PRELIMINARY OFFICIAL STATEMENT DATED OCTOBER 16, 2020

This Preliminary Official Statement and the information contained herein are subject to completion or amendment. These securities may not be sold, nor may offers to buy be accepted, prior to the time the Official Statement is delivered in final form. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

NEW ISSUE — **SERIAL BONDS**

BOND RATING: Moody's Investors Service: " " — **See "BOND RATING" Herein**

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

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

$106,095,000*

HAVERSTRAW-STONY POINT CENTRAL SCHOOL DISTRICT

ROCKLAND AND ORANGE COUNTIES, NEW YORK

GENERAL OBLIGATIONS

$12,185,000* School District Refunding Serial Bonds – 2020 Series A

(the "Series A Bonds")

Dated: Date of Delivery — **Due: January 15, 2022-2031**

$11,990,000* School District Refunding Serial Bonds – 2020 Series B (Federally Taxable)

(the "Series B Bonds")

Dated: Date of Delivery — **Due: May 1, 2021-2031**

$81,920,000* School District Refunding Serial Bonds – 2020 Series C (Federally Taxable)

(the "Series C Bonds")

Dated: Date of Delivery — **Due: April 15, 2021, October 15, 2022-2036**

(The Series A Bonds, the Series B Bonds and the Series C Bonds are collectively referred to herein as the "Bonds")

The Bonds will be general obligations of the Haverstraw-Stony Point Central School District, Rockland and Orange Counties, New York (the "District" or "School District"), and will contain a pledge of the faith and credit of the District for the payment of the principal of and interest on the Bonds and, unless paid from other sources, the Bonds are payable from ad valorem taxes which may be levied upon all the taxable real property within the District without limitation as to rate or amount with respect to the Series A Bonds. The Series B Bonds and the Series C Bonds 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 of and interest on the Series B Bonds and Series C Bonds and, unless paid from other sources, the Series B Bonds and the Series C Bonds are payable from ad valorem taxes which may be levied upon all the taxable real property within the District subject to certain statutory limitations imposed by Chapter 97 of the Laws of 2011, as amended. (See "*Tax Levy Limit Law*" herein).

The Bonds shall be subject to redemption prior to maturity as described herein under "*THE BONDS – Optional Redemption*.

The Bonds will be issued as registered bonds and, when issued, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), which will act as securities depository for the Bonds. Individual purchases will be made in book-entry form only, in the principal amount of $5,000 each or integral multiples thereof. Purchasers will not receive certificates representing their ownership interest in the Bonds. (See "*DESCRIPTION OF BOOK-ENTRY SYSTEM*").

Interest on the Series A Bonds will be payable on July 15, 2021, January 15, 2022 and semi-annually thereafter on January 15 and July 15 in each year until maturity. Interest on the Series B Bonds will be payable on May 1, 2021, November 1, 2021 and semi-annually thereafter on May 1 and November 1 in each year until maturity. Interest on the Series C Bonds will be payable on April 15, 2021, October 15, 2021 and semi-annually thereafter on April 15 and October 15 in each year until maturity. Principal and interest will be paid by the District to DTC, which will in turn remit such principal and interest to its participants, for subsequent distribution to the beneficial owners of the Bonds, as described herein.

The Bonds are offered subject to the respective final approving opinions of Hawkins Delafield & Wood LLP, New York, New York, Bond Counsel, and certain other conditions. Certain legal matters will be passed upon for the Underwriters by their Counsel, Orrick, Herrington & Sutcliffe, LLP, New York, New York. It is expected that delivery of the Bonds will be made on or about November 12, 2020.

This Preliminary Official Statement is in a form "Deemed Final" by the District for the purpose of Securities and Exchange Commission Rule 15c2-12 (the "Rule"). For a description of the District's agreement to provide continuing disclosure as described in the Rule, see "*CONTINUING DISCLOSURE UNDERTAKING*" herein.

BAIRD — **ROOSEVELT & CROSS INCORPORATED**

October __, 2020

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* Preliminary, subject to change.

$12,185,000* School District Refunding Serial Bonds – 2020 Series A
(the "Series A Bonds")

Dated: Date of Delivery **Due: January 15, 2022-2031**

MATURITIES*

Year	Amount	Rate	Yield	CUSIP	Year	Amount	Rate	Yield	CUSIP
2022	$ 925,000				2027	$1,245,000			
2023	1,050,000				2028	1,300,000			
2024	1,095,000				2029	1,360,000 *			
2025	1,145,000				2030	1,415,000 *			
2026	1,195,000				2031	1,455,000 *			

* The Bonds maturing in the years 2029-2031 are subject to redemption prior to maturity as described herein under the heading "*THE BONDS - Optional Redemption*".

$11,990,000* School District Refunding Serial Bonds – 2020 Series B (Federally Taxable)
(the "Series B Bonds")

Dated: Date of Delivery **Due: May 1, 2021-2031**

MATURITIES*

Year	Amount	Rate	Yield	CUSIP	Year	Amount	Rate	Yield	CUSIP
2021	$ 65,000				2027	$ 1,300,000			
2022	195,000				2028	1,310,000			
2023	1,250,000				2029	1,330,000 *			
2024	1,260,000				2030	1,355,000 *			
2025	1,275,000				2031	1,375,000 *			
2026	1,275,000								

* The Bonds maturing in the years 2029-2031 are subject to redemption prior to maturity as described herein under the heading "*THE BONDS - Optional Redemption*".

$81,920,000* School District Refunding Serial Bonds – 2020 Series C (Federally Taxable)
(the "Series C Bonds")

Dated: Date of Delivery **Due: April 15, 2021, October 15, 2022-2036**

MATURITIES*

Year	Amount	Rate	Yield	CUSIP	Year	Amount	Rate	Yield	CUSIP
April 15, 2021	$ 445,000				October 15, 2029	$ 600,000 *			
October 15, 2021	1,065,000				October 15, 2030	640,000 *			
October 15, 2022	1,070,000				October 15, 2031	9,510,000 *			
October 15, 2023	1,075,000				October 15, 2032	9,695,000 *			
October 15, 2024	7,610,000				October 15, 2033	9,885,000 *			
October 15, 2025	7,680,000				October 15, 2034	10,090,000 *			
October 15, 2026	575,000				October 15, 2035	10,305,000 *			
October 15, 2027	580,000				October 15, 2036	10,535,000 *			
October 15, 2028	590,000 *								

* The Bonds maturing in the years 2029-2036 are subject to redemption prior to maturity as described herein under the heading "*THE BONDS - Optional Redemption*".

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* Preliminary, subject to change.

HAVERSTRAW-STONY POINT CENTRAL SCHOOL DISTRICT
ROCKLAND AND ORANGE COUNTIES, NEW YORK

SCHOOL DISTRICT OFFICIALS

2020-2021 BOARD OF EDUCATION

RICHARD FERNANDEZ
President

PEGGY ZUGIBE
Vice President

DEBORAH P. GATTI
JAMES KRAUS
IDA MANNINE
MARY ROMANO
ROBERT MASIELLO

* * * * * * * * *

KRIS FELICELLO, ED.D
Superintendent of Schools

MICHAEL SENNO
Assistant Superintendent for Business

ROSE SIRA
District Treasurer

MICHELLE PICARELLO
District Clerk

THOMAS, DROHAN, WAXMAN, PETIGROW & MAYLE, LLP
School District Attorney

MUNICIPAL ADVISOR

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

BOND COUNSEL

Hawkins Delafield & Wood LLP
7 World Trade Center
New York, New York 10007
www.hawkins.com

No person has been authorized by School District to give any information or to make any representations not contained in this Official Statement, and, if given or made, such information or representations must not be relied upon as having been authorized. This Official Statement does not constitute an offer to sell or solicitation of an offer to buy any of the Bonds 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 School District.

The Underwriters have provided the following sentence for inclusion in this Official Statement. "The Underwriters have reviewed the information in this Official Statement in accordance with, and as a part of its responsibilities under the federal securities law as applied to the facts and circumstances of this transaction, but the Underwriters do not guaranty the accuracy or completeness of such information."

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITERS MAY OVER-ALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKETS. SUCH STABILIZATION, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

TABLE OF CONTENTS

OFFICIAL STATEMENT

of the

HAVERSTRAW-STONY POINT CENTRAL SCHOOL DISTRICT
ROCKLAND AND ORANGE COUNTIES, NEW YORK

Relating To

$12,185,000* School District Refunding Serial Bonds – 2020 Series A

$11,990,000* School District Refunding Serial Bonds – 2020 Series B (Federally Taxable)

$81,920,000* School District Refunding Serial Bonds – 2020 Series C (Federally Taxable)

This Official Statement, which includes the cover page, has been prepared by the Haverstraw-Stony Point Central School District, Rockland and Orange Counties, New York (the "School District" or "District", "County", and "State", respectively) in connection with the sale by the District of $12,185,000* School District Refunding Serial Bonds – 2020 Series A (the "Series A Bonds"), $11,990,000* School District Refunding Serial Bonds – 2020 Series B (Federally Taxable) (the "Series B Bonds") and $81,920,000* School District Refunding Serial Bonds – 2020 Series C (Federally Taxable) (the "Series C Bonds") (The Series A Bonds, the Series B Bonds and the Series C Bonds are collectively referred to herein as the "Bonds").

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

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

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

THE BONDS

Description of the Bonds

The Bonds are general obligations of the District, and will contain a pledge of the faith and credit of the District for the payment of the principal of and interest on the Bonds and, unless paid from other sources, the Bonds are payable from ad valorem taxes which may be levied upon all the taxable real property within the District without limitation as to rate or amount with respect to the Series A Bonds. The Series B Bonds and the Series C Bonds 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 of and interest on the Series B Bonds and Series C Bonds and, unless paid from other sources, the Series B Bonds and the Series C Bonds are payable from ad valorem taxes which may be levied upon all the taxable real property within the District subject to certain statutory limitations imposed by Chapter 97 of the Laws of 2011, as amended. (See "*Tax Levy Limit Law*" herein).

The Bonds will be dated their date of delivery and will mature in the principal amounts as set forth on the cover page. The Bonds are subject to redemption prior to maturity as set forth herein (See "*Optional Redemption*" herein). The "Record Date" of the Series A Bonds and Series C Bonds will be the last day (whether or not a business day) of the calendar month immediately preceding each such interest payment date. The "Record Date" of the Series B Bonds will be the fifteenth day (whether or not a business day) of the calendar month immediately preceding each such interest payment date. Interest will be calculated on a 30-day month and 360-day year basis, payable at maturity or prior redemption.

The Bonds will be issued as registered bonds and, when issued, will be registered in the name of Cede & Co., as nominee of DTC, which will act as securities depository for the Bonds. Individual purchases will be made in book-entry form only, in the principal amount of $5,000 or integral multiples thereof. Purchasers will not receive certificates representing their ownership interest in the Bonds. Interest on the Series A Bonds will be payable on July 15, 2021 and semi-annually thereafter on January 15 and July 15 in each year until maturity. Interest on the Series B and Series C Bonds will be payable on May 1, 2021, November 1, 2021 and semi-annually thereafter on May 1 and November 1 in each year until maturity. Principal and interest will be paid by the District to DTC, which will in turn remit such principal and interest to its Participants, for subsequent distribution to the Beneficial Owners of the Bonds, as described herein.

Optional Redemption*

The Series A Bonds maturing on or before January 15, 2028 shall not be subject to redemption prior to maturity. The Series A Bonds maturing on or after January 15, 2029 shall be subject to optional redemption prior to maturity at the option of the District on any date on or after January 15, 2028 as a whole or in part, and if in part, in any order of their maturity and in any amount within a maturity (selected by lot within a maturity), at a redemption price equal to the principal amount of the Bonds to be redeemed plus accrued interest to the date of redemption.

The Series B Bonds maturing on or before May 1, 2028 shall not be subject to redemption prior to maturity. The Series B Bonds maturing on or after May 1, 2029 shall be subject to optional redemption prior to maturity at the option of the District on any date on or after May 1, 2028 as a whole or in part, and if in part, in any order of their maturity and in any amount within a maturity (selected by lot within a maturity), at a redemption price equal to the principal amount of the Bonds to be redeemed plus accrued interest to the date of redemption.

The Series C Bonds maturing on or before October 15, 2028 shall not be subject to redemption prior to maturity. The Series C Bonds maturing on or after October 15, 2029 shall be subject to optional redemption prior to maturity at the option of the District on any date on or after October 15, 2028 as a whole or in part, and if in part, in any order of their maturity and in any amount within a maturity (selected by lot within a maturity), at a redemption price equal to the principal amount of the Bonds to be redeemed plus accrued interest to the date of redemption.

The District may select the maturities of the Bonds to be redeemed and the amount to be redeemed of each maturity selected, as the District shall determine to be in the best interest of the District at the time of such redemption. If less than all of the Bonds of any maturity are to be redeemed prior to maturity, the particular Bonds of such maturity to be redeemed shall be selected by the District by lot in any customary manner of selection as determined by the District. Notice of such call for redemption shall be given by mailing such notice to the registered owner not less than thirty (30) days nor more than sixty (60) days prior to such date. Notice of redemption having been given as aforesaid, the Bonds so called for redemption shall, on the date of redemption, set forth in such call for redemption, become due and payable, together with accrued interest to such redemption date, and interest shall cease to be paid thereon.

* Preliminary, subject to change.

Nature of Obligation

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

The Series A Bonds are 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. For the payment of such principal and interest the District has the power and statutory authorization to levy ad valorem taxes on all taxable real property in the District, without limitation as to rate or amount.

The Series B Bonds and the Series C Bonds are 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. For the payment of such principal and interest the District has the power and statutory authorization to levy ad valorem taxes on all taxable real property in the District, subject to certain statutory limitations imposed by Tax Levy Limit Law. (See "*The Tax Levy Limit Law*" herein)

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

AUTHORIZATION AND PLAN OF REFUNDING

Authorization and Purposes

The Bonds are being issued pursuant to the Constitution and statutes of the State, including particularly section 90.00 and/or 90.10 of the Local Finance Law, the refunding bond resolutions adopted by the Board of Education on October 6, 2020 and October 13, 2020 (collectively, the "Refunding Bond Resolution") and other proceedings and determinations related thereto. The Refunding Bond Resolution authorizes the refunding of all or a portion of the (i) $11,295,000 outstanding principal balance of the School District Refunding Serial Bonds – 2012, dated March 8, 2012, maturing 2023 through 2031, originally issued by the School District in the aggregate principal amount of $19,345,000 (the "2012 Bonds") (ii) $13,515,000 outstanding principal balance of the School District Refunding Serial Bonds – 2013, dated June 12, 2013, maturing 2022 through 2031, originally issued by the School District in the aggregate principal amount of $19,230,000 (the "2013 Bonds") and (iii) $73,070,000 outstanding principal balance of the School District Refunding Serial Bonds – 2015, dated December 30, 2015, maturing 2024 through 2036, originally issued by the School District in the aggregate principal amount of $108,175,000 (the "2015 Bonds") (collectively, the "Refunded Bonds") and authorizes issuance of the Bonds to provide the funds necessary to effect the refunding of the Refunded Bonds.

The proceeds of the Refunded Bonds have been fully expended.

The proceeds of the Bonds are intended to be used to purchase a portfolio of non-callable direct obligations of the United States of America (the "Government Obligations") and pay certain costs of issuance related to the Bonds. The principal of and investment income on the portfolio of Government Obligations together with other available cash on deposit in the Escrow Deposit Fund (as hereinafter defined) are expected to be sufficient to pay the maturing principal of and interest on the Refunded Bonds.

The Refunding Financial Plan

The Bonds are being issued to effect the refunding of the Refunded Bonds pursuant to the District's refunding financial plan (the "Refunding Financial Plan") dated September 28, 2020. The Refunding Financial Plan provides that the proceeds of the Bonds (after payment of the underwriting fee and other costs of issuance related to the Bonds) are to be applied to the purchase of the Government Obligations. The Government Obligations are to be placed in an irrevocable trust fund (the "Escrow Deposit Fund") with Wilmington Trust, N.A., an affiliate of Manufacturers and Traders Trust Company (the "Escrow Holder"), pursuant to the terms of an escrow contract (the "Escrow Contract") by and between the District and the Escrow Holder. The Refunding Financial Plan further provides that the Government Obligations will mature in amounts and bear interest sufficient, together with any un-invested cash deposited into the Escrow Deposit Fund from proceeds of the Bonds, to meet principal and interest payments with respect to the Refunded Bonds on the dates such payments are due or, in the case of Refunded Bonds subject to redemption prior to maturity, upon their earliest redemption dates (the "Payment Dates"). The Refunding Financial Plan calls for the Escrow Holder, pursuant to the Refunding Bond Resolution and the Escrow Contract, to call for redemption all the then outstanding Refunded Bonds on their respective first permitted redemption date. The owners of the Refunded Bonds will have a first lien on all of the respective cash and securities necessary for the refunding in the Escrow Deposit Fund into which are required to be deposited all investment income on and maturing principal of the Government Obligations, together with the un-invested cash deposit, until the Refunded Bonds have been paid, whereupon the Escrow Contract, given certain conditions precedent, shall terminate.

The District is expected to realize, as a result of the issuance of the Bonds, and in accordance with the Refunding Financial Plan, cumulative dollar and present value debt service savings.

Under the Refunding Financial Plan, the Refunded Bonds will continue to be general obligations of the District and will continue to be payable from District sources legally available therefor. However, inasmuch as the Government Obligations and cash held in the Escrow Deposit Fund will have been verified to be sufficient to meet all required payments of principal and interest on the Refunded Bonds, it is not anticipated that such District sources of payment will be used.

The list of Refunded Bond maturities set forth on the following page, may be changed by the District in its sole discretion due to market or other factors considered relevant by the District at the time of pricing of the Bonds and no assurance can be given that any particular series of bonds listed or that any particular maturity thereof will be refunded.

$19,345,000 School District Refunding Serial Bonds – 2012
CUSIP BASE: 419578

Due May 1st	Principal Amount	Interest Rate	Redemption Date	Redemption Price	CUSIP
2023	$ 1,055,000	5.000%	5/1/2022	100.00%	RM3
2024	1,105,000	5.000	5/1/2022	100.00	RN1
2025	1,165,000	5.000	5/1/2022	100.00	RP6
2026	1,215,000	4.500	5/1/2022	100.00	RQ4
2027	1,275,000	3.000	5/1/2022	100.00	RR2
2028	1,310,000	3.000	5/1/2022	100.00	RS0
2029	1,345,000	3.125	5/1/2022	100.00	RT8
2030	1,390,000	3.250	5/1/2022	100.00	RU5
2031	1,435,000	3.250	5/1/2022	100.00	RV3
Total:	$ 11,295,000				

$19,230,000 School District Refunding Serial Bonds – 2013
CUSIP BASE: 419578

Due January 15th	Principal Amount	Interest Rate	Redemption Date	Redemption Price	CUSIP
2022	$ 1,065,000	5.000%	1/15/2021	100.00%	SY6
2023	1,125,000	5.000	1/15/2021	100.00	SZ3
2024	1,185,000	5.000	1/15/2021	100.00	TA7
2025	1,250,000	5.000	1/15/2021	100.00	TB5
2026	1,320,000	5.000	1/15/2021	100.00	TC3
2027	1,385,000	5.000	1/15/2021	100.00	TD1
2028	1,460,000	4.000	1/15/2021	100.00	TE9
2029	1,525,000	3.250	1/15/2021	100.00	TF6
2030	1,575,000	3.250	1/15/2021	100.00	TG4
2031	1,625,000	3.375	1/15/2021	100.00	TH2
Total:	$ 13,515,000				

$108,175,000 School District Refunding Serial Bonds – 2015
CUSIP BASE: 419578

Due October 15th	Principal Amount	Interest Rate	Redemption Date	Redemption Price	CUSIP
2024	$ 6,665,000	5.000%	10/15/2023	100.00%	UJ6
2025	1,125,000	2.125	10/15/2023	100.00	UK3
2025	5,865,000	5.000	10/15/2023	100.00	UL1
2026*	5,000	3.000	10/15/2023	100.00	UM9
2027*	5,000	3.000	10/15/2023	100.00	UM9
2028*	5,000	3.000	10/15/2023	100.00	UM9
2029*	5,000	3.000	10/15/2023	100.00	UM9
2030*	5,000	3.000	10/15/2023	100.00	UM9
2031	4,005,000	3.000	10/15/2023	100.00	UN7
2031	5,000,000	5.000	10/15/2023	100.00	UP2
2032	5,360,000	3.000	10/15/2023	100.00	UQ0
2032	4,000,000	5.000	10/15/2023	100.00	UR8
2033	7,500,000	3.000	10/15/2023	100.00	US6
2033	2,200,000	5.000	10/15/2023	100.00	UT4
2034	6,050,000	3.000	10/15/2023	100.00	UU1
2034	4,000,000	5.000	10/15/2023	100.00	UV9
2035	5,935,000	3.125	10/15/2023	100.00	UW7
2035	4,500,000	5.000	10/15/2023	100.00	UX5
2036	6,340,000	3.250	10/15/2023	100.00	UY3
2036	4,500,000	5.000	10/15/2023	100.00	UZ0
Total:	$ 73,070,000				

*$25,000 Term Bond due October 15, 2030, CUSIP 419578UM9

Verification of Mathematical Computations

Causey Demgen & Moore PC, a firm of independent public accountants, will deliver to the District, on or before the date of delivery of the Bonds, its attestation report indicating that it has verified, in accordance with standards established by the American Institute of Certified Public Accountants, the information and assertions provided by the District and its representatives. Included in the scope of its engagement will be a verification of the mathematical accuracy of the mathematical computations of the adequacy of the cash and the maturing principal of and interest on, the Government Obligations used to fund the Escrow Deposit Fund to be established by the Escrow Holder to pay, when due, the maturing principal of and interest on the Refunded Bonds.

The verification performed by Causey Demgen & Moore PC will be solely based upon data, information and documents provided to Causey Demgen & Moore PC by the District and its representatives. Causey Demgen & Moore PC reports of its verification will state Causey Demgen & Moore PC has no obligations to update the report because of events occurring, or data or information coming to their attention, subsequent to the date of the report.

Sources and Uses of Bond Proceeds

Proceeds of the Bonds are to be applied as follows:

Sources:	Par Amount of the Bonds		$
	Original Issue Premium (Discount)		
		Total	$
Uses:	Deposit to Escrow Fund		$
	Underwriter's Discount		
	Costs of Issuance and Contingency		
		Total	$

REMEDIES UPON DEFAULT

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

Upon default in the payment of principal of or interest on the Bonds at the suit of the owner, a Court has the power, in proper and appropriate proceedings, to render judgment against the District. The present statute limits interest on the amount adjudged due to contract creditors to nine per centum per annum from the date due to the date of payment. As a general rule, property and funds of a municipal corporation serving the public welfare and interest have not been judicially subjected to execution or attachment to satisfy a judgment. A Court also has the power, in proper and appropriate proceedings, to order payment of a judgment on such bonds or notes from funds lawfully available therefor or, in the absence thereof, to order the District to take all lawful action to obtain the same, including the raising of the required amount in the next annual tax levy. In exercising its discretion as to whether to issue such an order, the Court may take into account all relevant factors, including the current operating needs of the District and the availability and adequacy of other remedies. Upon any default in the payment of the principal of or interest on the Bonds, the owners of such Bonds could, among other remedies, seek to obtain a writ of mandamus from a Court ordering the governing body of the District to assess, levy and collect an ad valorem tax, upon all taxable property of the District subject to taxation by the District sufficient to pay the principal of and interest on the Bonds as the same shall come due and payable (and interest from the due date to date of payment) and otherwise to observe the covenants contained in the Bonds and the proceedings with respect thereto all of which are included in the contract with the owners of the Bonds. The mandamus remedy, however, may be impracticable and difficult to enforce. Further, the right to enforce payment of the principal of or interest on the Bonds may be limited by bankruptcy, insolvency, reorganization, moratorium and similar laws and equitable principles, which may limit the specific enforcement of certain remedies.

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

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

Pursuant to Article VIII, Section 2 of the State Constitution, the District is required to provide an annual appropriation of monies for the payment of due and payable principal of and interest on indebtedness. Specifically this constitutional provision states: "If at any time the respective appropriating authorities shall fail to make such appropriations, a sufficient sum shall be set apart from the first revenues thereafter received and shall be applied to such purposes. The fiscal officer of any county, city, town, village or school district may be required to set aside and apply such revenues as aforesaid at the suit of any holder of obligations issued for any such indebtedness." This constitutes a specific non-exclusive constitutional remedy against a defaulting municipality or school district; however, it does not apply in a context in which monies have been appropriated for debt service but the appropriating authorities decline to use such monies to pay debt service. However, Article VIII, Section 2 of the Constitution of the State also provides that the fiscal officer of any county, city, town, village or school district may be required to set apart and apply such revenues at the suit of any holder of any obligations of indebtedness issued with the pledge of the faith of the credit of such political subdivision. In *Quirk v. Municipal Assistance Corp., 41 N.Y.2d 644 (1977)*, the Court of Appeals described this as a "first lien" on revenues, but one that does not give holders a right to any particular revenues. It should thus be noted that the pledge of the faith and credit of a political subdivision in the State is a pledge of an issuer of a general obligation bond or note to use its general revenue powers, including, but not limited to, its property tax levy, to pay debt service on such obligations, but that such pledge may or may not be interpreted by a court of competent jurisdiction to include a constitutional or statutory lien upon any particular revenues. The Constitutional provision providing for first revenue set asides does not apply to tax anticipation notes, revenue anticipation notes or bond anticipation notes.

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

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

No Past Due Debt

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

Bankruptcy

The Federal Bankruptcy Code (Chapter IX) allows public bodies, such as municipalities, recourse to the protection of a Federal Court for the purpose of adjusting outstanding indebtedness. Title 6-A of the Local Finance Law specifically authorizes any municipality in the State or its emergency control board to file a petition under any provision of Federal bankruptcy law for the composition or adjustment of municipal indebtedness. While this Local Finance Law provision does not apply to school districts, there can be no assurance that it will not become applicable in the future. As such, the undertakings of the District should be considered with reference, specifically, to Chapter IX, and, in general, to other bankruptcy laws affecting creditors' rights and municipalities. Bankruptcy proceedings by the District if authorized by the State in the future could have adverse effects on bondholders and/or noteholders including (a) delay in the enforcement of their remedies, (b) subordination of their claims to those supplying goods and services to the District after the initiation of bankruptcy proceedings and to the administrative expenses of bankruptcy proceedings and (c) imposition without their consent of a reorganization plan reducing or delaying payment of the Bonds.

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

SECTION 99-B OF THE STATE FINANCE LAW

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

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

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

DESCRIPTION OF BOOK-ENTRY SYSTEM

DTC will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered bond certificate will be issued for each maturity of the Bonds.

DTC 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, in turn, is owned by a number of Direct Participants of DTC and Members of the National Securities Clearing Corporation, Government Securities Clearing Corporation, MBS Clearing Corporation, and Emerging Markets Clearing Corporation, (NSCC, GSCC, MBSCC, and EMCC, also subsidiaries of DTCC), as well as by the New York Stock Exchange, Inc., the American Stock Exchange LLC, and the National Association of Securities Dealers, Inc. 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**.

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

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

Principal and interest payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC or the District, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to DTC is the responsibility of the District, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

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

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

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

Source: The Depository Trust Company.

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

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

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

Certificated Bonds

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

MARKET AND RISK FACTORS

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

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

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

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

The District relies in part on State aid to fund its operations. There can be no assurance that the State appropriation for State aid to school districts will be continued in future years, either pursuant to existing formulas or in any form whatsoever. State aid appropriated and apportioned to the District can be paid only if the State has such monies available therefore. The availability of such monies and the timeliness of such payment may also be affected by a delay in the adoption of the State budget, the impact to the State's economy and financial condition due to the COVID19 outbreak and other circumstances, including State fiscal stress. In any event, State aid appropriated and apportioned to the District can be paid only if the State has such monies available therefore. (See "*State Aid*" herein). Should the District fail to receive State aid expected from the State in the amounts or at the times expected, occasioned by a delay in the payment of such monies or by a reduction in State aid, the District is authorized by the Local Finance Law to provide operating funds by borrowing on account of the uncollected State aid.

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

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

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

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 and continues to take 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 have and are expected to continue to negatively impact the State's economy and financial condition. The full impact of COVID-19 upon the State is not expected to be known for some time. 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" and "State Aid History" 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.

TAX MATTERS FOR THE SERIES A BONDS

Opinion of Bond Counsel

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

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

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

Certain Ongoing Federal Tax Requirements and Certifications

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

Certain Collateral Federal Tax Consequences

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

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

Original Issue Discount

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

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

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

Bond Premium

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

Information Reporting and Backup Withholding

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

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

Miscellaneous

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

Prospective purchasers of the Series A Bonds should consult their own tax advisors regarding the foregoing matters.

TAX MATTERS FOR THE SERIES B BONDS AND THE SERIES C BONDS

Opinion of Bond Counsel

In the opinion of Bond Counsel to the District, interest on the Series B Bonds and the Series C Bonds (collectively, the "Taxable Obligations") (i) is included in gross income for federal income tax purposes, and (ii) is exempt, under existing statutes, from personal income taxes of New York State and its political subdivisions, including The City of New York.

The following discussion is a brief summary of the principal United States federal income tax consequences of the acquisition, ownership and disposition of Taxable Obligations by original purchasers of the Taxable Obligations who are "U.S. Holders", as defined herein. This summary (i) is based on the Code, Treasury Regulations, revenue rulings and court decisions, all as currently in effect and all subject to change at any time, possibly with retroactive effect; (ii) assumes that the Taxable Obligations will be held as "capital assets"; and (iii) does not discuss all of the United States federal income tax consequences that may be relevant to a holder in light of its particular circumstances or to U.S. Holders subject to special rules, such as insurance companies, financial institutions, tax-exempt organizations, dealers in securities or foreign currencies, persons holding the Taxable Obligations as a position in a "hedge" or "straddle", U.S. Holders whose functional currency (as defined in Section 985 of the Code) is not the United States dollar, U.S. Holders who acquire Taxable Obligations in the secondary market, or individuals, estates and trusts subject to the tax on unearned income imposed by Section 1411 of the Code.

Certain taxpayers that are required to prepare certified financial statements with certain regulatory or governmental agencies may be required to recognize income, gain and loss with respect to the Taxable Obligations at the time that such income, gain or loss is taken into account on such financial statements instead of under the rules described below.

U.S. Holders of Taxable Obligations should consult with their own tax advisors concerning the United States federal income tax and other consequences with respect to the acquisition, ownership and disposition of the Taxable Obligations as well as any tax consequences that may arise under the laws of any state, local or foreign tax jurisdiction.

Original Issue Discount

In general, if Original Issue Discount ("OID") is greater than a statutorily defined de minimis amount, a U.S. Holder of a Taxable Obligation must include in federal gross income (for each day of the taxable year, or portion of the taxable year, in which such U.S. Holder holds such Taxable Obligation) the daily portion of OID, as it accrues (generally on a constant yield method) and regardless of the U.S. Holder's method of accounting. "OID" is the excess of (i) the "stated redemption price at maturity" over (ii) the "issue price". For purposes of the foregoing: "issue price" means the first price at which a substantial amount of the Taxable Obligation is sold to the public (excluding bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers); "stated redemption price at maturity" means the sum of all payments, other than "qualified stated interest", provided by such Taxable Obligation; "qualified stated interest" is stated interest that is unconditionally payable in cash or property (other than debt instruments of the issuer) at least annually at a single fixed rate; and "de minimis amount" is an amount equal to 0.25 percent of the Taxable Obligation's stated redemption price at maturity multiplied by the number of complete years to its maturity. A U.S. Holder may irrevocably elect to include in gross income all interest that accrues on a Taxable Obligation using the constant-yield method, subject to certain modifications.

Acquisition Discount on Short-Term Taxable Obligations. Each U.S. Holder of a Taxable Obligation with a maturity not longer than one year (a "Short-Term Taxable Obligation") is subject to rules of Sections 1281 through 1283 of the Code, if such U.S. Holder is an accrual method taxpayer, bank, regulated investment company, common trust fund or among certain types of pass-through entities, or if the Short-Term Taxable Obligation is held primarily for sale to customers, is identified under Section 1256(e)(2) of the Code as part of a hedging transaction, or is a stripped bond or coupon held by the person responsible for the underlying stripping transaction. In any such instance, interest on, and "acquisition discount" with respect to, the Short-Term Taxable Obligation accrue on a ratable (straight-line) basis, subject to an election to accrue such interest and acquisition discount on a constant-interest-rate basis using daily compounding. "Acquisition discount" means the excess of the stated redemption price of a Short-Term Taxable Obligation at maturity over the U.S. Holder's tax basis therefor.

A U.S. Holder of a Short-Term Taxable Obligation not described in the preceding paragraph, including a cash-method taxpayer, must report interest income in accordance with the U.S. Holder's regular method of tax accounting, unless such U.S. Holder irrevocably elects to accrue acquisition discount currently.

Bond Premium

In general, if a taxable obligation is originally issued for an issue price (excluding accrued interest) that reflects a premium over the sum of all amounts payable on the taxable obligation other than "qualified stated interest" (a "Taxable Premium Obligation"), that Taxable Premium Obligation will be subject to Section 171 of the Code, relating to bond premium. In general, if the U.S. Holder of a Taxable Premium Obligation elects to amortize the premium as "amortizable bond premium" over the remaining term of the Taxable Premium Obligation, determined based on constant yield principles (in certain cases involving a Taxable Premium Obligation callable prior to its stated maturity date, the amortization period and yield may be required to be determined on the basis of an earlier call date that results in the highest yield on such bond), the amortizable premium is treated as an offset to interest income; the U.S. Holder will make a corresponding adjustment to the U.S. Holder's basis in the Taxable Premium Obligation. Any such election is generally irrevocable and applies to all debt instruments of the U.S. Holder (other than tax-exempt bonds) held at the beginning of the first taxable year to which the election applies and to all such debt instruments thereafter acquired. Under certain circumstances, the U.S. Holder of a Taxable Premium Obligation may realize a taxable gain upon disposition of the Taxable Premium Obligation even though it is sold or redeemed for an amount less than or equal to the U.S. Holder's original acquisition cost.

Disposition and Defeasance

Generally, upon the sale, exchange, redemption, or other disposition (which would include a legal defeasance) of a Taxable Obligation, a U.S. Holder generally will recognize taxable gain or loss in an amount equal to the difference between the amount realized (other than amounts attributable to accrued interest not previously includable in income) and such U.S. Holder's adjusted tax basis in the Taxable Obligation.

Information Reporting and Backup Withholding

In general, information reporting requirements will apply to non-corporate U.S. U.S. Holders of the Taxable Obligations with respect to payments of principal, payments of interest, and the accrual of OID on a Taxable Obligation and the proceeds of the sale of a Taxable Obligation before maturity within the United States. Backup withholding may apply to U.S. Holders of Taxable Obligations under Section 3406 of the Code. Any amounts withheld under the backup withholding rules from a payment to a beneficial owner, and which constitutes over-withholding, would be allowed as a refund or a credit against such beneficial owner's United States federal income tax provided the required information is furnished to the Internal Revenue Service.

U.S. Holders

The term "U.S. Holder" means a beneficial owner of a Taxable Obligation that is: (i) a citizen or resident of the United States, (ii) a corporation, partnership or other entity created or organized in or under the laws of the United States or of any political subdivision thereof, (iii) an estate the income of which is subject to United States federal income taxation regardless of its source or (iv) a trust whose administration is subject to the primary jurisdiction of a United States court and which has one or more United States fiduciaries who have the authority to control all substantial decisions of the trust.

Miscellaneous

Tax legislation, administrative actions taken by tax authorities, or court decisions, whether at the federal or state level, may adversely affect the tax-exempt status of interest on the Taxable Obligations under state law and could affect the market price or marketability of the Taxable Obligations.

Prospective purchasers of the Taxable Obligations should consult their own tax advisors regarding the foregoing matters.

LITIGATION

Litigation. In common with other school districts, the District from time to time receives various notices of claim and is party to litigation. In the opinion of legal counsel to the District, unless otherwise set forth herein and apart from matters provided for by applicable insurance coverage, there are no claims or actions pending which, if determined against the District, would have an adverse material effect on the financial condition of the District.

Contingencies. The District presently has pending various tax certiorari claims which have been filed under Article 7 of the Real Property Tax Law. Such petitions allege that property values as presently determined are excessive and request assessment reductions and, in most actions, a refund of property taxes previously paid. It is not possible to predict at this time the outcome of these cases. Pursuant to the Local Finance Law the District may issue obligations to finance tax certiorari refunds should the amount of the refunds exceed the amount on hand therefore.

There are various tax certiorari claims pending by taxpayers within the District, including Orange-Rockland Utilities and Berk-Cohen Apartments. It is not believed an unfavorable outcome will have an adverse material impact on the District's financial condition. At June 30, 2020, the District's tax certiorari reserve fund totaled $25,997,684. Amounts in such reserve fund can be used to pay any tax certiorari claims decided against the District where necessary.

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

CONTINUING DISCLOSURE UNDERTAKING

In order to assist the purchasers in complying with Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended ("Rule 15c2-12"), the District will enter into an Undertaking to Provide Continuing Disclosure for the Bonds, the form, substantially of which, is attached hereto as "*APPENDIX-E – FORM OF UNDERTAKING TO PROVIDE CONTINUING DISCLOSURE*".

Historical Continuing Disclosure Compliance History

The District failed to file notice of a Moody's downgraded that occurred on November 29, 2017 within ten days of the occurrence of such downgrade. The District's uninsured credit rating was changed from "Aa2" to "Aa3." The District has since filed the notice of said downgrade.

The District failed to file a Notice of partial Defeasance of its $194,504,358 School District Serial Bonds – 2007 in December 2015. The District has since filed the notice.

On May 28, 2019, The Bank of New York Mellon Trust Company, National Association, the escrow agent for the $38,960,000 School District Refunding Serial Bonds - 2019, which were issued to refund the District's $194,504,358 School District (Serial) Bonds, 2007, maturing in the years 2026 to 2030, inclusive (the "Refunded Bonds"), failed to timely pay the principal of and interest on the Refunded bonds from funds that were held in the escrow account as required under the terms of the escrow contract between the District and The Bank of New York Mellon Trust Company, National Association, dated April 25, 2019. The payment by The Bank of New York Mellon Trust Company, National Association was made after 3:00 pm on May 28, 2019, which was too late for settlement on that date. DTC alerted the District that funds were not received in time to make the payment on May 28, 2019 and confirmed payment would be made the following day. This late payment of principal and interest, by one day, is in no way an error of the District but rather a failure of The Bank of New York Mellon Trust Company, National Association to fulfill its obligations under the escrow contract. A material event notice was filed for this missed payment.

MUNICIPAL ADVISOR

Fiscal Advisors & Marketing, Inc. (the "Municipal Advisor") is a Municipal Advisor registered with the Securities and Exchange Commission and the Municipal Securities Rulemaking Board. The Municipal Advisor serves as independent financial advisor to the District on matters relating to debt management. The Municipal Advisor is a financial advisory and consulting organization and is not engaged in the business of underwriting, marketing, or trading municipal securities or any other negotiated instruments. The Municipal Advisor has provided advice as to the plan of financing and the structuring of the Bonds. The advice on the plan of financing and the structuring of the Bonds 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 Bonds.

RATINGS

Moody's Investors Service ("Moody's") has assigned their rating of "   " with to the Bonds. No application was made to any other rating agency for the purpose of obtaining an additional rating on the Bonds. This rating reflects only the view of Moody's and any desired explanation of the significance of such rating should be obtained from Moody's Investors Service, 7 World Trade Center, 250 Greenwich St., New York, New York 10007. Phone: (212) 553-0038, Fax: (212) 553-1390.

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

UNDERWRITING

The District has selected Robert W. Baird & Co., Incorporated as the senior manager, book-running underwriter for the Bonds, along with Roosevelt & Cross, Inc. as co-manager for the Bonds (collectively, the "Underwriters"). Robert W. Baird & Co., Incorporated is serving as the representative of the Underwriters.

The Underwriters have agreed, subject to certain conditions, to purchase from the District the Bonds for reoffering to the public. The purchase contract for the Bonds provides that the Underwriters will purchase all of the Bonds, if any are purchased, at a purchase price equal to $_________ (being the par amount of the Bonds plus a net original issue premium of $___________, less an underwriter's fee for the transaction of $__________). The Underwriters are initially offering the Bonds to the public at the public offering yields indicated on the cover page but the Underwriters may offer and sell the Bonds to certain dealers, institutional investors and others (including sales for deposit into investment trusts, certain of which may be sponsored or managed by the Underwriters) at yields higher than the public offering yields stated on the cover page and the public offering yields may be changed from time to time by the Underwriters.

THE SCHOOL DISTRICT

General Information

The District is situated in the northeast quadrant of Rockland County (the "County") along the west bank of the Hudson River, approximately 35 miles north of New York City. Certain portions of the District are also located in Orange County which is directly north of the County. The District encompasses land in five towns. The towns of Haverstraw and Stony Point in Rockland County account for the entire student population and almost 99% of the District's total full value. In Orange County, the District encompasses portions of the towns of Highlands, Tuxedo and Woodbury; however, all of the lands in these towns are part of the State parks system.

According to District officials, the land area making up the District is approximately 55 square miles. Census data available on the primary components (Haverstraw and Stony Point) of the District show that population increased rapidly during the nineteen-sixties and nineteen-seventies. The area of the County in which the District is located is one of the last sections of the County with any substantial development potential. Per capita income and the growth rates therein generally compare favorably to State averages but lag the County as a whole in this area. Median family income levels within the two principal towns, Haverstraw and Stony Point, are significantly above comparable averages for the State and the United States. (See "Economic and Demographic Data," herein).

The District is primarily residential in nature with many residents commuting to jobs in New York City, Westchester County or Northern New Jersey. The commercial base is light industrial or service related including retail shopping.

It is the responsibility of the various towns and villages to provide residents with general municipal services including water, sewer, police and fire protection, property assessment and recreation. The County provides various social and health services such as aid to families with dependent children, Medicaid and home relief. The County also operates a two-year community college.

Source: District officials.

District Organization

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

Members of the Board of Education are chosen on a rotating basis by qualified voters at the annual election of the District held on the third Tuesday in May each year. The term of office for each board member is three years and the number of terms that may be served is not limited. A president is selected by the board from its members and also serves as the chief fiscal officer of the District. The Board of Education is vested with various powers and duties as set forth in the Education Law. Among these are the adoption of annual budgets (subject to voter approval), the levy of real property taxes for the support of education, the appointment of such employees as may be necessary, and other such duties reasonably required to fulfill the responsibilities provided by law.

The Board of Education appoints the Superintendent of Schools, who serves at the pleasure of the Board. The Superintendent is the chief executive officer of the District and the education system. In addition, the Superintendent is an ex-officio member of the Board of Education with the right to speak on all matters before the Board but not to vote. It is the responsibility of the Superintendent to enforce all provisions of law and all rules and regulations relating to the management of the schools and other educational, social and recreational activities under the direction of the Board of Education. Also, certain of the financial functions of the District are the responsibility of the Superintendent of Schools and the Assistant Superintendent for Business.

Financial Organization

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

Investment Policy

Pursuant to Section 39 of the State's General Municipal Law, the District has an investment policy applicable to the investment of all moneys and financial resources of the District. The responsibility for the investment program has been delegated by the Board of Education to the Assistant Superintendent for Business who was required to establish written operating procedures consistent with the District's investment policy guidelines. According to the investment policy of the District, all investments must conform to the applicable requirements of law and provide for: the safety of the principal; sufficient liquidity; and a reasonable rate of return.

<u>Authorized Investments</u>. The District has designated eight banks or trust companies which are located and authorized to conduct business in the State to receive deposits of money. The District is permitted to invest in special time deposits or certificates of deposit.

In addition to bank deposits, the District is permitted to invest moneys in direct obligations of the United States of America, obligations guaranteed by agencies of the United States where the payment of principal and interest are further guaranteed by the United States of America and obligations of the State. Other eligible investments for the District include: revenue and tax anticipation notes issued by any municipality, school district or district corporation other than the District (investment subject to approval of the State Comptroller); obligations of certain public authorities or agencies; obligations issued pursuant to Section 109(b) of the General Municipal Law (certificates of participation) and certain obligations of the District but only with respect to moneys of a reserve fund established pursuant to Section 6 of the General Municipal Law. The District may also utilize repurchase agreements to the extent such agreements are based upon direct or guaranteed obligations of the United States of America. Repurchase agreements are subject to the following restrictions, among others: all repurchase agreements are subject to a master repurchase agreement; trading partners are limited to banks or trust companies authorized to conduct business in the State or primary reporting dealers as designated by the Federal Reserve Bank of New York; securities may not be substituted; and the custodian for the repurchase security must be a party other than the trading partner. All purchased obligations, unless registered or inscribed in the name of the District, must be purchased through, delivered to and held in the custody of a bank or trust company located and authorized to conduct business in the State.

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

<u>Collateral Requirements</u>. All District deposits in excess of the applicable insurance coverage provide by the Federal Deposit Insurance Act must be secured in accordance with the provisions of and subject to the limitations of Section 10 of the General Municipal Law of the State. Such collateral must consist of the "eligible securities," "eligible surety bonds" or "eligible letter of credit" as described in the law.

Eligible securities pledged to secure deposits must be held by the depository or third party bank or trust company pursuant to written security and custodial agreements. The District's security agreements provide that the aggregate market value of pledged securities must equal or exceed the principal amount of deposit, the agreed upon interest, if any, and any costs or expenses arising from the collection such deposits in the event of a default. Securities not registered or inscribed in the name of the District must be delivered, in a form suitable for transfer or with an assignment in blank, to the District or its designated custodial bank. The custodial agreements used by the District provide that pledged securities must be kept separate and apart from the general assets of the custodian and will not, under any circumstances, be commingled with or become part of the backing for any other deposit or liability. The custodial agreement must also provide that the custodian shall confirm the receipt, substitution or release of the collateral, the frequency of revaluation of eligible securities and the substitution of collateral when a change in the rating of a security may cause ineligibility.

An eligible irrevocable letter of credit may be issued, in favor of the District, by a qualified bank other than the depository bank. Such letters may have a term not to exceed 90 days and must have an aggregate value equal to 140% of the deposit obligations and the agreed upon interest. Qualified banks include those with commercial paper or other unsecured or short-term debt ratings within one of the three highest categories assigned by at least one nationally recognized statistical rating organization or a bank that is in compliance with applicable Federal minimum risk-based capital requirements.

An eligible surety bond must be underwritten by an insurance company authorized to do business in the State which has claims paying ability rated in the highest rating category for claims paying ability by at least two nationally recognized statistical rating organizations. The surety bond must be payable to the District in an amount equal to 100% of the aggregate deposits and the agreed interest thereon.

District Facilities

The District presently operates three lower elementary schools (grades K-3), three upper elementary school (grades 4-6), one middle school (grades 7-8), one high school (grades 9-12) and several support facilities.

Buildings	Year of Original Construction or Additions	Building Utilization	Building Capacity
Stony Point Elementary Gurnee Drive, Stony Point, NY	1966, 1986	School Grades K-3	872
Thiells Elementary Rosman Road, Thiells NY	1971	School Grades K-3	910
West Haverstraw Elementary Blauvelt Avenue, West Haverstraw, NY	1971	School Grades K-3	922
James A. Farley Elementary Route 210, Stony Point, NY	1961, 1966	School Grades 4-6	801
Haverstraw Elementary Grant Street, Haverstraw, NY	1937	School Grades 4-6	706
Willow Grove Elementary Storrs Road, Thiells, NY	1997,1999	School Grades 4-6	1,001
Fieldstone Middle School 100 Fieldstone Drive, , Thiells, NY	2004	School Grades 7-8	1,694
North Rockland H.S. Hammond Road, Thiells, NY	1968, 1971	School Grades 9-12	2,268
North Rockland High School Extension	1960, 1965	High School Special Purpose & Administration	317
Tomkins Cove Warehouse Buckberg Road. Tomkins Cove, NY	1957, 1960	Central Warehouse	N/A
Gerald Neary Elementary George Street, Haverstraw, NY	1960, 1965	Leased to BOCES	438
Haverstraw Annex Grant Street, Haverstraw, NY	1956	Closed	N/A

Source: District officials.

Enrollment Trends

School Year	Enrollment	School Year	Projected Enrollment
2016-17	8,091	2021-22	7,985
2017-18	8,094	2022-23	8,012
2018-19	8,094	2023-24	8,052
2019-20	8,068	2024-25	8,080
2020-21	7,969	2025-26	8,080

Source: District officials.

Employees

The District employs approximately 1,055 full-time and 439 part-time employees. The number of employees represented by unions, the names of the collective bargaining agents and the contract expiration dates are as follows:

Number of Employees	Unit	Contract Expiration Date
641	North Rockland Teachers' Association, Inc.	June 30, 2022
29	North Rockland School Administrators Association	June 30, 2021 (1)
361	North Rockland School Unit of Local 844, CSEA Local 1000, AFSCHE AFL-CIO	June 30, 2021 (1)
72	North Rockland Teaching Assistants	June 30, 2021 (1)
168	North Rockland Substitute Teachers	June 30, 2022

(1) Currently under negotiations.

Source: District officials.

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 an audit report of the District on June 2, 2017. The purpose of the audit was to review the District's cash disbursement transactions using computer-assisted auditing techniques for the period July 1, 2015 through September 23, 2016. A summary of the audit report is below:

> "Since early 2000, the District's financial condition has been negatively impacted by commercial property owners' successful tax certiorari claims against the District and related local governments. For example, one major commercial taxpayer had its real property tax liability reduced from approximately $46 million to $1.6 million in 2014 and each of the succeeding six years, ending in 2020. In 2007, District officials issued $194 million in debt to pay tax certiorari claims. The repayment of this debt started in April 2008 and cost the District more than $12 million the first year and will cost approximately $11.5 million annually for each succeeding year through 2037. In addition, the District has received an average of 26 percent less in State Foundation aid since the 2009-10 fiscal year, which is a major source of its revenues. These increased costs and decreased revenues have deteriorated the District's financial condition. To keep the District's financial condition from declining further, District officials told us they closely monitored expenditures and restricted departmental budgets each year. In addition, they consolidated the use of school buildings, closed two schools and reduced staff to help maintain the District's financial stability. District officials told us that they were able to accomplish these reductions in operating costs while maintaining crucial services to 8,000 students. Instead of significantly increasing property taxes, the Board maximized the use of fund balance each year and reduced the need for reserves. However, the District's fund balance has been consistently reduced each year."

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

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

Note: Reference to website implies no warranty of accuracy of information therein, nor is information therein included herein by reference.

The State Comptroller's Fiscal Stress Monitoring System

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

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

The reports of the State Comptroller for the 2015 through 2019 fiscal years (most recent available) of the District are as follows:

Fiscal Year Ending In	Stress Designation	Fiscal Score
2019	No Designation	0.0
2018	No Designation	0.0
2017	No Designation	6.7
2016	No Designation	13.3
2015	No Designation	20.0

Source: Website of the Office of the New York State Comptroller. Reference to website implies no warranty of accuracy of information therein.

Other Information

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

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

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

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

FINANCIAL FACTORS

District finances are operated primarily through its General Fund. All taxes and most other revenues are paid into this fund and all current operating expenditures are made from it. (A statement of such revenues and expenditures for the five year period ending June 30, 2020 is contained in the Appendices). As reflected in the Appendices, the District derives the bulk of its annual revenues from a tax on real property and from State aid. Capital improvements are generally financed by the issuance of bonds and bond anticipation notes.

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 – F". The audited financial report for fiscal year ended June 30, 2020 has not been presented to the Board of Education as of the date of this Official Statement, however it is expected to be accepted by the Board of Education on October 20, 2020. Certain unaudited projections for fiscal year ended June 30, 2020 are included in "APPENDIX-A". Certain summary 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.

Budgetary Procedures and Recent Budget Votes

The District's fiscal year begins on July 1 and ends on June 30. Starting in the fall or winter of each year, the District's financial plan and enrollment projection are reviewed and updated and the first draft of the next year's proposed budget is developed by the central office staff. During the winter and early spring the budget is developed and refined in conjunction with the school building principals and department supervisors.

The District's budget is subject to the provisions of Chapter 97 of the New York Laws of 2011, which imposes a limitation on the amount of real property taxes that a school district may levy, and by law is submitted to voter referendum on the third Tuesday of May each year. See "*Tax Levy Limitation Law*," herein for a further discussion regarding the budget vote, revote, contingency budget and the tax cap. The District has never exceeded the tax cap.

See "APPENDIX-A" for summaries of the 2019-20 and 2020-21 adopted budgets of the District.

Recent Budget Votes

The budget for the 2019-20 fiscal year was approved by the qualified voters on May 21, 2019 by a vote of 941 to 285. The budget included a tax levy increase of 2.51%, which equaled the District's Tax Cap of 2.51% 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 9, 2020 and were conducted using only absentee ballots. Ballots received on June 16, 2020 by 5:00 pm were included in the vote tally. The budget for the 2020-21 fiscal year was approved by the qualified voters on June 9, 2020 by a vote of 3,841 to 1,432. The budget included a tax levy increase of 0%, which was under the District's Tax Cap of 2.35% for the 2020-21 fiscal year.

Status and Financing of Employee Pension Benefits

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

On December 12, 2009, a new Tier V was signed into law. The law became effective for new ERS and TRS hires on January 1, 2010. 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 a New Tier VI pension program, effective for new ERS and TRS employees hired after April 1, 2012. The Tier VI legislation provides for increased employee contribution rates of between 3% and 6%, an increase in the retirement age from 62 years to 63 years, a readjustment of the pension multiplier, and a change in the time period for the final average salary calculation from 3 years to 5 years. Tier VI employees will vest in the system after ten years of employment and will continue to make employee contribution throughout employment.

The District's payments to ERS and TRS since the 2015-16 fiscal year and the budgeted payments for the 2020-21 fiscal year are as follows:

Fiscal Year	ERS	TRS
2015-2016	$ 3,642,497	$13,885,041
2016-2017	3,154,913	10,483,690
2017-2018	3,071,715	9,155,486
2018-2019	2,443,446	8,506,370
2019-2020	2,556,884	7,138,371
2020-2021 (Budgeted)	2,950,000	8,500,000

Source: District officials.

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

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

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 (2015-16 to 2020-21) is shown below:

Fiscal 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 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.

Stable Rate Pension Contribution Option: The 2013-14 Adopted State Budget included a provision that authorized local governments, including the District, with the option to "lock-in" long-term, stable rate pension contributions for a period of years determined by the State Comptroller and ERS and TRS. The pension contribution rates under this program would reduce near-term payments for employers, but require higher than normal contributions in later years. The District is not participating in the Stable Rate Pension Contribution Option nor does it intend to do so in the foreseeable future.

Although permitted by recently enacted laws, the District is not amortizing any pension payments nor does it intend to do so in the foreseeable future.

The State's 2019-2020 Enacted Budget, which was signed into law on March 31, 2019, will allow school districts in the State to establish a reserve fund for the purpose of funding/offsetting the cost of TRS contributions. School districts may pay into such 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 has established such a reserve fund as of the fiscal year ended 2019.

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

Other Post-Employment Benefits

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

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

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

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

The District contracted with Sound Actuarial Consulting to calculate its first 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
	$ 370,656,754	$ 416,585,737
Changes for the year:		
Service cost	11,083,248	12,215,681
Interest on total OPEB liability	13,093,853	12,647,545
Changes in Benefit Terms	-	-
Differences between expected and actual experience	-	56,684,477
Changes in Assumptions or other inputs	35,629,131	6,099,805
Benefit payments	(13,877,249)	(17,200,851)
Net Changes	$ 45,928,983	$ 70,446,657
Balance ending at:	June 30, 2019	June 30, 2020
	$ 416,585,737	**$ 487,032,394**

Source: September 2020 Analysis of Other Postemployment Benefits (OPEB) In Accordance with GASB 75. The above table is not audited. For additional information see "APPENDIX-F" attached hereto.

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

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

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

State Aid

The District receives appropriations from the State of State aid for operating, building and other purposes at various times throughout its fiscal year, pursuant to formulas and payment schedules set forth by statute. While the State has a constitutional duty to maintain and support a system of free common schools that provides a "sound basic education" to children of the State, there can be no assurance that the State appropriation for State aid to school districts will be continued in future years, either pursuant to existing formulas or in any form whatsoever. State aid appropriated and apportioned to the School Districts can be paid only if the State has such monies available for such payment. In its adopted budget for the 2020-21 fiscal year, approximately 29.3% of the revenues of the District are estimated to be received in the form of State aid. If the State should not adopt its budget in a timely manner, in any year, municipalities and school districts in the State, including the District, may be affected by a delay in the payment of State aid.

The amount of State aid to school districts is dependent in part upon the financial condition of the State. Due the outbreak of COVID-19 the State has declared a state of emergency and the Governor has taken and continues to take steps designed to mitigate the spread and impacts of COVID-19, including closing schools and non-essential businesses. The outbreak of COVID-19 and the dramatic steps taken by the State to address it have and are expected to continue to negatively impact the State's economy and financial condition. The full impact of COVID-19 upon the State is not expected to be known for some time; however, it is anticipated that the State will be required to take certain gap-closing actions. Such actions may include, but are not limited to: reductions in State agency operations and/or delays or reductions in payments to local governments or other recipients of State aid including school districts in the State. If this were to occur, reductions in the payment of State aid could adversely affect the financial condition of school districts in the State, including the District.

The State's 2020-2021 Enacted Budget authorizes the State's Budget Director to make periodic adjustments to nearly all State spending, including State Aid, in the event that actual State revenues come in below 99% percent of estimates or if actual disbursements exceed 101% of estimates. Specifically, the legislation provides that the State Budget Director will determine whether the State's 2020-2021 budget is balanced during three "measurement periods": April 1 to April 30, May 1 to June 30, and July 1 to Dec. 31. According to the legislation, if "a General Fund imbalance has occurred during any Measurement Period," the State's Budget Director will be empowered to "adjust or reduce any general fund and/or state special revenue fund appropriation … and related cash disbursement by any amount needed to maintain a balanced budget," and "such adjustments or reductions shall be done uniformly across the board to the extent practicably or by specific appropriations as needed." The legislation further provides that prior to making any adjustments or reductions, the State's Budget Director must notify the Legislature in writing and the Legislature has 10 days following receipt of such notice to prepare and approve its own plan. If the Legislature fails to approve its own plan, the Budget Director's reductions take effect automatically. (See "State Aid History" herein).

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

The availability of State aid and the timeliness of payment of State aid to school districts could be affected by a delay in the adoption of the State budget. No assurance can be given that the State will not experience delays in the adoption of the budget in future fiscal years. Significant delays in the adoption of the State budget could result in delayed payment of State aid to school districts in the State which could adversely affect the financial condition of school districts in the State.

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

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*" herein).

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.

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 in the future as a result of changes in federal policy, the general condition of the global and national economies and other circumstances, including the diversion of federal resources to address the current COVID-19 outbreak.

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

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 2020-21 preliminary building aid ratios, the District expects to receive State building aid of approximately 79.4% of debt service on State Education Department approved expenditures from July 1, 2004 to the present. (See also "State Aid" herein).

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

State aid history:

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

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

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

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

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

School district fiscal year (2020-2021): 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 in the school district fiscal year 2020-2021 is expected to total $27.9 billion, 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. The State's 2020-2021 Enacted Budget authorizes the State's Budget Director to make periodic adjustments to State Aid, in the event that actual State revenues come in below 99% percent of estimates or if actual disbursements exceed 101% of estimates. See "*State Aid*" herein for a discussion of this provision set forth in the State's 2020-2021 Enacted Budget and recent releases by the State regarding the projected revenue shortfalls in such budget.

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 CFE case that absent "gross education inadequacies", claims regarding State funding for a "sound basic education" must be made on a district-by-district basis based on the specific facts therein.

State Aid Revenues

The following table illustrates the percentage of total revenues of the District for each of the last five completed fiscal years and adopted budget figures for 2020-21 fiscal years comprised of State aid.

Fiscal Year	Total Revenues	Total State Aid	Percentage of Total Revenues Consisting of State Aid
2015-2016	$ 205,791,724	$ 58,157,583	28.26%
2016-2017	207,538,657	58,587,496	28.23
2017-2018	214,930,387	63,879,160	29.72
2018-2019	222,053,106	67,024,403	30.18
2019-2020 (Unaudited)	225,817,101	67,848,696	30.05
2020-2021 (Budgeted)	223,420,563	65,467,516	29.30

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: Unaudited projections for 2019-20 are based upon certain current assumptions and estimates and the audited results may vary therefrom.

Real Property Tax Revenues

The District derives a major portion of its revenues from a tax on real property (see "*Statement of Revenues, Expenditures and Changes in Fund Balance-General Fund*" in "APPENDIX-A", herein). Chapter 97 of the New York Laws of 2011, as amended, imposes a tax levy limitation upon the municipalities, school districts and fire districts in the State, including the District. (See "*Tax Levy Limit Law*" herein.)

The following table illustrates the percentage of total revenues of the District for the last five completed fiscal years and adopted budget figures for 2020-21 comprised of Real Property Taxes and Tax Items.

Fiscal Year	Total Revenues	Total Real Property Taxes & Tax Items	Percentage of Total Revenues Consisting of Real Property Tax
2015-2016	$ 205,791,724	$ 141,805,610	68.91%
2016-2017	207,538,657	142,027,657	68.43
2017-2018	214,930,387	143,812,393	66.91
2018-2019	222,053,106	150,687,714	67.86
2019-2020 (Unaudited)	225,817,101	154,094,766	68.24
2020-2021 (Budgeted)	223,420,563	154,160,257	69.00

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: Unaudited projections for 2019-20 are based upon certain current assumptions and estimates and the audited results may vary therefrom.

Other Revenues

In addition to property taxes and State Aid, the District receives other revenues from miscellaneous sources as shown in "APPENDIX-A".

ECONOMIC AND DEMOGRAPHIC DATA

School District Population

The 2018 estimated population of the District is 48,561. (Source: U.S. Census Bureau, 2014-2018 American Community Survey data.)

Population Trends

Year	Town of Haverstraw	Town of Stony Point	Rockland County	Orange County	New York State
1970	25,311	12,704	229,903	221,657	18,241,391
1980	31,929	12,838	259,530	259,603	17,558,165
1990	32,712	12,814	265,475	307,647	17,990,778
2000	33,811	14,244	286,753	341,367	18,976,457
2010	36,634	15,059	311,687	372,813	19,378,102
2018 (1)	37,165	15,393	323,686	378,227	19,453,561

(1) Estimated

Source: Source: U.S. Census Bureau, 2014-2018 American Community Survey data.

Economic Developments

There are several significant developments which are expected to add to the tax base in the District over the next several years. Sepectra Energy Gas pipeline has received approval to complete a section of line running from the Town of Ramapo to the Hudson River and passing through the Towns of Haverstraw and Stony Point. The current line runs from Texas to Massachusetts. Lake Champlain Electric has received approval for construction in 2016 for a line through the District in order to complete a connection from the Canadian border to Queens, New York.

NRG Bowline, LLC currently has a payment in lieu of taxes ("PILOT") with the District of $1.635 million annually through the 2021-22 fiscal year. If, however, any capital improvements are made to the property the current PILOT agreement would be renegotiated and either increased or NRG Bowline, LLC could be restored to the tax roll.

In addition, there is a 100-unit rental unit development currently being constructed in the Town of Haverstraw which is expected to add an estimated $5 million of assessed value to the Town.

Selected Wealth and Income Indicators

Per capita income statistics are not available for the District as such. The smallest areas for which such statistics are available, which includes the District, are the Towns and County listed below. The figures set below with respect to such Towns, County and State are included for information only. It should not be inferred from the inclusion of such data in the Official Statement that the Towns or the County or the State 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
Town of:						
Haverstraw	$ 22,188	30,080	$ 31,858	$ 61,119	$ 80,580	$ 85,637
Highlands	17,830	19,328	30,961	59,345	84,926	101,823
Stony Point	28,244	38,594	42,418	83,238	102,578	122,315
Tuxedo	41,410	52,673	63,747	88,718	108,750	152,059
Woodbury	28,566	40,966	42,111	84,156	116,084	130,982
Village of:						
Haverstraw	15,442	21,005	26,198	$ 44,881	49,643	71,674
W. Haverstraw	19,879	26,952	26,979	55,964	78,768	66,000
County of:						
Rockland	28,082	34,304	38,076	78,806	96,836	106,787
Orange	21,597	28,944	33,472	60,355	82,480	93,694
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.

Per Capita Money Income

	2010	2018	% Change
Town of Haverstraw	$30,080	$31,858	5.9%
Town of Stony Point	38,594	42,418	9.9
Rockland County	34,304	38,076	11.0
Orange County	28,944	33,472	15.6
New York State	30,948	37,470	21.1

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

Median Income of Families

	2018					
		Income Groups - % of Families				
	Median Family Income	Under $25,000	$25,000-49,999	$50,000-74,999	$75.000-99,999	$100,000-More
Town of Haverstraw	$ 85,637	12.5%	16.2%	16.1%	13.8%	41.3%
Town of Stony Point	122,315	3.9	9.8	10.3	11.9	64.2
Rockland County	106,787	10.7	12.4	12.3	11.5	53.0
Orange County	93,694	9.7	14.4	15.5	13.8	46.5
New York State	80,419	13.8	17.5	15.8	13.0	40.0

Source: U.S. Census Bureau; 2014-2018 American Community Survey data.

Housing Stock

	Number of Units			% Change	
	2000	2010	2018	2000-2010	2010-2018
Town of Haverstraw	11,553	12,809	12,436	10.9%	7.6%
Town of Stony Point	4,951	5,569	5,126	12.5	3.5
Rockland County	94,973	104,057	105,911	9.6	11.5
Orange County	122,754	137,025	142,360	11.6	16.0
New York State	7,679,307	8,108,103	8,287,087	5.6	7.9

Source: U.S. Census Bureau; 2014-2018 American Community Survey data.

Median Housing Values and Rentals

	2018			Occupancy Status		
	% Constructed 2014-Later	Median Value Owner Occupied Units	Median Rent Renter Occupied Units	Owner Occupied	Renter Occupied	Vacant
Town of Haverstraw	0.5%	$295,600	$1,423	60.8%	39.2%	4.5%
Town of Stony Point	0.3	375,300	1,514	84.8	15.2	7.4
Rockland County	0.8	434,000	1,463	68.7	31.3	5.6
Orange County	0.9	263,700	1,223	68.0	32.0	10.9
New York State	0.7	302,200	1,240	53.9	46.1	11.7

Source: U.S. Census Bureau; 2014-2018 American Community Survey data.

Unemployment Rate Statistics

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

Annual Average

	2013	2014	2015	2016	2017	2018	2019
Rockland County	6.3%	5.2%	4.5%	4.2%	4.3%	3.7%	3.6%
Orange County	6.8%	5.5%	4.7%	4.3%	4.5%	3.9%	3.8%
New York State	7.7%	6.3%	5.3%	4.9%	4.7%	4.1%	4.0%

2020 Monthly Figures

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct
Rockland County	3.7%	3.7%	3.7%	13.8%	11.1%	12.2%	13.8%	10.4%	N/A	N/A
Orange County	4.1%	4.1%	4.1%	15.7%	11.9%	12.6%	13.7%	10.5%	N/A	N/A
New York State	4.1%	3.9%	4.2%	15.1%	14.2%	15.5%	16.0%	12.5%	9.4%	N/A

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

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

Larger Employers

Larger Commercial and Industrial Employers located in the County are as follows

Name	Industry or Business	Number of Employees
Hamaspik of Rockland County	Health Services	1,993
Nyack Hospital	Hospital	1,850
Bon Secours Good Samaritan Hospital	Hospital	1,751
Rockland Psychiatric Center	Health Care	1,219
Jawonio, Inc.	Health Care	1,100
Helen Hayes Hospital	Hospital	891
Verizon Wireless	Communications	850
Northern Services Group	Nursing Home	832
St. Dominic's Home	Nursing Home	820
Orange & Rockland Utilities	Public Utility	817
A & T Healthcare	Health Care	800
Pfizer, Inc.	Pharmaceuticals	800
Nice-Pak Products, Inc.	Paper Manufacturing	768
ARC of Rockland	Health Care	715
Camp Venture, Inc.	Health Services	680
Aide Services, Inc.	Health Services	600
Par Pharmaceutical, Inc.	Pharmaceuticals	591
Community Home Health&Aide Svc, Inc	Health Care	560
Lamont-Doherty Geological Observatory	Earth Sciences Research	560
Chestnut Ridge Transportation, Inc.	Transportation	531
Hudson Valley Dev Disabilities Services	Health Services	523
Intercos America, Inc.	Cosmetic Manufacturing	425
Raymour & Flanigan	Commercial	415
Aluf Plastics, A Division of API	Commercial	401
Rockland Bakery Inc.	Commercial	400

Source: Rockland County Official Statement dated August 27, 2020.

TAX INFORMATION

Real Property Tax Assessments

Fiscal Year Ending June 30:	2017	2018	2019	2020	2021
Town of:					
Haverstraw	$ 2,317,871,968	$ 2,256,086,373	$ 2,239,810,498	$ 2,295,049,666	$ 2,275,695,331
Highlands	12,477,600	12,477,600	12,477,600	12,477,600	12,477,600
Stony Point	295,731,427	307,064,127	316,232,659	324,977,723	329,699,065
Tuxedo	3,593,857	3,828,566	3,652,929	3,588,700	4,136,795
Woodbury	9,532,409	9,333,859	9,131,979	9,131,979	8,943,579
Total Assessed Values	$ 2,639,207,261	$ 2,588,790,525	$ 2,581,305,665	$ 2,645,225,668	$ 2,630,952,370
State Equalization Rates					
Town of:					
Haverstraw	103.19%	99.65%	93.92%	86.78%	82.53%
Highlands	106.00%	106.00%	100.00%	100.00%	93.00%
Stony Point	15.73%	15.34%	15.29%	14.02%	13.71%
Tuxedo	17.02%	16.80%	16.60%	16.55%	16.18%
Woodbury	42.75%	41.70%	38.23%	37.71%	35.75%
Taxable Full Valuations					
Town of:					
Haverstraw	$ 2,246,217,626	$ 2,264,010,409	$ 2,384,806,748	$ 2,644,675,808	$ 2,757,415,886
Highlands	11,771,321	11,771,321	12,477,600	12,477,600	13,416,774
Stony Point	1,880,047,216	2,001,721,819	2,068,231,910	2,317,958,081	2,404,807,185
Tuxedo	21,115,494	22,789,083	22,005,596	21,683,988	25,567,336
Woodbury	22,298,033	22,383,355	23,886,945	24,216,333	25,017,004
Total Taxable Full Valuation	$ 4,181,449,688	$ 4,322,675,987	$ 4,511,408,799	$ 5,021,011,810	$ 5,226,224,185

Source: School District officials

Tax Rate Per $1,000 Assessed Value

Fiscal Year Ending June 30:	2017	2018	2019	2020	2021
Homestead Rates [(1)]:					
Town of:					
Haverstraw	$ 30.37	$ 29.81	$ 31.65	$ 32.12	$ 32.41
Stony Point	198.33	192.33	193.13	197.56	193.28
Non-Homestead Rates:					
Town of:					
Haverstraw	$ 41.80	$ 41.44	$ 43.94	$ 44.75	$ 45.20
Highlands	39.94	38.24	40.61	38.23	39.49
Stony Point	269.90	264.45	268.22	275.03	270.09
Tuxedo	248.73	241.30	244.63	231.01	227.01
Woodbury	99.03	97.21	106.22	101.38	102.74

[(1)] Does not include taxes levied for public library purposes.

Source: School District officials

Tax Levy and Tax Collection Record

Fiscal Year Ending June 30:	2017	2018	2019	2020	2021
Total Tax Levy [1]	$ 139,596,919	$ 141,361,457	$ 148,339,280	$ 152,062,624	$ 152,062,624
Amount Uncollected [2]	15,244,467	15,468,697	16,173,472	17,277,705	17,200,000
% Uncollected	10.92%	10.94%	10.90%	11.36%	11.31%

(1) Does not include amount of Tax Levy reimbursable by the STAR program. See "*STAR – School Tax Exemption*" herein.
(2) Includes amounts due on State lands, which are usually paid by the State after November 15th each year. In November of each year the District turns over the uncollected taxes to the respective counties, which relieves the taxes in January and makes the District whole in April. See "*Tax Collection Procedures*" herein.

Tax Collection Procedure

School taxes are levied by the Board of Education after the adoption of the final budget and completion of the assessment rolls. Such taxes are collected for the District by the tax receivers of the various towns. As compensation for this service, a 1% collection fee is added to all tax bills and retained by the towns. Amounts levied on State property by the District are collected by Rockland County and Orange County, respectively (together the "Counties"). Taxes are due in one installment by September 30 or taxpayers can elect to make installment payments of 50% by September 30, 25% by October 15 and 25% by November 5. Payments may be made without penalty until the 30th of September for all taxpayers. For those taxpayers in the Town of Stony Point a penalty is assessed if the installment plan is selected. After November 5th, the tax receivers return the tax rolls, the warrant and statement of the unpaids to the District. The Board of Education certifies the statement of unpaids and transmits the statement and certification to the Counties by November 15. Unpaid school taxes are relevied by such counties against the respective property owners. Amounts so relevied are included in the next tax bill issued by the Counties. The Counties must remit the full amount of the unpaid taxes to the District by April 1 of the year following the tax levy. THUS, THE DISTRICT BY LAW IS REASONABLY ASSURED OF RECEIVING 100% OF ITS TAXES IN THE FISCAL YEAR IN WHICH SUCH TAXES WERE LEVIED. The County has responsibility for conducting tax lien sales and in-rem foreclosure proceedings.

Tax Levy Limit Law

Chapter 97 of the New York Laws of 2011, as amended, (herein referred to as the "Tax Levy Limit Law" or "Law") modified previous law by imposing a limit on the amount of real property taxes that a school district may levy.

Prior to the enactment of the Law, there was no statutory limitation on the amount of real property taxes that a school district could levy if its budget had been approved by a simple majority of its voters. In the event the budget had been defeated by the voters, the school district could either have presented a revised budget for voter approval or adopted 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").

Under the Tax Levy Limit Law, there is now a limitation on the amount of tax levy growth from one fiscal year to the next. Such limitation is the lesser of (i) 2% or (ii) the annual percentage increase in the consumer price index, subject to certain exclusions as mentioned below and as described in the Law. A budget with a tax levy that does not exceed such limit will require approval by at least 50% of the voters. Approval by at least 60% of the voters will be required for a budget with a tax levy in excess of the limit. In the event the voters reject the budget, the tax levy for the school district's budget for the ensuing fiscal year may not exceed the amount of the tax levy for the prior fiscal year. School districts will be permitted to carry forward a certain portion of their unused tax levy limitation from a prior year.

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

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

Name	Type	Taxable Full Valuation
NY State Lands	State Lands	$ 497,261,440
Algonquin Gas	Utility	312,163,784
Orange & Rockland (1)	Utility	138,024,404
United Water	Utility	94,086,977
Berk Cohen Apartments (1)	Apartments	25,445,293
TBG Xinan Crystal Hill, LLC	Commercial	18,781,049
Verizon	Utility	14,054,989
Assisted Living North River	Elder Care	13,556,824
GenOn Lovett	Utility	13,554,420
Rossman Center LLC	Commercial	13,384,709

(1) Taxpayer has outstanding tax certiorari.

The ten larger taxpayers listed above have a total full valuation of $1,140,323,889 which represents 22.3% of the tax base of the District.

The District experiences the impact of tax certiorari filings on a regular basis for which the District has a tax certiorari reserve to pay anticipated judgements and claims arising out of such tax certiorari proceedings. The District has indicated that there are ongoing tax certiorari proceedings involving the District, but it is impossible to determine at this time the exact amount of the liability, if any, of the District with respect to these cases. Any such reduction in assessed value of property may result in the District being required to refund taxes collected in prior years. Pursuant to the Local Finance Law the District may issue obligations to finance tax certiorari refunds should the amount of the refunds exceed the amount on hand therefore. See also "*LITIGATION*" herein.

Source: District officials and town assessment rolls.

STAR – School Tax Exemption

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

Homeowners over 65 years of age with household adjusted gross incomes, less the taxable amount of total distributions from individual retirement accounts and undisclosed retirement annuities ("STAR Adjusted Gross Income") of $86,300 or less for 2019 benefits and $88,050 or less for 2020 benefits, increased annually according to a Cost-of-Living adjustment, are eligible for an "enhanced" exemption. Other homeowners with household STAR Adjusted Gross income not in excess of $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 makes 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. The amount received for the STAR exemption will remain the same each year, while the amount of the STAR credit can increase up to two percent annually. Homeowners with STAR Adjusted Gross Income of $250,000 or less have the option to select the credit or the exemption.

The 2020-21 Enacted State Budget requires that STAR benefits be withheld from taxpayers who are delinquent in the payment of their school taxes and lowers the income limit for the exemption to $200,000, compared with a $500,000 limit for the credit.

The below table lists the basic and enhanced exemption amounts for the 2020-21 District tax roll for the municipalities applicable to the District:

Towns of:	Enhanced Exemption	Basic Exemption	Date Certified
Haverstraw	$120,270	$ 51,690	4/10/2020
Highlands	81,100	34,860	4/10/2020
Stony Point	19,430	8,350	4/10/2020
Tuxedo	13,420	5,770	4/10/2020
Woodbury	30,580	13,140	4/10/2020

$16,982,142 of the District's $152,062,625 school tax levy for 2019-20 was exempted by the STAR Program. The District received full reimbursement of such exempt taxes from the State in January 2020.

$15,563,517 of the District's $152,062,624 school tax levy for 2020-21 was exempted by the STAR Program. The District expects to receive full reimbursement of such exempt taxes from the State in January 2020.

Additional Tax Information

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

Senior citizens' exemptions are offered to those who qualify.

The estimated total annual property tax bill of a $400,000 market value residential property located in the District is approximately $10,698 including County, Town, School District, and Fire District taxes.

STATUS OF INDEBTEDNESS

Constitutional and Statutory Requirements

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

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

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

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

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

Statutory Procedure

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

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

The Local Finance Law also provides a twenty-day statute of limitations after publication of a bond resolution, or summary thereof, together with a statutory form of notice which, in effect, estops legal challenges to the validity of obligations authorized by such bond resolution except for alleged constitutional violations. Except in certain circumstances, the District complies with such procedure. It is a procedure that is generally recommended by Bond Counsel, but it is not an absolute legal requirement.

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

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

Debt Outstanding End of Fiscal Year

Fiscal Years Ending June 30:	2016	2017	2018	2019	2020
Bonds [(1)]	$ 202,469,941	$ 194,105,000	$ 185,625,000	$ 175,665,000	$ 167,375,000
Bond Anticipation Notes	8,296,517	8,050,213	7,435,000	4,455,000	0
Energy Performance Contracts [(2)]	5,320,833	4,892,067	4,453,079	16,419,691	15,782,772
Total Debt Outstanding	$ 216,087,291	$ 207,047,280	$ 197,513,079	$ 196,539,691	$ 183,157,772

(1) Does not include refunded bonds outstanding at the end of the respective fiscal year, where applicable.

(2) See "*Energy Performance Contract Leases*" herein

Details of Outstanding Indebtedness

The following table sets forth the indebtedness of the District evidenced by bonds and notes as of October 16, 2020.

Type of Indebtedness	Maturity		Amount
Bonds	2020-2037		$ 161,425,000
Bond Anticipation Notes	--		0
		Total Indebtedness	$ 161,425,000

Debt Statement Summary

Summary of Indebtedness, Debt Limit and Net Debt-Contracting Margin as of October 16, 2020:

Full Valuation of Taxable Real Property			$ 5,226,224,185
Debt Limit 10% thereof			522,622,419
Inclusions:			
Bonds	$ 161,425,000		
Bond Anticipation Notes	0		
Total Inclusions		$ 161,425,000	
Exclusions:			
Building Aid [1]	$ 0		
Total Exclusions		$ 0	
Total Net Indebtedness			$ 161,425,000
Net Debt-Contracting Margin			$ 361,197,419
The percent of debt contracting power exhausted is			30.89%

[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 79.4% 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.

Note: The above debt statement summary does not include energy performance contracts outstanding, 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 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

The District historically has not found it necessary to in anticipation of taxes and revenues and does not plan to issue revenue or tax anticipation notes, or budget or deficiency notes, in the foreseeable future.

Short-Term Indebtedness

Pursuant to the Local Finance Law, the District is authorized to issue short-term indebtedness, in the form of notes specified in such statute, to finance both capital and operating purposes.

Bond anticipation notes may be sold to finance capital projects upon the approval of a proposition of the voters of the District and following the adoption of a bond resolution. Generally, bond anticipation notes are issued in the anticipation of the sale of bonds at some future date and may be renewed from time to time up to five years from the date of the first note. Notes may not be renewed after the second year unless there is a principal payment on such notes from a source other than the proceeds of bonds. In no event, may bond anticipation notes be renewed after the sale of bonds in anticipation of which the notes were originally issued.

The District is also authorized by law to issue tax anticipation notes and revenue anticipation notes to provide cash for operating expenditures. Borrowings for this purpose are governed by the provisions of the Local Finance Law and U.S. Internal Revenue Code of 1986, as amended. Generally, notes may be renewed from time to time but not beyond the close of the second fiscal year succeeding the fiscal year in which such notes were issued in the case of revenue anticipation notes or five years for tax anticipation notes. Budget notes may be issued to finance current operating expenditures for which there is no appropriation or the amount so appropriated is not sufficient. Generally, the amount of budget notes issued may not exceed 5% of the budget and must be redeemed in the next fiscal year. Deficiency notes may be issued to finance a revenue shortfall.

Bond Anticipation Notes

The District does not currently have any short-term bond anticipation notes outstanding.

Energy Performance Contract Leases

The District has an energy performance contract lease outstanding in the amount of $3,194,362. Payments totaling $552,345 are due each year through final maturity in fiscal year ending June 30, 2027. The balance outstanding as of October 16, 2020 is $3,309,273.

The District entered into a second energy performance contract on June 4, 2019 in the amount of $12,416,066. Payments totaling $534,209.48 are due each year through final maturity in fiscal year ending June 30, 2034. The balance outstanding as of October 16, 2020 is $11,518,112.

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

See also "*Capital Project Plans*" herein.

Capital Project Plans

The District is currently seeking requests for proposals to finance a $3,122,694 to finance a Solar Photovoltaic System to be installed at Tomkins Cove Warehouse. The District anticipates closing on such financing in November 2020.

The District does not have any other significant capital projects authorized or contemplated at this time.

Authorized But Unissued Debt

The District has no authorized and unissued debt.

Estimated Overlapping Indebtedness

In addition to the School District, the following political subdivisions have the power to issue bonds and to levy taxes or cause taxes to be levied on taxable real property in the School District. The estimated outstanding indebtedness of such political subdivisions is as follows:

Municipality	Status of Debt as of	Gross Indebtedness [1]	Exclusions [2]	Net Indebtedness	District Share	Applicable Indebtedness
County of:						
Rockland	8/14/2020 [3]	$ 529,519,000	$ 68,221,000	$ 461,298,000	11.29%	$ 52,080,544
Orange	6/26/2020 [3]	290,622,000	14,150,000	276,472,000	0.17%	470,002
Town of:						
Haverstraw	6/4/2020 [3]	27,130,000	-	27,130,000	80.22%	21,763,686
Highlands	12/31/2018 [4]	1,379,238	1,023,100	356,138	2.37%	8,440
Stony Point	7/28/2020 [3]	13,755,039	60,000	13,695,039	100.00%	13,695,039
Tuxedo	12/31/2018 [4]	3,016,922	91,922	2,925,000	1.96%	57,330
Woodbury	12/31/2018 [4]	2,075,000	1,673,500	401,500	1.23%	4,938
Village of:						
Haverstraw	5/31/2019 [3]	23,000,000	1,275,000	21,725,000	100.00%	21,725,000
W. Haverstraw	5/31/2019 [3]	3,384,000	-	3,384,000	100.00%	3,384,000
					Total:	$ 113,188,981

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 of information:

[3] Most recent available official statement or annual disclosure filing of the municipality obtained from the Electronic Municipal Market Access Website.

[4] 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 October 16, 2020:

	Amount	Per Capita [a]	Percentage of Full Value [b]
Net Indebtedness [c]	$ 161,425,000	$ 3,324.17	3.09%
Net Indebtedness Plus Net Overlapping Indebtedness [d]	274,613,981	5,655.03	5.25%

[a] The 2018 estimated population of the District is 48,561. (See "*District Population*" herein.)

[b] The District's full value of taxable real estate for the District's 2020-21 tax roll is $5,226,224,185. (See "*Taxable Assessed Valuations*" herein.)

[c] See "*Debt Statement Summary*" herein.

[d] Estimated net overlapping indebtedness is $52,412,262. (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.

MISCELLANEOUS

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

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

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

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.

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

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

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

The School District will act as Paying Agent for the Bonds. The School District contact information is as follows: Mr. Michael Senno, Assistant Superintendent for Business, Haverstraw-Stony Point Central School District, 65 Chapel Street, Garnerville, NY 10923, (845) 942-3006, e-mail: msenno@nrcsd.org.

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

HAVERSTRAW-STONY POINT CENTRAL SCHOOL DISTRICT

Dated: October __, 2020

RICHARD FERNANDEZ
PRESIDENT OF THE BOARD OF EDUCATION AND
CHIEF FISCAL OFFICER

GENERAL FUND

Balance Sheets

Fiscal Years Ending June 30:	2016	2017	2018	2019	2020 (Unaudited)
ASSETS					
Cash - Unrestricted	$ 42,690,468	$ 32,652,737	$ 22,566,659	$ 23,500,034	$ 23,795,037
Cash - Restricted	12,299,934	32,438,853	44,791,314	52,032,994	54,208,012
Accounts Receivable	-	33,628	25,373	25,379	33,850
Due from Other Funds	4,554,072	2,028,542	8,535,417	4,430,689	14,061,107
Due from Other Governments	862,794	539,581	1,910,663	1,833,670	2,954,487
State and Federal Aid Receivable	3,784,647	3,280,950	1,934,610	5,783,745	5,632,729
Inventories	-	-	-	-	-
Other	34,626	-	-	-	-
TOTAL ASSETS	$ 64,226,541	$ 70,974,291	$ 79,764,036	$ 87,606,511	$ 100,685,222
LIABILITIES AND FUND EQUITY					
Accounts Payable & Accrued Liabilities	$ 3,380,325	$ 4,156,237	$ 3,337,980	$ 6,383,671	$ 6,540,377
Due to Other Funds	993	124,771	1,145	25,172	114,481
Due to Other Governments	-	-	-	-	-
Due to Teachers' Retirement System	10,616,440	9,299,243	7,926,768	8,900,911	7,701,711
Due to Employees' Retirement System	752,600	731,647	732,468	721,922	783,000
Bond Anticipation Notes Payable	606,517	485,213	-	-	-
Deferred Revenue	-	-	2,000,000	-	2,565,601
TOTAL LIABILITIES	$ 15,356,875	$ 14,797,111	$ 13,998,361	$ 16,031,676	$ 17,705,170
FUND EQUITY					
Nonspendable	$ -	$ -	$ -	$ -	$ -
Restricted	12,299,934	32,438,853	44,791,314	52,032,994	54,208,012
Assigned	19,971,676	15,070,998	12,044,817	10,451,771	14,170,400
Unassigned	16,598,056	8,667,329	8,929,544	9,090,070	14,601,640
TOTAL FUND EQUITY	$ 48,869,666	$ 56,177,180	$ 65,765,675	$ 71,574,835	$ 82,980,052
TOTAL LIABILITIES and FUND EQUITY	$ 64,226,541	$ 70,974,291	$ 79,764,036	$ 87,606,511	$ 100,685,222

Source: 2016-2019 Audited financial reports and 2020 unaudited projections of the School District. This Appendix is not itself audited. Unaudited projections for 2019-20 are based upon certain current assumptions and estimates and the audited results may vary therefrom.

GENERAL FUND

Revenues, Expenditures and Changes in Fund Balance

Fiscal Years Ending June 30:	2016	2017	2018	2019	2020 (Unaudited)
REVENUES					
Real Property Taxes	$ 119,690,112	$ 119,820,570	$ 122,007,468	$ 129,816,737	$ 135,019,748
Other Tax Items	22,115,498	22,207,087	21,804,925	20,870,977	19,075,018
Charges for Services	637,838	478,031	441,873	224,385	300,052
Use of Money & Property	800,885	831,706	1,466,403	2,509,532	2,012,110
Sale of Property and Compensation for Loss	230,563	1,507,806	97,716	71,325	69,465
Miscellaneous	4,054,656	3,945,442	5,034,140	1,197,878	1,186,871
Revenues from State Sources	58,157,583	58,587,496	63,879,160	67,024,403	67,848,696
Medicaid Reimbursement	104,589	160,519	198,702	-	-
Revenues from Federal Sources	-	-	-	337,869	305,141
Proceeds from Bonds	-	-	-	-	-
Total Revenues	$ 205,791,724	$ 207,538,657	$ 214,930,387	$ 222,053,106	$ 225,817,101
EXPENDITURES					
General Support	$ 20,046,428	$ 18,740,602	$ 20,200,571	$ 19,857,767	$ 20,430,889
Instruction	104,367,495	102,774,113	103,887,484	110,100,047	112,918,737
Pupil Transportation	11,353,305	11,623,618	12,268,369	12,839,195	10,553,265
Community Services	-	-	-	-	-
Employee Benefits	48,659,587	49,751,216	51,957,612	51,931,623	52,727,086
Debt Service	16,620,848	17,102,036	16,757,226	21,151,832	16,804,068
Capital Outlay	-	-	-	-	-
Total Expenditures	$ 201,047,663	$ 199,991,585	$ 205,071,262	$ 215,880,464	$ 213,434,045
OTHER SOURCES AND (USES)					
Interfund Transfers (in)	$ 1,385,052	$ 9,640	$ 73,056	$ 20,819	$ 9,309
Interfund Transfers (out)	(178,475)	(249,198)	(343,688)	(384,301)	(987,148)
Total Other Sources and (Uses)	$ 1,206,577	$ (239,558)	$ (270,632)	$ (363,482)	$ (977,839)
Excess (Deficit) Revenues Over Expenditures	5,950,638	7,307,514	9,588,493	5,809,160	11,405,217
FUND BALANCE					
Fund Balance - Beginning of Year	42,919,028	48,869,666	56,177,180	65,765,673	71,574,835
Prior Period Adjustments (net)	-	-	-	-	-
Fund Balance - End of Year	$ 48,869,666	$ 56,177,180	$ 65,765,673	$ 71,574,833	$ 82,980,052

Source: 2016-2019 Audited financial reports and 2020 unaudited projections of the School District. This Appendix is not itself audited. Unaudited projections for 2019-20 are based upon certain current assumptions and estimates and the audited results may vary therefrom.

GENERAL FUND

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

Fiscal Years Ending June 30:	2020			2021
	Adopted Budget	Modified Budget	**Unaudited** Actual	Adopted Budget
REVENUES				
Real Property Taxes	$ 135,080,483	$ 135,080,483	$ 135,019,748	$ 136,499,107
Other Tax Items	18,879,775	18,879,775	19,075,018	17,661,150
Charges for Services	280,000	280,000	300,052	280,000
Use of Money & Property	720,000	720,000	2,012,110	1,720,000
Sale of Property and Compensation for Loss	-	-	69,465	-
Miscellaneous	50,000	50,000	1,186,871	50,000
Revenues from State Sources	68,292,967	68,292,967	67,848,696	65,467,516
Medicaid Reimbursement	-	-	-	-
Revenues from Federal Sources	-	-	305,141	1,742,790
Proceeds from Bonds	-	-	-	-
Total Revenues	$ 223,303,225	$ 223,303,225	$ 225,817,101	$ 223,420,563
EXPENDITURES				
General Support	$ 20,596,830	$ 26,333,163	$ 20,430,889	$ 20,927,563
Instruction	114,175,562	120,750,874	112,918,737	119,333,409
Pupil Transportation	13,925,632	11,857,093	10,553,265	14,599,565
Community Services	100	100	-	100
Employee Benefits	60,667,191	56,094,493	52,727,086	59,175,442
Debt Service	16,967,583	17,730,773	16,804,068	15,903,453
Capital Outlay	-	-	-	-
Total Expenditures	$ 226,332,898	$ 232,766,496	$ 213,434,045	$ 229,939,532
OTHER SOURCES AND (USES)				
Interfund Transfers (in)	$ -	$ -	$ 9,309	$ -
Interfund Transfers (out)	(875,000)	(988,498)	(987,148)	(2,850,000)
Total Other Sources and (Uses)	$ (875,000)	$ (988,498)	$ (977,839)	$ (2,850,000)
Excess (Deficit) Revenues Over Expenditures	(3,904,673)	(10,451,769)	11,405,217	(9,368,969)
FUND BALANCE				
Fund Balance - Beginning of Year	3,904,673	10,451,769	71,574,835	9,368,969
Prior Period Adjustments (net)	-	-	-	-
Fund Balance - End of Year	$ -	$ -	$ 82,980,052	$ -

Source: 2020 unaudited projections and 2020-21 adopted budget of the School District. This Appendix is not itself audited.
Unaudited projections for 2019-20 are based upon certain current assumptions and estimates and the audited results may vary therefrom.

BONDED INDEBTEDNESS

Fiscal Year Ending June 30th	PRIOR TO REFUNDING			Refunded Bonds Debt Service	2020 REFUNDING BONDS			Total New Debt Service
	Principal	Interest	Total		Principal	Interest	Total	
2021	$ 7,930,000	$ 6,352,687.52	$ 14,282,687.52	$ -	$ -	$ -	$ -	$ 14,282,687.52
2022	8,290,000	5,967,312.52	14,257,312.52	-	-	-	-	14,257,312.52
2023	8,650,000	5,564,387.52	14,214,387.52	-	-	-	-	14,214,387.52
2024	9,050,000	5,132,637.52	14,182,637.52	-	-	-	-	14,182,637.52
2025	9,500,000	4,680,312.52	14,180,312.52	-	-	-	-	14,180,312.52
2026	9,955,000	4,221,609.40	14,176,609.40	-	-	-	-	14,176,609.40
2027	10,360,000	3,820,406.28	14,180,406.28	-	-	-	-	14,180,406.28
2028	10,680,000	3,506,881.28	14,186,881.28	-	-	-	-	14,186,881.28
2029	10,990,000	3,196,856.28	14,186,856.28	-	-	-	-	14,186,856.28
2030	11,335,000	2,857,912.52	14,192,912.52	-	-	-	-	14,192,912.52
2031	11,245,000	2,513,225.02	13,758,225.02	-	-	-	-	13,758,225.02
2032	9,005,000	2,103,893.76	11,108,893.76	-	-	-	-	11,108,893.76
2033	9,360,000	1,738,418.76	11,098,418.76	-	-	-	-	11,098,418.76
2034	9,700,000	1,390,518.76	11,090,518.76	-	-	-	-	11,090,518.76
2035	10,050,000	1,032,268.76	11,082,268.76	-	-	-	-	11,082,268.76
2036	10,435,000	636,284.38	11,071,284.38	-	-	-	-	11,071,284.38
2037	10,840,000	215,525.00	11,055,525.00	-	-	-	-	11,055,525.00
TOTALS	$ 167,375,000	$ 54,931,137.80	$ 222,306,137.80	$ -	$ -	$ -	$ -	$ 222,306,137.80

CURRENT BONDS OUTSTANDING

Fiscal Year Ending June 30th	2012 Refunding Bonds			2013 Refunding Bonds			2015 Capital Project		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2021	$ 970,000	$ 511,519	$ 1,481,519	$ 1,010,000	$ 630,994	$ 1,640,994	$ 335,000	$ 108,375	$ 443,375
2022	1,010,000	472,719	1,482,719	1,065,000	580,494	1,645,494	345,000	98,175	443,175
2023	1,055,000	432,319	1,487,319	1,125,000	527,244	1,652,244	350,000	87,750	437,750
2024	1,105,000	379,569	1,484,569	1,185,000	470,994	1,655,994	360,000	77,100	437,100
2025	1,165,000	324,319	1,489,319	1,250,000	411,744	1,661,744	370,000	66,150	436,150
2026	1,215,000	266,069	1,481,069	1,320,000	349,244	1,669,244	380,000	54,900	434,900
2027	1,275,000	211,394	1,486,394	1,385,000	283,244	1,668,244	390,000	43,350	433,350
2028	1,310,000	173,144	1,483,144	1,460,000	213,994	1,673,994	405,000	31,425	436,425
2029	1,345,000	133,844	1,478,844	1,525,000	155,594	1,680,594	415,000	19,125	434,125
2030	1,390,000	91,813	1,481,813	1,575,000	106,031	1,681,031	430,000	6,450	436,450
2031	1,435,000	46,638	1,481,638	1,625,000	54,844	1,679,844	-	-	-
2032	-	-	-	-	-	-	-	-	-
2033	-	-	-	-	-	-	-	-	-
2034	-	-	-	-	-	-	-	-	-
2035	-	-	-	-	-	-	-	-	-
2036	-	-	-	-	-	-	-	-	-
2037	-	-	-	-	-	-	-	-	-
TOTALS	$ 13,275,000	$ 3,043,344	$ 16,318,344	$ 14,525,000	$ 3,784,419	$ 18,309,419	$ 3,780,000	$ 592,800	$ 4,372,800

Fiscal Year Ending June 30th	2015 Refunding			2019 Refunding		
	Principal	Interest	Total	Principal	Interest	Total
2021	$ 5,565,000	$ 3,991,750	$ 9,556,750	$ 50,000	$ 1,110,050	$ 1,160,050
2022	5,820,000	3,707,125	9,527,125	50,000	1,108,800	1,158,800
2023	6,080,000	3,409,625	9,489,625	40,000	1,107,450	1,147,450
2024	6,350,000	3,098,875	9,448,875	50,000	1,106,100	1,156,100
2025	6,665,000	2,773,500	9,438,500	50,000	1,104,600	1,154,600
2026	6,990,000	2,448,297	9,438,297	50,000	1,103,100	1,153,100
2027	5,000	2,289,644	2,294,644	7,305,000	992,775	8,297,775
2028	5,000	2,289,494	2,294,494	7,500,000	798,825	8,298,825
2029	5,000	2,289,344	2,294,344	7,700,000	598,950	8,298,950
2030	5,000	2,289,194	2,294,194	7,935,000	364,425	8,299,425
2031	5,000	2,289,044	2,294,044	8,180,000	122,700	8,302,700
2032	9,005,000	2,103,894	11,108,894	-	-	-
2033	9,360,000	1,738,419	11,098,419	-	-	-
2034	9,700,000	1,390,519	11,090,519	-	-	-
2035	10,050,000	1,032,269	11,082,269	-	-	-
2036	10,435,000	636,284	11,071,284	-	-	-
2037	10,840,000	215,525	11,055,525	-	-	-
TOTALS	$ 96,885,000	$ 37,992,800	$ 134,877,800	$ 38,910,000	$ 9,517,775	$ 48,427,775

APPENDIX – C

FORM OF APPROVING LEGAL OPINION – SERIES A BONDS

Hawkins Delafield & Wood LLP
250 Greenwich Street, 41st floor
New York, New York 10007

November __, 2020

The Board of Education of the
Haverstraw-Stony Point Central School District, in
Rockland and Orange Counties, New York

Ladies and Gentlemen:

We have acted as Bond Counsel to the Haverstraw-Stony Point Central School District (the "District"), in the Counties of Rockland and Orange, New York, a municipal corporation of the State of New York, and have examined a record of proceedings relating to the authorization, sale and issuance of the $__________ School District Refunding Serial Bonds-2020 Series A (the "Bonds"), dated and delivered on the date hereof.

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

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

1. The Bonds are valid and legally binding general obligations of the District for which the District has validly pledged its faith and credit and, unless paid from other sources, all the taxable real property within the District is subject to the levy of ad valorem real estate taxes to pay the Bonds and interest thereon, subject to certain statutory limitations imposed by Chapter 97 of the New York Laws of 2011, as amended. The enforceability of rights or remedies with respect to such Bonds may be limited by bankruptcy, insolvency or other laws affecting creditors' rights or remedies heretofore or hereafter enacted.

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

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

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

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

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

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

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

Very truly yours,

FORM OF APPROVING LEGAL OPINION – SERIES B BONDS AND THE SERIES C BONDS

Hawkins Delafield & Wood LLP
250 Greenwich Street, 41st floor
New York, New York 10007

November __, 2020

The Board of Education of the
Haverstraw-Stony Point Central School District, in
Rockland and Orange Counties, New York

Ladies and Gentlemen:

We have acted as Bond Counsel to the Haverstraw-Stony Point Central School District (the "District"), in the Counties of Rockland and Orange, New York, a municipal corporation of the State of New York, and have examined a record of proceedings relating to the authorization, sale and issuance of the $__________ School District Refunding Serial Bonds-2020 Series [B][C] (Federally Taxable) (the "Bonds"), dated and delivered on the date hereof.

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

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

1. The Bonds are valid and legally binding general obligation of the District for which the District has validly pledged its faith and credit and, unless paid from other sources, all the taxable real property within the District is subject to the levy of ad valorem real estate taxes to pay the Note and interest thereon, subject to certain statutory limitations imposed by Chapter 97 of the New York Laws of 2011, as amended. The enforceability of rights or remedies with respect to such Bonds may be limited by bankruptcy, insolvency, or other laws affecting creditors' rights or remedies heretofore or hereafter enacted.

2. Interest on the Bonds is included in gross income for federal income tax purposes pursuant to the Internal Revenue Code of 1986, as amended.

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

We express no opinion as to any other federal, state or local tax consequences arising with respect to the Bonds, or the ownership or disposition thereof, except as stated in paragraphs 2 and 3 above. We render our opinion under existing statutes and court decisions as of the date hereof, and assume no obligation to update, revise or supplement our opinion to reflect any action hereafter taken or not taken, any fact or circumstance that may hereafter come to our attention, any change in law or interpretation thereof that may hereafter occur, or for any other reason. We express no opinion as to the consequence of any of the events described in the preceding sentence or the likelihood of their occurrence. In addition, we express no opinion on the effect of any action taken or not taken in reliance upon an opinion of other counsel regarding federal, state or local tax matters relating to the Bonds.

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

Very truly yours,

FORM OF UNDERTAKING TO PROVIDE CONTINUING DISCLOSURE

Section 1. Definitions

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

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

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

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

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

"Issuer" shall mean the Haverstraw-Stony Point Central School District, in Rockland and Orange Counties, a school district of the State of New York.

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

"Purchaser" shall mean the financial institution referred to in the Certificate of Determination, executed by the President of the Board of Education as of November __, 2020.

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

"Securities" shall mean the Issuer's $___________ School District Refunding Bonds-2020 [A][B][C][(Federally Taxable)], dated November __, 2020, maturing in various principal amounts in each of the years 20__ to 20__, inclusive.

Section 2. Obligation to Provide Continuing Disclosure. (a) The Issuer hereby undertakes, for the benefit of Holders of the Securities, to provide or cause to be provided either directly or through Fiscal Advisors & Marketing, Inc., 250 South Clinton Street, Suite 502, Syracuse, NY 13202, to the EMMA System:

(i) no later than six (6) months following the end of each fiscal year, commencing with the fiscal year ending June 30, 2021, the Annual Information relating to such fiscal year, together with audited financial statements of the Issuer for such fiscal year if audited financial statements are then available; provided, however, that if audited financial statements are not then available, unaudited financial statements shall be provided with the Annual Information no later than six (6) months following the end of each fiscal year, and audited financial statements, if any, shall be delivered to the EMMA System within sixty (60) days after they become available and in no event later than one (1) year after the end of each fiscal year; provided, however, that the unaudited financial statement shall be provided for any fiscal year only if the Issuer has made a determination that providing such unaudited financial statement would be compliant with federal securities laws, including Rule 10b-5 of the Securities Exchange Act of 1934 and Rule 17(a)(2) of the Securities Act of 1933; and

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

(1) principal and interest payment delinquencies;

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

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

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

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

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

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

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

(9) defeasances;

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

(11) rating changes;

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

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

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

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

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

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

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

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

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

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

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

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

Section 4. Financial Statements. The Issuer's annual financial statements for each fiscal year, if prepared, shall be prepared in accordance with New York State regulatory requirements or GAAP as in effect from time to time. Such financial statements, if prepared, shall be audited by an independent accounting firm.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

IN WITNESS WHEREOF, the undersigned has duly authorized, executed and delivered this Undertaking as of November __, 2020 .

Haverstraw-Stony Point Central School District

By____President of the
Board of Education
and Chief Fiscal Officer

HAVERSTRAW-STONY POINT CENTRAL SCHOOL DISTRICT
ROCKLAND AND ORANGE 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.

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. The District's independent auditor also has not performed any procedures relating to this Official Statement.

HAVERSTRAW-STONY POINT CENTRAL SCHOOL DISTRICT

Financial Statements and Required Reports Under the Uniform Guidance as of June 30, 2019 Together with Independent Auditor's Report

Bonadio & Co., LLP
Certified Public Accountants

HAVERSTRAW-STONY POINT CENTRAL SCHOOL DISTRICT

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HAVERSTRAW-STONY POINT CENTRAL SCHOOL DISTRICT

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Bonadio & Co., LLP
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

October 4, 2019

To the Board of Education of the
Haverstraw-Stony Point Central School District

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 Haverstraw-Stony Point Central School District (the District) as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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Albany, New York 12205
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INDEPENDENT AUDITOR'S REPORT

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

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, schedule of proportionate share of net pension liability (asset), schedule of contributions – pension plans, and the schedule of changes in total OPEB liability and related ratios as listed in the accompanying table of contents 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 District's basic financial statements. The other information as listed in the accompanying table of contents, as required by the New York State Education Department, is presented for purposes of additional analysis and is not a required part of the basic financial statements. The schedule of expenditures of federal awards listed in the accompanying table of contents is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations 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.

INDEPENDENT AUDITOR'S REPORT

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

The other information included as listed in the accompanying table of contents has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards* , we have also issued our report dated October 4, 2019, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Management's Discussion and Analysis (Unaudited)

The following is a discussion and analysis of the District's financial performance for the fiscal year ended June 30, 2019. The section is a summary of the District's financial activities based on currently known facts, decisions, or conditions. It is also based on both the government-wide and fund-based financial statements. The results of the current year are discussed, as well as a comparative analysis to prior year information. This section is only an introduction and should be read in conjunction with the District's financial statements, which immediately follow this section.

FINANCIAL HIGHLIGHTS

- Government-wide net position of the District was a deficit of $386,970,948.
- Government-wide deficit position was $1,470,516 less than net position at June 30, 2018.
- The actual General Fund revenues in excess of expenditures were $5,809,160.
- The District experienced an increase of $1,470,516 in total net position during the course of the year, which is primarily driven from the General Fund revenues exceeding expenditures by $5,809,160.
- Fiscal year-end June 30, 2019 saw the fourth consecutive year of revenue greater than expenditures.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

- The first two statements are Government-wide financial statements that provide both short-term and long-term information about the District's overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the District, reporting the operation in more detail than the entity-wide statements.
- The governmental fund statements tell how basic services such as instruction and support functions were financed in the short-term, as well as what remains for future spending.
- Fiduciary funds statements provide information about the financial relationships in which the District acts solely as a trustee or agent for the benefit of others, including the employees of the District.

The financial statements also include notes that provide additional information about the financial statements and the balances reported. The statements are followed by a section of required supplementary information that further explains and supports the financial statements with a comparison of the District's budget for the year. Table A-1 shows how the various parts of this annual report are arranged and related to one another.

Table A-1 Organization of the District’s Annual Financial Report

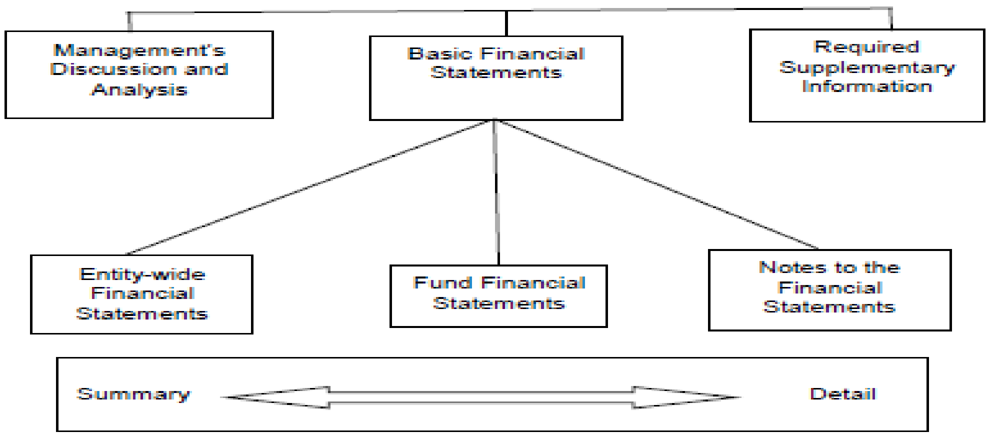


Table A-2 summarizes the major features of the District’s financial statements, including the portion of the District’s activities that they cover and the types of information that they contain. The remainder of this overview section highlights the structure and contents of each statement.

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

		Fund Financial Statements	
	Government-Wide	Governmental Funds	Fiduciary Funds
Scope	Entire District (except fiduciary funds)	The day-to-day operating activities of the District, such as instruction and special education.	Instances in which the District administers resources on behalf of someone else, such as scholarship programs and student activities monies.
Required financial statements	• Statement of net position • • Statement of activities	• Balance sheet • Statement of revenue, expenditures, and changes in fund balances.	• Statement of fiduciary net position •Statement of changes in fiduciary net position
Accounting basis and measurement	Accrual accounting and economic resources focus	Modified accrual accounting and current financial focus.	Accrual accounting and economic resources focus.
Type of asset & deferred outflows of resources/ liability & deferred inflows of resources	All assets, deferred outflows of resources, liabilities, and deferred inflows of resources both financial and capital, short-term and long-term.	Current assets and liabilities that come due during the year or soon after; no capital assets or long-term liabilities included.	All assets and liabilities, both short-term and long-term; funds do not currently contain capital assets, although they can.
Type of inflow/out flow information	All revenue and expenses during the year, regardless of when cash is received or paid.	Revenue for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable.	All additions and deductions during the year, regardless of when cash is received or paid.

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

The two Government-wide statements report the District's *net position* and how they have changed. Net position – the difference between the District's assets/deferred outflows of resources and liabilities/deferred inflows of resources – is one way to measure the District's financial health or *position*. Over time, increases or decreases in the District's net position are an indicator of whether its financial position is improving or deteriorating, respectively. For assessment of the overall health of the District, additional nonfinancial factors, such as changes in the property tax bases and the condition of buildings and other facilities, should be considered.

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

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

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

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

Management's Discussion and Analysis (Unaudited)

The District has two kinds of funds:

- *Governmental Funds* : Most of the District's basic services are included in governmental funds, which generally focus on (1) how cash and other financial assets can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the Government-wide statements, additional information at the bottom of the governmental funds statements explains the relationship (or differences) between them. The governmental fund statements focus primarily on current financial resources and often have a budgetary orientation. Governmental funds include the general fund, special aid fund, school lunch fund, the capital project fund, and debt service fund. Required financial statements are the balance sheet and the statement of revenue, expenditures, and changes in fund balance.

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

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

The District's net position as of June 30, 2019, is as detailed in Tables A-3 and A-4.

Table A-3 Condensed Statement of Net Position

	Fiscal Year 2019	Fiscal Year 2018	Percent Change
Current and other assets	$ 99,415,985	$ 81,321,381	22.3%
Non-current assets	94,670,482	89,137,671	6.2%
Total assets	194,086,467	170,459,052	13.9%
Deferred outflows of resources	89,493,600	66,275,575	35.0%
Current liabilities	30,221,028	30,995,686	-2.5%
Long-term liabilities	627,745,073	575,232,252	9.1%
Total liabilities	657,966,101	606,227,938	8.5%
Deferred inflows of resources	12,584,914	18,948,153	-33.6%
Net position:			
Net Investment in capital assets	52,740,954	46,797,096	12.7%
Restricted	52,032,994	44,791,314	16.2%
Unrestricted	(491,744,896)	(480,029,874)	2.4%
Total net position	$ (386,970,948)	$ (388,441,464)	-0.4%

Management's Discussion and Analysis (Unaudited)

During 2019, the District's current assets increased $18,094,604 due to Federal Funds and Trust & Agency balances owed. During 2019, the District's non-current assets increased $5,532,811 due to the capital assets increasing by $478,614 (See Table A-3) and the TRS net pension asset increasing $5,054,197. Deferred outflows and inflows of resources increased and decreased due to changes in the actuarial assumption used by the retirement systems' and the OPEB actuaries and the differences between projected and actual experience related to the pension and OPEB obligations.

Changes in Net Position

The District's fiscal year 2019 revenue totaled $232,528,137 (see Table A-4). Property taxes and state aid accounted for most of the District's revenue by contributing 55.8% and 27.6%, respectively, of every dollar raised (see Table A-5). The remainder came from fees charged for services, tuition for foster students, interest earnings, Federal sources, Medicaid reimbursement, and other miscellaneous sources.

The total cost of all programs and services totaled $231,057,621 in 2019. 71.1% of this amount is used predominantly to support general instruction, the provision of services to students with disabilities, and student transportation (see Table A-6). The remaining 28.9% of total costs were comprised of general support 24.2%, debt service 3.2% and the school lunch program 1.6%.

Table A-4 Changes in Net Position from Operating Results

	Fiscal Year 2019	Fiscal Year 2018	Percent Change
Revenue			
Charges for services	$ 1,704,765	$ 1,702,847	0.1%
Operating grants	12,051,131	11,738,738	2.7%
General revenue:			
Real property taxes	129,816,737	122,007,468	6.4%
Other tax items	20,870,977	21,804,925	-4.3%
Use of money and property	2,536,431	1,541,157	64.6%
State and federal sources	64,226,108	60,478,354	6.2%
Sale of property/compensation for loss	71,325	97,719	-27.0%
Miscellaneous	1,250,663	6,189,676	-79.8%
Total revenue	232,528,137	225,560,884	3.1%
Expenses			
General support	55,939,585	26,542,120	110.8%
Instruction	150,772,903	171,086,170	-11.9%
Pupil transportation	13,425,858	12,850,164	4.5%
Debt service	7,315,100	7,476,429	-2.2%
School lunch program	3,604,175	4,076,688	-11.6%
Total expenses	231,057,621	222,031,571	4.1%
Change in net position	1,470,516	3,529,313	-58.3%
Net Position, beginning of year	(388,441,464)	(391,970,777)	
Net Position, end of year	$ (386,970,948)	$ (388,441,464)	

State sources increased $3,747,754 as a result of the State's increase in State Aid.

Operating grants increased $312,393 as federal and state grants increased. The District also received a new grant from the U.S. Department of Health and Human Services for $125,000.

Instruction expenses decreased $20,313,267 primarily due to the decrease in GASB 68 (income) noted in recent years. The instruction expenses compare favorably with that of 2014 prior to GASB 68 implementation. In both 2015 and 2016, there were significant change in the GASB 68 valuation that resulted in pension income which reduced the amount of employeebenefit expenses allocable to instruction which is the largest proportion of employee benefits based upon its high concentration of payroll.

Table A-5 Sources of Revenue for Fiscal Year 2019:

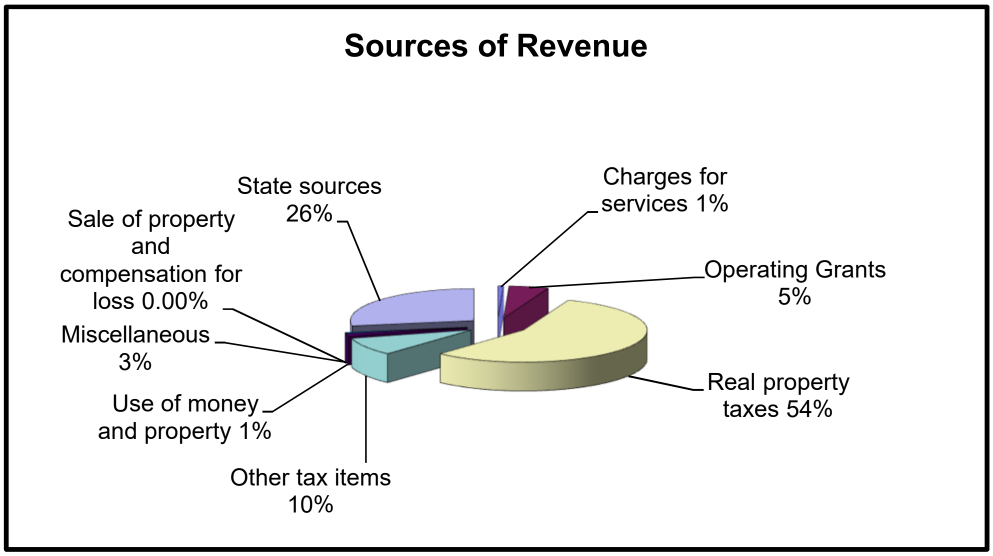
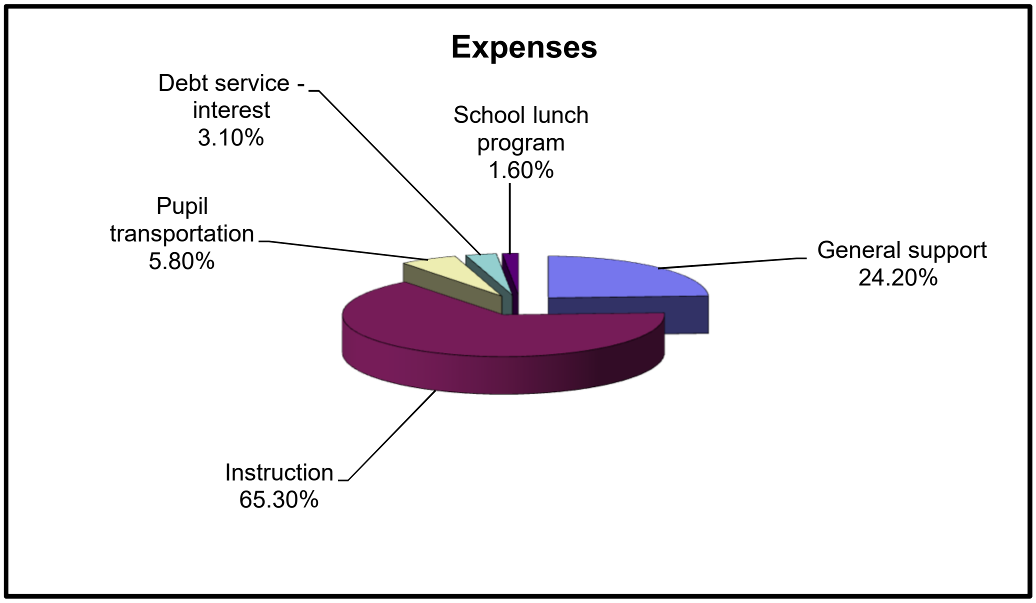


Table A-6 Expenses for Fiscal Year 2019:



Governmental Activities

Revenue for the District's governmental activities totaled $232,528,137 or 3.1% less than the previous fiscal year. Total expenses equaled $231,057,621 or 4.1% less than the previous fiscal year. The net result of the change in the District's financial condition can be credited to:

- District staff continues to actively pursue grant opportunities through local efforts, state legislative grants, and federal grants along with continued reduction in staffing through attrition where applicable.

- Net changes to revenues and expenditures, as detailed in the financial highlights, resulted in an increase to fund balance.

Table A-7 presents the cost of five major District activities: general support, instruction, pupil transportation, debt service and school lunch. The table also shows each activity's net cost (total cost less fees generated by the activities and aid provided for specific programs). The net cost shows the financial burden placed on the District's taxpayers by each of these functions.

Table A-7 Net Cost of Governmental Activities

Category	2019 Total Cost	2019 Net Cost	2018 Total Cost	2018 Net Cost
General support	$ 55,939,585	$ (55,939,585)	$ 26,542,120	$ 26,542,120
Instruction	150,772,903	(140,655,129)	171,086,170	161,110,972
Pupil transportation	13,425,858	(13,425,858)	12,850,164	12,850,164
Debt service	7,315,100	(7,315,100)	7,476,429	7,476,429
School lunch	3,604,175	33,947	4,076,688	610,301
Total	$ 231,057,621	$ (217,301,725)	$ 222,031,571	$ 208,589,986

The total cost of all governmental activities this year was $ $231,057,621.

- The users of the District's programs financed $1,704,765 of the cost.
- The federal and state governments subsidized certain programs with grants and contributions in the amount of $12,051,131.
- Most of the District's net costs, $217,301,725, were financed by taxpayers and state aid.

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

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

The District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The District ended the fiscal year June 30, 2019, with a general fund balance of $71,574,835, of which $6,547,095 is in the reserve for Encumbrances, and $3,904,673 is designated towards funding expenditures in fiscal year 2019-2020. In addition, $52,032,994 is in reserves which have been restricted for certain future costs such as employee benefits, tax certiorari, debt serve, and tax reduction.

General Fund Budgetary Highlights

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

Actual Results vs. Budget

	Original Budget	Final Budget	Actual	Encumbrances	Final Budget Variance with Budgetary Actual
Revenue:					
Local sources	$ 151,186,913	$ 151,186,913	$ 154,628,834	$ -	$ 3,441,921
State sources	65,992,989	65,992,989	67,024,403	-	1,031,414
Medicaid reimbursement	-	-	337,869	-	337,869
Premiums on BANS	-	-	11,713	-	11,713
Transfers	-	-	9,106	-	9,106
Total	217,179,902	217,179,902	222,011,925	-	4,832,023
Expenditures:					
General support	20,698,242	26,123,861	19,802,767	4,359,585	1,961,509
Instruction	112,663,759	113,512,616	110,100,047	1,963,082	1,449,487
Transportation	13,673,915	13,606,559	12,839,195	7,469	759,895
Community service	100	100	-	-	100
Employee benefits	58,655,342	54,438,026	51,924,546	216,959	2,296,521
Debt service	17,151,372	21,163,834	21,151,832	-	12,002
Transfers	350,000	379,741	384,301	-	(4,560)
Total	223,192,730	229,224,737	216,202,688	6,547,095	6,474,954
Revenue over (under) expenditures	$ (6,012,828)	$ (12,044,835)	$ 5,809,237	$ (6,547,095)	$ 11,306,977

The general fund is the only fund for which a budget is legally adopted. For the purposes of the above analysis the budget columns do not include appropriated fund balance.

Management's Discussion and Analysis (Unaudited)

Notable variances include:

Local sources were over their budgeted estimates by approximately $3,441,921. The primary factors in this variance include:

- Unbudgeted miscellaneous proceeds totaling approximately $3.0 million were received in the current year. These included BOCES refunds, retiree health insurance payments, and additional Full Dy Kindergarten Conversion aid.

- General support expenditures were under budget $1,961,509 due to reduced operations and maintenance budgets, energy performance, contract savings and BOCES expenses.

- Instructional expenditures were under budget by $1,449,487 and included a continued reduction in staffing through attrition where applicable. Special education budget and BOCES budget, also stabilized over prior year.

- Employee benefit expenditures were under budget by $2,296,521 primarily as a result of the Districts combined deduction in pension contribution, with a decrease in employer pension contributions.

Special Aid Fund – Total expenditures and revenues in the special aid fund increased $194,406 and $194,406, respectively. The increase was primarily the result of increases in federal and state grants and a new grant for drug awareness.

School Lunch Fund – Revenues were less than expenditures by $169,538.

Capital Projects Fund - During the current year, the District spent $2,626,115 relating to capital projects (Smart School Bond) Additional details of the projects can be found in the supplemental schedules of the financial statements.

Capital Assets

By the end of 2019, the District had an investment of $85,869,273 in a broad range of capital assets.

Table A-8: Capital Assets (net of accumulated depreciation)

Category	Fiscal Year 2019	Fiscal Year 2018	Percent Change
Land	$ 3,973,600	$ 3,973,600	0.0%
Buildings	76,969,241	71,368,996	7.8%
Infrastructure	376,796	385,446	-2.2%
Equipment	2,576,736	962,307	167.8%
Construction work in progress	1,972,900	8,700,310	-77.3%
Total	$ 85,869,273	$ 85,390,659	0.6%

Long-Term Liabilities
At year-end, the District had $636,790,432 of long-term liabilities outstanding. More detailed information about the District's long-term liabilities is presented in the notes to the financial statements.

The ratio of net direct long-term debt to assessed value is useful to the citizens of the district, investors and management as indicators of the District's debt position. At June 30, 2019, this data was as follows:

	Amount	Ratio of Debt to Assessed Valuation
Net direct long-term debt	$ 186,888,910	7.03%

Table A-9: Outstanding Long-Term Liabilities

Category	Fiscal Year 2019	Fiscal Year 2018
General obligation bonds, including unamortized bond premium	$ 186,888,910	$ 196,149,233
Energy performance contract	16,419,691	4,453,079
Other post employment benefits	416,585,737	370,656,754
Other long-term liabilities	16,896,094	13,404,653
Total	$ 636,790,432	$ 584,663,719

During the year, the District accrued $416,585,737 in other postemployment benefit costs in excess of retiree health payments during 2019.

FACTORS BEARING ON THE FUTURE OF THE DISTRICT

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

- Starting in the 2012-2013 school year, the New York State legislature imposed a tax cap on the amount on which the tax levy could be increased. The District's budgets from 2012 – 2017 were passed staying within this tax cap limit. For the 2016 – 2017 budget, the tax levy was reduced by $75,000 due to a "negative tax levy" calculation. For the 2017-2018 school year the levy increased 1.26%, 2018-2019 increased 4.9% and 2019-2020 increased 2.5%.

- In an effort to stream line costs the District was reconfigured in the 2012-2013 school year. Starting in September 2012, the District went from ten (10) schools down to eight (8) schools- realigning the elementary schools, combining the middle schools and moving the 9th grade back to the high school. In addition, the District combined staff from two administrative buildings into one building. This reconfiguration went smoothly and had the desired effect of reducing personnel and energy costs. Because of this, beginning in 2015-16 school year, revenues exceeded the districts expenditures which continued in the 2017-2018 and 2018-2019 school years.

- The assessments of the three (3) NRG/Mirant power plants, the largest taxpayer in the District were drastically reduced starting in 2007 with continuing reductions through 2013, thus pushing the burden of the taxes from Mirant to other commercial and residential taxpayers. In January 2014, a PILOT agreement was executed by NRG/Mirant and the District. The District agreed to pay an additional amount of $4,642,010 in tax refunds by August 2015. NRG/Migrant is currently paying $1,897,633 via a Pilot program.

- The Board of Education, ever mindful of the costs to the taxpayers, has used a combination of fund balance reserves and cost saving measures to reduce the tax burden on the residential taxpayers and make up for the large shift from commercial taxpayers. In 2017-2018, the District continues to be mindful and reduced the amount of fund balance used to offset the budget.

- In December 2015, the district successfully refunded a portion of the 2007 Tax Certiorari Bond in the amount of $108,000,000. This refunding will save the district $12,000,000 over 20 years due to reduced interest costs. In April of 2019, the District successfully refunded the balance of the debt of approximately $40 million resulting in an additional $2 million savings.

- District was successful in completing the Energy Performance Contract and began the Excel Capital Project which will also help reduce energy and maintenance costs into the future. Funding for these projects came primarily from state aid sources which was an added benefit. The District has also approved a second Energy Performance Contract, that has started in the summer of 2019. The $12,416,066 project includes solar rooftop units, updated LED lighting, HVAC upgrades, new boilers, a new co-gen generator, among other miscellaneous updates.

- A tax certiorari reserve was established to pay current outstanding tax challenges by our taxpayers. New legislation has been passed just for the District that allows us to pay tax certiorari bond debt from this reserve.

- In the 2018-2019 school year, the District is starting a full day K program for all students. State conversion aid of approximately $6 million will offset the costs of this program.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

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

Michael Senno
Assistant Superintendent for Business
Haverstraw-Stony Point Central School District Office
65 Chapel Street
Garnerville, NY 10923

HAVERSTRAW-STONY POINT CENTRAL SCHOOL DISTRICT

Statement of Net Position
June 30, 2019

ASSETS	
CURRENT ASSETS:	
Cash - unrestricted	$ 36,841,912
Cash - restricted	52,032,994
State and federal aid receivable	5,962,683
Accounts receivable	28,892
Due from fiduciary funds	1,351,998
Due from other governments	3,107,549
Inventories	89,957
Total current assets	99,415,985
NON CURRENT ASSETS:	
Net pension asset - TRS	8,801,209
Capital assets, net	85,869,273
TOTAL ASSETS	194,086,467
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows of resources - OPEB	29,690,942
Deferred outflows of resources - ERS pension	3,827,843
Deferred outflows of resources - TRS pension	48,458,607
Deferred loss on bond refunding	7,516,208
	89,493,600
LIABILITIES	
CURRENT LIABILITIES:	
Accounts payable and accrued liabilities	6,833,697
Accrued interest	1,719,114
Due to Teachers' Retirement System	8,900,911
Due to Employees' Retirement System	721,922
Due to other governments	297
Other liabilities	19,728
Bond anticipation notes payable	2,980,000
Current portion of long term liabilities	9,045,359
Total current liabilities	30,221,028
LONG-TERM LIABILITIES:	
Bonds payable, net of current portion	178,598,910
Energy performance contract, net of current portion	15,782,772
Total other post employment benefits	416,585,737
Compensated absences payable	11,922,810
Judgments and claims	473,760
Net pension liability - ERS	4,381,084
Total long-term liabilities	627,745,073
TOTAL LIABILITIES	657,966,101
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows of resources - ERS pension	1,623,537
Deferred inflows of resources - TRS pension	10,961,377
	12,584,914
NET POSITION	
Net investment in capital assets	52,740,954
Restricted	52,032,994
Unrestricted	(491,744,896)
TOTAL NET POSITION	$ (386,970,948)

The accompanying notes are an integral part of these statements.

HAVERSTRAW-STONY POINT CENTRAL SCHOOL DISTRICT

Statement of Activities
For the year ended June 30, 2019

		Program Revenues		
	Expenses	Charges for Services	Operating Grants	Net (Expense) Revenue and Change in Net Position
FUNCTIONS/PROGRAMS:				
General support	$ 55,939,585	$ -	$ -	$ (55,939,585)
Instruction	150,772,903	562,254	9,555,520	(140,655,129)
Pupil transportation	13,425,858	-	-	(13,425,858)
School lunch program	3,604,175	1,142,511	2,495,611	33,947
Debt service - interest	7,315,100	-	-	(7,315,100)
TOTAL FUNCTIONS AND PROGRAMS	$ 231,057,621	$ 1,704,765	$ 12,051,131	(217,301,725)
GENERAL REVENUES:				
Real property taxes				129,816,737
Other tax Items				20,870,977
Use of money and property				2,536,431
Sale of property and compensation for loss				71,325
Miscellaneous				1,250,663
Unrestricted State sources				64,226,108
TOTAL GENERAL REVENUE				218,772,241
CHANGE IN NET POSITION				1,470,516
NET POSITION - beginning of year				(388,441,464)
TOTAL NET POSITION - end of year				$ (386,970,948)

The accompanying notes are an integral part of these statements.

HAVERSTRAW-STONY POINT CENTRAL SCHOOL DISTRICT

Balance Sheets - Governmental Funds and Reconciliation of Total Government Fund Balance to Government-wide Net Position
June 30, 2019

	Governmental Fund Types					
	General	Special Aid	School Lunch	Debt Service	Capital Projects	Total Governmental Funds
ASSETS						
Cash - unrestricted	$ 23,500,034	$ 1,895,768	$ 898,124	$ -	$ 10,547,986	$ 36,841,912
Cash - restricted	52,032,994	-	-	-	-	52,032,994
Accounts receivable	25,379	-	3,513	-	-	28,892
Due from other funds	4,430,689	-	20,614	-	-	4,451,303
Due from other governments	1,833,670	1,273,879	-	-	-	3,107,549
State and federal aid receivable	5,783,745	-	178,938	-	-	5,962,683
Inventory	-	-	89,957	-	-	89,957
TOTAL ASSETS	$ 87,606,511	$ 3,169,647	$ 1,191,146	$ -	$ 10,547,986	$ 102,515,290
LIABILITIES						
Accounts payable and accrued liabilities	$ 6,383,671	$ 364,237	$ 85,789	$ -	$ -	$ 6,833,697
Retainage payable	-	-	-	-	-	-
Due to other funds	25,172	2,805,410	262,201	-	6,522	3,099,305
Due to other governments	-	-	297	-	-	297
Due to Teachers' Retirement System	8,900,911	-	-	-	-	8,900,911
Due to Employees' Retirement System	721,922	-	-	-	-	721,922
Compensated absences	-	-	-	-	-	-
Bond anticipation notes payable	-	-	-	-	2,980,000	2,980,000
Other liabilities	-	-	19,728	-	-	19,728
TOTAL LIABILITIES	16,031,676	3,169,647	368,015	-	2,986,522	22,555,860

HAVERSTRAW-STONY POINT CENTRAL SCHOOL DISTRICT

Balance Sheets - Governmental Funds and Reconciliation of Total Government Fund Balance to Government-wide Net Position
June 30, 2019

	Governmental Fund Types					Total Governmental Funds
	General	Special Aid	School Lunch	Debt Service	Capital Projects	
FUND BALANCE						
Nonspendable						
Inventory	-	-	89,957	-	-	89,957
Restricted						
Debt service	2,807,352	-	-		-	2,807,352
Tax reduction	1,459,652	-	-	-	-	1,459,652
Tax certiorari	25,740,281	-	-	-	-	25,740,281
Employee benefits liability	2,925,718	-	-	-	-	2,925,718
Unemployment	745,861	-	-	-	-	745,861
Retirement contributions	18,354,130	-	-	-	-	18,354,130
Total restricted fund balance	52,032,994	-	-	-	-	52,032,994
Assigned						
Other purposes	6,547,098	-	733,174	-	-	7,280,272
Appropriated for subsequent years expenditures	3,904,673	-	-	-	-	3,904,673
Total assigned fund balance	10,451,771	-	733,174	-	-	11,184,945
Unassigned	9,090,070	-	-	-	7,561,464	16,651,534
TOTAL FUND BALANCE	71,574,835	-	823,131	-	7,561,464	79,959,430
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE	$ 87,606,511	$ 3,169,647	$ 1,191,146	$ -	$ 10,547,986	$ 102,515,290

HAVERSTRAW-STONY POINT CENTRAL SCHOOL DISTRICT

Balance Sheets - Governmental Funds and Reconciliation of Total Government Fund Balance to Government-wide Net Position
June 30, 2019

A reconciliation of total governmental fund balance to government-wide net position follows:

Total governmental fund balances per above	$ 79,959,430
Capital assets, net of depreciation, used in governmental activities are not financial resources and, therefore, are not reported in the funds	85,869,273
Loss on bond refunding is considered an expenditure at the time of refunding, but is considered a deferred outflow of resources on the statement of net position	7,516,208
Pension plans' activity required to be recorded in the government-wide statements:	
Deferred outflows of resources	52,286,450
Net pension asset	8,801,209
Net pension liability	(4,381,084)
Deferred inflows of resources	(12,584,914)
OPEB activity required to be recorded in the government-wide statements:	
Other post employment benefits liability	(416,585,737)
Deferred outflows of resources	29,690,942
Long-term liabilities, including bonds payable and compensated absences, are not due and payable in the current period and, therefore, are not reported in the funds	
Bonds payable	(186,888,910)
Energy performance contracts	(16,419,691)
Judgments and claims	(592,200)
Compensated absences	(11,922,810)
Interest payable in the government-wide statements under full accrual accounting	(1,719,114)
NET POSITION OF GOVERNMENTAL ACTIVITIES	$ (386,970,948)

The accompanying notes are an integral part of these statements.

HAVERSTRAW-STONY POINT CENTRAL SCHOOL DISTRICT

Statement of Revenue, Expenditures, and Change in Fund Balance - Governmental Funds
For the year ended June 30, 2019

	Governmental Fund Types					Total Governmental Funds
	General	Special Aid	School Lunch	Debt Service	Capital Projects	
REVENUE:						
Real property taxes	$ 129,816,737	$ -	$ -	$ -	$ -	$ 129,816,737
Other tax items	20,870,977	-	-	-	-	20,870,977
Charges for services	224,385	-	-	-	-	224,385
Use of money and property	2,509,532	-	15,186	-	-	2,524,718
Sale of property and compensation for loss	71,325	-	-	-	-	71,325
Miscellaneous	1,197,878	18,966	33,819	-	-	1,250,663
State sources	67,024,403	1,890,379	72,948	-	553,715	69,541,445
Medicaid reimbursement	-	-	-	-	-	-
Federal sources	337,869	4,313,131	2,422,663	-	-	7,073,663
Sales - school lunch	-	-	1,142,511	-	-	1,142,511
Total revenue	222,053,106	6,222,476	3,687,127	-	553,715	232,516,424
EXPENDITURES:						
General support	19,857,767	-	-	200,094	-	20,057,861
Instruction	110,100,047	5,646,060	-	-	-	115,746,107
Pupil transportation	12,839,195	495,293	-	-	-	13,334,488
Employee benefits	51,931,623	335,704	582,085	-	-	52,849,412
Debt service - principal	13,699,454	-	-	-	-	13,699,454
Debt service - interest	7,452,378	-	-	-	-	7,452,378
Cost of sales	-	-	3,295,194	-	-	3,295,194
Capital outlay	-	-	-	-	2,626,115	2,626,115
Total expenditures	215,880,464	6,477,057	3,877,279	200,094	2,626,115	229,061,009
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	6,172,642	(254,581)	(190,152)	(200,094)	(2,072,400)	3,455,415
OTHER FINANCING SOURCES AND (USES):						
Proceeds from issuance of energy performance contract	-	-	-	-	12,416,066	12,416,066
BANS redeemed from appropriation	-	-	-	-	4,455,000	4,455,000
Proceeds from the issuance of refunding bonds	-	-	-	38,960,000	-	38,960,000
Deposit to refunding escrow agent	-	-	-	(40,188,591)	-	(40,188,591)
Premiums on obligations	11,713	-	-	1,428,685	-	1,440,398
Operating transfers in	9,106	263,687	20,614	-	100,000	393,407
Operating transfers out	(384,301)	(9,106)	-	-	-	(393,407)
Total other financing sources (uses)	(363,482)	254,581	20,614	200,094	16,971,066	17,082,873
CHANGE IN FUND BALANCE	5,809,160	-	(169,538)	-	14,898,666	20,538,288
FUND BALANCE - beginning of year	65,765,675	-	992,669	-	(7,337,202)	59,421,142
FUND BALANCE - end of year	$ 71,574,835	$ -	$ 823,131	$ -	$ 7,561,464	$ 79,959,430

The accompanying notes are an integral part of these statements.

HAVERSTRAW-STONY POINT CENTRAL SCHOOL DISTRICT

Reconciliation of the Statement of Revenue, Expenditures, and Change in Fund Balance to the Statement of Activities
For the year ended June 30, 2019

Net change in fund balance - Total governmental funds	$ 20,538,288
Capital outlays are expenditures in governmental funds, but are capitalized in the statement of net position	3,702,425
Depreciation is not recorded as an expenditure in the governmental funds, but is recorded in the statement of activities	(3,194,205)
Loss on disposal of capital assets is not recorded as an expenditure in the governmental funds, but is recorded in the statement of activities	(29,606)
Pension income (expense) resulting from long-term pension related changes are not recorded as revenue (expenditure) in the governmental funds, but is recorded in the statement of activities	1,086,837
Repayments of long-term debt, including payments to escrow agents for an advanced refundings, are recorded as expenditures in the governmental funds, but are recorded as payments of liabilities in the statement of net position	48,983,591
Repayments of long-term energy performance debt are recorded as expenditures in the governmental funds, but are recorded as payments of liabilities in the statement of net position	449,453
Proceeds from long-term debt, including refunding bonds, is recorded as revenue in the governmental funds but are recorded as increases of liabilities in the statement of net position	(51,376,065)
Bond premium on long-term debt is recorded as revenue in the governmental funds but is recorded as a liability in the statement of net position	(1,428,685)
Certain expenses in the statement of activities do not require the expenditure of current resources and are, therefore, not reported as expenditures in the governmental funds	(1,023,476)
Accrued post-employment benefits do not require the expenditure of current resources, and, therefore are not reported as expenditures in the governmental funds	(16,238,041)
Change in net position- governmental activities	$ 1,470,516

The accompanying notes are an integral part of these statements.

HAVERSTRAW-STONY POINT CENTRAL SCHOOL DISTRICT

Statement of Net Position - Fiduciary Funds
June 30, 2019

	Private Purpose Trusts	Agency
ASSETS:		
Restricted cash	$ 6,148,502	$ 1,626,426
Receivables	-	3,454
Investments	-	-
Total assets	6,148,502	$ 1,629,880
LIABILITIES:		
Extraclassroom activity balances	-	$ 253,387
Due to other funds	-	1,351,998
Other liabilities	-	24,495
Total liabilities	-	$ 1,629,880
NET POSITION:		
Reserved for private purposes	$ 6,148,502	

The accompanying notes are an integral part of these statements.

HAVERSTRAW-STONY POINT CENTRAL SCHOOL DISTRICT

Statement of Changes in Net Position - Fiduciary Funds
For the year ended June 30, 2019

	Private Purpose Trusts
ADDITIONS:	
Contributions	$ 16,666
Interest	112,756
Total Additions	129,422
DEDUCTIONS:	
Scholarships and other private purposes	155,652
CHANGE IN NET POSITION	(26,230)
NET POSITION - beginning of year	6,174,732
NET POSITION - end of year	$ 6,148,502

The accompanying notes are an integral part of these statements.

1. NATURE OF OPERATIONS

Haverstraw-Stony Point Central School District (the District) provides free K-12 public education to students living within its geographic borders.

Reporting Entity

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

The reporting entity of the District is based upon criteria set forth by GASB Statement 14, The Financial Reporting Entity, as amended by GASB Statement 39, Component Units. The financial reporting entity consists of the primary government, organizations for which the primary government is financially accountable and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The accompanying financial statements present the activities of the District. The District is not a component unit of another reporting entity. The decision to include a potential component unit in the District's reporting entity is based on several criteria including legal standing, fiscal dependency, and financial accountability. Based on the application of these criteria, the following is a brief description of an entity included in the District's reporting entity:

- Extraclassroom Activity Funds
  The extraclassroom activity funds of the District represent funds of the students of the District. The BOE exercises general oversight of these funds. The extraclassroom activity funds are independent of the District with respect to its financial transactions and the designation of student management. Separate audited financial statements (cash basis) of the extraclassroom activity funds can be found at the District's business office. The District accounts for assets held as an agent for various student organizations in an agency fund.

Joint Venture

The District is one of 8 component school districts in the Rockland Board of Cooperative Education Services (BOCES). A BOCES is a voluntary, cooperative association of school districts in a geographic area that shares planning, services, and programs which provide educational and support activities. There is no authority or process by which a school district can terminate its status as a BOCES component.

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

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

During the year, the District was billed $20,989,292 for BOCES administrative and program costs. The District's share of BOCES aid amounted to $2,529,927. Financial statements for BOCES are available from the BOCES administrative office.

Financial statements for Rockland BOCES are available from the BOCES administrative office
at Parrott Road, West Nyack, New York 10994.

2. SUMMARY OF CERTAIN SIGNIFICANT ACCOUNTING POLICIES

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

Basis of Presentation

The District's financial statements consist of district-wide financial statements, including a Statement of Net Position and a Statement of Activities, and fund level financial statements which provide more detailed information.

District-Wide Statements

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

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

Fund Financial Statements

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

The District reports the following major governmental funds:

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

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

- Special Aid Fund: Used to account for proceeds from State and Federal grants that are restricted for specific educational programs.
- School Lunch Fund: This fund accounts for the proceeds of specific revenue sources, such as federal and state grants, that are legally restricted to expenditures for school lunch operations. These legal restrictions may be imposed either by governments that provide the funds, or by outside parties.

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

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

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

There are two classes of fiduciary funds:

- Private purpose trust funds - These funds are used to account for trust arrangements in which principal and income are used to fund annual third party awards and scholarships for students. Established criteria govern the use of the funds and members of the District or representatives of the donors may serve on committees to determine who benefits.
- Agency funds - These funds are strictly custodial in nature and do not involve the measurement of results of operations. Assets are held by the District solely as an agent for various student groups or extraclassroom activity funds and for payroll or employee withholding.

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

The District-wide and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenue is recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash transaction takes place.

Non-exchange transactions in which the District gives or receives value without directly receiving or giving equal value in exchange include property taxes, grants, and donations.

On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

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

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

Cash

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

Restricted Cash

Restricted cash represents cash and cash equivalents where use is limited by legal requirements. These assets represent amounts required by statute to be reserved for various purposes. Restricted cash as of year-end includes $52,032,994 within the governmental funds.

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 since it is believed that such allowance would not be material.

Property Taxes

Real property taxes are levied annually by the BOE no later than September 1, and become a lien on September 1. Taxes are collected during the period September 1 to October 31. Taxes not collected by October 31 are turned over to the County who assumes all responsibility for collection. Uncollected real property taxes are subsequently enforced by the County(ies) in which the District is located. The County(ies) pay an amount representing uncollected real property taxes transmitted to the County(ies) for enforcement to the District no later than the following April 1.

Inventory

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

Interfund Transactions

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

In the district-wide statements, the amounts reported on the Statement of Net Position for interfund receivables and payables represent amounts due between different fund types (governmental activities and fiduciary funds). Eliminations have been made for all interfund receivables and payables between the funds, with the exception of those due from or to the fiduciary funds.

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

Capital Assets

In the District-wide financial statements, capital assets are accounted for at historical cost or estimated historical cost if actual is unavailable, except for donated capital assets which are recorded at their estimated fair value at the date of donation.

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. A capitalization threshold is used to report capital assets and the range of estimated useful lives by type of assets is as follows:

	Capitalization Threshold	Depreciation Method	Estimated Useful Life
Buildings and improvements	$ 2,500	SL	50
Site improvements	$ 2,500	SL	20
Vehicles	$ 2,500	SL	8
Computer equipment and books	$ 2,500	SL	5
Equipment	$ 2,500	SL	10
Kitchen, custodial and maintenance equipment	$ 2,500	SL	15
Furniture	$ 2,500	SL	20
Utilities	$ 2,500	SL	30
Infrastructure	$ 2,500	SL	20

Vested Employee Benefits

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

Sick leave eligibility and accumulation is specified in negotiated labor contracts, and in individual employment contracts.

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

Consistent with generally accepted accounting principles, an accrual for accumulated sick leave is included in the compensated absences liability at year-end. The compensated absences liability is calculated based on the pay rates in effect at year-end.

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

Other Benefits

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

District employees may choose to participate in the District's elective deferred compensation plans established under Internal Revenue Code Sections 403(b) and 457.

Substantially all of the District's employees may become eligible for these benefits if they reach normal retirement age while working for the 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 District and the retired employee. The District recognizes the cost of providing health insurance by recording its share of insurance premiums as an expenditure.

Deferred Outflows and Inflows of Resources

The District reported deferred outflows of resources of $7,516,208 for a deferred loss on refunding bonds in the district-wide Statement of Net Position. This amount results from the difference in the carrying value of the refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

The District also reports deferred outflows of resources and deferred inflows of resources in relation to its pension and OPEB obligations. These amounts are detailed in the discussion of the District's pension plans in Notes 10 and 11.

Short Term Debt

The 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 resource sof the fund.

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

Accrued Liabilities and Long-Term Obligations

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

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

Restricted Resources

When an expense is incurred for purposes for which both restricted and unrestricted net position is available, the District's policy concerning which to apply first varies with the intended use, and with associated legal requirements, many of which are described elsewhere in these notes.

District-wide Statements - Equity Classifications

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

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

Restricted net position - reports net position when constraints placed on the assets or deferred outflows of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.

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

Governmental Fund Financial Statements - Equity classifications

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

Nonspendable fund balance - Includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact.

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

Capital reserve
According to Education Law §3651, this reserve must be used to pay the cost of any object or purpose for which bonds may be issued. The creation of a capital reserve fund requires authorization by a majority of the voters establishing the purpose of the reserve; the ultimate amount, its probable term and the source of the funds. Expenditures may be made from the reserve only for a specific purpose further authorized by the voters. The form for 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. The reserve is accounted for in the General Fund under restricted fund balance.

Reserve for Debt Service
According to General Municipal Law §6-l, the Reserve for Debt Service must be established for the purpose of retiring the outstanding obligations upon the sale of District property or capital improvement that was financed by obligations that remain outstanding at the time of the sale. Also, earnings on project monies invested together with unused proceeds are reported here.

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

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

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

Liability Reserve

According to General Municipal Law § 1709(8)(c), this reserve must be used to pay for property loss and liability claims incurred. Separate funds for property loss and liability claims are required, and this reserve may not in total exceed 3% of the annual budget or $15,000, whichever is greater.

Tax Certiorari

According to Education Law §3651.1-a, this reserve must be used to establish a reserve fund for tax certiorari and to expend from the funds without voter approval. The monies held in the reserve shall not exceed the amount that might reasonably be deemed necessary to meet anticipated judgements 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.

Retirement Contribution

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

Workers' Compensation

According to General Municipal Law §6-j, must be used to pay for compensation benefits and other expenses authorized by Article 2 of the Workers' Compensation Law, and for payment of expenses of administering this self-insurance program. The reserve may be established by Board action and is funded by budgetary appropriations and such other funds as may be legally appropriated. Within sixty days after the end of any fiscal year, excess amounts may either be transferred to another reserve or the excess applied to the appropriations of the next succeeding fiscal year's budget. This reserve is accounted for in the General Fund.

Unemployment Insurance Reserve

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

Reserve for Tax Reduction

This reserve (EL §1604, §1709) is used for the gradual use of the proceeds of the sale of District real property where such proceeds are not required to be placed in a mandatory reserve for debt service. Specifically, the District is permitted to retain the proceeds of the sale for a period not to exceed ten years, and to use them during that period for tax reduction. This reserve is accounted for in the General Fund.

Reserve for Insurance Recoveries

Reserve for Insurance Recoveries (Education Law §1718(2)) is used at the end of the fiscal year to account for unexpended proceeds of insurance recoveries. They will be held there pending action by the Board on their disposition. This reserve will not be used if the insurance recovery is expended in the same fiscal year in which it was received. The reserve is accounted for in the General Fund.

Encumbrances

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

Restricted fund balance includes the following:

General Fund:		
Debt service	$	2,807,352
Unemployment insurance		745,861
Tax certiorari and tax reductions		27,199,933
Employee benefit accrued liability and retirement		21,279,848
Total restricted cash and cash equivalents	$	52,032,994

Committed fund balance - Includes amounts that can be used for the specific purposes pursuant to constraints imposed by formal action of the District's highest level of decision making authority, the BOE. The District has no committed fund balances as of June 30, 2019.

Assigned fund balance - Includes amounts that are constrained by the District's intent to be used for specific purposes, but are neither restricted nor committed. All encumbrances of the General fund are classified as assigned fund balance in the General Fund. Encumbrances represent purchase commitments made by the District's purchasing agent through their authorization of a purchase order prior to year-end. The District assignment is based on the functional level of expenditures.

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

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

Order of Fund Balance Spending Policy

The District's policy is to apply expenditures against non-spendable fund balance, restricted fund balance, committed fund balance, assigned fund balance, and unassigned fund balance at the end of the fiscal year. For all funds, non-spendable fund balances are determined first and then restricted fund balances for specific purposes are determined. Any remaining fund balance amounts for funds other than the general fund are classified as restricted fund balance. In the general fund, committed fund balance is determined next and then assigned. The remaining amounts are reported as unassigned. Assignments of fund balance cannot cause a negative unassigned fund balance.

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 dates of the financial statements and the reported revenue 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.

3. EXPLANATION OF CERTAIN DIFFERENCES BETWEEN GOVERNMENTAL FUND STATEMENTS AND DISTRICT-WIDE STATEMENTS

Due to the differences in the measurement focus and basis of accounting used in the governmental fund statements and the District-wide statements, certain financial transactions are treated differently. The basic financial statements contain a full reconciliation of these items. The differences result primarily from the economic focus of the statement of activities compared with the current financial resources focus of the governmental funds.

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

Total fund balances of the District's governmental funds differ from net position of governmental activities reported in the statement of net position. This difference results from the additional long-term economic focus of the statement of net position versus the solely current financial resources focus of the governmental fund balance sheets.

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

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

- Long Term Revenue and Expense Differences
  Long-term revenue differences arise because governmental funds report revenue only when it is considered "available," whereas the statement of activities reports revenue when earned. Differences in long-term expenses arise because governmental funds report on a modified accrual basis, whereas the accrual basis of accounting is used on the statement of activities.

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

- Long Term Debt Transaction Differences
  Long-term debt transaction differences occur because both interest and principal payments are recorded as expenditures in the governmental fund statements, whereas interest payments are recorded in the statement of activities as incurred, and principal payments are recorded as a reduction of liabilities in the statement of net position.

- Pension Differences
  Pension differences occur as a result of changes in the District's proportion of the collective net pension asset/liability and differences between the District's contributions and its proportionate share of the total contributions to the pension systems.

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

4. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

By its nature as a local government unit, the District is subject to various federal, state and local laws and contractual regulations. An analysis of the District's compliance with significant laws and regulations and demonstration of its stewardship over District resources follows.

Budgets

The District administration prepares a proposed budget for approval by the Board Of Education for the General Fund.

The voters of the District approved the proposed appropriation budget.

Appropriations are adopted at the program line item level.

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

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

The General Fund is the only fund with a legally approved budget for the fiscal year ended June 30, 2019.

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

Encumbrances

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

Fund Balance

The District's unrestricted fund balance in its General Fund was iin compliance with the New York State Real Property Tax Law §1318 limit, which restricts it to an amount not greater than 4% of the District's budget for the upcoming school year.

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

5. CASH

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

The District's aggregate bank balances of $99,498,159 not covered by depository insurance at year-end, were fully collateralized.

Restricted cash represents cash and cash equivalents where use is limited by legal requirements. These assets represent amounts required by statute to be reserved for various purposes. Restricted cash as of year-end includes $52,032,994 within the governmental funds and $7,735,415 in the fiduciary funds.

6 CAPITAL ASSETS

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

	July 1, 2018 Balance	Additions	Deletions	June 30, 2019 Balance
Governmental activities:				
Capital assets that are not depreciated:				
Land	$ 3,973,600	$ -	$ -	$ 3,973,600
Construction in progress	8,700,310	1,972,900	8,700,310	1,972,900
Total non-depreciable capital assets	$ 12,673,910	$ 1,972,900	$ 8,700,310	$ 5,946,500
Capital assets that are depreciated:				
Building and land improvements	$ 136,556,505	$ 8,563,609	$ 8,120	$ 145,111,994
Infrastructure	610,368	-	-	610,368
Furniture and equipment	6,228,618	1,866,226	918,158	7,176,686
Total depreciable capital assets	143,395,491	10,429,835	926,278	152,899,048
Less accumulated depreciation:				
Buildings and land improvements	65,187,509	2,961,659	6,415	68,142,753
Infrastructure	224,922	8,650	-	233,572
Furniture and equipment	5,266,311	223,896	890,257	4,599,950
Total accumulated depreciation	70,678,742	3,194,205	896,672	72,976,275
Total depreciable capital assets, net	72,716,749	7,235,630	29,606	79,922,773
Capital assets, net	$ 85,390,659	$ 9,208,530	$ 8,729,916	$ 85,869,273

Depreciation expense for the year ended June 30, 2019, was allocated to specific functions as follows:

General support	$ 77,596
Instruction	3,093,772
School lunch	22,837
Total depreciation	$ 3,194,205

7. SHORT-TERM DEBT

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

	Maturity	Stated Interest Rate	Beginning Balance	Issued	Redeemed	Ending Balance
Excel BAN	6/22/2020	1.53%	$ 7,435,000	$ -	$ 4,455,000	$ 2,980,000

8. INTERFUND BALANCES AND ACTIVITY

	Interfund		Interfund	
	Receivable	Payable	In	Out
General fund	$ 4,430,689	$ 25,172	$ 9,106	$ 384,301
Special aid fund	-	2,805,410	263,687	9,106
School lunch fund	20,614	262,201	20,614	-
Capital fund	-	6,522	100,000	-
Debt service fund	-	-	-	-
Fiduciary funds	-	1,351,998	-	-
Total governmental funds	$ 4,451,303	$ 4,451,303	$ 393,407	$ 393,407

Interfund receivables and payables, other than between governmental activities and fiduciary funds, are eliminated on the statement of net position. The 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.

Transfers are used to finance certain special aid programs, support capital project expenditures, school lunch programs and debt service expenditures.

9. LONG-TERM OBLIGATIONS

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

	Beginning Balance	Additions	Deletions	Ending Balance	Amounts Due Within One Year
Government activities					
Bonds and notes payable:					
General obligation debt:					
Serial bonds payable	$ 185,625,000	$ 38,960,000	$ 48,920,000	$ 175,665,000	$ 8,290,000
Unamortized premium on obligations	10,524,233	1,428,685	729,008	11,223,910	-
Serial bonds payable	$ 196,149,233	$ 40,388,685	$ 49,649,008	$ 186,888,910	$ 8,290,000
Other liabilities:					
Energy performance contract	$ 4,453,079	$ 12,416,065	$ 449,453	$ 16,419,691	$ 636,919
Net pension liability - ERS	2,050,397	2,330,687	-	4,381,084	-
Compensated absences	10,643,616	1,279,194	-	11,922,810	-
Judgment and claims	710,640	-	118,440	592,200	118,440
Other post employment benefits	370,656,754	45,928,983	-	416,585,737	-
Total other liabilities	388,514,486	61,954,929	567,893	449,901,522	755,359
Total long-term liabilities	$ 584,663,719	$ 102,343,614	$ 50,216,901	$ 636,790,432	$ 9,045,359

Interest on all debt for the year was composed of:

Interest paid	$ 7,452,378
Less: interest accrued in prior year	(1,663,980)
Less: amortization of premium	(729,008)
Plus: amortization of deferred loss on refunding	536,596
Plus: interest accrued in current year	1,719,114
Total interest expense	$ 7,315,100

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

Bond Issue	Issued	Maturity	Interest Rate	6/30/19 Balance
Refunding Issue	12/13/2011	6/15/2020	2%-4%	$ 650,000
Refunding Issue	2/6/2012	5/1/2031	2%-5%	14,215,000
Refunding Issue	7/22/2013	1/15/2031	2%-5%	15,490,000
Tax Certiorari	6/25/2015	8/15/2029	3.00%	4,110,000
Tax Certiorari - Refunding	12/30/2015	10/15/2036	2%-5%	102,240,000
Refunding Issue	4/25/2019	10/15/2030	2%-3%	38,960,000
Total				$ 175,665,000

The following is a summary of the maturity of long-term indebtedness as of June 30, 2019:

Fiscal Year Ending June 30,	Principal	Interest	Total
2020	$ 8,290,000	$ 4,598,887	$ 12,888,887
2021	7,930,000	4,426,375	12,356,375
2022	8,290,000	4,186,500	12,476,500
2023	8,660,000	3,935,575	12,595,575
2024	9,050,000	3,662,575	12,712,575
2025-2029	51,485,000	13,543,642	65,028,642
2030-2034	50,645,000	5,964,997	56,609,997
2035-2037	31,315,000	1,247,794	32,562,794
	$ 175,665,000	$ 41,566,345	$ 217,231,345

In 2019, the District entered into an energy performance contract in the amount of $12,416,066. The lease is payable in 15 semi-annual payments of $534,209, including interest at 2.37% beginning June 4, 2020.

The following is a summary maturing debt service requirements of the energy performance contract:

Fiscal Year Ending June 30,	Principal	Interest	Total
2020	$ 636,919	$ 449,635	$ 1,086,554
2021	1,192,342	428,421	1,620,763
2022	1,224,486	396,276	1,620,762
2023	1,257,506	363,256	1,620,762
2024	1,291,425	329,339	1,620,764
2025-2029	5,874,609	1,124,530	6,999,139
2030-2034	4,942,404	399,687	5,342,091
Totals	$ 16,419,691	$ 23,401,979	$ 19,910,835

The District recorded a long term liability for its share of a tax certiorari settlement. The settlement requires the District to pay annual payments of $118,440 commencing October 15, 2014 through October 15, 2023. At June 30, 2019, the District's outstanding liability was $592,200.

10. PENSION PLANS

New York State Employees' Retirement System

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

The System is noncontributory except for employees who joined the System after July 27th, 1976, who contribute 3.0% percent of their salary for the first ten years of membership, and employees who joined on or after January 1, 2010 who generally contribute 3.0% to 3.5% percent of their salary for their entire length of service. In addition, employee contribution rates under ERS tier 6 vary based on a sliding salary scale. Under the authority of the NYSRSSL, the Comptroller annually certifies the actuarially determined rates expressly used in computing the employers' contributions based on salaries paid during the System's fiscal year ending March 31. Contributions for the current year and two preceding years were equal to 100 percent of the contributions required, and were as follows:

	ERS
2019	$ 2,982,313
2018	3,071,715
2017	3,154,913

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

At June 30, 2019, the District reported a liability of $4,381,084 for its proportionate share of the net pension liability. The net pension liability was measured as of March 31, 2019, and the total pension liability used to calculate the net pension liability was determined by the actuarial valuation as of that date. The District's proportion of the net pension liability was based on a projection of the Districts' long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined.

At June 30, 2019 and June 30, 2018, the District's proportion was 0.0618334% and 0.0635301%, respectively measured at March 31, 2019 and 2018, respectively.

For the year ended June 30, 2019, the District recognized pension expense of $3,365,370. At June 30, 2019, the 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
Differences between expected and actual experience	$ 862,727	$ 294,094
Changes of assumptions	1,101,225	-
Net difference between projected and actual earnings on pension plan investments	-	1,124,428
Changes in proportion and differences between the District's contributions and proportionate share of contributions	1,141,969	205,015
Contributions subsequent to the measurement date	721,922	-
Total	$ 3,827,843	$ 1,623,537

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

Plan's Year Ended June 30:	
2020	1,306,784
2021	(598,978)
2022	90,536
2023	684,043
	$ 1,482,385

The District recognized $721,922 as deferred outflow of resources related to pensions resulting from contributions made subsequent to the measurement date of March 31, 2019 which will be recognized on a reduction of the net pension liability in the year ended June 30, 2019.

Actuarial Assumptions

The total pension liability at March 31, 2019, was determined by using an actuarial valuation as of April 1, 2018, with updated procedures used to roll forward the total pension liability to March 31, 2019. The actuarial valuation used the following actuarial assumptions:

The actuarial valuation used the following actuarial assumptions:

Actuarial cost method	Entry age normal
Inflation	2.50%
Salary scale	3.8% indexed by service
Projected COLAs	1.3% compounded annually
Decrements	Developed from the Plan's 2015 experience study of the period April 1, 2010 through March 31, 2015
Mortality improvement	Society of Actuaries Scale MP-2014
Investment Rate of Return	7.0% compounded annually, net of investment expenses

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

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

Asset Type	Target Allocations in %	Long-Term expected real rate of return in %
Domestic Equity	36.0	4.55
International Equity	14.0	6.35
Private Equity	10.0	7.50
Real Estate	10.0	5.55
Absolute Return Strategies (1)	2.0	3.75
Opportunistic Portfolio	3.0	5.68
Real Asset	3.0	5.29
Bonds & Mortgages	17.0	1.31
Cash	1.0	-0.25
Inflation-Indexed Bonds	4.0	1.250
	100%	

Discount Rate

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

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

The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 7.0%, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1% lower (6.0%) or 1% higher (8.0%) than the current rate:

	1% Decrease 6%	Current Discount 7%	1% Increase 8%
Proportionate Share of Net Pension liability (asset)	$ 19,154,797	$ 4,381,084	$ (8,029,884)

Pension Plan Fiduciary Net Position

The components of the current-year net pension liability of the employers as of March 31, 2019, were as follows (in thousands):

Total pension liability	$ 189,803,429
Net position	182,718,124
Net pension liability (asset)	$ 7,085,305
ERS net position as a percentage of total pension liability	96.27%

New York State Teachers' Retirement System

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

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

Contributions

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

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

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

	TRS
2019	$ 7,769,585
2018	9,155,486
2017	10,483,690

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

At June 30, 2019, the District reported a pension asset of $8,801,209 for its proportionate share of the net pension asset. The net pension asset was measured as of June 30, 2018, and the total pension liability used to calculate the net pension asset was determined by the actuarial valuation as of that date. The District's proportion of the net pension asset was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined.

Measured at June 30, 2018 and June 30, 2017, the District's proportion was 0.486721% and 0.4929640%, respectively.

For the year ended June 30, 2019, the District recognized pension expense of $7,267,322. At June 30, 2019, the 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
Differences between expected and actual experience	$ 6,577,073	$ 1,191,364
Changes of assumptions	30,766,001	-
Net difference between projected and actual earnings on pension plan investments	-	9,770,013
Changes in proportion and differences between the District's contributions and proportionate share of contributions	2,214,622	-
Contributions subsequent to the measurement date	8,900,911	-
Total	$ 48,458,607	$ 10,961,377

The District recognized $8,900,911 as a deferred outflows of resources related to pensions resulting from the District's contributions subsequent to the measurement date June 30, 2018 which will be recognized as a reduction of the net pension liability in the year ended June 30, 2020.

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

Plan's Year Ended March 31:	
2019	$ 9,258,482
2020	6,426,188
2021	1,068,385
2022	6,405,453
2023	4,381,543
Thereafter	1,056,267
	$ 28,596,318

Actuarial Assumptions

The total pension liability at the June 30, 2018, measurement date was determined by an actuarial valuation as of June 30, 2017, with updated procedures used to roll forward the total pension liability to June 30, 2018. These actuarial valuations used the following actuarial assumptions:

Inflation	2.3%
Projected Salary Increases	Rates of increase differ based on service. They have been calculated based upon recent NYSTRS member experience.

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

Projected COLAs	1.5% compounded annually
Investment Rate of Return	7.5% compounded annually, net of pension plan investment expense, including inflation.

Annuitant morality rates are based on plan member experience, with adjustments for mortality improvements based on Society of Actuaries Scale MP2014, applied on a generational basis. Active member mortality rates are based on plan member experience.

The actuarial assumptions used in the June 30, 2017 valuation was based on the results of an actuarial experience study for the period July 1, 2009 to June 30, 2014.

The long-term expected rate of return on pension plan investments was determined in accordance with Actuarial Standard of Practice (ASOP) No. 27, Selection of Economic Assumptions for Measuring Pension Obligations. ASOP No. 27 provides guidance on the selection of an appropriate assumed investment rate of return. Consideration was given to expect 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 arithmetic real rates of return for each major asset class included in the Systems target asset allocation as of the valuation date of June 30, 2016 (see the discussion of the pension plan's investment policy) are summarized in the following table:

Asset Type	Target Allocations in %	Long-term expected real rate of return
Domestic Equity	33.0	5.8
International Equity	16.0	7.3
Global equities	4.0	6.7
Real Estate	11.0	4.9
Private Equity	8.0	8.9
Domestic Fixed Income Securities	16.0	1.3
Global Fixed Income Securities	2.0	0.9
Private debt	1.0	6.8
Real estate debt	7.0	2.8
High-yield Fixed Income Securities	1.0	3.5
Short-term	1.0	0.3
	100%	

Discount Rate

The discount rate used to measure the total pension liability was 7.25%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from school districts will be made at statutorily required rates, actuarially determined. Based on those assumptions, the NYSTRS' fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Proportionate Share of the Net Pension Liability to the Discount Rate

The following presents the net pension liability (asset) of the Districts calculated using the discount rate of 7.25 percent, as well as what the Districts' net pension liability (asset) would be if it were calculated using a discount rate that is 1% lower (6.25 percent) or 1% higher (8.25 percent) than the current rate:

	1% Decrease 6.25%	Current Discount 7.25%	1% Increase 8.25%
Proportionate Share of Net Pension Liability (asset)	$ 60,465,746	$ (8,801,209)	$ (66,827,669)

Pension Plan Fiduciary Net Position

The components of the current year net pension liability of the employers as of June 30, 2018, were as follows (amounts in thousands):

Total pension liability	$ 118,107,253
Net position	119,915,518
Net pension liability (asset)	$ (1,808,264)
NYSTRS net position as a percentage of total pension liability	101.53%

Payables to the Pension Plans

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 covered wages multiplied by the employer's contribution rate and employee contributions for the fiscal year as reported to the TRS System. Accrued TRS contributions at June 30, 2019 are $8,900,911.

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 paid ERS covered wages multiplied by the employer's contribution rate, by tier. Employee contributions are remitted monthly. Accrued ERS contributions at June 30, 2019 are $721,922.

11. OTHER POSTEMPLOYMENT BENEFITS

Plan Description

The District’s single-employer defined benefit OPEB plan, which is administered by the District, provides medical and Medicare Part B benefits to retired employees and their eligible dependents. The benefits and eligible requirements determined by the employment contracts negotiated between the District and its employee groups. All employees are eligible if they retire at or after the age of 55, have 15 years of full time service for teachers and teaching assistants or 10 years of full time service for administrator, CSEA and managerial/confidential employees, receive retirement benefits from either of the State’s retirement systems and participated in the District’s medical insurance program for two years immediately prior to retirement. Medical benefits, including pharmaceutical costs. are provided through plans whose premiums are based on the benefits paid during the year. Retirees pay a variable percentage of the cost of premiums which vary depending on the employee group.

Article 11 of the State Compiled Statutes grants the authority to establish and amend the benefit terms and financing requirements to the District Board. The plan does not accumulate assets to meet its future obligation and the plan is not administered through a trust or an equivalent arrangement. The OPEB plan does not issue a stand-alone financial report.

In the governmental funds, the District recognizes the cost of providing health care insurance by recording its share of insurance premiums as an expenditure or operating transfer to other funds in the general fund in the year paid. Total contributions to the plan to cover the District's share of insurance premiums for the year ended June 30, 2019 was $13,106,718.

Employees Covered by Benefit Terms
At July 1, 2017, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	718
Active employees	1,010
Total participants	1,728

Total OPEB Liability
The District's total OPEB liability of $416,585,737 was measured as of June 30, 2019, and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and Other Inputs
The total OPEB liability in the July 1, 2017 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	1.3% per year
Discount Rate	3.10% as of June 30, 2019

Healthcare trend rates were as follows:

	Trend Rates Applicable to Premiums		
	NY44 Premiums		Medicare Part B
Year	Pre-65	Post-65	Premiums
2019	6.75%	8.00%	5.00%
2020	6.25%	7.75%	5.00%
2021	6.00%	7.00%	5.00%
2022	5.75%	6.50%	5.00%
2023	5.50%	5.75%	5.00%
2024	5.00%	5.50%	5.00%
2025 & After	5.00%	5.00%	5.00%

The discount rate was based on a yield for 20-year tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher.

Mortality rates were ROG-2015 Dataset Mortality Table fully generational as appropriate, with adjustments for mortality improvements based on Scale AA.

The actuarial assumptions used in the July 1, 2017 valuation were based on standard tables modified for certain plan features such as eligibility for full and early retirement where applicable and input from the District. The plan does not have sufficient data on which to perform an experience study.

Changes in the Total OPEB Liability

Balance at June 30, 2018	$ 370,656,754
Changes for the Year	
Service cost	11,083,248
Interest	13,093,853
Changes of benefit terms	-
Changes in assumptions or other inputs	35,629,131
Differences between expected and actual experience	-
Benefit payments	(13,877,249)
Net changes	45,928,983
Balance at June 30, 2019	$ 416,585,737

Changes of assumptions and other inputs reflect a change in the discount rate from 3.6% in 2018 to 3.1% in 2019.

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

The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.1%) or 1 percentage point higher (4.1%) than the current discount rate:

	1% Decrease 2.10%	Current Discount 3.10%	1% Increase 4.10%
Total OPEB Liability	$ 502,973,685	$ 416,585,737	$ 349,540,862

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

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

	Healthcare Cost Trend Rate		
	1% Decrease	Current Discount	1% Increase
Total OPEB Liability	$ 336,875,262	$ 416,585,737	$ 522,594,534

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

For the year ended June 30, 2019, the District recognized OPEB expense of $30,115,290. At June 30, 2019, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions	$ 29,690,942	$ -
Total	$ 29,690,942	$ -

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	$ 5,938,189
2021	5,938,189
2022	5,938,189
2023	5,938,189
2024	5,938,186
Thereafter	-
	$ 29,690,942

12. RISK MANAGEMENT

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

The District participates in the Rockland County Schools Workers' Compensation Plan, a risk-sharing pool, to insure Workers' Compensation claims. This is a public entity risk pool created under Article 5 of the Workers' Compensation Law, to finance liability and risks related to Workers' Compensation claims. The District's undiscounted share of the liability for IBNR and open claims is $2,711,811.

13. CONTINGENCIES AND COMMITMENTS

General Information

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

The District has various commitments with contractors for the completion of capital projects.

Litigation

The District has indicated that there are ongoing tax certiorari proceedings involving the District, but it is impossible to determine at this time the exact amount of the liability, if any, of the District with respect to these cases. Any such reduction in assessed value of property may result in the District being required to refund taxes collected in prior years.

The District has also indicated that it has experienced a greater number and amount of tax certiorari proceedings.

14 TAX ABATEMENT

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

The District has five real property tax abatement agreement that are entered into by the Rockland County Industrial Development Agency (IDA). This agreement provides for abatement of real property taxes in exchange for payment in lieu of taxes (PILOT) in accordance with the IDA's Tax Exemption Policy. PILOT's are granted in accordance with various activities such as new affordable housing construction, purchase of an existing facility, development of a new facility, or the improvement or expansion of an existing facility. There are no policies for recapture of PILOTS should the applicant not meet certain criteria.

The following is the PILOT agreement and the amount of real property tax that has been abated for the year ended June 30, 2019:

Agreement / Property	Total Assessed Value	Tax Rate	Pilot Taxable Value	Pilot Payment Received	Taxes Abated
Assisted Living at Northern Riverview	$ 11,196,700	43.9400	$ 491,983	$ 96,093	$ 395,890
Haverstraw Marina	1,575,000	43.9400	69,205	73,480	(4,275)
Cambridge Security Seals	1,500,000	43.9400	65,910	61,583	4,327
NRG	51,171,305	43.9400	2,248,466	1,897,633	350,833
H + H Renovations	1,800,000	43.9400	79,092	55,985	23,107

REQUIRED SUPPLEMENTARY INFORMATION
(UNAUDITED)

HAVERSTRAW-STONY POINT CENTRAL SCHOOL DISTRICT

Schedule of Revenue, Expenditures, and Changes in Fund Balance - Budget and Actual - General Fund (Unaudited)
For the year ended June 30, 2019

	Original Budget	Final Budget	Actual (Budgetary Basis)	Encumbrances	Final Budget Variance with Budgetary Actual
REVENUE					
LOCAL SOURCES:					
Real property taxes	$ 129,654,987	$ 129,654,987	$ 129,816,737	$ -	$ 161,750
Other tax items	20,581,926	20,581,926	20,870,977	-	289,051
Charges for services	180,000	180,000	224,385	-	44,385
Use of money and property	420,000	420,000	2,509,532	-	2,089,532
Sale of property and compensation for loss	-	-	71,325	-	71,325
Miscellaneous	350,000	350,000	1,135,878	-	785,878
Total local sources	151,186,913	151,186,913	154,628,834	-	3,441,921
State sources	65,992,989	65,992,989	67,024,403	-	1,031,414
Medicaid reimbursement	-	-	337,869	-	337,869
Federal sources	-	-	-	-	-
Proceeds from bonds	-	-	-	-	-
Total revenue	217,179,902	217,179,902	221,991,106	-	4,811,204
OTHER FINANCING SOURCES					
Premiums from obligations	-	-	11,713	-	11,713
Transfers from other funds	-	-	9,106	-	9,106
Total other financing sources	-	-	20,819	-	20,819
Total revenue and other financing sources	217,179,902	217,179,902	222,011,925	-	4,832,023

HAVERSTRAW-STONY POINT CENTRAL SCHOOL DISTRICT

Schedule of Revenue, Expenditures, and Changes in Fund Balance - Budget and Actual - General Fund (Unaudited)
For the year ended June 30, 2019

	Original Budget	Final Budget	Actual (Budgetary Basis)	Encumbrances	Final Budget Variance with Budgetary Actual
EXPENDITURES					
GENERAL SUPPORT:					
Board of education	74,071	84,356	56,862	-	27,494
Central administration	393,157	448,065	448,065	-	-
Finance	1,850,804	1,867,986	1,641,494	50,000	176,492
Staff	1,187,927	2,023,697	1,045,177	917,160	61,360
Central services	15,210,120	19,716,594	14,705,382	3,392,220	1,618,992
Special items	1,982,163	1,983,163	1,905,787	205	77,171
Total general support	20,698,242	26,123,861	19,802,767	4,359,585	1,961,509
INSTRUCTION:					
Instruction, administration, and improvement	6,384,887	6,783,853	6,317,747	254,260	211,846
Teaching - regular school	63,899,412	62,093,603	60,640,528	933,524	519,551
Programs for children with handicapping conditions	32,338,745	32,503,716	31,941,818	271,887	290,011
Occupational education	624,964	631,376	567,173	-	64,203
Teaching - special school	245,550	245,550	181,937	2,345	61,268
Instructional media	3,411,984	5,304,738	4,937,032	220,929	146,777
Pupil services	5,758,217	5,949,780	5,513,812	280,137	155,831
Total instruction	112,663,759	113,512,616	110,100,047	1,963,082	1,449,487
Pupil transportation	13,673,915	13,606,559	12,839,195	7,469	759,895
Community services	100	100	-	-	100
Employee benefits	58,655,342	54,438,026	51,924,546	216,959	2,296,521
Debt service - principal	9,737,455	13,699,455	13,699,454	-	1
Debt service - interest	7,413,917	7,464,379	7,452,378	-	12,001
Total expenditures	222,842,730	228,844,996	215,818,387	6,547,095	6,479,514
OTHER FINANCING USES					
Transfers to other funds	350,000	379,741	384,301	-	(4,560)
Total expenditures and other financing uses	223,192,730	229,224,737	216,202,688	6,547,095	6,474,954
NET CHANGE IN FUND BALANCE	(6,012,828)	(12,044,835)	5,809,237	(6,547,095)	11,306,977
FUND BALANCE - beginning of year	-	-	65,763,840		
FUND BALANCE - end of year	$ (6,012,828)	$ (12,044,835)	$ 71,573,077		

See accompanying independent auditor's report.

HAVERSTRAW-STONY POINT CENTRAL SCHOOL DISTRICT

Schedule of Proportionate Share of Net Position Liability (Asset) (Unaudited)
For the year ended June 30, 2019

NEW YORK STATE EMPLOYEES' RETIREMENT SYSTEM PLAN	Last 10 Plan Fiscal Years * (Dollar amounts displayed in thousands)				
	2019	**2018**	**2017**	**2016**	**2015**
Proportion of the net pension liability (asset)	0.0618334%	0.0635301%	0.0666651%	0.0683564%	0.0683203%
Proportionate share of the net pension liability (asset)	$ 4,381.08	$ 2,050.39	$ 6,264.00	$ 10,971.40	$ 2,308.00
Covered-employee payroll	$ 19,490.82	$ 19,730.92	$ 19,641.60	$ 19,333.94	$ 19,121.60
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	22.48%	10.39%	31.89%	11.94%	12.07%
Plan fiduciary net position as a percentage of the total pension liability (asset)	96.27%	98.24%	94.70%	90.68%	97.95%

NEW YORK STATE TEACHERS' RETIREMENT SYSTEM PLAN	Last 10 Plan Fiscal Years * (Dollar amounts displayed in thousands)				
	2018	**2017**	**2016**	**2015**	**2014**
Proportion of the net pension liability (asset)	0.4867210%	0.4929640%	0.5123670%	0.5272980%	0.5383250%
Proportionate share of the net pension liability (asset)	$ (8,801.21)	$ (3,747.01)	$ 5,487.70	$ (54,769.50)	$ (56,966.10)
Covered-employee payroll	$ 79,281.48	$ 78,118.48	$ 79,063.45	$ 79,207.31	$ 79,518.77
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	-11.10%	-4.80%	6.94%	-72.05%	-71.64%
Plan fiduciary net position as a percentage of the total pension liability (asset)	101.53%	100.66%	99.01%	110.46%	111.48%

* This Schedule is intended to show information for 10 years. Additional years will be displayed as the information becomes available.

See accompanying independent auditor's report.

HAVERSTRAW-STONY POINT CENTRAL SCHOOL DISTRICT

Schedule of Contributions - Pension Plans (Unaudited)
For the year ended June 30, 2019

NEW YORK STATE EMPLOYEES' RETIREMENT SYSTEM PLAN	Last 10 Plan Fiscal Years * (Dollar amounts displayed in thousands)				
	2019	**2018**	**2017**	**2016**	**2015**
Contractually required contribution	$ 2,982	$ 3,072	$ 3,155	$ 3,642	$ 3,824
Contributions in relation to the contractually required contribution	2,982	3,072	3,155	3,642	3,824
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
Covered-employee payroll	$ 19,491	$ 19,731	$ 19,642	$ 19,334	$ 19,122
Contributions as a percentage of covered-employee payroll	15.30%	15.57%	16.06%	18.84%	20.00%

NEW YORK STATE TEACHERS' RETIREMENT SYSTEM PLAN	Last 10 Plan Fiscal Years * (Dollar amounts displayed in thousands)				
	2018	**2017**	**2016**	**2015**	**2014**
Contractually required contribution	$ 7,770	$ 9,155	$ 10,484	$ 13,885	$ 12,922
Contributions in relation to the contractually required contribution	7,770	9,155	10,484	13,885	12,922
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
Covered-employee payroll	$ 79,281	$ 78,118	$ 79,063	$ 79,207	$ 79,519
Contributions as a percentage of covered-employee payroll	9.80%	11.72%	13.26%	17.53%	16.25%

* This Schedule is intended to show information for 10 years. Additional years will be displayed as the information becomes available.

See accompanying independent auditor's report.

HAVERSTRAW-STONY POINT CENTRAL SCHOOL DISTRICT

Schedule of Changes in Total OPEB Liability and Related Ratios (Unaudited)
For the year ended June 30, 2019

(Amounts in thousands)	Last 10 Fiscal Years * 2019	2018
Total OPEB Liability		
Service cost	$ 11,083	$ 10,555
Interest	13,094	12,954
Changes of benefit terms	-	-
Differences between expected and actual experience	-	-
Changes in assumptions	35,629	-
Benefit payments	(13,877)	(12,686)
Total change in total OPEB liability	45,929	10,824
OPEB plan fiduciary net position	-	-
Total OPEB liability - beginning	370,657	359,833
Total OPEB liability - ending	$ 416,586	$ 370,657
Covered-employee payroll	$ 91,198	$ 91,198
Total OPEB liability as a percentage of covered-employee payroll	456.8%	406.4%

Notes to schedule:

Change in significant assumptions:

	2019	2018
Discount rate	3.10%	3.60%
Healthcare trend rate:		
Initial rate (Pre-65)	6.75%	6.75%
Initial rate Post-65)	8.00%	8.00%
Ultimate rate (Pre-65)	5.00%	5.00%
Ultimate rate Post-65)	5.00%	5.00%
Ultimate rate year (Pre-65)	2024	2024
Ultimate rate year (Post-65)	2025	2025

* This Schedule is intended to show information for 10 years. Additional years will be displayed as the information becomes available.

See accompanying independent auditor's report.

OTHER INFORMATION (UNAUDITED)

HAVERSTRAW-STONY POINT CENTRAL SCHOOL DISTRICT

Schedule of Change from Original Budget to Revised Budget and Section 1318 of Real Property Tax Law Limit Calculation (Unaudited)
For the year ended June 30, 2019

CHANGE FROM ADOPTED BUDGET TO REVISED BUDGET

Adopted budget	$ 223,192,730
Add: Prior year's encumbrances	6,032,007
Original budget	229,224,737
Budget revision	-
Final budget	$ 229,224,737

SECTION 1318 OF REAL PROPERTY TAX LAW LIMIT CALCULATION

2019-2020 voter-approved expenditure budget	$ 227,207,898	
Maximum allowed (4% of 2019-2020 budget)		$ 9,088,316
General Fund Fund Balance Subject to Section 1318 of Real Property Tax Law *:		
Total fund balance:	$ 71,573,081	
Less:		
Committed fund balance	$ -	
Restricted fund balance	52,032,994	
Assigned fund balance:		
Appropriated fund balance	3,904,673	
Encumbrances included in committed and assigned fund balance	6,547,098	
Total adjustments	$ 62,484,765	
General Fund Fund Balance Subject to Section 1318 of Real Property Tax Law		$ 9,088,316
Actual percentage		4.00%

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

See accompanying independent auditor's report.

HAVERSTRAW-STONY POINT CENTRAL SCHOOL DISTRICT

Schedule of Project Expenditures - Capital Projects Fund (Unaudited)
For the year ended June 30, 2019

			Expenditures			
Project Title	*Original Budget*	*Revised Budget*	*Prior Years*	*Current Year*	*Total*	*Unexpended Balance*
Smart Schools Bond Act	$ 5,294,721	$ 5,294,721	$ 1,108,095	$ 553,715	$ 1,661,810	$ 3,632,911
Energy Performance contract 2	12,416,064	12,416,064	-	1,972,900	1,972,900	10,443,164
Uninvents - HS	100,000	100,000	-	99,500	99,500	500
District Wide EXCEL Projects	7,690,000	7,690,000	7,592,216	-	7,592,216	97,784
	$ 25,500,785	$ 25,500,785	$ 8,700,311	$ 2,626,115	$ 11,326,426	$ 14,174,359

See accompanying independent auditor's report.

HAVERSTRAW-STONY POINT CENTRAL SCHOOL DISTRICT

Schedule of Net Investment in Capital Assets (Unaudited)
June 30, 2019

Capital assets, net		$ 85,869,273
Deduct:		
Capital related bond anticipation notes	2,980,000	
Capital related bonds	30,355,000	
Capital related energy performance contracts	16,419,691	
Capital related bond premium	1,437,822	
Less: Capital related deferred loss on refunding	(7,516,208)	
Less: Unspent bond proceeds	(10,547,986)	
Total amount of capital related debt		33,128,319
Net investment in capital assets		$ 52,740,954

See accompanying independent auditor's report.

REQUIRED REPORTS UNDER THE UNIFORM GUIDANCE

Bonadio & Co., LLP
Certified Public Accountants

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

October 4, 2019

To the Board of Education
Haverstraw-Stony Point Central School District

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Haverstraw-Stony Point Central School District (the District), as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated October 4, 2019.

Internal Control Over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A s*ignificant 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.

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

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 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.

Bonadio & Co., LLP
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

October 4, 2019

To the Board of Education
Haverstraw-Stony Point Central School District

Report on Compliance for Each Major Federal Program

We have audited the Haverstraw-Stony Point Central School District's (the 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 District's major federal programs for the year ended June 30, 2019. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the 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 the 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 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 the major federal program. However, our audit does not provide a legal determination of the District's compliance.

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Opinion on Each Major Federal Program

In our opinion, the Haverstraw-Stony Point Central School District complied, in all material respects, with the types of 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 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 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 the 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 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 s*ignificant 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 the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

HAVERSTRAW-STONY POINT 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 Number	Agency or Pass-through Number	Expenditures	Amounts Provided to Subrecipients
U.S. Department of Agriculture				
Child Nutrition Cluster				
Pass-Through New York State Education Department				
National School Lunch Program (Noncash food donations)	10.555	N/A	$ 234,909	$ -
School Breakfast Program	10.553	N/A	399,174	-
National School Lunch Program	10.555	N/A	1,746,502	-
Summer Food Service Program for Children	10.559	N/A	40,421	-
Total Child Nutrition Cluster			2,421,006	-
Total U.S. Department of Agriculture			2,421,006	-
U.S. Department of Education				
Pass-Through New York State Education Department				
Title I Grants to Local Educational Agencies	84.010	0021-19-2545	998,068	-
Title I Grants to Local Educational Agencies	84.010	0021-18-2545	108,515	-
Title I Grants to Local Educational Agencies	84.010	0011-19-2529	26,153	-
Total Title I Grants to Local Educational Agencies			1,132,736	-
Special Education Cluster (IDEA)				
Special Education - Grants to States	84.027	0032-19-0769	2,029,398	-
Special Education - Preschool Grants	84.173	0033-19-0769	104,848	-
Total Special Education Cluster (IDEA)			2,134,246	-
Career and Technical Education - Basic Grants to States	84.048	8039-19-0005	377,770	-
Total Career and Technical Education - Basic Grants to States			377,770	-
English Language Acquisition State Grants	84.365	0149-19-2545	24,426	-
English Language Acquisition State Grants	84.365	0149-18-2545	44,805	-
English Language Acquisition State Grants	84.365	0293-19-2545	23,711	-
English Language Acquisition State Grants	84.365	0293-18-2545	109,365	-
Total English Language Acquisition State Grants			202,307	-
Improving Teacher Quality State Grants	84.367	0147-19-2545	242,092	-
Improving Teacher Quality State Grants	84.367	0147-18-2545	38,370	-
Improving Teacher Quality State Grants	84.367	0204-19-2545	17,588	-
Total Improving Teacher Quality State Grants			298,050	-
Disaster Recovery Assistance for Education	84.938	0080-18-2545	82,875	-
Total U.S. Department of Education			4,227,984	-
Department of Health and Human Services				
Direct Program:				
Drug-Free Communities Support Program Grants	93.276	N/A	85,147	-
Total Department of Health and Human Services			85,147	-
Total expenditures of federal awards			$ 6,734,137	$ -

See accompanying independent auditor's report.

HAVERSTRAW-STONY POINT CENTRAL SCHOOL DISTRICT

Notes to Schedule of Expenditures of Federal Awards

1. GENERAL

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of the Haverstraw-Stony Point Central School District (the District), under programs of the federal government for the year ended June 30, 2019. The information in the Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* . Because the Schedule presents only a portion of the operations of the District, it is not intended to and does not present the financial position, changes in net position, or cash flows for the District.

2. BASIS OF ACCOUNTING

The Schedule is presented using the modified accrual basis of accounting, as described in the District's basic financial statements.

3. INDIRECT COSTS

Indirect costs are included in the reported expenditures to the extent they are included in the financial reports used as the source for the expenditures presented.

The District did not elect to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

4. MATCHING COSTS

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

5. NONMONETARY ASSISTANCE

Nonmonetary assistance is reported in the schedule at the fair market value of the commodities received and disbursed. During the year ended June 30, 2019, the District received food commodities totaling $234,909 (CFDA No. 10.555)

HAVERSTRAW-STONY POINT CENTRAL SCHOOL DISTRICT

Schedule of Findings and Questioned Costs
For the year ended June 30, 2019

Section I - Summary of Auditor's Results

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP: Unmodified

Internal control over financial reporting:

Material weakness(es) identified?	___ Yes	X No
Significant deficiencies identified?	___ 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 deficiencies identified ?	___ Yes	X None reported

Type of auditor's report issued on compliance for major federal programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? ___ Yes X

Identification of major federal programs:

CFDA Number(s)	Name of Federal Program or Cluster
84.027 & 84.173	Special Education Cluster

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

Auditee qualified as low-risk auditee? X Yes ___ No

Schedule of Findings and Questioned Costs
For the year ended June 30, 2019

Section II - Financial Statement Findings

None reported.

Section III - Federal Awards Findings and Questioned Costs

None reported.