracy of information therein, nor incorporation thereof.

The State Comptroller's Fiscal Stress Monitoring System

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

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

The reports of the State Comptroller for the 2016 through 2019 fiscal years of the District are as follows:

Fiscal Year Ending In	Stress Designation	Fiscal Score
2019	No Designation	10.0
2018	No Designation	10.0
2017	No Designation	3.3
2016	No Designation	6.7

Source: Website of the Office of the New York State Comptroller. Reference to website implies no warranty of accuracy of information therein, nor incorporation thereof.

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.

TAX INFORMATION

Taxable Assessed Valuations

Fiscal Year Ending June 30:	2017	2018	2019	2020	2021
Towns of:					
Maine	$ 138,562,083	$ 138,763,632	$ 139,011,210	$ 139,002,081	$ 138,760,223
Nanticoke	1,430,639	1,428,678	1,412,322	1,410,767	1,408,444
Union	25,497,683	25,377,681	25,322,441	25,355,963	25,546,384
Newark Valley	3,268,238	3,268,150	3,333,229	3,349,625	3,348,590
Owego	7,418,837	7,476,786	7,468,946	7,560,984	7,525,584
Total Assessed Values	$ 176,177,480	$ 176,314,927	$ 176,548,148	$ 176,679,420	$ 176,589,225
State Equalization Rates					
Towns of:					
Maine	65.00%	65.00%	65.00%	61.00%	60.00%
Nanticoke	58.00%	58.00%	57.00%	56.70%	55.00%
Union	4.38%	4.32%	4.32%	4.25%	4.11%
Newark Valley	70.00%	70.00%	68.00%	68.00%	66.00%
Owego	75.90%	75.90%	74.90%	72.50%	68.00%
Total Taxable Full Valuation	$ 812,221,336	$ 817,911,692	$ 817,382,472	$ 842,326,146	$ 871,535,023

Source: District officials.

Tax Rate Per $1,000 (Assessed)

Fiscal Year Ending June 30:	2017	2018	2019	2020	2021
Towns of:					
Maine	$ 44.00	$ 44.09	$ 45.03	$ 47.44	$ 47.51
Nanticoke	49.31	49.41	51.35	51.04	51.83
Union	653.25	663.55	677.75	681.08	693.86
Newark Valley	40.86	40.94	43.04	42.55	43.19
Owego	37.68	37.75	39.08	39.91	41.92

Source: District officials.

Tax Collection Procedure

Tax payments are due September 6th. There is no penalty charge for the first thirty days after taxes are due, but a 2% penalty is charged from October 5th to November 4th and a 3% penalty from November 5th to November 15th. On or about November 15th, uncollected taxes are returnable to the Counties for collection. The School District receives this amount from the Counties prior to the end of the School District's fiscal year, thereby assuring 100% tax collection annually. Taxes unpaid after November 15th are re-levied, at an additional 7% penalty, with the Town and County taxes which are due on January 1st.

Tax Collection Record

Fiscal Year Ending June 30:	2017	2018	2019	2020	2021
Total Tax Levy	$ 23,237,142	$ 23,443,312	$ 23,929,941	$ 24,374,532	$ 24,848,513
Amount Uncollected (1)	1,060,078	923,514	1,036,166	987,100	N/A
% Uncollected	4.56%	3.94%	4.33%	4.05%	N/A

(1) The District is reimbursed by the Counties for all unpaid taxes. See "Tax Collection Procedure" herein.

Source: District officials.

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 and Tax Items.

Fiscal Year	Total Revenues	Total Real Property Taxes and Tax Items	Percentage of Total Revenues Consisting of Real Property Tax
2014-2015	$46,700,972	$22,705,929	48.62%
2015-2016	48,496,712	23,103,606	47.64
2016-2017	49,821,529	23,364,272	46.90
2017-2018	50,975,488	23,576,297	46.25
2018-2019	52,688,393	24,073,632	45.69
2019-2020 (Unaudited)	52,688,394	24,594,077	46.43
2020-2021 (Budgeted)	54,190,263	24,848,513	45.85

Source: 2014-15 through and including the 2018-19 audited financial statements, unaudited results of operations for the 2019-20 fiscal year and the adopted budget of the District for the 2020-21 fiscal year.

Note: These unaudited projections are based upon certain current assumptions and estimates, and the 2019-2020 audited results may vary therefrom.

Ten Larger Taxpayers – 2020 Assessment Roll for 2020-21 District Tax Roll

Name	Type	Taxable Full Valuation
New York State Electric & Gas Corporation	Utility	$ 17,959,912
Visions Federal Credit Union	Commercial	9,500,000
Inergy Pipeline Eat LLC	Commercial	2,940,166
Fishs Eddy IV, LLC	Commercial	2,851,094
Squire Colony, LLC	Commercial	2,725,060
Broome County Department of Aviation	Public Airport	2,712,470
Binghamton Country Club	Commercial	2,384,428
Ampenol	Industrial	2,238,442
Rocon Realty Co LLC	Residential	2,080,291
415 Hooper Road Assoc	Medical	1,936,739

The ten larger taxpayers listed above have a total taxable full valuation of $47,328,602 which represents approximately 5.43% of the School District's tax base.

As of the date of this Official Statement, the District currently does not have any pending or outstanding tax certioraris that are known to have a material impact on the District.

Source: District Tax Rolls.

STAR – School Tax Exemption

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

STAR – School Tax Exemption. The STAR (School Tax Relief) program provides State-funded exemptions from school property taxes to homeowners for their primary residences. Homeowners over 65 years of age with household adjusted gross incomes, less the taxable amount of total distributions from individual retirement accounts and individual retirement annuities ("STAR Adjusted Gross Income") of $88,050 or less in 2020, increased annually according to a cost of living adjustment, are eligible for a "full value" exemption of the first $68,700 for the 2019-20 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 2015-2016 school year (generally, March 1, 2015), and the property was granted a STAR exemption on that assessment roll. A new homeowner may receive a new personal income tax credit in the form of a check. 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 2015-2016 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 are intended to encourage homeowners to switch from the STAR exemption to the STAR credit. The income limit for the exemption has been lowered to $250,000, compared with a $500,000 limit for the credit. Homeowners with STAR Adjusted Gross Income of $250,000 have the option to elect the credit or the exemption. The amount received for the STAR exemption will remain the same each year, while the amount of the STAR credit can increase up to two percent annually.

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

Towns of:	Enhanced Exemption	Basic Exemption	Date Certified
Maine	$ 42,580	$ 18,300	4/10/2020
Nanticoke	39,580	17,010	4/10/2020
Union	2,970	1,280	4/10/2020
Newark Valley	47,460	20,400	4/10/2020
Owego	50,610	21,750	4/10/2020

$4,021,078 of the District's $24,374,532 school tax levy for the 2019-20 fiscal year was exempt by the STAR Program. The District received full reimbursement of such exempt taxes from the State in January, 2020.

$3,836,900 of the District's $24,848,513 school tax levy for the 2020-21 fiscal year is expected to be exempted the STAR Program. The District expects to receive full reimbursement of such exempt taxes from the State in January, 2021.

Additional Tax Information

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

Senior citizens' exemptions are offered to those who qualify.

Total assessed valuation of the School District is estimated to be categorized as follows: Agricultural-2%, Residential-81%, Commercial-12% and Industrial-5%.

The estimated total annual property tax bill of a $100,000 market value residential property located in the School District is approximately $4,872 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 (as amended) ("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.

On February 20, 2013, the New York State United Teachers ("NYSUT") and several individuals filed a lawsuit in State Supreme Court in Albany County seeking a declaratory judgment and a preliminary injunction that the Tax Levy Limitation Law is unconstitutional as it applies to public school districts. On September 23, 2014, a justice of the New York State Supreme Court dismissed each of NYSUT's causes of action but granted NYSUT's motion to amend the complaint. NYSUT subsequently served a second amended complaint seeking a preliminary injunction and challenging the Tax Levy Limitation Law as violative of the Education Article of the New York State Constitution and the Equal Protection and Due Process clauses and the First Amendment of the United States Constitution. On March 16, 2015 a New York State Supreme Court Justice denied NYSUT's motion for a preliminary injunction and dismissed all causes of action contained in NYSUT's second amended complaint. NYSUT appealed the decision to continue its challenge to the constitutionality of the Tax Levy Limitation Law. On May 5, 2016 the Appellate Division upheld the lower court dismissal, noting that while the State is required to provide the opportunity of a sound basic education, the Constitution "does not require that equal educational offerings be provided to every student", and further noted "the legitimate government interest of restraining crippling property tax increases". An appeal by NYSUT was dismissed on October 20, 2016 by the Court of Appeals, New York's highest court, on the ground that no substantial constitutional question was directly involved and thereafter leave to appeal was denied on January 14, 2017 by the Court of Appeals.

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 authorized by the Board of Education and utilized, no installment may be more than fifty percent in excess of the smallest prior installment. The District is required to provide an annual appropriation for the payment of interest due during the year on its indebtedness and for the amounts required in such year for amortization and redemption of its serial bonds and such required annual installments on its notes.

Statutory Procedures

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

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

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

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

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

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

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

Except on rare occasions the District complies with this estoppel procedure. It is a procedure that is recommended by Bond Counsel, but it is not an absolute legal requirement.

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

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

Debt Outstanding End of Fiscal Year

Fiscal Years Ending:	2016	2017	2018	2019	2020
Bonds	$ 40,263,067	$ 35,541,912	$ 30,685,758	$ 38,500,000	$ 33,585,000
Bond Anticipation Notes	8,313,173	17,277,172	17,037,662	1,492,639	1,454,530
Revenue/Tax Anticipation Notes	0	0	0	0	0
Totals	$ 48,576,240	$ 52,819,084	$ 47,723,420	$ 39,992,639	$ 32,130,470

Details of Outstanding Indebtedness

The following table sets forth the indebtedness of the District evidenced by bonds and notes as of September 14, 2020:

Type of Indebtedness	Maturity		Amount
Bonds	2021-2033		$ 33,585,000
Bond Anticipation Notes			
Purchase of Buses	October 2, 2020		1,454,530 (1)
Revenue Anticipation Notes			
Receipt of 2020-2021 State Aid	July 28, 2021		8,000,000 (2)
		Total Indebtedness	$ 43,039,530

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

Debt Statement Summary

Summary of Indebtedness, Debt Limit and Net Debt-Contracting Margin as of September 14, 2020:

Full Valuation of Taxable Real Property			$ 871,535,023
Debt Limit 10% thereof			87,153,502
Inclusions:			
Bonds	$ 33,585,000		
Principal of this Issue	1,487,680		
Total Inclusions		$ 35,072,680	
Exclusions:			
State Building Aid (1)	$ 0		
Total Exclusions		$ 0	
Total Net Indebtedness			$ 35,072,680
Net Debt-Contracting Margin			$ 52,080,822
The percent of debt contracting power exhausted is			40.24%

(1) Pursuant to the Provisions of Chapter 760 of the Laws of New York State of 1963, the School District receives aid on existing bonded debt. Since the gross indebtedness of the School District is within the debt limit, the School District is not required to apply for a Building aid Estimate. Over the years the building aid ratio has been adjusted based on State legislative changes with an effective date tied to voter authorization dates. Based on preliminary 2020-21 Building Aid Ratios, the School District anticipates State Building aid of 90.9% for debt service on SED approved expenditures from July 1, 2004 to the present. The School District has no reason to believe that it will not ultimately receive all of the Building aid it anticipates, however, no assurance can be given as to when and how much Building aid the School District will receive in relation to its capital project indebtedness.

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

The above debt statement summary does not include $6,228,217 outstanding principal balance of an energy performance contract, which are subject to appropriation but do not involve a pledge of faith and credit of the District, and therefore do 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 principal balance of such obligations.

Bonded Debt Service

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

Cash Flow Borrowings

Outside of the current issuance of the Notes, the District has not issued any other revenue or tax anticipation notes in the past five years.

Lease Purchase Obligations

On July 23, 2020 the District entered into an energy performance contract in the amount of $6,288,217 with an annual interest rate of 2.27%. The District's scheduled payments of principal and interest are as follows:

Fiscal Year Ending June 30th	Principal Due July 15th	Interest Due July 15th	Total Principal and Interest
2022	$ 356,076	$ 138,239	$ 494,315
2023	361,018	133,298	494,315
2024	369,213	125,102	494,315
2025	377,594	116,721	494,315
2026	386,165	108,150	494,315
2027-2036	4,378,151	565,001	4,943,152
Total	$ 6,228,217	$ 1,186,511	$ 7,414,728

Source: District officials. Table itself is not audited.

Capital Project Plans

The District annually issues bond anticipation notes for the purchase of buses. On June 16, 2020, the qualified voters of the District approved a proposition for $509,477 for the purchase of buses. The proceeds of the Notes, along with $476,327 in available funds of the District, will partially redeem and renew $1,454,530 bond anticipation notes maturing October 2, 2020 and provide $509,477 in new monies for the purchase of buses.

On September 10, 2019, qualified voters of the District approved a $15.48 million capital improvement project which addresses upgrades to infrastructure, security and efficiency to District facilities. Borrowings will occur based on market conditions and cash flow needs of the District.

The District anticipated issuing bond anticipation notes in August 2020 for the capital project as the first borrowing against said authorization, however, as a result of the COVID-19 health crisis, Governor Cuomo has issued Executive Orders that have the effect of tolling legal time limitations from March 20, 2020. The District issued $8 million Revenue Anticipation Notes August 11, 2020 to allow the general fund to support costs of the capital project and intends to issue bond anticipation notes for the project when the tolling period expires. The District's administration is not aware of any opposition to the issuance of bond anticipation notes for the capital project and is taking a conservative approach should any potential challenges arise.

The District is analyzing its capital needs in anticipation of a project to be voted on in 2022. The ultimate scope and cost of such work is not known at this time.

Other than noted above, there are presently no other capital projects authorized and unissued by the School District.

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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)]	Exclusions [(2)]	Net Indebtedness	District Share	Applicable Indebtedness
County of:						
Broome	12/31/2018	$ 138,974,947	$ 10,744,947	$ 128,230,000	7.81%	$ 10,014,763
Tioga	12/31/2018	12,280,000	-	12,280,000	0.63%	77,364
Town of:						
Maine	12/31/2018	905,000	-	905,000	84.26%	762,553
Nanticoke	12/31/2018	261,079	135,079	126,000	3.53%	4,448
Union	12/31/2018	12,886,854	166,420	12,720,434	21.17%	2,692,916
Newark Valley	12/31/2018	97,200	-	97,200	2.79%	2,712
Owego	12/31/2018	6,746,000	3,243,000	3,503,000	0.87%	30,476
Fire District:						
Endwell	12/31/2018	2,670,000	-	2,670,000	100.00%	2,670,000
					Total:	$ 16,255,232

Notes:
(1) Outstanding bonds and bond anticipation notes. Not adjusted to include subsequent bond or note sales, if any.
(2) Water and sewer debt and / or appropriations. Pursuant to the Local Finance Law, this indebtedness is excluded from the constitutional debt limit.

Sources: Most recent available State Comptroller's Special Report for the respective fiscal year of the municipality.

Debt Ratios

The following table sets forth certain ratios relating to the District's indebtedness as of September 14, 2020:

	Amount	Per Capita [(a)]	Percentage of Full Value [(b)]
Net Indebtedness [(c)]	$ 35,072,680	$ 2,236.35	4.02%
Net Indebtedness Plus Net Overlapping Indebtedness [(d)]	51,327,912	3,272.84	5.89

(a) The 2018 estimated population of the District is 15,683. (See "THE SCHOOL DISTRICT - Population" herein.)
(b) The District's full value of taxable real estate for the 2020-2021 School District tax roll is $871,535,023. (See "TAX INFORMATION – Taxable Assessed Valuations" herein.)
(c) See "Debt Statement Summary" for the calculation of Net Direct Indebtedness, herein.
(d) Estimated net overlapping indebtedness is $16,255,232. (See "Estimated Overlapping Indebtedness" herein.)

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

SPECIAL PROVISIONS AFFECTING REMEDIES UPON DEFAULT

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

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

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

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

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

Authority to File For Municipal Bankruptcy. The Federal Bankruptcy Code allows public bodies, such as the counties, cities, towns and villages, 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.

State Debt Moratorium Law. There are separate State law provisions regarding debt service moratoriums enacted into law in 1975.

At the Extraordinary Session of the State Legislature held in November, 1975, legislation was enacted which purported to suspend the right to commence or continue an action in any court to collect or enforce certain short-term obligations of The City of New York. The effect of such act was to create a three-year moratorium on actions to enforce the payment of such obligations. On November 19, 1976, the Court of Appeals, the State's highest court, declared such act to be invalid on the ground that it violates the provisions of the State Constitution requiring a pledge by such City of its faith and credit for the payment of obligations.

As a result of the Court of Appeals decision in Flushing National Bank v. Municipal Assistance Corporation for the City of New York, 40 N.Y.2d 731 (1976), the constitutionality of that portion of Title 6-A of Article 2 of the Local Finance Law, enacted at the 1975 Extraordinary Session of the State legislature, described below, authorizing any county, city, town or village with respect to which the State has declared a financial emergency to petition the State Supreme Court to stay the enforcement against such municipality of any claim for payment relating to any contract, debt or obligation of the municipality during the emergency period, is subject to doubt. In any event, no such emergency has been declared with respect to the District.

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. See "THE NOTES - Nature of the Obligation" and "State Debt Moratorium Law" herein.

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

MARKET AND RISK FACTORS

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

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

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

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

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

Cybersecurity

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

COVID-19

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

TAX MATTERS

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

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

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

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

Current and future legislative proposals, if enacted into law, clarification of the Code or court decisions may cause interest on the 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 Beneficial Owners from realizing the full current benefit of the tax status of such interest. Legislative proposals in recent years generally would limit the exclusion from gross income of interest on obligations like the Notes to some extent for taxpayers who are individuals and whose income is subject to higher marginal income tax rates. Other proposals have been made that could significantly reduce the benefit of, or otherwise affect, the exclusion from gross income of interest on obligations like the Notes. The introduction or enactment of any such legislative proposals, clarification of the Code or court decisions may also affect the market price for, or marketability of, the Notes.

PROSPECTIVE PURCHASERS OF THE NOTES SHOULD CONSULT THEIR OWN TAX ADVISORS REGARDING ANY PENDING OR PROPOSED FEDERAL OR STATE TAX LEGISLATION, REGULATIONS OR LITIGATION, AS TO WHICH BOND COUNSEL EXPRESSES NO OPINION.

LEGAL MATTERS

The validity of the Notes will be covered by the unqualified legal opinion of Timothy R. McGill, Esq., Fairport, New York, Bond Counsel to the District, such opinion to be delivered with the Notes. The proposed form of such opinion is attached hereto as "APPENDIX – D".

Such legal opinion also will state that (i) in rendering the opinions expressed therein, Bond Counsel has assumed the accuracy and truthfulness of all public records, documents and proceedings examined by Bond Counsel which have been executed or certified by public officials acting within the scope of their official capacities, and has not verified the accuracy or truthfulness thereof, and Bond Counsel also has assumed the genuineness of the signatures appearing upon such public records, documents and proceedings, and such certifications; (ii) the scope of Bond Counsel's engagement in relation to the issuance of the Notes has extended solely to the examination of the facts and law incident to rendering the opinions expressed therein; (iii) the opinions expressed therein are not intended and should not be construed to express or imply any conclusion that the amount of real property subject to taxation within the boundaries of the District, together with other legally available sources of revenue, if any, will be sufficient to enable the District to pay the principal of and interest on the Notes as the same respectively become due and payable; (iv) reference should be made to the Official Statement for factual information which, in the judgment of the District, would materially affect the ability of the District to pay such principal and interest; and (v) while Bond Counsel has participated in the preparation of the Official Statement, Bond Counsel has not verified the accuracy, completeness or fairness of the factual information contained therein and, accordingly, no opinion is expressed by Bond Counsel as to whether the District, in connection with the sale of the Notes, has made any untrue statement of a material fact, or omitted to state a material fact necessary in order to make any statements made, in the light of the circumstances under which they were made, not misleading. In particular, no opinion is expressed, or may be inferred, with respect to the direct or indirect effect of the COVID-19 pandemic and the federal, state and local government and private industry responses thereto (i) on the financial condition of the School District, or (ii) on the market price and fair market value of the Notes at initial issuance or at any time thereafter.

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 Continuing Disclosure Compliance History

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

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

RATINGS

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

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

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

MISCELLANEOUS

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

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

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

The Law Offices of Timothy R. McGill, Fairport, 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: Mr. Jeffrey A. L'Amoreaux, Assistant Superintendent for Business, Administration Offices, 712 Farm-to-Market Road, Endwell, New York 13760-1199 Phone: (607) 754-1400, Fax: (607) 754-1650, Email: jlamoreaux@me.stier.org.

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

MAINE-ENDWELL CENTRAL SCHOOL DISTRICT

Dated: September 14, 2020

GREG ARMENZZANI
PRESIDENT OF THE BOARD OF EDUCATION AND
CHIEF FISCAL OFFICER

GENERAL FUND

Balance Sheets

Fiscal Years Ending June 30:	2015	2016	2017	2018	2019
ASSETS					
Unrestricted Cash	$ 2,119,170	$ 2,765,674	$ 3,066,358	$ 2,766,890	$ 2,305,170
Restricted Cash & Investments	5,064,814	6,578,822	6,711,653	6,750,981	7,313,206
State and Federal Aid Receivable	930,470	1,355,973	1,479,650	1,105,546	1,112,586
Due from Other Funds	899,817	260,818	99,786	327,576	370,187
Due from Other Governments	1,219,998	1,197,865	1,273,022	1,312,938	1,557,497
Due from Fiduciary Funds	-	-	-	-	9,033
Other Receivables (Net)	85,061	59,962	43,854	269,783	18,443
Prepaid Items	-	-	-	-	-
TOTAL ASSETS	$ 10,319,330	$ 12,219,114	$ 12,674,323	$ 12,533,714	$ 12,686,122
LIABILITIES AND FUND EQUITY					
Accounts Payable	$ 214,704	$ 586,142	$ 413,505	$ 978,344	$ 757,638
Accrued Liabilities	247,564	93,170	684,969	293,969	291,231
Revenue Anticipation Notes Payable	-	-	-	-	-
Bond Interest and Matured Bonds Payable	-	-	-	-	-
Due to Other Funds	3,389	261	-	49,479	85,729
Due to Other Governments	-	77	50	12	14
Due to Teachers' Retirement System	2,479,470	1,992,286	1,803,833	1,594,030	1,631,982
Due to Employees' Retirement System	158,531	131,337	153,630	136,491	140,649
Other Liabilities	-	-	-	-	-
Compensated Absences Payable	137,048	-	-	-	-
Deferred Revenues	114,293	459,131	461,307	459,210	460,507
TOTAL LIABILITIES	$ 3,354,999	$ 3,262,404	$ 3,517,294	$ 3,511,535	$ 3,367,750
FUND EQUITY					
Nonspendable	$ -	$ -	$ -	$ -	$ -
Restricted	5,064,814	6,578,822	6,711,653	6,701,502	7,227,477
Assigned	69,218	451,371	490,786	289,425	310,867
Unassigned	1,830,299	1,926,517	1,954,590	2,031,252	1,780,028
TOTAL FUND EQUITY	$ 6,964,331	$ 8,956,710	$ 9,157,029	$ 9,022,179	$ 9,318,372
TOTAL LIABILITIES and FUND EQUITY	$ 10,319,330	$ 12,219,114	$ 12,674,323	$ 12,533,714	$ 12,686,122

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:	2015	2016	2017	2018	2019
REVENUES					
Real Property Taxes	$ 18,139,282	$ 18,468,532	$ 18,795,011	$ 19,074,450	$ 19,669,054
Other Tax Items	4,566,647	4,635,074	4,569,261	4,501,847	4,404,578
Charges for Services	126,400	128,054	137,898	141,976	197,303
Use of Money & Property	78,331	61,397	155,755	234,464	331,713
Sale of Property and Compensation for Loss	21,999	46,418	17,893	111,807	22,732
Miscellaneous	1,498,704	1,197,964	1,004,050	993,906	625,709
Interfund Revenues	-	-	-	-	-
Revenues from State Sources	22,157,236	23,857,025	25,088,958	25,803,154	27,316,497
Revenues from Federal Sources	112,144	94,061	52,703	105,067	111,990
Total Revenues	$ 46,700,743	$ 48,488,525	$ 49,821,529	$ 50,966,671	$ 52,679,576
Other Sources:					
Interfund Transfers	229	8,187	-	8,817	8,817
Total Revenues and Other Sources	$ 46,700,972	$ 48,496,712	$ 49,821,529	$ 50,975,488	$ 52,688,393
EXPENDITURES					
General Support	$ 4,517,328	$ 4,253,630	$ 4,617,556	$ 4,555,807	$ 4,607,955
Instruction	20,342,447	22,277,403	22,896,721	23,471,588	23,910,119
Pupil Transportation	1,384,476	1,596,182	1,592,100	1,613,765	1,750,895
Community Services	-	-	-	-	-
Employee Benefits	11,724,265	11,845,256	13,330,624	14,073,343	14,208,529
Debt Service	6,379,669	6,319,568	7,022,804	7,075,900	7,753,804
Total Expenditures	$ 44,348,185	$ 46,292,039	$ 49,459,805	$ 50,790,403	$ 52,231,302
Other Uses:					
Interfund Transfers	324,754	212,294	161,405	319,935	160,898
Total Expenditures and Other Uses	$ 44,672,939	$ 46,504,333	$ 49,621,210	$ 51,110,338	$ 52,392,200
Excess (Deficit) Revenues Over Expenditures	2,028,033	1,992,379	200,319	(134,850)	296,193
FUND BALANCE					
Fund Balance - Beginning of Year	4,936,298	6,964,331	8,956,710	9,157,029	9,022,179
Prior Period Adjustments (net)	-	-	-	-	-
Fund Balance - End of Year	$ 6,964,331	$ 8,956,710	$ 9,157,029	$ 9,022,179	$ 9,318,372

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:	2019 Original Budget	2019 Final Budget	2019 Actual	2020 Adopted Budget	2021 Adopted Budget
REVENUES					
Real Property Taxes	$ 23,929,914	$ 19,696,436	$ 19,669,054	$ 24,374,532	$ 24,848,513
Other Tax Items	169,918	4,403,396	4,404,578	-	-
Charges for Services	130,000	130,000	197,303	-	-
Use of Money & Property	145,000	145,000	331,713	-	-
Sale of Property and Compensation for Loss	-	1,325	22,732	-	-
Miscellaneous	739,000	741,756	625,709	1,258,345	1,088,118
Interfund Revenues	-	-	-	-	-
Revenues from State Sources	26,974,788	27,049,788	27,316,497	27,085,217	27,344,632
Revenues from Federal Sources	70,000	70,000	111,990	-	-
Total Revenues	$ 52,158,620	$ 52,237,701	$ 52,679,576	$ 52,718,094	$ 53,281,263
Other Sources:					
Designated Fund Balance and Encumbrances Carried over from prior year	39,425	39,425	-	-	-
Appropriated Fund Balance	250,000	250,000	-	250,000	250,000
Appropriated Reserves	81,425	220,738	-	553,000	659,000
Interfund Transfers	8,817	8,817	8,817	-	-
Total Revenues and Other Sources	$ 52,538,287	$ 52,756,681	$ 52,688,393	$ 53,521,094	$ 54,190,263
EXPENDITURES					
General Support	$ 4,686,867	$ 4,739,307	$ 4,607,955	$ 4,888,539	$ 4,806,399
Instruction	23,121,429	24,063,745	23,910,119	24,615,642	24,902,384
Pupil Transportation	1,778,953	1,777,115	1,750,895	1,824,160	1,875,225
Community Services	-	-	-	-	-
Employee Benefits	15,008,000	14,260,573	14,208,529	14,963,000	15,370,261
Debt Service	7,798,038	7,755,042	7,753,804	7,064,753	7,065,994
Total Expenditures	$ 52,393,287	$ 52,595,782	$ 52,231,302	$ 53,356,094	$ 54,020,263
Other Uses:					
Interfund Transfers	145,000	160,899	160,898	165,000	170,000
Total Expenditures and Other Uses	$ 52,538,287	$ 52,756,681	$ 52,392,200	$ 53,521,094	$ 54,190,263
Excess (Deficit) Revenues Over Expenditures	-	-	296,193	-	-
FUND BALANCE					
Fund Balance - Beginning of Year	-	-	9,022,179	-	-
Prior Period Adjustments (net)	-	-	-	-	-
Fund Balance - End of Year	$ -	$ -	$ 9,318,372	$ -	$ -

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

BONDED DEBT SERVICE

Fiscal Year Ending June 30th	Principal	Interest	Total
2021	$ 5,215,000	$ 1,305,994	$ 6,520,994
2022	5,050,000	1,132,838	6,182,838
2023	5,210,000	967,250	6,177,250
2024	5,400,000	758,150	6,158,150
2025	4,160,000	541,250	4,701,250
2026	1,520,000	372,200	1,892,200
2027	1,265,000	308,200	1,573,200
2028	1,010,000	250,950	1,260,950
2029	1,070,000	200,450	1,270,450
2030	1,120,000	146,950	1,266,950
2031	1,180,000	90,950	1,270,950
2032	685,000	55,550	740,550
2033	700,000	35,000	735,000
TOTALS	$ 33,585,000	$ 6,165,731	$ 39,750,731

CURRENT BONDS OUTSTANDING

Fiscal Year Ending June 30th	2015 Various Capital Improvements Principal	Interest	Total	2016 Refunding of 2010 Series Bonds Principal	Interest	Total
2021	$ 690,000	$ 124,350	$ 814,350	$ 3,495,000	$ 621,444	$ 4,116,444
2022	700,000	110,550	810,550	3,590,000	513,588	4,103,588
2023	725,000	89,550	814,550	3,690,000	407,000	4,097,000
2024	745,000	67,800	812,800	3,820,000	259,400	4,079,400
2025	615,000	45,450	660,450	2,665,000	106,600	2,771,600
2026	600,000	27,000	627,000	-	-	-
2027	300,000	9,000	309,000	-	-	-
TOTALS	$ 4,375,000	$ 473,700	$ 4,848,700	$ 17,260,000	$ 1,908,031	$ 19,168,031

Fiscal Year Ending June 30th	2019A DASNY Capital Improvements Principal	Interest	Total
2021	$ 1,030,000	$ 560,200	$ 1,590,200
2022	760,000	508,700	1,268,700
2023	795,000	470,700	1,265,700
2024	835,000	430,950	1,265,950
2025	880,000	389,200	1,269,200
2026	920,000	345,200	1,265,200
2027	965,000	299,200	1,264,200
2027	1,010,000	250,950	1,260,950
2027	1,070,000	200,450	1,270,450
2027	1,120,000	146,950	1,266,950
2027	1,180,000	90,950	1,270,950
2027	685,000	55,550	740,550
2027	700,000	35,000	735,000
TOTALS	$ 11,950,000	$ 3,784,000	$ 15,734,000

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

(a) principal and interest payment delinquencies

(b) non-payment related defaults, if material

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

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

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

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

(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 Notes

(k) rating changes

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

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

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

(o) incurrence of a "financial obligation" (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 Note.

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

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

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

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

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

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

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

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APPENDIX – D

FORM OF BOND COUNSEL'S OPINION

LAW OFFICES
OF
Timothy R. McGill
248 WILLOWBROOK OFFICE PARK
FAIRPORT, NEW YORK 14450
Kristine M. Bryant
Paralegal
Tel: (585) 381-7470
Fax: (585) 381-7498

October 1, 2020

Board of Education of the
Maine-Endwell Central School District
Broome and Tioga County, New York

Re: ***Maine-Endwell Central School District***
$1,487,680 Bond Anticipation Notes, 2020

Dear Board Members:

I have examined a record of proceedings relating to the issuance of$1,487,680 principal amount of Bond Anticipation Notes, 2020 of the Maine-Endwell Central School District, a school district of the State of New York. The Notes are [registered to _________________ / in book-entry-only form registered to "Cede & Co.,"] are dated October 1, 2020, are numbered 2020B-__, bear interest at the rate of ______________________ per centum (____%) per annum payable at maturity, mature October 1, 2021, and issued pursuant to the Local Finance Law of the State of New York and bond resolutions adopted May 26, 2016, September 14, 2017, June 14, 2018, June 6, 2019 and June 25, 2020. The propositions approving the matters set forth in the bond resolutions were approved by the voters of the School District on May 17, 2016, May 16, 2017, May 15, 2018, May 21, 2019 and June 16, 2020. The Notes are not subject to redemption prior to maturity. The Notes are temporary obligations issued in anticipation of the issuance of bonds.

In my opinion, except insofar as the enforcement thereof may be limited by any applicable bankruptcy, moratorium or similar laws relating to the enforcement of creditors' rights, the Notes are valid and legally binding obligations of the Maine-Endwell Central School District, payable in the first instance from the proceeds of the sale of the bonds in anticipation of which the Notes are issued, but, if not so paid, payable ultimately from *ad valorem* taxes that may be levied upon all the taxable real property within the School District without limitation as to rate or amount.

The School District has covenanted to comply with any requirements of the Internal Revenue Code of 1986, as amended (the "Code"), that must be met subsequent to the issuance of the Notes in order that interest thereon be and remain excludable from gross income under the Code. In my opinion, under the existing statute, regulations and court decisions, interest on the Notes is excludable from gross income for Federal income tax purposes under Section 103 of the Code and will continue to be so excluded if the School District continuously complies with such covenant; and under the Code, interest on the Notes is not a specific preference item for purposes of the federal alternative minimum tax. I express no opinion regarding other Federal income tax consequences caused by the receipt or accrual of interest on the Notes. Further, in my opinion, interest on the Notes is exempt from New York State and New York City personal income taxes under existing statutes.

In rendering the opinions expressed herein, I have assumed the accuracy and truthfulness of all public records, documents and proceedings examined by me which have been executed or certified by public officials acting within the scope of their official capacities, and have not verified the accuracy or truthfulness thereof, and I also have assumed the genuineness of the signatures appearing upon such public records, documents and proceedings, and such certifications. The scope of my engagement in relation to the issuance of the Notes has extended solely to the examination of the facts and law incident to rendering the opinions expressed herein. Such opinions are not intended and should not be construed to express or imply any conclusion that the amount of real property subject to taxation within the boundaries of the School District, together with other legally available sources of revenue, if any, will be sufficient to enable the School District to pay the principal of and interest on the Notes as the same respectively become due and payable. Reference should be made to the Official Statement prepared by the School District in relation to the Notes for factual information which, in the judgment of the School District, could materially affect the ability of the School District to pay such principal and interest. While I have participated in the preparation of such Official Statement, I have not verified the accuracy, sufficiency, completeness or fairness of the Official Statement or any factual information contained therein or any additional proceedings, reports, correspondence, financial statements or other documents containing financial or other information relative to the School District or the financed project and, accordingly, I express no opinion as to whether the School District, in connection with the sale of the Notes, has made any untrue statement of a material fact or omitted to state a material fact necessary in order to make any statements made, in the light of the circumstances under which they were made, not misleading. In particular, no opinion is expressed, or may be inferred, with respect to the direct or indirect effect of the COVID-19 pandemic and the federal, state and local government and private industry responses thereto (i) on the financial condition of the School District, or (ii) on the market price and fair market value of the Notes at initial issuance or at any time thereafter.

Very truly yours,

Timothy R. McGill, Esq.

TRM:

MAINE-ENDWELL CENTRAL SCHOOL DISTRICT
BROOME AND TIOGA COUNTIES, NEW YORK

AUDITED FINANCIAL STATEMENTS

FISCAL YEAR ENDED JUNE 30, 2019

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.

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

MAINE-ENDWELL
CENTRAL SCHOOL DISTRICT

Endwell, New York

FINANCIAL REPORT

For the Year Ended
June 30, 2019

inseroco
Certified Public Accountants | Business Advisors

MAINE-ENDWELL CENTRAL SCHOOL DISTRICT

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MAINE-ENDWELL CENTRAL SCHOOL DISTRICT

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INDEPENDENT AUDITORS' REPORT

Board of Education
Maine-Endwell Central School District
Endwell, New York

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Maine-Endwell Central School District (the School District) as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions
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 School District, as of June 30, 2019, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information
Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, budgetary comparison schedules, Schedules of School District's Contributions - NYSLRS and NYSTRS Pension Plans, Schedules of the School District's Proportionate Share of the Net Pension Asset/Liability, Schedule of Changes in the School District's Total OPEB Liability and Related Ratios, and related notes on pages 4-4j and 48-56 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School District's basic financial statements. The Schedule of Change from Adopted Budget to Final Budget and the Real Property Tax Limit, Schedule of Project Expenditures - Capital Projects Fund, and Schedule of Net Investment in Capital Assets (supplementary information) on pages 57-59 is presented for purposes of additional analysis and is not a required part of the basic financial statements. The Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 23, 2019 on our consideration of the School District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School District's internal control over financial reporting and compliance.

Respectfully Submitted,

Insero & Co. CPAs, LLP

Insero & Co. CPAs, LLP
Certified Public Accountants

Ithaca, New York
September 23, 2019

The following is a discussion and analysis of Maine-Endwell Central School District's (the School District) financial performance for the fiscal year ended June 30, 2019. 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

- The School District recognizes its total other postemployment benefits (OPEB) liability, as well as deferred outflows and deferred inflows of resources related to the OPEB plan in accordance with the parameters of GASB Statement No. 75. "Accounting and Financial Reporting for Postemployment Benefits Other than Pensions." Current year recognition resulted in a decrease of Government-wide expenses of $458,928, compared to an increase of $3,119,286 in 2018.

- The School District ended the year with a total net deficit of $78,614,931, a decrease of $4,839,655 from the prior year. Year end net position was composed of $7,835,768 in restricted, $40,368,478 in net investment in capital assets, and $126,819,177 in unrestricted net deficit. The unrestricted net deficit decreased $437,139 from to the prior year. Unrestricted net deficit at June 30, 2019 is primarily attributable to recognition of the accumulated OPEB liability of $124,227,876.

- Revenues exceeded expenses by $4,839,655 in 2019, compared to expenses exceeding revenues by $345,204 in 2018.

- The School District records its proportionate share of the net pension asset/liability along with deferred inflows and outflows of resources related to pensions in accordance with the parameters of GASB Statement No. 68. "Accounting and Financial Reporting for Pensions." Current year recognition resulted in a decrease of Government-wide expenses of $240,432, compared to an increase of $233,649 in 2018.

- The School District had $43,068,653 in outstanding debt at year end, a decrease of $6,168,912 from the prior year. This was primarily the result of principal payments on outstanding long-term debt and BANs converted to long-term financing, partially offset by new Dormitory Authority of the State of New York (DASNY) bond proceeds for $12,765,000.

- Capital asset additions during 2019 amounted to $1,124,887 for the purchase of buses, vehicles, equipment, and construction in progress expenditures. Depreciation expense was $3,174,817 for the current year.

- General Fund budgeted expenditures, including carry-over encumbrances, and other financing uses, were underspent by $303,614 with a General Fund excess of revenues and other financing sources over expenditures and other financing uses of $296,193. General Fund revenues and other financing sources exceeded the budgeted amounts by $441,875.

- Total General Fund fund balance, including reserves, was $9,318,372 at June 30, 2019. Unassigned fund balance amounted to $1,780,028 at year end. Of this amount, $1,780,028 was subject to and below the maximum limit (4% of 2019-2020 appropriations) permitted under New York State Real Property Tax Law.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

- The remaining statements are Governmental Fund financial statements that focus on individual parts of the School District, reporting the School District's operations in greater detail than the District-wide financial statements. The Governmental Fund financial statements concentrate on the School District's most significant funds.

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

District-wide financial statements

The District-wide financial statements report information about the School District as a whole using accounting methods similar to those used by private-sector companies. The Statement of Net Position includes all of the School District's assets, 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 it has changed.

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

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 accounting devices the School District uses to keep track of specific sources of funding and spending on particular programs. The School District has two kinds of funds:

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

- Fiduciary Funds: The School District is the trustee, or fiduciary, for assets that belong to others, such as the Scholarship Fund and the Extraclassroom Activities Funds. 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 SCHOOL DISTRICT AS A WHOLE
The School District's combined net deficit for the fiscal year ended June 30, 2019 decreased by $4,839,655. 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	*Governmental Activities and Total School District*		*Total Dollar Change*
	2018	*2019*	*2018 - 2019*
Current Assets	$ 6,130,991	$ 5,831,109	$ (299,882)
Noncurrent Assets	7,752,168	9,206,451	1,454,283
Capital Assets, Net	84,707,224	82,657,294	(2,049,930)
Total Assets	**98,590,383**	**97,694,854**	**(895,529)**
Deferred Charges on Defeased Debt	1,125,538	779,837	(345,701)
Pensions	10,492,861	9,521,806	(971,055)
Other Postemployment Benefits	3,429,683	4,472,718	1,043,035
Total Deferred Outflows of Resources	**15,048,082**	**14,774,361**	**(273,721)**
Current Liabilities	25,730,664	10,858,525	(14,872,139)
Noncurrent Liabilities	154,392,433	161,273,132	6,880,699
Total Liabilities	**180,123,097**	**172,131,657**	**(7,991,440)**
Pensions	3,413,874	2,759,383	(654,491)
Other Postemployment Benefits	13,556,080	16,193,106	2,637,026
Total Deferred Inflows of Resources	**16,969,954**	**18,952,489**	**1,982,535**
Net Investment in Capital Assets	36,595,197	40,368,478	3,773,281
Restricted	7,206,533	7,835,768	629,235
Unrestricted	(127,256,316)	(126,819,177)	437,139
Total Net (Deficit)	**$ (83,454,586)**	**$ (78,614,931)**	**$ 4,839,655**

The decrease in current assets is primarily due to a decrease in the current portion of cash resulting from changes in approved General Fund reserves. The decrease in capital assets is the result of current year depreciation in excess of capital outlay. The increase in noncurrent assets is primarily due to increases in board approved reserves and the establishment and funding of a reserve for Teacher's Retirement System (TRS) contributions. The remaining increase in noncurrent assets and changes in deferred outflows of resources - pensions, and deferred inflows of resources - pensions, are related to changes in the actuarially determined proportionate share of the pension systems plans net pension asset/liability and related deferred outflows and inflows of resources.

The decrease in deferred charges on defeased debt is due to amortization of refunding bonds. The decrease in current liabilities is primarily due to BAN's being converted to long-term financing. The increase in noncurrent liabilities is primarily related to new DASNY bonds of $12,765,000.

The remaining change in noncurrent liabilities, and the changes in deferred outflows of resources - OPEB, and deferred inflows of resources - OPEB are primarily due to recognition of GASB Statement No. 75, based on an actuarial valuation of the School District's OPEB plan, as well as regular principal payments on long-term debt and proceeds from new debt issuance.

Net investment in capital assets increased due to capital outlay and debt principal payments in excess of debt proceeds and depreciation expense for the current year. The increase in restricted net position is primarily based on increases in board approved reserves in the General Fund. Unrestricted net deficit decreased based on the change in GASB Statement No. 75 OPEB liability and related items of $458,928 in 2019, and results of operations. Our analysis in *Figure 2* considers the operations of the School District's activities.

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

Figure 2

Condensed Statement of Net Position	*Governmental Activities and Total School District*		*Total Dollar Change*
	2018	*2019*	*2018 - 2019*
REVENUES			
Program Revenues:			
Charges for Services	$ 578,119	$ 670,143	$ 92,024
Operating Grants	2,848,181	2,780,375	(67,806)
Capital Grants	-	659,100	659,100
General Revenues:			
Real Property Taxes	19,074,450	19,669,054	594,604
Real Property Tax Items	4,501,847	4,404,578	(97,269)
State Sources	25,383,891	26,984,090	1,600,199
Use of Money and Property	239,355	332,670	93,315
Other General Revenues	936,800	648,441	(288,359)
Total Revenues	**$ 53,562,643**	**$ 56,148,451**	**$ 2,585,808**
PROGRAM EXPENSES			
General Support	$ 7,707,097	$ 7,748,353	$ 41,256
Instruction	40,453,042	37,885,593	(2,567,449)
Pupil Transportation	3,109,331	3,068,674	(40,657)
School Lunch Program	1,200,171	1,309,144	108,973
Interest on Debt	1,438,206	1,297,032	(141,174)
Total Expenses	**$ 53,907,847**	**$ 51,308,796**	**$ (2,599,051)**
CHANGE IN NET POSITION	**$ (345,204)**	**$ 4,839,655**	**$ 5,184,859**

Total revenues for the School District's Governmental Activities increased 4.83%, while total expenses decreased 4.82%. The increase in revenue is primarily due to increases in basic state formula aid, SMART school state aid, and real property tax increases totaling $2,585,808. The decrease in total expenses is primarily due to the net effect of GASB Statement No. 75 recognition in comparison to the prior year. The increase in school lunch expenses is primarily due to a change in employee benefit allocations to the functions.

Figures 3 and *4* show the sources of revenue for 2019 and 2018.

Figure 3

Sources of Revenue for 2019

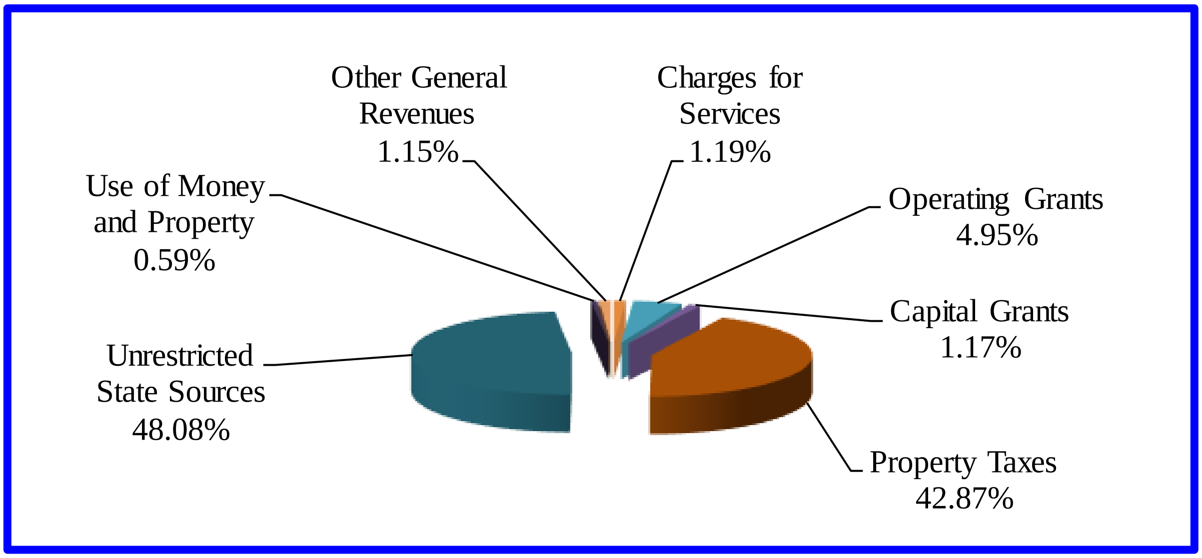
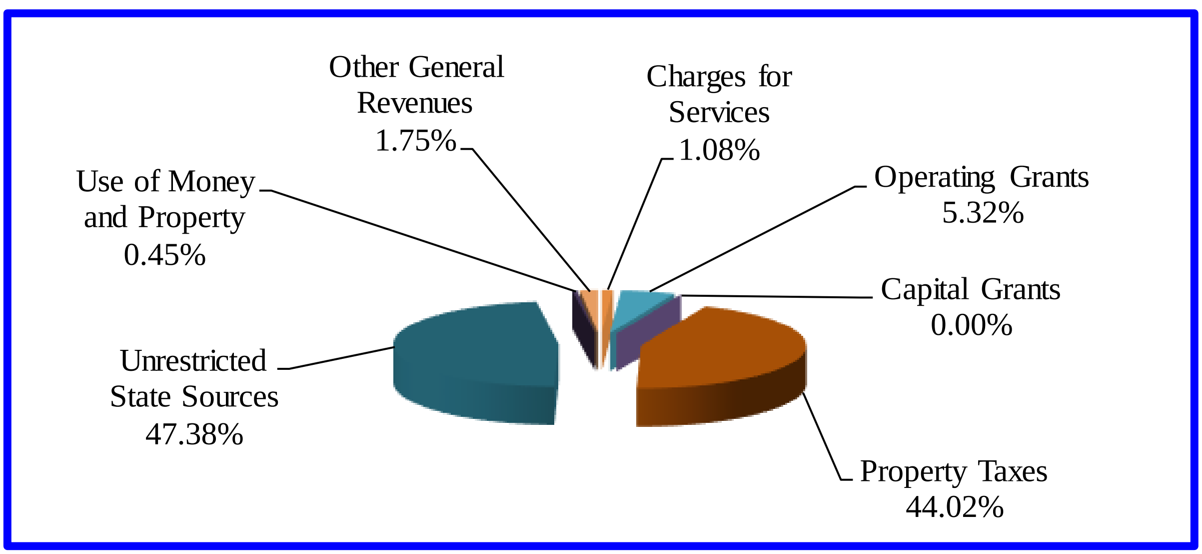


Figure 4

Sources of Revenue for 2018



Figures 5 and *6* present the costs for each of the School District's programs for 2019 and 2018.

Figure 5

Cost of Programs for 2019

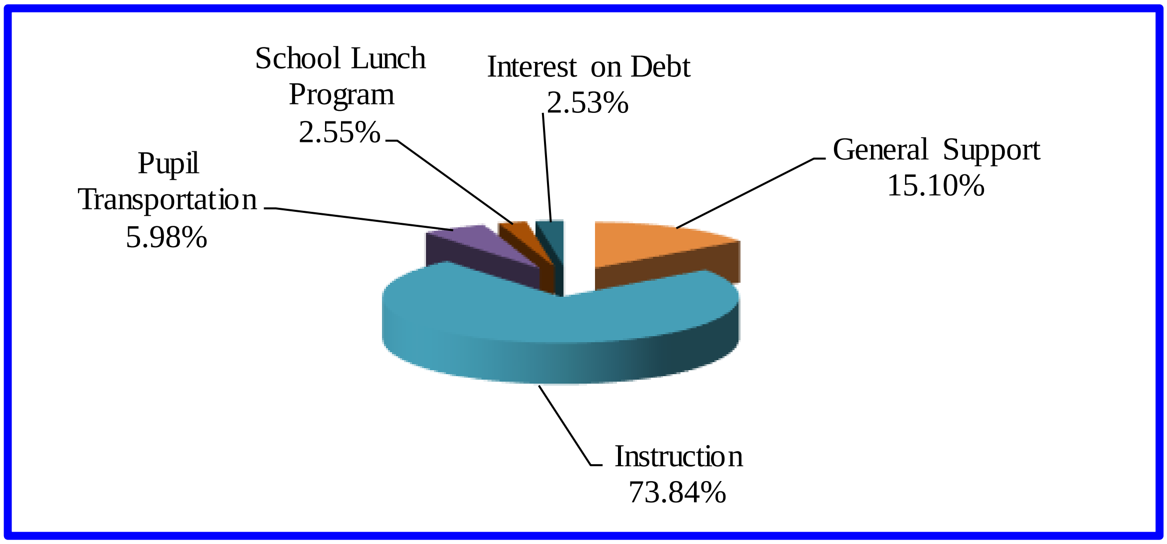
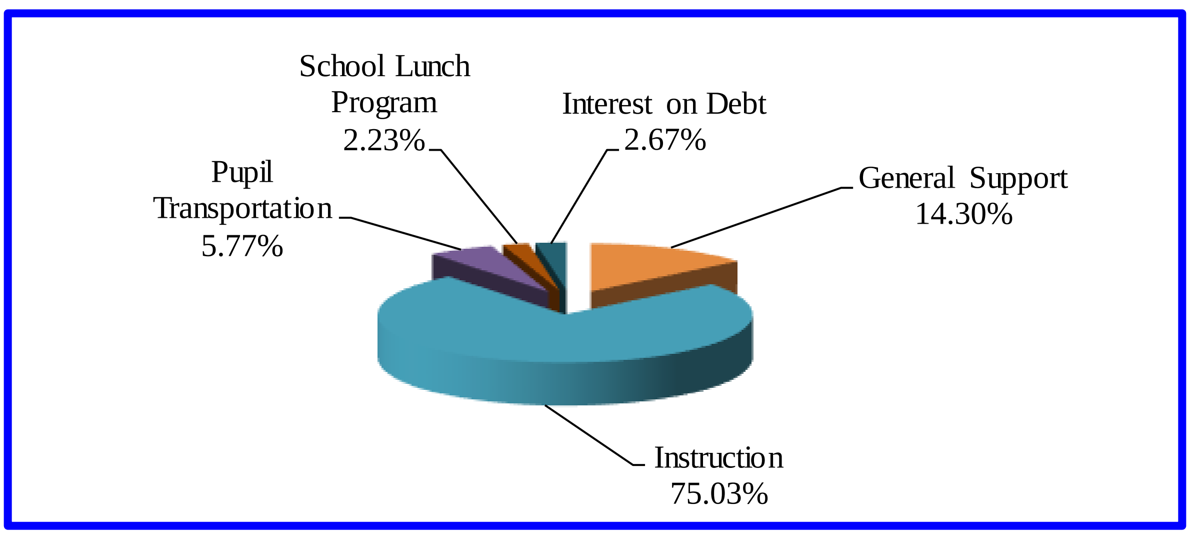


Figure 6

Cost of Programs for 2018



FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT'S FUNDS

Figure 7 shows the changes in total fund balances for the year for the School District's Governmental funds. As the School District completed the year, its Governmental Funds, as presented in the Balance Sheet, reported a combined total fund balance of $8,492,200, which is a increase from the prior year combined total fund deficit. The significant changes are primarily attributable to BANs refinanced by long-term financing.

Figure 7

Governmental Fund Balances	***2018***	***2019***	***Total Dollar Change 2018 - 2019***
General Fund	$ 9,022,179	$ 9,318,372	$ 296,193
School Lunch Fund	199,225	232,568	33,343
Debt Service Fund	350,559	272,158	(78,401)
Capital Projects Fund - Construction	(15,747,173)	161,741	15,908,914
Capital Projects Fund - Buses	(1,332,662)	(1,492,639)	(159,977)
Total Governmental Funds	**$ (7,507,872)**	**$ 8,492,200**	**$ 16,000,072**

GENERAL FUND BUDGETARY HIGHLIGHTS

Over the course of the year, the Superintendent approves budgetary transfers that revise the School District budget line items and the board reviews the transfers. In addition, during the year the budget was amended. These budget amendments consisted of appropriated reserves, gifts and donations, unanticipated state aid, and insurance recoveries which increased the budget $218,394. Even with these adjustments, the School District received more revenue than budgeted; primarily from additional interest earned and increases in state aid. The actual charges to appropriations (expenditures) were below the final budget amounts. Expenditures were under budget due to lower than expected costs related to instructional salaries, contractual expenses, and employee benefits.

Figure 8 summarizes the original and final budgets, the actual expenditures (including encumbrances), and the variances for the year ending June 30, 2019.

Figure 8

Condensed Budgetary Comparison General Fund - 2019	*Original Budget*	*Revised Budget*	*Actual w/ Encumbrances*	*Favorable (Unfavorable) Variance*
REVENUES				
Real Property Taxes	$ 23,929,914	$ 19,696,436	$ 19,669,054	$ (27,382)
Other Tax Items	169,918	4,403,396	4,404,578	1,182
State Sources	26,974,788	27,049,788	27,316,497	266,709
Other, Including Financing Sources	1,092,817	1,096,898	1,298,264	201,366
Total Revenues and Other Financing Sources	**$ 52,167,437**	**$ 52,246,518**	**$ 52,688,393**	**$ 441,875**
Appropriated Fund Balances	**$ 370,850**	**$ 510,163**		
EXPENDITURES				
General Support	$ 4,686,867	$ 4,739,307	$ 4,642,480	$ 96,827
Instruction	23,121,429	24,063,745	23,936,216	127,529
Pupil Transportation	1,778,953	1,777,115	1,751,140	25,975
Employee Benefits	15,008,000	14,260,573	14,208,529	52,044
Debt Service	7,798,038	7,755,042	7,753,804	1,238
Other Financing Uses	145,000	160,899	160,898	1
Total Expenditures and Other Financing (Uses)	**$ 52,538,287**	**$ 52,756,681**	**$ 52,453,067**	**$ 303,614**

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of June 30, 2019, the School District had invested in a broad range of capital assets. This amount represents a net decrease from the prior year.

Figure 9

Changes in Capital Assets	*2018*	*2019*	*Total Dollar Change 2018 - 2019*
Land	$ 695,899	$ 695,899	$ -
Construction in Progress	9,558,869	1,142,523	(8,416,346)
Buildings, Net	71,498,761	77,845,073	6,346,312
Equipment, Net	2,953,695	2,973,799	20,104
Total	**$ 84,707,224**	**$ 82,657,294**	**$ (2,049,930)**

Capital asset activity for the year ended June 30, 2019 included the following:	
Land, Equipment, Buildings, and Improvements	$ 1,124,887
Less Depreciation Expense	(3,174,817)
Net Change in Capital Assets	**$ (2,049,930)**

Additional major capital projects will be required in accordance with the School District's long range renovation plan.

Debt Administration

Debt, both short and long-term, considered a liability of Governmental Activities, decreased, as shown in *Figure 10*. The decrease resulted mostly from the repayment of serial bonds and refinancing of BANs with long-term DASNY bonds. Total bonded indebtedness represented 48.9% of the constitutional debt limit, exclusive of building aid estimates.

Figure 10

Outstanding Debt	*Governmental Activities and Total School District* 2018	*Governmental Activities and Total School District* 2019	*Total Dollar Change 2018 - 2019*
Bond Anticipation Notes	$ 17,037,662	$ 1,492,639	$ (15,545,023)
Serial Bonds	32,199,903	41,576,014	9,376,111
Total	**$ 49,237,565**	**$ 43,068,653**	**$ (6,168,912)**

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

The School District's bond rating is Aaa, which did not change from the prior year.

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

FACTORS BEARING ON THE SCHOOL DISTRICT'S FUTURE

- The School District has a proposed capital project vote scheduled for fall 2019. The total capital project proposal will be $15,329,000 and would start in the summer of 2020 and continue through fall of 2021, if approved.

- GASB Statement No. 75 requires an actuarial calculation of health insurance obligations for retired employees. This computation was required and initiated in the 2017-2018 fiscal year and could impact the School District's bond rating in future years.

- Expected increases in costs for health insurance, employee and teacher retirement systems, and fuel costs remain factors bearing on the School District's future, specifically, the 2019-2020 budget.

- The state imposed 2% tax levy limit is making it more difficult for school districts to raise revenues in years when expenses trend higher due to pension cost increases, health insurance increases, and other expenses we do not have direct control over. School districts that have attempted to go over the tax levy limit with the state required 60% budget approval have not fared well statewide. This will make it more difficult for schools to balance budgets when state aid increases lag behind expenditure increases in any given year.

- The Affordable Care Act (ACA) is a Federal Law with several provisions which could affect school districts. The biggest concern is the cadillac tax provision. Beginning in 2022, a 40% excise tax will be imposed on the value of health insurance benefits exceeding a certain threshold. The thresholds are $10,800 for individual coverage and $29,500 for family coverage (indexed to inflation). With changes to ACA under discussion, it is difficult to determine what the ultimate resolution of this tax will be.

- The School District is pleased with the passage of the 2019-20 budget of $53,521,094. The budget increased by 1.95% from the previous year. The approval rate was 79.0%, which represents a broad public base of support for the spending plan from our community.

CONTACTING THE SCHOOL DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide the School District's citizens, taxpayers, customers, investors, and creditors with a general overview of the School District's finances and to demonstrate the School District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Business Office, Maine-Endwell Central School District, at 712 Farm to Market Road, Endwell, New York.

MAINE-ENDWELL CENTRAL SCHOOL DISTRICT

STATEMENT OF NET POSITION
JUNE 30, 2019

ASSETS	
Current Assets	
Cash - Unrestricted	$ 2,364,628
Cash - Restricted	268,054
Receivables:	
State and Federal Aid	1,553,750
Due from Other Governments	1,557,497
Due from Fiduciary Funds	9,033
Other	19,971
Inventories	58,176
Total Current Assets	5,831,109
Noncurrent Assets	
Restricted Cash	2,771,669
Restricted Investments	4,727,966
Net Pension Asset - Proportionate Share	1,706,816
Land and Other Nondepreciable Capital Assets	1,838,422
Capital Assets, Net	80,818,872
Total Noncurrent Assets	91,863,745
Total Assets	97,694,854
DEFERRED OUTFLOWS OF RESOURCES	
Deferred Charges on Defeased Debt	779,837
Pensions	9,521,806
Other Postemployment Benefits	4,472,718
Total Deferred Outflows of Resources	14,774,361
LIABILITIES	
Current Liabilities	
Accounts Payable	770,670
Accrued Liabilities	297,566
Due to Other Governments	406
Bond Interest and Matured Bonds	77,705
Due to Teachers' Retirement System	1,631,982
Due to Employees' Retirement System	140,649
Bond Anticipation Notes Payable	1,492,639
Unearned Revenue	44,125
Current Portion of Long-Term Obligations:	
Bonds Payable	6,402,783
Total Current Liabilities	10,858,525

See Notes to Basic Financial Statements

STATEMENT OF NET POSITION
JUNE 30, 2019

LIABILITIES (continued)	
Noncurrent Liabilities and Obligations	
Bonds Payable	$ 35,173,231
Compensated Absences Payable	1,043,965
Other Postemployment Benefits Liabilities	124,227,876
Net Pension Liability - Proportionate Share	828,060
Total Noncurrent Liabilities and Obligations	161,273,132
Total Liabilities	172,131,657
DEFERRED INFLOWS OF RESOURCES	
Pensions	2,759,383
Other Postemployment Benefits	16,193,106
Total Deferred Inflows of Resources	18,952,489
NET POSITION	
Net Investment in Capital Assets	40,368,478
Restricted	7,835,768
Unrestricted Net (Deficit)	(126,819,177)
Total Net (Deficit)	**$ (78,614,931)**

See Notes to Basic Financial Statements

MAINE-ENDWELL CENTRAL SCHOOL DISTRICT

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2019

		Program Revenues			Net (Expense) Revenue and Changes in Net Position
	Expenses	**Charges for Services**	**Operating Grants**	**Capital Grants**	
FUNCTIONS/PROGRAMS					
General Support	$ 7,748,353	$	$	$	$ (7,748,353)
Instruction	37,885,593	309,293	1,833,717	659,100	(35,083,483)
Pupil Transportation	3,068,674				(3,068,674)
School Lunch Program	1,309,144	360,850	946,658		(1,636)
Interest on Debt	1,297,032				(1,297,032)
Total Functions and Programs	**$ 51,308,796**	**$ 670,143**	**$ 2,780,375**	**$ 659,100**	(47,199,178)
GENERAL REVENUES					
Real Property Taxes					19,669,054
Real Property Tax Items					4,404,578
Use of Money and Property					332,670
Unrestricted State Sources					26,984,090
Sale of Property and Compensation for Loss					22,732
Miscellaneous					625,709
Total General Revenues					52,038,833
Change in Net Position					4,839,655
Total Net (Deficit) - Beginning of Year					(83,454,586)
Total Net (Deficit) - End of Year					**$ (78,614,931)**

See Notes to Basic Financial Statements

MAINE-ENDWELL CENTRAL SCHOOL DISTRICT

BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2019

	Major Funds		
		Special Revenue Funds	
	General Fund	Special Aid Fund	School Lunch Fund
ASSETS			
Cash - Unrestricted	$ 2,305,170	$ 25,310	$ 21,695
Cash - Restricted	2,585,240		20,584
Investments - Restricted	4,727,966		
Receivables:			
Due From Other Funds	370,187		85,729
State and Federal Aid	1,112,586	374,613	66,551
Due from Other Governments	1,557,497		
Due from Fiduciary Funds	9,033		
Other	18,443		1,528
Inventories			58,176
Total Assets	**$ 12,686,122**	**$ 399,923**	**$ 254,263**
LIABILITIES			
Payables:			
Accounts Payable	$ 757,638	$ 7,963	$ 269
Accrued Liabilities	291,231	2,000	4,335
Due to Other Funds	85,729	362,534	
Due to Other Governments	14		392
Due to Teachers' Retirement System	1,631,982		
Due to Employees' Retirement System	140,649		
Bond Anticipation Notes Payable			
Unearned Revenue		27,426	16,699
Total Liabilities	2,907,243	399,923	21,695
DEFERRED INFLOWS OF RESOURCES			
Unavailable Revenues - State Aid	460,507		
FUND BALANCES			
Nonspendable			58,176
Restricted	7,227,477		174,392
Assigned	310,867		
Unassigned	1,780,028		
Total Fund Balances (Deficit)	9,318,372	-	232,568
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	**$ 12,686,122**	**$ 399,923**	**$ 254,263**

See Notes to Basic Financial Statements

Major Funds			
Debt Service Fund	Capital Projects - Construction Fund	Capital Projects - Bus Fund	Total Governmental Funds
$	$ 12,453	$	$ 2,364,628
268,152	165,747		3,039,723
			4,727,966
4,006			459,922
			1,553,750
			1,557,497
			9,033
			19,971
			58,176
$ 272,158	**$ 178,200**	**$ -**	**$ 13,790,666**
$	$ 4,800	$	$ 770,670
			297,566
	11,659		459,922
			406
			1,631,982
			140,649
		1,492,639	1,492,639
			44,125
-	16,459	1,492,639	4,837,959
			460,507
			58,176
272,158	161,741		7,835,768
			310,867
		(1,492,639)	287,389
272,158	161,741	(1,492,639)	8,492,200
$ 272,158	**$ 178,200**	**$ -**	**$ 13,790,666**

MAINE-ENDWELL CENTRAL SCHOOL DISTRICT

RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
JUNE 30, 2019

Fund Balances (Deficit) - Total Governmental Funds		**$ 8,492,200**
Amounts reported for Governmental Activities in the Statement of Net Position are different because:		
Capital assets, net of accumulated depreciation, used in Governmental Activities are not current financial resources and, therefore, are not reported in the funds.		
Total Historical Cost	$ 113,414,645	
Less Accumulated Depreciation	(30,757,351)	82,657,294
The School District's proportion of the collective net pension asset/liability is not reported in the funds.		
TRS Net Pension Asset - Proportionate Share	$ 1,706,816	
ERS Net Pension Liability - Proportionate Share	(828,060)	878,756
Deferred outflows of resources, including deferred charges on defeased debt, OPEB, and pensions, represents a consumption of net position that applies to future periods and, therefore, is not reported in the funds. Deferred inflows of resources, including unavailable revenue, OPEB, and pensions, represents an acquisition of net position that applies to future periods and, therefore, is not reported in the funds.		
Unavailable Revenue	$ 460,507	
Unamortized Deferred Charges on Defeased Debt	779,837	
TRS Deferred Inflows of Resources - Pension	(2,457,894)	
ERS Deferred Inflows of Resources - Pension	(301,489)	
Other Postemployment Benefits Deferred Inflows	(16,193,106)	
TRS Deferred Outflows of Resources - Pension	8,918,488	
ERS Deferred Outflows of Resources - Pension	603,318	
Other Postemployment Benefits Deferred Outflows	4,472,718	(3,717,621)
Proceeds of debt are reported as revenue in the Governmental Funds, but issuance of debt increases the balance of obligations payable in the Statement of Net Position. Repayment of bond principal is an expenditure in the Governmental Funds, but the repayment reduces long-term liabilities in the Statement of Net Position.		
Bonds Payable	$ (38,500,000)	
Unamortized Bond Premium	(3,076,014)	(41,576,014)
Certain accrued obligations and expenses reported in the Statement of Net Position do not require the use of current financial resources and, therefore, are not reported as liabilities in the funds.		
Other Postemployment Benefits Liabilities	$ (124,227,876)	
Compensated Absences	(1,043,965)	(125,271,841)
Interest is accrued on outstanding balances of debt obligations in the District-wide financial statements.		
Accrued Interest on Long-Term Debt		(77,705)
Net (Deficit) of Governmental Activities		**$ (78,614,931)**

See Notes to Basic Financial Statements

MAINE-ENDWELL CENTRAL SCHOOL DISTRICT

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - GOVERNMENTAL FUNDS FOR THE YEAR ENDED JUNE 30, 2019

	Major Funds		
		Special Revenue Funds	
	General Fund	Special Aid Fund	School Lunch Fund
REVENUES			
Real Property Taxes	$ 19,669,054	$	$
Other Tax Items	4,404,578		
Charges for Services	197,303		
Use of Money and Property	331,713		118
Sale of Property and Compensation for Loss	22,732		
Miscellaneous	625,709	42,333	1,480
State Sources	27,316,497	365,591	122,343
Federal Sources	111,990	1,092,089	749,770
Surplus Food			74,545
Sales - School Lunch			359,370
Total Revenues	52,679,576	1,500,013	1,307,626
EXPENDITURES			
General Support	4,607,955		
Instruction	23,910,119	1,307,404	602,651
Pupil Transportation	1,750,895	36,311	
Employee Benefits	14,208,529	198,113	203,290
Debt Service:			
Principal	6,406,279		
Interest	1,347,525		
Cost of Sales			487,425
Capital Outlay			
Total Expenditures	52,231,302	1,541,828	1,293,366
Excess (Deficiency) of Revenues Over Expenditures	448,274	(41,815)	14,260
OTHER FINANCING SOURCES AND (USES)			
Redeemed from Appropriations			
Premiums on Obligations			
Proceeds of Obligations			
Operating Transfers In	8,817	41,815	19,083
Operating Transfers (Out)	(160,898)		
Total Other Sources (Uses)	(152,081)	41,815	19,083
Net Change in Fund Balance	296,193	-	33,343
Fund Balances (Deficit) - Beginning of Year	9,022,179		199,225
Fund Balances (Deficit) - End of Year	**$ 9,318,372**	**$ -**	**$ 232,568**

See Notes to Basic Financial Statements

Major Funds			
Debt Service Fund	**Capital Projects - Construction Fund**	**Capital Projects - Bus Fund**	**Total Governmental Funds**
$	$	$	$ 19,669,054
			4,404,578
			197,303
839			332,670
			22,732
			669,522
	659,100		28,463,531
			1,953,849
			74,545
			359,370
839	659,100	-	56,147,154
203,545			4,811,500
			25,820,174
			1,787,206
			14,609,932
			6,406,279
95,643			1,443,168
			487,425
	555,186	526,631	1,081,817
299,188	555,186	526,631	56,447,501
(298,349)	103,914	(526,631)	(300,347)
	1,085,000	370,523	1,455,523
2,079,896			2,079,896
	12,765,000		12,765,000
3,869	1,955,000		2,028,584
(1,863,817)		(3,869)	(2,028,584)
219,948	15,805,000	366,654	16,300,419
(78,401)	15,908,914	(159,977)	16,000,072
350,559	(15,747,173)	(1,332,662)	(7,507,872)
$ 272,158	**$ 161,741**	**$ (1,492,639)**	**$ 8,492,200**

RECONCILIATION OF GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE TO THE STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2019

Net Change in Fund Balances - Total Governmental Funds		**$ 16,000,072**
Amounts reported for Governmental Activities in the Statement of Activities are different because:		
Governmental Funds report capital outlay as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.		
Capital Outlay	$ 1,124,887	
Depreciation Expense	(3,174,817)	(2,049,930)
Long-term debt proceeds, and related issuance costs and deferred amounts on refunding, provide current financial resources to Governmental Funds, but issuing debt and the related premiums increase long-term liabilities in the Statement of Net Position. Repayment of debt principal is an expenditure in the Governmental Funds, but the repayment reduces long-term liabilities in the Statement of Net Position.		
Repayment of Bond Principal	$ 4,950,756	
Proceeds of Obligations	(12,765,000)	
Premiums on Obligations	(2,058,545)	(9,872,789)
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.		1,297
The issuance of refunding bonds results in a deferral of the change in the amount of debt. The deferred amount is amortized annually.		
Amortization of Deferred Charges on Defeased Debt		(345,701)
Long-term liabilities, such as those associated with employee benefits, are reported in the Statement of Net Position. Therefore, activity which results in an (increase) or decrease in these long-term liabilities is not reflected in the Governmental Fund financial statements.		
Compensated Absences	$ (63,140)	
Other Postemployment Benefits Liabilities	458,928	395,788
Interest on long-term debt in the Statement of Activities differs from the amount reported in the Governmental Funds because interest is recorded as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the Statement of Activities, however, interest expense is recognized as interest accrues, regardless of when it is due. Additional interest reported in the Statement of Activities is a result of accrued interest on bonds, BANs, and amortization of bond premiums.		
Changes in Accrued Interest		(26,192)
Premiums received on obligations are recorded as revenues in the Governmental Funds when received, but are deferred and amortized in the Governmental Activities. This is the amortization of premiums received in previous years, and the adjustment for premiums received in the current year.		
Amortization of Bond Premium		496,678
Changes in the School District's proportionate share of net pension assets/liabilities have no effect on current financial resources and, therefore, are not reported in the Governmental Funds. In addition, changes in the School District's deferred outflows and deferred inflows related to pensions do not effect current financial resources and are also not reported in the Governmental Funds.		
ERS	$ (29,957)	
TRS	270,389	240,432
Net Change in Net Position of Governmental Activities		**$ 4,839,655**

See Notes to Basic Financial Statements

MAINE-ENDWELL CENTRAL SCHOOL DISTRICT

STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2019

	Private Purpose Trust Fund	Agency Funds
ASSETS		
Cash - Unrestricted	$	$ 114,778
Cash - Restricted	2,127	
Investments - Restricted	17,531	25,625
Total Assets	**19,658**	**$ 140,403**
LIABILITIES		
Extraclassroom Activity Funds		$ 75,569
Accounts Payable		55,801
Due to Governmental Funds		9,033
Total Liabilities	-	**$ 140,403**
NET POSITION		
Restricted for Scholarships	**$ 19,658**	

See Notes to Basic Financial Statements

MAINE-ENDWELL CENTRAL SCHOOL DISTRICT

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUND
FOR THE YEAR ENDED JUNE 30, 2019

	Private Purpose Trust Fund
ADDITIONS	
Gifts and Contributions	$ 6,537
Investment Earnings	417
Total Additions	6,954
DEDUCTIONS	
Scholarships and Awards	8,315
Change in Net Position	(1,361)
Net Position - Beginning of Year	21,019
Net Position - End of Year	**$ 19,658**

See Notes to Basic Financial Statements

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

Note 1 **Summary of Significant Accounting Policies**

The accompanying financial statements of Maine-Endwell Central School District (the School District) have been prepared in conformity with U.S. generally accepted accounting principles (GAAP) for governments, as prescribed by the Governmental Accounting Standards Board (GASB), which is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

Reporting Entity

Essentially, the primary function of the School District is to provide education for pupils. Services such as transportation of pupils, administration, finance, and plant maintenance support the primary function.

The School District is governed by the laws of New York State. The School District is an independent entity governed by an elected Board of Education (Board) consisting of 7 members. The President of the Board serves as the chief fiscal officer and the Superintendent is the chief executive officer. The Board is responsible for, and controls all activities related to public school education within the School District. Board members have authority to make decisions, power to appoint management, and primary accountability for all fiscal matters.

The financial reporting entity consists of the following, as defined by Governmental Accounting Standards Board (GASB) Statement No. 14, "The Financial Reporting Entity," as amended.

- The primary government, which is the Maine-Endwell Central School District;
- 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 basic financial statements to be misleading or incomplete.

The accompanying financial statements present the activities of the School District. The School District is not a component unit of another reporting entity.

The decision to include a potential component unit in the School District's reporting entity is based on several criteria including legal standing, fiscal dependency, and financial accountability. Based on the application of these criteria, the Extraclassroom Activity Funds are included in the School District's reporting entity.

Note 1 **Summary of Significant Accounting Policies - Continued**

Reporting Entity - Continued
The Extraclassroom Activity Funds of the School District represent funds of the students of the School District. The Board of Education exercises general oversight of these funds. The Extraclassroom Activity Funds are independent of the School District with respect to its financial transactions and the designation of student management. While the Extraclassroom Activity Funds are not considered a component unit of the School District, due to the School District's fiduciary responsibility in relation to the funds, they are reported in the School District's Agency Fund. Separate audited financial statements (cash basis) of the Extraclassroom Activity Funds can be obtained from Maine-Endwell Central School District's Business Office, located at 712 Farm-to-Market Road, Endwell, NY 13760.

Joint Venture
The School District is one of 15 component school districts in the Broome-Tioga Board of Cooperative Educational Services (BOCES). A 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.

A 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 Education Law, §1950(4)(b)(7). In addition, component school districts pay tuition or a service fee for programs in which its students participate.

Separate financial statement of Broome-Tioga BOCES may be obtained by contacting the administrative office at 435 Glenwood Rd., Binghamton, NY 13760.

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

Note 1 **Summary of Significant Accounting Policies - Continued**

Basis of Presentation - District-wide Financial Statements - Continued
The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the School District's Governmental Activities. Direct expenses are those that are specifically associated with and clearly identifiable to a particular function. Indirect expenses relate to the administration and support of the School District's programs, including personnel, overall administration, and finance. Employee benefits are allocated to functional expenses as a percentage of related payroll expense. Program revenues include charges paid by the recipients of goods or services offered by the programs, and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Basis of Presentation - Governmental Fund Financial Statements
The Governmental Fund financial statements provide information about the School District's funds, including Fiduciary Funds. Separate statements for each fund category (Governmental and Fiduciary) are presented. The emphasis of Governmental Fund financial statements is on Major Governmental Funds, each displayed in a separate column.

The School District reports the following Major Governmental Funds:

- General Fund: The School District's primary operating fund. It accounts for all financial transactions not required to be accounted for in another fund.

- Special Revenue Funds: These funds account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specified purposes. Special revenue funds include the following:

  - Special Aid Fund: Used to account for proceeds received from state and federal grants that are restricted for special educational programs.

  - School Lunch Fund: Accounts for revenues and expenditures in connection with the School District's food service program.

- Debt Service Fund: Accounts for the accumulation of resources and the payment of principal and interest on long-term general obligation debt of Governmental Activities.

- Capital Projects - Construction Fund: Accounts for the financial resources used for the construction of the educational complexes.

- Capital Projects - Bus Fund: Accounts for the financial resources used for the purchase of buses.

Fiduciary Activities are those for which the School District acts as trustee or agent for resources that belong to others. These activities are not included in the District-wide financial statements, because their resources do not belong to the School District, and are not available to be used.

Note 1 Summary of Significant Accounting Policies - Continued

Basis of Presentation - Governmental Fund Financial Statements - Continued
The School District reports the following Fiduciary Funds:

- Private-Purpose Trust Fund: Accounts for Scholarship Funds awarded to individual students. These activities, and those of the Agency Funds described below, are not included in the District-wide financial statements because their resources do not belong to the School District and are not available to be used.

- Agency Funds: Strictly custodial in nature and do not involve measurement of results of operations. Assets are held by the School District as agent for various student groups or Extraclassroom Activity Funds and for payroll or employee withholding.

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

The Governmental Fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The School District considers all revenues reported in the Governmental Funds to be available if the revenues are collected within 90 days after the end of the fiscal year, except for BOCES aid, which is accrued only if receivable within 60 days after the end of the fiscal year.

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

Reclassifications
Certain prior year amounts have been reclassified to conform to the current year presentation.

Note 1 **Summary of Significant Accounting Policies - Continued**

Cash and Investments
The School District's cash, and cash equivalents consist of cash on hand, demand deposits, and short-term investments with original maturities of three months or less from date of acquisition. New York State law governs the School District's investment policies. Resources must be deposited in Federal Deposit Insurance Corporation (FDIC) insured commercial banks or trust companies located within the state. Permissible investments include obligations of the United States Treasury, United States Agencies, repurchase agreements and obligations of New York State or its localities. Collateral is required for demand and time deposits and certificates of deposit not covered by FDIC insurance. Obligations that may be pledged as collateral are obligations of the United States and its agencies and obligations of the state and its municipalities and districts. Investments are stated at fair value.

Accounts Receivable
Accounts receivable are shown gross, with uncollectible amounts recognized under the direct write-off method. No allowance for uncollectible accounts has been provided, as it is believed that such allowance would not be material. All receivables are expected to be collected within the subsequent fiscal year.

Due To/From Other Funds
Eliminations have been made for amounts due to and due from within the same fund type. A detailed description of the individual fund balances at year end is provided subsequently in these notes.

Inventories and Prepaid Items
Inventories of food in the School Lunch Fund are recorded at cost on a first-in, first-out basis, or in the case of surplus food, at stated value, which approximates 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 School District for which benefits extend beyond year end. These payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the District-wide and Governmental Fund financial statements. These items are reported as assets on the Statement of Net Position or Balance Sheet using the consumption method. A current asset for the prepaid amounts is recorded at the time of purchase and an expense/expenditure is reported in the year the goods or services are consumed.

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.

Note 1 **Summary of Significant Accounting Policies - Continued**

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

Capitalization thresholds (the dollar value above which asset acquisitions are added to the capital asset accounts) and estimated useful lives of capital assets reported in the District-wide financial statements are listed below.

Depreciation is calculated using the straight-line method.

	Capitalization Threshold	Estimated Useful Life
Buildings	$ 5,000	40 Years
Improvements	5,000	20 - 30 Years
Furniture and Equipment	5,000	5 - 12 Years

Vested Employee Benefits - Compensated Absences
Compensated absences consist of unpaid accumulated annual sick leave, vacation, and sabbatical time.

Sick leave eligibility and accumulation are 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.

School 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 Statement Number 16, "Accounting for Compensated Absences," 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.

Note 1 **Summary of Significant Accounting Policies - Continued**

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

In addition to providing pension benefits, the School District provides health insurance coverage and survivor benefits for retired employees and their survivors. Substantially all of the School District's employees may become eligible for these benefits if they reach normal retirement age while working for the School District. Health care benefits are provided through plans whose premiums are based on the benefits paid during the year. The cost of providing post-retirement benefits is shared between the School District and the retired employee. The School District recognizes the cost of providing health insurance by recording its share of insurance premiums as an expenditure or operating transfer to other funds in the General Fund, in the year paid.

The School District follows GASB Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other than Pensions." The School District's liability for other postemployment benefits has been recorded in the Statement of Net Position, in accordance with the statement. See Note 10 for additional information.

Unearned Revenue and Unavailable Revenue
Unearned revenues arise when resources are received by the School District before it has legal claim to them, as when grant monies are received prior to the incidence of qualifying expenditures. In subsequent periods, when the School District has legal claim to the resources, the liability for deferred revenues is removed and revenues are recorded.

The Governmental Fund financial statements report unavailable revenues when potential revenues do not meet both the measurable and available criteria for recognition in the current period. In subsequent periods, when both recognition criteria are met, the deferred inflow of resources is removed and revenues are recorded.

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

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Note 1 **Summary of Significant Accounting Policies - Continued**

Deferred Outflows and Inflows of Resources

In addition to assets, the Statement of Net Position reports a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. The School District reports deferred charges on defeased debt resulting from the difference in the carrying value of refunded debt and its reacquisition price, which is amortized over the shorter of the life of the refunded or refunding debt. The School District also reports deferred outflows of resources related to pensions and OPEB plans in the District-wide Statement of Net Position. The types of deferred outflows of resources related to pensions and OPEB plans are described in Notes 9 and 10, respectively.

In addition to liabilities, the Statement of Net Position reports a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and will not be recognized as an inflow of resources (revenue) until that time. The School District reports deferred inflows of resources related to pensions and OPEB plans which are further described in Notes 9 and 10, respectively. Additionally, unavailable revenue is reported on the Balance Sheet. Unavailable revenues from state aid will be paid by the state "when funds become available." These amounts are deferred and recognized as an inflow of resources in the period amounts become available.

Accrued Liabilities and Long-Term Obligations

Payables, accrued liabilities and long-term obligations are reported in the District-wide financial statements. In the governmental funds, payables and accrued liabilities are paid in a timely manner and in full of current financial resources. Claims and judgements, other postemployment benefits payable, and compensated absences that will be paid from governmental funds, are reported as a liability in the fund's financial statements only to the extent that they are due for payment in the current year. Bonds and other long-term obligations that will be paid from governmental funds are recognized as a liability in the fund financial statements when due.

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

Restricted Resources

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

Note 1 **Summary of Significant Accounting Policies - Continued**

Equity Classifications - District-wide financial statements
Equity is classified as net position and displayed in three components:

- Net Investment in Capital Assets - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

- Restricted - Consists of net resources with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or 2) law through constitutional provisions or enabling legislation.

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

Equity Classifications - Governmental Fund Financial Statements
Constraints are broken into five classifications: nonspendable, restricted, committed, assigned, and unassigned. These classifications serve to inform readers of the financial statements of the extent to which the government is bound to honor any constraints on specific purposes for which resources in a fund can be spent.

- Nonspendable - Consists of assets inherently nonspendable in the current period either because of their form or because they must be maintained intact; including prepaid items, inventories, long-term portions of loans receivable, financial assets held for resale, and endowment principal.

- Restricted - Consists of amounts subject to legal purpose restrictions imposed by creditors, grantors, contributors, or laws and regulations of other governments and enforced externally; or through constitutional provisions or enabling legislation. Most of the School District's legally adopted reserves are reported here.

- Committed - Consists of amounts subject to a purpose constraint imposed by formal action of the government's highest level of decision-making authority prior to the end of the fiscal year, and requires the same level of formal action to remove said constraint.

- Assigned - Consists of amounts subject to a purpose constraint representing an intended use established by the government's highest level of decision-making authority, or their designated body or official. The purpose of the assignment must be narrower than the purpose of the General Fund. In funds other than the General Fund, assigned fund balance represents the residual amount of fund balance.

Note 1 **Summary of Significant Accounting Policies - Continued**

Equity Classifications - Governmental Fund Financial Statements - Continued

- Unassigned - Represents the residual classification of the government’s General Fund, and could report a surplus or deficit. In funds other than the General Fund, the unassigned classification should only be used to report a deficit balance resulting from overspending amounts restricted, committed, or assigned for specific purposes.

Real Property Tax Law §1318 limits the amount of unexpended surplus funds a school district can retain in the General Fund to no more than 4% of the next year’s budgetary appropriations. Funds properly retained under other sections of law (i.e., reserve funds established pursuant to Education Law or GML) are excluded from the 4% limitation. The 4% limitation is applied to 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.

The Board of Education of the School District has not adopted any resolutions to commit fund balance. By resolution, the Board of Education authorized the Assistant Superintendent for Business to assign fund balance. The School 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.

Legally Adopted Reserves
Fund balance reserves are created to satisfy legal restrictions, plan for future expenditures or relate to resources not available for general use or appropriation. These reserve funds are established through board action or voter approval and a separate identity must be maintained for each reserve. Earnings on the invested resources become part of the respective reserve funds; however, separate bank accounts are not necessary for each reserve fund. These reserves are reported in the fund financial statements as Restricted Fund Balance. Reserves currently in use by the School District include the following:

- Capital Reserve (Education Law § 3651) - 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 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.

Note 1 **Summary of Significant Accounting Policies - Continued**

Legally Adopted Reserves - Continued

- Mandatory Reserve for Debt Service (GML§ 6-1) - Used to establish a reserve for the purpose of retiring outstanding obligations upon the sale of School District property or capital improvements financed by obligations which remain outstanding at the time of sale. Funding of this reserve is from the proceeds of the sale of School District property or capital improvements. This reserve is accounted for in the Debt Service Fund.

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

- Tax Certiorari Reserve (Education Law § 3651.1-a) - Used to establish a Reserve Fund for tax certiorari and to expend from the fund without voter approval. 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. This reserve is accounted for in the General Fund.

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

- Retirement Contribution Reserve (GML § 6-r) - Used to reserve funds for the purpose of financing retirement contributions. 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.

Note 1 Summary of Significant Accounting Policies - Continued

Property Taxes
Real property taxes are levied annually by the Board of Education no later than September 1, and became a lien on August 10, 2018. Taxes were collected during the period September 1, 2018 to October 31, 2018.

Uncollected real property taxes are subsequently enforced by the Counties of Tioga and Broome. An amount representing uncollected real property taxes transmitted to the counties for enforcement is paid by the counties to the School District no later than the following April 1.

Interfund Transfers
The operations of the School District give rise to certain transactions between funds, including transfers, to provide services and construct assets. The amounts reported on the Statement of Revenues, Expenditures and Changes in Fund Balance-Governmental Funds for interfund transfers have been eliminated from the Statement of Activities. A detailed description of the individual fund transfers that occurred during the year is provided subsequently in these notes.

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

New Accounting Standards
The School District has adopted and implemented the following Statements of the Governmental Accounting Standards Board (GASB) that are applicable as of June 30, 2019:

- GASB has issued Statement No. 83, “Certain Asset Retirement Obligations,” effective for the year ended June 30, 2019.

- GASB has issued Statement No. 88, “Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements,” effective for the year ended June 30, 2019. This statement improves the information disclosed in the notes to government financial statements related to debt, including direct borrowings and direct placements.

Note 1 **Summary of Significant Accounting Policies - Continued**

Future Changes in Accounting Standards

- GASB has issued Statement No. 84, "Fiduciary Activities," effective for the year ending June 30, 2020. This statement improves guidance regarding identification of fiduciary activities for accounting and reporting purposes.

- GASB has issued Statement No. 87, "Leases," effective for the year ending June 30, 2021.

- GASB has issued Statement No. 89, "Accounting for Interest Cost Incurred Before the End of a Construction Period," effective for the year ending June 30, 2021.

- GASB has issued Statement No. 90, "Majority Equity Interests - An Amendment of GASB Statements No. 14 and No. 61," effective for the year ending June 30, 2020.

- GASB has issued Statement No. 91, "Conduit Debt Obligations" effective for the year ending June 30, 2022.

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

Note 2 **Participation in BOCES**

During the year ended June 30, 2019, the School District's share of BOCES income amounted to $3,057,632. The School District was billed $8,255,020 for BOCES administration, program costs and capital costs. Financial statements for Broome-Tioga BOCES are available from the BOCES administrative office at 435 Glenwood Rd., Binghamton, NY 13760.

Note 3 **Cash and Cash Equivalents - Custodial Credit and Concentration of Credit**

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

GASB Statement No. 40 directs that deposits be disclosed as exposed to custodial credit risk if they are not covered by depository insurance, and the deposits are either uncollateralized or collateralized with securities held by the pledging financial institution's trust department or agent, but not in the School District's name.

Note 3 **Cash and Cash Equivalents - Custodial Credit and Concentration of Credit - Continued**

The School District's aggregate bank balances of $5,709,646, are either insured or collateralized with securities held by the pledging financial institution in the School District's name. The School District held $4,727,966 in treasury bills that were not insured or collateralized at June 30, 2019.

The School District's cash and cash equivalents consist of cash on hand, demand deposits, and short-term investments with original maturities of three months or less from date of acquisition. New York State law governs the School District's investment policies. Resources must be deposited in Federal Deposit Insurance Corporation (FDIC) insured commercial banks or trust companies located within the State.

Permissible investments include obligations of the United States Treasury, United States Agencies, repurchase agreements and obligations of New York State or its localities. Collateral is required for demand and time deposits and certificates of deposit not covered by FDIC insurance. Obligations that may be pledged as collateral are obligations of the United States and its agencies and obligations of the state and its municipalities and districts.

The School District has few investments (primarily donated scholarship funds and United States Treasury obligations), and chooses to disclose its investments by specifically identifying each. The School District's investment policy for these investments is also governed by New York State statutes. Investments are stated at fair value.

The School District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The following investments are held by the School District:

	Cost	**Carrying Amount Fair Value**	**Type of Investment**	**Category**
General Fund	$ 4,727,966	$ 4,727,966	Treasury Bills	(1)
Trust and Agency Fund	25,625	25,625	Certificate of Deposit	(2)
Private Purpose Trust Fund	17,531	17,531	Certificate of Deposit	(2)
Total	**$ 4,771,122**	**$ 4,771,122**		

Note 3 **Cash and Cash Equivalents - Custodial Credit and Concentration of Credit - Continued**

Restricted cash and investments at June 30, 2019 consisted of the following:

General Fund Reserves	$ 7,227,477
Restricted for School Lunch	106,313
Restricted for Capital	161,741
Restricted for Debt	272,158
Subtotal	7,767,689
Private Purpose Trust Fund	19,658
Total	**$ 7,787,347**

Note 4 **Interfund Balances and Activity**

Interfund balances at June 30, 2019, are as follows:

	Interfund Receivable	Interfund Payable	Interfund Revenues	Interfund Expenditures
General Fund	$ 370,187	$ 85,729	$ 8,817	$ 160,898
Special Aid Fund		362,534	41,815	
School Lunch Fund	85,729		19,083	
Capital Projects Fund - Construction		11,659	1,955,000	
Capital Projects Fund - Buses				3,869
Debt Service Fund	4,006		3,869	1,863,817
Total	**$ 459,922**	**$ 459,922**	**$ 2,028,584**	**$ 2,028,584**

Interfund receivables and payables are eliminated on the Statement of Net Position.

The School District typically transfers from the General Fund to the Special Aid Fund to fund the School District’s share of the cost to accommodate the mandated accounting for the School District's share of expenditures of a Special Aid Fund project and to and from the Debt Service Fund for the payment of long-term debt. The School District also transfers funds from the Capital Reserve in the General Fund to Capital Projects Funds, as needed, to fund capital projects. Periodically, the School District transfers funds as needed to subsidize the School Lunch Fund.

The School District typically loans resources between funds for the purpose of mitigating the effects of transient cash flow issues. All interfund payables are expected to be repaid within one year.

Note 5 **Capital Assets**

Capital asset balances and activity for the year ended June 30, 2019, were as follows:

Governmental Activities	Beginning Balance	Additions	Reclassifications and Disposals	Ending Balance
Capital Assets That are not Depreciated:				
Land	$ 695,899	$	$	$ 695,899
Construction in Progress	9,558,869	555,186	(8,971,532)	1,142,523
Total Nondepreciable Historical Cost	10,254,768	555,186	(8,971,532)	1,838,422
Capital Assets That are Depreciated:				
Buildings	95,104,058		8,971,532	104,075,590
Furniture and Equipment	7,281,005	569,701	(350,073)	7,500,633
Total Depreciable Historical Cost	102,385,063	569,701	8,621,459	111,576,223
Total Historical Cost	112,639,831	1,124,887	(350,073)	113,414,645
Less Accumulated Depreciation:				
Buildings	(23,605,297)	(2,625,220)		(26,230,517)
Furniture and Equipment	(4,327,310)	(549,597)	350,073	(4,526,834)
Total Accumulated Depreciation	(27,932,607)	(3,174,817)	350,073	(30,757,351)
Total Historical Cost, Net	**$ 84,707,224**	**$ (2,049,930)**	**$ -**	**$ 82,657,294**

Depreciation expense was charged to governmental functions as follows:

General Support	$ 1,947,639
Instruction	788,632
Pupil Transportation	394,991
School Lunch Program	43,555
Total Depreciation Expense	**$ 3,174,817**

Note 6 **Short-term Debt**

The School District may issue revenue anticipation notes (RANs) and tax anticipation notes (TANs), in anticipation of the receipt of revenues. These notes are recorded as a liability of the fund that will actually receive the proceeds from the issuance of the notes. The RANs and TANs represent a liability that will be extinguished by the use of expendable, available resources of the fund. The School District did not issue or redeem any RANs or TANs during the year.

Note 6 **Short-term Debt - Continued**

The School District may issue budget notes up to an amount not to exceed 5% of the amount of the annual budget during any fiscal year for expenditures for which 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 School District did not issue or redeem any budget notes during the year.

The School District may issue bond anticipation notes (BANs), in anticipation of proceeds from the subsequent sale of bonds. These notes are recorded as current liabilities of the funds that will actually receive the proceeds from the issuance of bonds. State law requires that BANs issued for capital purposes be converted to long-term financing within five years after the original issue date. Such notes may be classified as long-term when (1) the intention is to refinance the debt on a long-term basis and (2) the intention can be substantiated through a post balance sheet issuance of long-term debt or by an acceptable financing agreement. BAN activity for the year is summarized below:

Description of Issue	Issue Date	Final Maturity	Interest Rate	Outstanding June 30, 2019
Bus BAN	10/03/2018	10/03/2019	3.00%	$ 1,492,639
Total				**$ 1,492,639**

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

	Beginning Balance	Issued	Refinanced/ Redeemed	Ending Balance
BANs	$ 17,037,662	$ 1,492,639	$ (17,037,662)	$ 1,492,639
Total	**$ 17,037,662**	**$ 1,492,639**	**$ (17,037,662)**	**$ 1,492,639**

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

Interest Paid	$ 413,415
Less Interest Accrued in the Prior Year	(21,007)
Plus Interest Accrued in the Current Year	33,211
Less Premiums on BANs	(21,351)
Total	**$ 404,268**

Note 7 **Long-term Debt**

At June 30, 2019, the total outstanding indebtedness of the School District represented 48.9% of its statutory debt limit, exclusive of building aids. Long-term debt is classified as follows:

- Serial Bonds and Statutory Installment Bonds - The School District borrows money in order to acquire land or equipment or construct buildings and improvements. This enables the cost of these capital assets to be borne by the present and future taxpayers receiving the benefit of the capital assets. Statutory Installment Bonds are sometimes issued directly with a financial institution or investor and are not offered for public sale. There are no terms that present additional risk to the School District associated with these direct borrowings or placements.

The following is a summary of the School District's long-term debt for the year ended June 30, 2019:

	Issue Date	Final Maturity	Interest Rate	Outstanding June 30, 2019
Serial Bonds				
Refunding Bonds	06/15/2016	06/15/2025	2.00% - 4.00%	$ 20,685,000
2015 Bus Bonds	06/15/2015	06/15/2027	2.00% - 3.00%	5,050,000
Construction Bond DASNY	06/17/2019	06/15/2033	5.00%	12,765,000
Subtotal Serial Bonds				38,500,000
Add: Unamortized Premium				3,076,014
Total				**$ 41,576,014**

Interest paid on long-term debt during the year was comprised of:

Interest Paid	$ 1,029,753
Less Interest Accrued in the Prior Year	(30,506)
Plus Interest Accrued in the Current Year	44,494
Less Amortization of Bond Premium	(496,678)
Plus Amortization of Deferred Charges on Defeased Debt	345,701
Total	**$ 892,764**

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

Note 7 **Long-term Debt - Continued**

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

Governmental Activities	Beginning Balance	Issued	Redeemed	Ending Balance	Amounts Due Within One Year
Serial Bonds	$ 30,685,756	$ 12,765,000	$ (4,950,756)	$ 38,500,000	$ 4,915,000
Subtotal	30,685,756	12,765,000	(4,950,756)	38,500,000	4,915,000
Add: Premium	1,514,147	2,058,545	(496,678)	3,076,014	1,487,783
Total	**$ 32,199,903**	**$ 14,823,545**	**$ (5,447,434)**	**$ 41,576,014**	**$ 6,402,783**

The following is a summary of the maturity of long-term indebtedness:

Year	Principal	Interest	Total
2020	$ 4,915,000	$ 1,627,727	$ 6,542,727
2021	5,215,000	1,305,994	6,520,994
2022	5,050,000	1,132,838	6,182,838
2023	5,210,000	967,250	6,177,250
2024	5,400,000	758,150	6,158,150
2025-2029	9,025,000	1,673,050	10,698,050
2030-2033	3,685,000	328,450	4,013,450
Total	**$ 38,500,000**	**$ 7,793,459**	**$ 46,293,459**

Unamortized deferred charges on defeased are amortized over the life of the bonds. Balances and activity for the year summarized as follows:

Governmental Activities	Beginning Balance	Issued	Redeemed	Ending Balance	Amounts Due Within One Year
Unamortized Deferred Charges on Defeased Debt	$ 1,125,538	$	$ (345,701)	$ 779,837	$ (253,992)
Total	**$ 1,125,538**	**$ -**	**$ (345,701)**	**$ 779,837**	**$ (253,992)**

Note 8 **Compensated Absences**

Represents the value of the earned and unused portion of the liability for compensated absences. This liability is liquidated from the General Fund.

A summary of 2018 - 2019 compensated absences activity follows.

	Beginning Balance	Additions	Deletions	Ending Balance
Compensated Absences	$ 980,825	$ 63,140	$ -	$ 1,043,965

Changes in compensated absences are recorded as net, as it is not practical to isolate additions and deletions.

Note 9 **Pension Obligations - New York State and Local Employees' Retirement System (ERS) and the New York State Teachers' Retirement (TRS) (the Systems)**

Teachers' Retirement System (TRS) (System)

The School District participates in the New York State Teachers' Retirement System (TRS). This is a cost-sharing multiple-employer public employee retirement system. The System provides retirement benefits as well as death and disability benefits to plan members and beneficiaries as authorized by the Education Law and the Retirement and Social Security Law of the State of New York (RSSL). The System is governed by a 10-member Board of Trustees. System benefits are established under New York State Law. Membership is mandatory and automatic for all full-time teachers, teaching assistants, guidance counselors, and administrators employed in New York Public Schools and BOCES who elected to participate in TRS. Once a public employer elects to participate in the System, the election is irrevocable. The New York State Constitution provides that pension membership is a contractual relationship and plan benefits cannot be diminished or impaired. Benefits can be changed for future members only by enactment of a state statute. Additional information regarding the System may be obtained by writing to the New York State Teachers' Retirement System, 10 Corporate Woods Drive, Albany, New York 12211-2395 or by referring to the NYSSTR Comprehensive Annual Financial report which can be found on the System's website at www.nystrs.org.

Note 9 **Pension Obligations - New York State and Local Employees' Retirement System (ERS) and the New York State Teachers' Retirement (TRS) (the Systems) - Continued**

Teachers' Retirement System (TRS) (System) - Continued
Tier 3 and Tier 4 members are required by law to contribute 3% 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% and 6% of salary throughout their active membership in accordance with a salary based upon salary earned. Pursuant to Article 14 and Article 15 of the New York State Retirement and Social Security Law (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 5 years of credited service for Tiers 3 and 4, or 10 years of credited service for Tiers 5 and 6, the member contributions with interest calculated at 5% 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.

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

Note 9 **Pension Obligations - New York State and Local Employees' Retirement System (ERS) and the New York State Teachers' Retirement (TRS) (the Systems) - Continued**

Employees' Retirement System (ERS) (System) - Continued

Generally, Tier 3, 4, and 5 members must contribute 3% of their salary to the System. As a result of Article 19 of the RSSL, eligible Tier 3 and 4 employees, with a membership date on or after July 27, 1973, who have ten or more years of membership or credited service with the System, 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% to 6% depending on salary. Generally, Tier 5 and 6 members are required to contribute for all years of service.

Summary of Significant Accounting Policies

The Systems' financial statements from which the Systems' fiduciary respective net position is determined are prepared using the accrual basis of accounting. Plan member contributions are recognized when due and the employer has a legal requirement to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. Plan investments are reported at fair value. For detailed information on how investments are valued, please refer to the Systems' annual reports.

Contributions

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

	ERS	TRS
2019	**$ 564,022**	**$ 1,526,640**
2018	537,410	1,744,288
2017	604,707	1,934,768

Note 9 **Pension Obligations - New York State and Local Employees' Retirement System (ERS) and the New York State Teachers' Retirement (TRS) (the Systems) - Continued**

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

At June 30, 2019, the School District reported the following asset/liability for its proportionate share of the net pension asset/liability for each of the Systems. The net pension asset/liability was measured as of March 31, 2019 for ERS and June 30, 2018 for TRS. The total pension asset/liability used to calculate the net pension asset/liability was determined by an actuarial valuation. The School District's proportionate share of the net pension asset/liability was based on a projection of the School District's long-term share of contributions to the Systems relative to the projected contributions of all participating members, actuarially determined. This information was derived from reports provided to the School District by the ERS and TRS Systems.

	ERS	TRS
Actuarial Valuation Date	4/1/2018	6/30/2017
Net Pension Liability	$ 7,085,304,242	$ (1,808,264,334)
School District's Proportionate Share of the Plan's Total Net Pension Asset/Liability	828,060	(1,706,816)
School District's Share of the Net Pension Asset/Liability	0.011687%	0.094390%

For the year ended June 30, 2019, the School District recognized pension expense of $545,716 for ERS and $1,281,155 for TRS in the District-wide financial statements. At June 30, 2019 the School District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources		Deferred Inflows of Resources	
	ERS	TRS	ERS	TRS
Differences Between Expected and Actual Experience	$ 163,062	$ 1,275,490	$ 55,586	$ 231,041
Changes of Assumptions	208,140	5,966,440		
Net Differences Between Projected and Actual Earnings on Pension Plan Investments			212,526	1,894,695
Changes in Proportion and Differences Between the School District's Contributions and Proportionate Share of Contributions	91,467	105,910	33,377	332,158
School District's Contributions Subsequent to the Measurement Date	140,649	1,570,648		
Total	**$ 603,318**	**$ 8,918,488**	**$ 301,489**	**$ 2,457,894**

Note 9 **Pension Obligations - New York State and Local Employees' Retirement System (ERS) and the New York State Teachers' Retirement (TRS) (the Systems) - Continued**

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

School District contributions subsequent to the measurement date, reported as deferred outflows of resources, will be recognized as a reduction of the net pension asset/liability in the year ending June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending	ERS	TRS
2020	$ 191,118	$ 1,667,300
2021	(141,652)	1,118,034
2022	(10,266)	78,997
2023	121,980	1,114,013
2024		758,016
Thereafter		153,586

Actuarial Assumptions

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

Significant actuarial assumptions used in the valuations were as follows:

	ERS	TRS
Measurement Date	March 31, 2019	June 30, 2018
Actuarial Valuation Date	April 1, 2018	June 30, 2017
Investment Rate of Return	7.0%	7.3%
Salary Increases	4.2%	1.9% - 4.72%
Cost of Living Adjustments	1.3%	1.5%
Inflation Rate	2.5%	2.3%

For ERS, annuitant mortality rates are based on April 1, 2010 - March 31, 2015 System's experience with adjustments for mortality improvements based on the Society of Actuaries' Scale MP-2014. For TRS, annuitant mortality rates are based on plan member experience with adjustments for mortality improvements based on Society of Actuaries' Scale MP 2014, applied on a generational basis.

For ERS, the actuarial assumptions used in the April 1, 2018 valuation are based on the results of an actuarial experience study for the period April 1, 2010 - March 31, 2015. For TRS, the actuarial assumptions used in the June 30, 2017 valuation were based on the results of an actuarial experience study for the period July 1, 2009 - June 30, 2014.

Note 9 **Pension Obligations - New York State and Local Employees' Retirement System (ERS) and the New York State Teachers' Retirement (TRS) (the Systems) - Continued**

Actuarial Assumptions - Continued

For ERS, the long-term rate of return on pension plan investments was determined using a building block method in which best estimate ranges of expected future real rates of return (expected returns net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by each the target asset allocation percentage and by adding expected inflation. For TRS, the long-term expected rate of return on pension plan investments was determined in accordance with Actuarial Standard of Practice (ASOP) No. 27, Selection of Economic Assumptions for Measuring Pension Obligations. ASOP No. 27 provides guidance on the selection of an appropriate assumed investment rate of return. Consideration was given to expected future real rates of return (expected returns, net of pension plan investment expense and inflation) for each major asset class as well as historical investment data and plan performance. Best estimates of the arithmetic real rates of return for each major asset class included in the target asset allocation are summarized as follows:

	ERS	**TRS**
Measurement Date	March 31, 2019	June 30, 2018
Asset Type		
Domestic Equities	4.6%	5.8%
International Equities	6.4%	7.3%
Global Equities		6.7%
Real Estate	5.6%	4.9%
Private Equity/Alternative Investments	7.5%	8.9%
Absolute Return Strategies	3.8%	
Opportunistic Portfolio	5.7%	
Real Assets	5.3%	
Cash	(0.3)%	
Inflation-indexed Bonds	1.3%	
Domestic Fixed Income Securities		1.3%
Global Fixed Income Securities		0.9%
Private Debt		6.8%
Real Estate Debt		2.8%
High-yield Fixed Income Securities		3.5%
Mortgages and Bonds	1.3%	
Short-term		0.3%

Note 9 **Pension Obligations - New York State and Local Employees' Retirement System (ERS) and the New York State Teachers' Retirement (TRS) (the Systems) - Continued**

Discount Rate

The discount rate used to calculate the total pension asset/liability was 7.0% for ERS and 7.25% for TRS. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and contributions from employers will be made at statutorily required rates, actuarially. Based on the assumptions, the Systems' fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension asset/liability.

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

The following presents the School District's proportionate share of the net pension asset/liability calculated using the discount rate of 7.0% for ERS and 7.25% for TRS, as well as what the School District's proportionate share of the net pension asset/liability would be if it were calculated using a discount rate that is 1-percentage point lower or higher than the current rate:

ERS	1% Decrease (6.0%)	Current Assumption (7.0%)	1% Increase (8.0%)
School District's Proportionate Share of the Net Pension Asset/Liability	$ 3,620,409	$ 828,060	$ (1,517,712)

TRS	1% Decrease (6.25)%	Current Assumption (7.25)%	1% Increase (8.25)%
School District's Proportionate Share of the Net Pension Asset/Liability	$ 11,726,102	$ (1,706,816)	$ (12,959,868)

Note 9 **Pension Obligations - New York State and Local Employees' Retirement System (ERS) and the New York State Teachers' Retirement (TRS) (the Systems) - Continued**

Pension Plan Fiduciary Net Position

The components of the current-year net pension asset/liability of the employers as of the respective valuation dates were as follows:

	Dollars in Thousands	
	ERS	**TRS**
Measurement Date	March 31, 2019	June 30, 2018
Employers' Total Pension Asset/Liability	$ 189,803,429	$ 118,107,253
Plan Net Position	(182,718,124)	(119,915,518)
Employers' Net Pension Asset/Liability	**$ 7,085,305**	**$ (1,808,265)**
Ratio of Plan Net Position to the Employers' Total Pension Asset/Liability	96.3%	(101.5%)

Payables to the Pension Plan

For ERS, employer contributions are paid annually based on the System's fiscal year which ends on March 31st. Accrued retirement contributions as of June 30, 2019 represent the projected employer contribution for the period of April 1, 2019 through June 30, 2019 based on estimated ERS wages multiplied by the employer's contribution rate, by tier. Accrued retirement contributions as of June 30, 2019 amounted to $140,649.

For TRS, employer and employee contributions for the fiscal year ended June 30, 2019 are paid to the System in September, October, and November 2019 through a state aid intercept. Accrued retirement contributions as of June 30, 2019 represent employee and employer contributions for the fiscal year ended June 30, 2019 based on paid TRS wages multiplied by the employer's contribution rate, by tier and employee contributions for the fiscal year as reported to the TRS System. Accrued retirement contributions as of June 30, 2019 amounted to $1,631,982.

Note 9 **Pension Obligations - New York State and Local Employees' Retirement System (ERS) and the New York State Teachers' Retirement (TRS) (the Systems) - Continued**

Current Year Activity
Changes in the net pension asset/liability and deferred outflows and inflows of resources for the year ended June 30, 2019 resulted in the following effect on net position:

	Beginning Balance	Change	Ending Balance
ERS			
Net Pension Liability	$ 378,347	$ 449,713	$ 828,060
Deferred Outflows of Resources	(1,138,884)	535,566	(603,318)
Deferred Inflows of Resources	1,256,811	(955,322)	301,489
Subtotal	496,274	29,957	526,231
TRS			
Net Pension Asset	(700,107)	(1,006,709)	(1,706,816)
Deferred Outflows of Resources	(9,353,977)	435,489	(8,918,488)
Deferred Inflows of Resources	2,157,063	300,831	2,457,894
Subtotal	(7,897,021)	(270,389)	(8,167,410)
Total	**$ (7,400,747)**	**$ (240,432)**	**$ (7,641,179)**

Note 10 **Postemployment Benefits Other Than Pensions (OPEB)**

General Information about the OPEB Plan
Plan Description - The School District provides medical and Medicare Part B benefits to retired employees and their eligible dependents. The benefits provided to employees upon retirement are based on provisions in various contracts that the School District has in place with different classifications of employees. The School District acquires health insurance through a consortium known as the Broome-Tioga Health Insurance Consortium. Benefits provided by the Consortium are administered by Blue Cross/Blue Shield. The Consortium plan covers medical and pharmaceutical costs. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75. The Plan does not issue separate financial statements since there are no assets legally segregated for the sole purpose of paying benefits under the plan.

Benefits Provided - The School District provides healthcare benefits for eligible retirees and their spouses. Benefit terms are dependent of which contract each employee falls under.

The specifics of each contract are on file at the School District offices and are available upon request.

Note 10 **Postemployment Benefits Other Than Pensions (OPEB) - Continued**

General Information about the OPEB Plan - Continued
Employees Covered by Benefit Terms - At June 30, 2019, the following employees were covered by the benefit terms.

Inactive Employees or Beneficiaries	
Currently Receiving Benefit Payments	343
Active Employees	349
	692

Total OPEB Liability
The School District's total OPEB liability of $124,227,876 was measured as of July 1, 2018, and was determined by valuation as of that date.

Actuarial Assumptions and Other Inputs - The total OPEB liability in the July 1, 2018 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Single Discount Rate	3.87%
Salary Scale	3.00%
Rate of Inflation	2.40%
Marriage Rate	70.00%
Participation Rate	100.00%
Participation Rate Spouse	80.00%
Healthcare Cost Trend Rates	7.00% for 2019, Decreasing to an Ultimate Rate of 3.94% for 2089

The single discount rate above is based on the Bond Buyer Weekly 20-Bond GO Index.

Mortality rates were based on the RPH-2014 Mortality Table for employees, sex distinct, with generational mortality adjusted to 2006 using scale MP-2014, and projected forward with scale MP-2018.

Rates of decrement due to turnover and retirement are based on the experience under the New York State & Local Retirement System as prepared by the Department of Civil Service's actuarial consultant in the report titled, Development of Recommended Actuarial Assumptions for New York State/SUNY GASB 75 Valuation (December 2017). Please refer to Exhibits 6-1 through 6-4 for the complete turnover tables.

The actuarial assumptions used in the July 1, 2018 valuation were consistent with the requirements of GASB Statement No. 75 and Actuarial Standards of Practice (ASOPs).

Note 10 **Postemployment Benefits Other Than Pensions (OPEB) - Continued**

Changes in the Total OPEB Liability

		Total OPEB Liability
Balance at June 30, 2018	$	126,280,795
Changes For The Year		
Service Cost		4,216,030
Interest Cost		4,623,805
Changes of Benefit Terms		-
Differences Between Expected and Actual Experience		(2,111,447)
Changes in Assumptions or Other Inputs		(4,665,687)
Benefit Payments		(4,115,620)
		(2,052,919)
Balance at June 30, 2019	**$**	**124,227,876**

Sensitivity of the total OPEB liability to changes in the discount rate - The following presents the total OPEB liability of the School District, as well as what the School District's total OPEB liability would be if it were calculated using a discount rate that is 1 - percentage-point lower (2.87%) or 1-percentage-point higher (4.87%) than the current discount rate:

	1% Decrease (2.87%)	Discount Rate (3.87%)	1% Increase (4.87%)
Total OPEB Liability	$ 145,424,821	$ 124,227,876	$ 107,273,299

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rate - The following presents the total OPEB liability of the School District, as well as what the School District's total OPEB liability would be if it were calculated using a healthcare cost trend rate that is 1 percentage point lower (2.94% to 6.00%) or 1 percentage point higher (4.94% to 8.00%) than the current healthcare cost trend rate:

	1% Decrease (2.94% to 6.00%)	Healthcare Cost Trend Rate (3.94% to 7.00%)	1% Increase (4.94% to 8.00%)
Total OPEB Liability	$ 104,836,740	$ 124,227,876	$ 149,235,958

Note 10 **Postemployment Benefits Other Than Pensions (OPEB) - Continued**

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB - Continued
For the year ended June 30, 2019, the School District recognized OPEB expense of $4,013,790.

At June 30, 2019, the School District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	$ -	$ 1,724,026
Changes in Assumptions or Other Inputs	-	14,469,080
Contributions Subsequent to Measurement Date	4,472,718	-
Total	**$ 4,472,718**	**$ 16,193,106**

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

Fiscal Year Ending June 30,	Amount
2020	$ (4,140,108)
2021	(4,140,108)
2022	(4,140,108)
2023	(3,213,198)
2024 and Thereafter	(559,584)

Current Year Activity
The following is a summary of current year activity:

	Beginning Balance	Change	Ending Balance
OPEB Liability	$ 126,280,795	$ (2,052,919)	$ 124,227,876
Deferred Outflows of Resources	(3,429,683)	(1,043,035)	(4,472,718)
Deferred Inflows of Resources	13,556,080	2,637,026	16,193,106
Total	**$ 136,407,192**	**$ (458,928)**	**$ 135,948,264**

Note 11 Commitments and Contingencies

Risk Financing and Related Insurance - General Information
The School District is exposed to various risks of loss related to, but not limited to, torts; theft of, damage to, and destruction of assets; injuries to employees; errors and omissions; natural disasters. 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.

Risk Financing and Related Insurance - Health Insurance
The School District incurs costs related to an employee health insurance plan (Plan) sponsored by BOCES and its component districts. The Plan's objectives are to formulate, develop, and administer a program of insurance to obtain lower costs for that coverage, and to develop a comprehensive loss control program.

School districts joining the Plan must remain members for a minimum of one year; a member school district may withdraw from the Plan after that time by providing notice to the consortium prior to the May 1, immediately preceding the commencement of the next school year. Plan members include 15 school districts including one BOCES, with each school district bearing a proportionate share of the Plan's assets and claims liabilities. Plan members are subject to a supplemental assessment in the event of deficiencies. If the Plan's assets were to be exhausted, members would be responsible for the Plan's liabilities. Plan financial statements may be obtained from the BOCES administrative office at 435 Glenwood Rd., Binghamton, NY 13760.

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

The Plan establishes a liability for both 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.

During the year ended June 30, 2019, the School District incurred premiums or contribution expenditures totaling $10,720,915.

Note 11 Commitments and Contingencies - Continued

Risk Financing and Related Insurance - Workers' Compensation

The School District incurs costs related to a workers' compensation insurance plan (Plan). The Plan's objectives are to formulate, develop, and administer a program of insurance to obtain lower costs for that coverage, and to develop a comprehensive loss control program. Plan members include 11 school districts, with the School District bearing a proportionate share of the Plan's assets and claims liabilities. Plan members are subject to a supplemental assessment in the event of deficiencies. If the Plan's assets were to be exhausted, members would be responsible for the Plan's liabilities. Plan financial statements may be obtained from the BOCES administrative office at 435 Glenwood Rd., Binghamton NY 13760.

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

The Plan establishes a liability for both 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.

During the year ended June 30, 2019, the School District incurred premiums or contribution expenditures of $223,026.

Other Items

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

Note 12 Stewardship, Compliance, and Accountability - Deficit Fund Balance and Net Position

Deficit Fund Balances

The Capital Projects - Bus Fund had a deficit fund balance of $1,492,639 at June 30, 2019. This deficit will be eliminated as short-term debt is redeemed or converted to permanent financing.

Deficit Net Position

At June 30, 2019, the District-wide Statement of Net Position had an unrestricted deficit net position of $126,819,177. This is the result of the requirement to record other postemployment benefit liability with no requirement or mechanism to fund this liability. (See Note 10.) The deficit is not expected to be eliminated during the normal course of operations.

Note 13 Fund Balance Detail

At June 30, 2019, nonspendable, restricted and assigned fund balance in the governmental funds was as follows:

	General Fund	School Lunch Fund	Debt Service Fund	Capital Projects-Construction Fund	Capital Projects-Bus Fund
Nonspendable					
Inventory	$	$ 58,176	$	$	$
Total Nonspendable Fund Balance	**$ -**	**$ 58,176**	**$ -**	**$ -**	**$ -**
Restricted					
Unemployment Insurance Reserve	$ 71,197	$	$	$	$
Reserve for ERS Contributions	2,344,212				
Reserve for TRS Contributions	300,000				
Reserve for Employee Benefit Accrued Liability	1,984,331				
Tax Certiorari Reserve	83,615				
Capital Reserve	2,444,122				
School Lunch		174,392			
Capital Projects				161,741	
Debt			272,158		
Total Restricted Fund Balance	**$ 7,227,477**	**$ 174,392**	**$ 272,158**	**$ 161,741**	**$ -**
Assigned					
Appropriated for Next Year's Budget	$ 250,000	$	$	$	$
Encumbered for:					
General Support	34,525				
Instruction	26,097				
Pupil Transportation	245				
Total Assigned Fund Balance	**$ 310,867**	**$ -**	**$ -**	**$ -**	**$ -**
Unassigned Fund Balance	**$ 1,780,028**	**$ -**	**$ -**	**$ -**	**$ (1,492,639)**

Note 14 **Restricted Fund Balances**

Portions of fund balance are reserved and are not available for current expenditures as reported in the Governmental Funds Balance Sheet. The balances and activity for the year ended June 30, 2019 of the General Fund reserves were as follows:

General Fund	Beginning Balance	Additions	Interest Earned	Appropriated	Ending Balance
Reserve for Employee Benefit Accrued Liability	$ 2,097,624	$	$ 25,863	$ (139,156)	$ 1,984,331
Tax Certiorari Reserve	82,594		1,021		83,615
Reserve for ERS Contributions	2,315,571		28,641		2,344,212
Reserve for TRS Contributions	-	300,000			300,000
Unemployment Insurance Reserve	87,788		1,086	(17,677)	71,197
Capital Reserve	2,117,925	300,000	26,197		2,444,122
Total General Fund	**$ 6,701,502**	**$ 600,000**	**$ 82,808**	**$ (156,833)**	**$ 7,227,477**
School Lunch Fund	**$ 154,472**	**$ 1,326,591**	**$ 118**	**$ (1,306,789)**	**$ 174,392**
Debt Service Fund	**$ 350,559**	**$ 3,869**	**$ 839**	**$ (83,109)**	**$ 272,158**
Capital Projects - Construction Fund	**$ (15,747,173)**	**$ 16,464,100**	**$ -**	**$ (555,186)**	**$ 161,741**

Note 15 **Tax Abatements**

For the year ended June 30, 2019, the School District was subject to tax abatements negotiated by the Broome County Industrial Development Agency (BCIDA).

The BCIDA enters into various property tax abatement programs for the purpose of economic development. The School District property tax revenue was reduced by $117,234. The School District received payment in lieu of tax (PILOT) payments totaling $132,083.

MAINE-ENDWELL CENTRAL SCHOOL DISTRICT

SCHEDULE OF REVENUES COMPARED TO BUDGET (NON-GAAP) - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2019

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES				
Local Sources				
Real Property Taxes	$ 23,929,914	$ 19,696,436	$ 19,669,054	$ (27,382)
Other Tax Items	169,918	4,403,396	4,404,578	1,182
Charges for Services	130,000	130,000	197,303	67,303
Use of Money and Property	145,000	145,000	331,713	186,713
Sale of Property and Compensation for Loss		1,325	22,732	21,407
Miscellaneous	739,000	741,756	625,709	(116,047)
Total Local Sources	25,113,832	25,117,913	25,251,089	133,176
State Sources	26,974,788	27,049,788	27,316,497	266,709
Federal Sources	70,000	70,000	111,990	41,990
Total Revenues	52,158,620	52,237,701	52,679,576	441,875
OTHER FINANCING SOURCES				
Operating Transfers In	8,817	8,817	8,817	-
Total Revenues and Other Financing Sources	52,167,437	52,246,518	**$ 52,688,393**	**$ 441,875**
Appropriated Fund Balance	250,000	250,000		
Appropriated Reserves	81,425	220,738		
Designated Fund Balance and Encumbrances Carried Forward from Prior Year	39,425	39,425		
Total Revenues, Appropriated Reserves and Designated Fund Balance	**$ 52,538,287**	**$ 52,756,681**		

See Notes to Required Supplementary Information

MAINE-ENDWELL CENTRAL SCHOOL DISTRICT

SCHEDULE OF EXPENDITURES COMPARED TO BUDGET (NON-GAAP) -
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2019

	Original Budget	Final Budget
EXPENDITURES		
General Support		
Board of Education	$ 29,580	$ 35,080
Central Administration	235,174	236,719
Finance	806,998	857,909
Staff	235,473	250,445
Central Services	2,890,710	2,860,419
Special Items	488,932	498,735
Total General Support	4,686,867	4,739,307
Instruction		
Instruction, Administration, and Improvement	1,590,110	1,608,784
Teaching - Regular School	11,968,138	12,250,876
Programs for Children with Handicapping Conditions	5,630,224	6,092,827
Teaching - Special school	16,440	42,405
Instructional Media	1,786,114	1,913,377
Pupil Services	2,130,403	2,155,476
Total Instruction	23,121,429	24,063,745
Pupil Transportation	1,778,953	1,777,115
Employee Benefits	15,008,000	14,260,573
Debt Service		
Principal	6,386,281	6,406,281
Interest	1,411,757	1,348,761
Total Debt Service	7,798,038	7,755,042
Total Expenditures	52,393,287	52,595,782
OTHER FINANCING USES		
Operating Transfers Out	145,000	160,899
Total Expenditures and Other Financing Uses	**$ 52,538,287**	**$ 52,756,681**
Net Change in Fund Balance		
Fund Balance - Beginning of Year		
Fund Balance - End of Year		

See Notes to Required Supplementary Information

Actual	Encumbrances	Variance Favorable (Unfavorable)
$ 31,004	$	$ 4,076
231,885		4,834
853,995		3,914
249,324		1,121
2,743,050	34,525	82,844
498,697		38
4,607,955	34,525	96,827
1,598,481	6,500	3,803
12,157,138	10,320	83,418
6,070,918		21,909
42,405		-
1,912,630		747
2,128,547	9,277	17,652
23,910,119	26,097	127,529
1,750,895	245	25,975
14,208,529		52,044
6,406,279		2
1,347,525		1,236
7,753,804	-	1,238
52,231,302	60,867	303,613
160,898		1
52,392,200	**$ 60,867**	**$ 303,614**
296,193		
9,022,179		
$ 9,318,372		

MAINE-ENDWELL CENTRAL SCHOOL DISTRICT

SCHEDULE OF SCHOOL DISTRICT CONTRIBUTIONS
NYSLRS PENSION PLAN
FOR THE LAST 10 FISCAL YEARS

	2019	2018	2017
Contractually Required Contribution	**$ 564,022**	$ 537,410	$ 604,707
Contributions in Relation to the Contractually Required Contribution	**(564,022)**	(537,410)	(604,707)
Contribution Deficiency (Excess)	**-**	-	-
School District's Covered Payroll	**3,634,531**	3,413,058	3,615,784
Contributions as a Percentage of Covered Payroll	**15.5%**	15.7%	16.7%

SCHEDULE OF SCHOOL DISTRICT CONTRIBUTIONS
NYSTRS PENSION PLAN
FOR THE LAST 10 FISCAL YEARS

	2019	2018	2017
Contractually Required Contribution	**$ 1,570,648**	$ 1,526,640	$ 1,744,288
Contributions in Relation to the Contractually Required Contribution	**(1,570,648)**	(1,526,640)	(1,744,288)
Contribution Deficiency (Excess)	**-**	-	-
School District's Covered Payroll	**14,789,529**	15,577,959	14,883,003
Contributions as a Percentage of Covered Payroll	**10.6%**	9.8%	11.7%

See Notes to Required Supplementary Information

2016	2015	2014	2013	2012	2011	2010
$ 543,355	$ 505,351	$ 650,766	$ 776,949	$ 678,076	$ 515,297	$ 235,997
(543,355)	(505,351)	(650,766)	(776,949)	(678,076)	(515,297)	(235,997)
-	-	-	-	-	-	-
3,072,260	3,190,275	3,642,879	4,164,595	4,394,009	4,505,523	5,379,749
17.7%	15.8%	17.9%	18.7%	15.4%	11.4%	4.4%

2016	2015	2014	2013	2012	2011	2010
$ 1,934,768	$ 2,423,190	$ 2,084,158	$ 1,751,277	$ 1,711,879	$ 1,344,792	$ 933,442
(1,934,768)	(2,423,190)	(2,084,158)	(1,751,277)	(1,711,879)	(1,344,792)	(933,442)
-	-	-	-	-	-	-
14,591,011	13,823,103	12,825,588	14,791,191	15,408,452	15,600,835	15,079,838
13.3%	17.5%	16.3%	11.8%	11.1%	8.6%	6.2%

MAINE-ENDWELL CENTRAL SCHOOL DISTRICT

SCHEDULE OF THE SCHOOL DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION ASSET/LIABILITY NYSLRS PENSION PLAN FOR THE YEARS ENDED JUNE 30,

	2019	2018	2017	2016	2015
School District's Proportion of the Net Pension Asset/Liability	**0.011687%**	0.011723%	0.012602%	0.011476%	0.011996%
School District's Proportionate Share of the Net Pension Asset/Liability	**$ 828,060**	$ 378,347	$ 1,184,125	$ 1,841,867	$ 405,257
School District's Covered-Employee Payroll During the Measurement Period	**3,607,151**	3,374,841	3,586,065	3,072,260	3,190,275
School District's Proportionate Share of the Net Pension Asset/Liability as a Percentage of its Covered Payroll	**23.0%**	11.2%	33.0%	60.0%	12.7%
Plan Fiduciary Net Position as a Percentage of the Total Pension Asset/Liability	**96.3%**	98.2%	94.7%	90.7%	97.9%

SCHEDULE OF THE SCHOOL DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION ASSET/LIABILITY NYSTRS PENSION PLAN FOR THE YEARS ENDED JUNE 30,

	2019	2018	2017	2016	2015
School District's Proportion of the Net Pension Asset/Liability	**0.094390%**	0.092107%	0.093341%	0.090998%	0.085963%
School District's Proportionate Share of the Net Pension Asset/Liability	**$ (1,706,816)**	$ (700,107)	$ 999,719	$ (9,451,778)	$ (9,575,723)
School District's Covered-Employee Payroll During the Measurement Period	**15,577,959**	14,883,003	14,591,011	13,823,103	12,825,588
School District's Proportionate Share of the Net Pension Asset/Liability as a Percentage of its Covered Payroll	**(4.7%)**	(4.7%)	6.9%	(68.4%)	(74.7%)
Plan Fiduciary Net Position as a Percentage of the Total Pension Asset/Liability	**(101.5%)**	(100.7%)	99.0%	(110.5%)	(111.5%)

See Notes to Required Supplementary Information

MAINE-ENDWELL CENTRAL SCHOOL DISTRICT

SCHEDULE OF CHANGES IN THE SCHOOL DISTRICT'S TOTAL OPEB LIABILITY AND RELATED RATIOS FOR THE LAST 10 FISCAL YEARS

	2019	2018	2017
Service Cost	**$ 4,216,030**	$ 5,434,267	$ *
Interest Cost	**4,623,805**	4,011,300	*
Changes of Benefit Terms			*
Differences Between Expected and Actual Experience	**(2,111,447)**		*
Changes in Assumptions or Other Inputs Benefit Payments	**(4,665,687)**	(16,452,678)	*
Benefit Payments	**(4,115,620)**	(4,050,386)	*
	(2,052,919)	(11,057,497)	*
Total OPEB Liability - Beginning	**126,280,795**	137,338,292	*
Total OPEB Liability - Ending	**$ 124,227,876**	$ 126,280,795	$ 137,338,292
Covered Employee Payroll	**$ 19,470,155**	$ 18,179,869	$ *
Total OPEB Liability as a Percentage of Covered Payroll	**638%**	695%	*

Changes of Assumptions. Changes of assumptions and other inputs reflect the effects of changes in the discount rate each period. The discout rate in effect for this period is 3.87%.

* Information for periods prior to implementation of GASB Statement No. 75 is unavailable and will be completed as it becomes available.

See Notes to Required Supplementary Information

2016	2015	2014	2013	2012	2011	2010
$ *	$ *	$ *	$ *	$ *	$ *	$ *
*	*	*	*	*	*	*
*	*	*	*	*	*	*
*	*	*	*	*	*	*
*	*	*	*	*	*	*
*	*	*	*	*	*	*
*	*	*	*	*	*	*
*	*	*	*	*	*	*
$ *	$ *	$ *	$ *	$ *	$ *	$ *
$ *	$ *	$ *	$ *	$ *	$ *	$ *
*	*	*	*	*	*	*

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2019

Note 1 **Budgetary Procedures and Budgetary Accounting**

The School District administration prepares a proposed budget for approval by the Board of Education for the General Fund for which a legal (appropriated) budget is adopted. The voters of the School District approved the proposed appropriation budget for the General Fund.

Appropriations are adopted at the program line level. Appropriations established by the adoption of the budget constitute a limitation on expenditures (and encumbrances), which may be incurred. Appropriations lapse at the end of the fiscal year unless expended or encumbered. Encumbrances will lapse if not expended in the subsequent year. Supplemental appropriations may occur subject to legal restrictions, if the board approves them because of a need that exists which was not determined at the time the budget was adopted.

The following supplemental appropriations occurred during the year:

Adopted Budget	$	52,498,862
Carryover Encumbrances		39,425
Original Budget		52,538,287
Additions		
Appropriated Reserves		139,313
Gifts and Donations		2,756
State Aid		75,000
Insurance Recovery		1,325
Final Budget	**$**	**52,756,681**

Budgets are adopted annually on a basis consistent with GAAP. Appropriations authorized for the year are increased by the amount of encumbrances carried forward from the prior year. Annual legal budgets are not adopted for the Special Revenue Funds (Special Aid and School Lunch). Budgetary controls for the Special Revenue Funds are established in accordance with the applicable grant agreements. Special Revenue Funds may also cover a period other than the School District's fiscal year.

Note 2 **Reconciliation of the General Fund Budget Basis to GAAP**

No adjustment is necessary to convert the General Fund's excess of revenues and other sources over expenditures and other uses on the GAAP basis to the budget basis. Encumbrances, if present, are presented in a separate column and are not included in the actual results at June 30, 2019.

Note 3 **Schedule of Changes in the School District's Total OPEB Liability and Related Ratios**

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

2019 - 3.87%
2018 - 3.60%

Note 4 **Schedules of the School District's Proportionate Share of the Net Pension Asset/Liability**

The Schedule of the School District's Proportionate Share of the Net Pension Asset/Liability, required supplementary information, presents five years of information. These schedules will present ten years of information as it becomes available from the pension plans.

Note 5 **Schedules of School District Contributions - NYSLRS and NYSTRS Pension Plan and Schedules of the School District's Proportionate Share of the Net Pension Asset/Liability**

NYSLRS

Changes in Benefit Terms

There were no significant legislative changes in benefits for the April 1, 2018 actuarial valuation.

Changes of Assumptions

There were changes in the economic (investment rate of return, inflation, COLA, and salary scales) and demographic (pensioner mortality and active member decrements) assumptions used in the April 1, 2018 actuarial valuation.

The salary scales for both plans used in the April 1, 2018 actuarial valuation were increased by 10%.

Methods and Assumptions Used in Calculations of Actuarially Determined Contributions

The April 1, 2018 actuarial valuation determines the employer rates for contributions payable in fiscal year 2019. The following actuarial methods and assumptions were used:

Actuarial Cost Method	The System is funded using the Aggregate Cost Method. All unfunded actuarial liabilities are evenly amortized (as a percentage of projected pay) over the remaining worker lifetimes of the valuation cohort.
Asset Valuation Period	5 year level smoothing of the difference between the actual gain and the expected gain using the assumed investment rate of return.
Inflation	2.5%
Salary Scale	3.8% in ERS, indexed by service.
Investment Rate of Return	7.0% compounded annually, net of investment expenses, including inflation.
Cost of Living Adjustments	1.3% annually.

Note 5 **Schedules of School District Contributions - NYSLRS and NYSTRS Pension Plan and Schedules of the School District's Proportionate Share of the Net Pension Asset/Liability - Continued**

NYSTRS

Changes in Benefit Terms
Chapter 504 of the Laws of 2009 created a new tier of membership (Tier 5) for members with a date of membership on or after January 1, 2010. The Tier 5 benefit structure represents a reduction in benefits from those of prior tiers and an increase in the required employee contribution rate. The Tier 5 benefit changes were first included in the 2010 actuarial valuation. Chapter 18 of the Laws of 2012 created a new tier of membership (Tier 6) for members who join on or after April 1, 2012. The Tier 6 benefit formula is slightly less generous than that of Tier 5, and the required employee contribution rate was increased further. The Tier 6 benefit changes were first included in the 2012 actuarial valuation.

Changes of Assumptions
Actuarial assumptions are revised periodically to more closely reflect actual, as well as anticipated future experience. The actuarial assumptions used in the actuarial valuations prior to 2011 were adopted by the Retirement Board on October 26, 2006. Revised assumptions were adopted by the Retirement Board on October 27, 2011 and first used in the 2011 actuarial valuation. The actuarial assumptions were revised again in 2015. These assumptions were adopted by the Retirement Board on October 29, 2015 and first used in the 2015 actuarial valuation.

The System’s valuation rate of interest of 7.5% is effective with the 2015 actuarial valuation. Prior to the 2015 actuarial valuation, the System’s valuation rate of interest assumption was 8.0%.

Prior to the 2007 actuarial valuation, the asset valuation method used was a five-year market smoothing for equities, real estate, and alternative investments, based upon book values. The asset valuation method was changed effective with the 2007 actuarial valuation to use a five-year phased in deferred recognition, at a rate of 20% per year, of each year’s realized and unrealized appreciation in excess of (or less than) an assumed inflationary gain of 3.0%. The asset valuation method was changed again effective with the 2015 actuarial valuation to recognize each year’s net investment income/ loss in excess of (or less than) 7.5% at a rate of 20% per year, until fully recognized after five years. For fiscal years ending prior to June 30, 2015, realized and unrealized appreciation in excess of (or less than) the assumed inflationary rate of 3.0% is recognized at a rate of 20% per year, until fully recognized after five years.

Prior to the 2011 actuarial valuation, COLAs were projected to increase at a rate of 1.75% annually. Effective with the 2011 actuarial valuation, COLAs were projected to increase at a rate of 1.625% annually. Effective with the 2015 actuarial valuation, COLAs are projected to increase at a rate of 1.50% annually.

Note 5 **Schedules of School District Contributions - NYSLRS and NYSTRS Pension Plan and Schedules of the School District's Proportionate Share of the Net Pension Asset/Liability - Continued**

Methods and Assumptions Used in Calculations of Actuarially Determined Contributions

The actuarially determined contribution rates in the Schedule of School District's contributions are calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported. Unless otherwise noted above, the following actuarial methods and assumptions were used to determine contribution rates reported in the Schedule of the School District's Contributions.

Actuarial Cost Method	The System is funded in accordance with the Aggregate Cost Method, which does not identify nor separately amortize unfunded actuarial liabilities. Costs are determined by amortizing the unfunded present value of benefits over the average future working lifetime of active plan members, which currently for NYSTRS is approximately 13 years.
Asset Valuation Method	5 year phased in deferred recognition of each year's actual gain or loss above (or below) an assumed inflationary gain of 7.5%. at a rate of 20.0% per year, until fully recognized after five years.
Inflation	2.5%
Projected Salary Increases	Rates of increase differ based on service. They have been calculated based upon recent NYSTRS member experience.

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

Investment Rate of Return	7.5% compounded annually, net of investment expenses, including inflation.
Cost of Living Adjustments	1.5% compounded annually.

MAINE-ENDWELL CENTRAL SCHOOL DISTRICT

SCHEDULE OF CHANGE FROM ADOPTED BUDGET TO FINAL BUDGET
AND THE REAL PROPERTY TAX LIMIT
FOR THE YEAR ENDED JUNE 30, 2019

CHANGE FROM ADOPTED BUDGET TO FINAL BUDGET

Adopted Budget	$ 52,498,862
Prior Year's Encumbrances	39,425
Original Budget	52,538,287
Budget Revisions:	
Appropriated Reserves	139,313
Gifts and Donations	2,756
State Aid	75,000
Insurance Recovery	1,325
Total Additions	218,394
Final Budget	**$ 52,756,681**

§1318 OF REAL PROPERTY TAX LAW LIMIT CALCULATION

2019-2020 Voter Approved Budget	**$ 53,521,094**	
Maximum Allowed (4% of the 2019-2020 Budget)		$ 2,140,844
General Fund Fund Balance Subject to §1318 of Real Property Tax Law:		
Unrestricted Fund Balance:		
Assigned Fund Balance	$ 310,867	
Unassigned Fund Balance	1,780,028	
Total Unrestricted Fund Balance	2,090,895	
Less:		
Appropriated Fund Balance	$ 250,000	
Encumbrances Included in Committed and Assigned Fund Balance	60,867	
Total Adjustments	310,867	
General Fund Fund Balance Subject to §1318 of Real Property Tax Law		**$ 1,780,028**
Actual Percentage		3.33%

MAINE-ENDWELL CENTRAL SCHOOL DISTRICT

SCHEDULE OF PROJECT EXPENDITURES
CAPITAL PROJECTS FUND
FOR THE YEAR ENDED JUNE 30, 2019

			Expenditures			
PROJECT TITLE	**Original Budget**	**Revised Budget**	**Prior Years**	**Current Year**	**Transfer to General Fund**	**Total**
Buses - 2018-2019	$ 530,500	$ 530,500	$	$ 526,631	$ 3,869	$ 530,500
Maine Memorial Elementary Reconstruction 0008-015	2,884,640	2,571,558	2,553,598	17,960		2,571,558
Homer Brink Elementary Reconstruction 0001-015	1,836,570	2,003,806	1,985,408	18,398		2,003,806
Senior High School Reconstruction 0010-022	1,304,544	1,557,047	1,551,457	5,590		1,557,047
Middle School Reconstruction 0015-015	2,540,477	2,739,123	2,735,442	3,681		2,739,123
$100K Project Bus Garage 0001-024	100,000	100,000		100,000		100,000
District Wide SMART Schools Bond Act 7999-003	740,000	740,000	629,370	29,730		659,100
Senior High School Reconstruction 0010-023	126,000	126,000		7,840		7,840
Middle School Reconstruction 0015-016	348,000	348,000		371,987		371,987
Unredeemed Bond Anticipation Notes						
Total	**$10,410,731**	**$ 10,716,034**	**$ 9,455,275**	**$ 1,081,817**	**$ 3,869**	**$10,540,961**

***Architectural and State Approved Budget Modifications for Subproject Reallocations not yet Finalized and Available at this Report Date.**

	Methods of Financing				Fund
Unexpended Balance	Proceeds of Obligations	State Aid	Local Sources	Total	Balance (Deficit) June 30, 2019
$ -	$ 159,977	$	$ 370,523	$ 530,500	$ -
-	1,486,558		1,085,000	2,571,558	-
-	2,003,806			2,003,806	-
-	1,557,047			1,557,047	-
-	1,425,691		1,313,432	2,739,123	-
-			100,000	100,000	-
80,900		659,100		659,100	-
118,160				-	(7,840) *
(23,987)			541,568	541,568	169,581
	(1,492,639)			(1,492,639)	(1,492,639)
$ 175,073	**$ 5,140,440**	**$ 659,100**	**$ 3,410,523**	**$ 9,210,063**	**$ (1,330,898)**

MAINE-ENDWELL CENTRAL SCHOOL DISTRICT

SCHEDULE OF NET INVESTMENT IN CAPITAL ASSETS
FOR THE YEAR ENDED JUNE 30, 2019

Capital Assets, Net	$ 82,657,294
Add:	
Unamortized Deferred Refunding	779,837
Deduct:	
Bond Anticipation Notes	(1,492,639)
Unamortized Premium on Bonds Payable	(3,076,014)
Short-Term Portion of Bonds Payable	(4,915,000)
Long-Term Portion of Bonds Payable	(33,585,000)
Net Investment in Capital Assets	**$ 40,368,478**

INDEPENDENT AUDITORS' 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

Board of Education
Maine-Endwell Central School District
Endwell, New York

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Maine-Endwell Central School District (the School District), as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements, and have issued our report thereon dated September 23, 2019.

Internal Control Over Financial Reporting

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

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

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

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

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

Respectfully Submitted,

Insero & Co. CPAs, LLP

Insero & Co. CPAs, LLP
Certified Public Accountants

Ithaca, New York
September 23, 2019

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY UNIFORM GUIDANCE

Board of Education
Maine-Endwell Central School District
Endwell, New York

Report on Compliance for Each Major Federal Program

We have audited Maine-Endwell Central School District's (the School District) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the School District's major federal programs for the year ended June 30, 2019. The School District's major federal programs are identified in the summary of Auditors' results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the School District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the School District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the School District's compliance.

Opinion on Each Major Federal Program

In our opinion, the School District, complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2019.

Report on Internal Control over Compliance

Management of the School District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the School District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the School District's internal control over compliance.

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

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

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

Respectfully Submitted,

Insero & Co. CPAs, LLP

Insero & Co. CPAs, LLP
Certified Public Accountants

Ithaca, New York
September 23, 2019

MAINE-ENDWELL CENTRAL SCHOOL DISTRICT

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2019

Federal Grantor/Pass - Through Grantor Program Title	Federal CFDA #	Pass - Through Grantor #	Passed Through to Subrecipients	Expenditures
U.S. Department of Education				
Passed Through NYS Department of Education:				
Title I Grants to Local Educational Agencies	84.010	0021-19-0170	$	$ 359,587
Title I Grants to Local Educational Agencies	84.010	0021-18-0170		760
		Subtotal		360,347
Title III Strengthening Institutions	84.031	0149-19-0170		21,397
Special Education Cluster:				
Special Education - Grants to States	84.027	0032-19-0056		577,431
Special Education - Preschool Grants	84.173	0033-19-0056		14,902
Total Special Education Cluster				592,333
Improving Teacher Quality State Grants	84.367	0147-18-0170		87,297
Title IV Student Support and Academic Enrichment Program	84.424	0204-19-0170		26,215
Temporary Emergency Impact Aid for Displaced Students	84.938	0080-19-0170		4,500
Total U.S. Department of Education				1,092,089
U.S. Department of Agriculture				
Passed Through NYS Department of Education:				
Child Nutrition Cluster:				
School Breakfast Program	10.553	(1)		334,065
National School Lunch Program	10.555	(1)		490,250
Total Child Nutrition Cluster				824,315
Total U.S. Department of Agriculture				824,315
Total Expenditures of Federal Awards			**$ -**	**$ 1,916,404**

(1) Unknown

See Notes to Schedule of Expenditures of Federal Awards

MAINE-ENDWELL CENTRAL SCHOOL DISTRICT

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
JUNE 30, 2019

Note 1 **Basis of Presentation**

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all Federal awards programs administered by the Maine-Endwell Central School District, an entity as defined in Note 1 to the Maine-Endwell Central School District's basic financial statements. Federal awards received directly from federal agencies, as well as federal awards passed through from other government agencies, are included on the Schedule of Expenditures of Federal Awards.

Note 2 **Basis of Accounting**

The basis of accounting varies by federal program consistent with the underlying regulations pertaining to each program. The information is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in or used in preparation of the financial statements.

Note 3 **Indirect Costs**

Indirect costs are included in the reported expenditures to the extent they are included in the federal financial reports used as the source for the data presented. The Maine-Endwell Central School District has elected not to use the 10% de minimis indirect cost rate allowed under Uniform Guidance.

Note 4 **Matching Costs**

Matching costs, i.e., the Maine-Endwell Central School District's share of certain program costs, are not included in the reported expenditures.

Note 5 **Non-Monetary Federal Program**

The Maine-Endwell Central School District is the recipient of a federal award program that does not result in cash receipts or disbursements termed a “non-monetary program.” During the year ended June 30, 2019, the Maine-Endwell Central School District received $74,545 worth of commodities under the National School Lunch Program (CFDA #10.555).

Note 6 **Subrecipients**

No amounts were provided to subrecipients.

Note 7 **Other Disclosures**

No insurance is carried specifically to cover equipment purchased with Federal Funds. Any equipment purchased with Federal Funds has only a nominal value, and is covered by the School District’s casualty insurance policies.

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

MAINE-ENDWELL CENTRAL SCHOOL DISTRICT

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2019

Section I - Summary of Auditors' Results

Financial Statements

Type of auditors' report issued — Unmodified

Internal control over financial reporting:

Material weakness(es) identified? ____ yes __X__ no

Significant deficiency(ies) identified that are not considered to be material weakness(es)? ____ yes __X__ none reported

Noncompliance material to financial statements noted? ____ yes __X__ no

Federal Awards

Internal control over major programs:

Material weakness(es) identified? ____ yes __X__ no

Significant deficiency(ies) identified that are not considered to be material weakness(es)? ____ yes __X__ none reported

Type of auditors' report issued on compliance for major programs — Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? ____ yes __X__ no

Identification of major programs:

CFDA Numbers	Name of Federal Program or Cluster
84.010	Title I Grants to Local Educational Agencies
84.367	Improving Teacher Quality State Grants

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

Auditee qualified as low-risk? __X__ yes ____ no

Section II - Financial Statement Findings — None

Section III - Federal Award Findings and Questioned Costs — None