PRELIMINARY OFFICIAL STATEMENT

NEW AND RENEWAL ISSUE **BOND ANTICIPATION NOTES**

In the opinion of Trespasz & Marquardt, LLP, Bond Counsel to the School District, under existing statutes and court decisions and assuming continuing compliance with certain tax certifications described herein, interest on the Notes is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), and is excluded from adjusted gross income for purposes of New York State and New York City personal income taxes. Interest on the Notes is not treated as a preference item in calculating the alternative minimum tax under the Code, however for tax years beginning after December 31, 2022, interest on the Notes is included in the "adjusted financial statement income" of certain corporations that are subject to the alternative minimum tax under Section 55 of the Code. Bond counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of, or the accrual of interest on the Notes. (See "TAX MATTERS" herein.)

The Notes will be designated "qualified tax-exempt obligations" pursuant to Section 265(b)(3) of the Code.

$4,550,000
ALEXANDRIA CENTRAL SCHOOL DISTRICT
JEFFERSON AND ST. LAWRENCE COUNTIES, NEW YORK

GENERAL OBLIGATIONS
CUSIP BASE #: 015266

$4,550,000 Bond Anticipation Notes, 2023
(the "Notes")

Dated: June 28, 2023 **Due: June 28, 2024**

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

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

If the Notes are issued as registered in the name of the purchaser, principal of and interest on the Notes will be payable in Federal Funds at the office of the School District. The Notes will be issued in denominations of $5,000 or multiples thereof. A single note certificate will be issued for Notes bearing the same rate of interest in the aggregate principal amount awarded to such purchaser at such interest rate.

If the Notes are issued in book-entry-only form, such notes will be delivered to DTC, which will act as securities depository for the Notes. Beneficial owners will not receive certificates representing their interest in the Notes. Individual purchases may be made in denominations of $5,000 or integral multiples thereof. A single note certificate will be issued for those Notes bearing the same rate of interest and CUSIP number in the aggregate principal amount awarded to such purchaser(s) at such interest rate. Principal of and interest on said Notes will be paid in Federal Funds by the District to Cede & Co., as nominee for DTC, which will in turn remit such principal and interest to its participants for subsequent distribution to the beneficial owners of the Notes as described herein. Transfer of principal and interest payments to beneficial owners by participants of DTC will be the responsibility of such participants and other nominees of beneficial owners. The District will not be responsible or liable for payments by DTC to its participants or by DTC participants to beneficial owners or for maintaining, supervising or reviewing the records maintained by DTC, its participants or persons acting through such participants. (See "BOOK-ENTRY-ONLY SYSTEM" herein).

ELECTRONIC BIDS for the Notes must be submitted on the Fiscal Advisors Auction website ("Fiscal Advisors Auction") accessible via www.fiscaladvisorsauction.com, on June 7, 2023 by no later than 10:45 A.M. Prevailing Time Bids may also be submitted by facsimile at (315) 930-2354. No other form of electronic bidding services will be accepted. No phone bids will be accepted. Once the bids are communicated electronically via Fiscal Advisors Auction or via facsimile to the District, each bid will constitute an irrevocable offer to purchase the Notes pursuant to the terms provided in the Notice of Sale for the Notes.

May 24, 2023

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

ALEXANDRIA CENTRAL SCHOOL DISTRICT
JEFFERSON AND ST. LAWRENCE COUNTIES, NEW YORK

SCHOOL DISTRICT OFFICIALS

2022-2023 BOARD OF EDUCATION

SUZANNE HUNTER
President

CHRISTINE LINGENFELTER
Vice President

BETTY COMPEAU
TIMOTHY DAVIDSON
ERIC HEATH
HEATHER LAVARNWAY
JAMES VANCOUR

* * * * * * * * *

CHRISTOPHER CLAPPER
Superintendent of Schools

BRIANNE KIRCHOFF
School Business Administrator

RENEE GILL
Secretary to the Superintendent/District Clerk

D'IMPERIO LAW, PLLC
School District Attorney

FISCAL ADVISORS & MARKETING, INC.
Municipal Advisor

TRESPASZ & MARQUARDT, LLP
BOND COUNSEL

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

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PREPARED WITH THE ASSISTANCE OF

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

OFFICIAL STATEMENT

of the

ALEXANDRIA CENTRAL SCHOOL DISTRICT
JEFFERSON AND ST. LAWRENCE COUNTIES, NEW YORK

Relating To

$4,550,000 Bond Anticipation Notes, 2023

This Official Statement, which includes the cover page, has been prepared by the Alexandria Central School District, Jefferson and St. Lawrence Counties, New York (the "School District" or "District", "County", and "State", respectively) in connection with the sale by the District of $4,550,000 principal amount of Bond Anticipation Notes, 2023 (referred to herein as the "Notes").

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

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

NATURE OF OBLIGATION

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

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

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

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

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

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

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

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

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

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

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

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

THE NOTES

Description of the Notes

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

The Notes are to be dated June 28, 2023 and will mature, without option of prior redemption, on June 28, 2024. Interest will be calculated on a 30-day month and 360-day year basis, payable at maturity.

The Notes will be issued in either (i) the name of the purchaser(s), as may be determined by the successful bidder(s) with principal and interest payable in Federal Funds at such bank(s) or trust company(ies) located and authorized to do business in the State as may be selected by such successful bidder(s); or (ii) at the option of the purchaser(s), registered in the name of Cede & Co. as nominee of The Depository Trust Company, New York, New York ("DTC") which will act as the securities depository for the Notes. See "BOOK-ENTRY-ONLY SYSTEM" herein.

No Optional Redemption

The Notes are not subject to redemption prior to maturity.

Purpose of Issue

The Notes are issued pursuant to the Constitution and Status of the State of New York, including the Education Law and the Local Finance Law, and a bond resolution duly adopted by the Board of Education on June 15, 2021 authorizing the issuance of $5,550,000 serial bonds and the use of $1,000,000 capital reserve funds to finance certain renovations, additions, alterations and improvements to a District building.

The proceeds of the Notes will redeem and renew, in full, $2,500,000 bond anticipation notes currently outstanding and maturing June 29, 2023, and will provide $2,050,000 in new monies for the abovementioned purpose.

BOOK-ENTRY-ONLY SYSTEM

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

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

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

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

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

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

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

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

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

Source: The Depository Trust Company.

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

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

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

Certificated Notes

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

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

THE SCHOOL DISTRICT

General Information

The Alexandria Central School District is comprised of approximately 83 square miles located in the heart of the Thousand Islands region of the St. Lawrence River at Alexandria Bay. This resort village is situated on the U.S.-Canadian border, just four miles north of the Thousand Islands International Bridge and Interstate Route 81. It is approximately 28 miles north of Watertown, 100 miles from Syracuse and 30 miles downriver from Kingston, Ontario. The School District itself covers approximately 83 square miles of island and mainland territory. In addition to the Village of Alexandria Bay, the District includes nearly all of the Town of Alexandria, a very small portion of the Towns of Orleans and Theresa in Jefferson County and a small portion of the Town of Hammond in St. Lawrence County.

The character of the District is agricultural, residential and vocational, with the primary accent on agriculture, primarily dairy farming. Non-farming residents in the area find employment in professions, business concerns and industries in the City of Watertown. Others are employed in Clayton and other nearby villages. Tourism and recreation are also very important to the area with resorts employing a significant part of the population.

Transportation needs of the area are served by various bus lines, the Watertown International Airport and various major highways including Interstate #81 and State highways #12, #26 and #37.

Source: District officials.

District Population

The population of the District is estimated to be 3,542. (Source: 2017-2021 U.S. Census Bureau American Community Survey 5-Year Estimate.)

Selected Wealth and Income Indicators

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

	Per Capita Income			Median Family Income		
	2006-2010	2016-2020	2017-2021	2006-2010	2016-2020	2017-2021
Towns of:						
Alexandria	$ 22,112	$ 45,316	42,529	$ 53,269	$ 67,091	$ 76,354
Orleans	21,556	31,468	32,342	55,559	64,491	67,344
Theresa	23,168	29,258	31,861	49,770	69,301	74,318
Hammond	24,271	29,583	28,137	57,054	65,813	60,417
Counties of:						
Jefferson	21,823	28,120	29,892	51,834	66,711	70,928
St. Lawrence	20,143	26,676	27,457	50,384	66,843	69,328
State of:						
New York	30,948	40,898	43,208	67,405	87,270	92,731

Note: 2018-2022 American Community Survey estimates are not available as of the date of this Official Statement.

Source: 2006-2010, 2016-2020, and 2017-2021 5-Year American Community Survey data.

Larger Employers

The larger employers located within the area include:

Employer	Type	Number of Employees
Fort Drum	Military	4,739
River Hospital	Hospital	130
Thousand Islands Bridge Authority	Authority	122
Alexandria Central School	Public School	105

Source: District officials.

Unemployment Rate Statistics

Unemployment statistics are not available for the District as such. The smallest areas for which such statistics are available (which include the District) are the Counties of Jefferson and St. Lawrence. The information set forth below with respect to the Counties is included for informational purposes only. It should not be inferred from the inclusion of such data in this Official Statement that the Counties are necessarily representative of the District, or vice versa.

	Annual Averages						
	2016	2017	2018	2019	2020	2021	2022
Jefferson County	6.3%	6.5%	5.5%	5.3%	8.4%	5.1%	4.0%
St. Lawrence County	6.7%	6.6%	5.6%	5.3%	7.9%	5.2%	4.1%
New York State	4.9%	4.6%	4.1%	3.9%	9.8%	7.0%	4.3%

	2023 Monthly Figures				
	Jan	Feb	Mar	Apr	May
Jefferson County	5.4%	5.0%	4.5%	N/A	N/A
St. Lawrence County	5.3%	4.5%	4.1%	N/A	N/A
New York State	4.6%	4.5%	4.0%	N/A	N/A

Note: Unemployment rates for April and May of 2023 are unavailable as of the date of this Official Statement.

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

Form of School Government

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

Pursuant to the Local Finance Law, the President of the Board of Education is the chief fiscal officer of the School District. However, certain of the financial management functions of the School District are the responsibility of the Superintendent.

Budgetary Procedures

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

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

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

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

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

Recent Budget Vote Results

The budget for the 2021-22 fiscal year was adopted by the qualified voters on May 18, 2021 by a vote of 233 to 17. The budget for the 2021-22 fiscal year remained within the Tax Cap imposed by Chapter 97 of the Laws of 2011. The budget called for a total tax levy increase of 1.75%, which was within to the District tax levy limit of 2.47%.

The budget for the 2022-23 fiscal year was approved by the qualified voters on May 17, 2022 by a vote of 273 to 53. The District's budget for the 2022-23 fiscal year remained within the Tax Cap imposed by Chapter 97 of the Laws of 2011. The budget called for a total tax levy increase of 3.90%, which was below the District tax levy limit of 3.95%.

The budget for the 2023-24 fiscal year was approved by qualified voters on May 16, 2023 by a vote of 265 to 47. The District's budget for the 2023-24 fiscal year remained within the Tax Cap imposed by Chapter 97 of the Laws of 2011. The budget called for a total tax levy increase of 1.99%, which was below the District tax levy limit of 4.45%.

Investment Policy

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

Consistent with the above statutory limitations, it is the District's current policy to invest in: (1) Savings Accounts or Money Market Accounts of designated banks; (2) Certificates of Deposit issued by a bank or trust company located in and authorized to do business in New York State; (3) Demand Deposit Accounts in a bank or trust company located in and authorized to do business in New York State; (4) Obligations of New York State; (5) Obligations of the United States Government (U.S. Treasury Bills and Notes); and (6) Repurchase Agreements involving the purchase and sale of direct obligations of the United States.

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State Aid

The District receives financial assistance from the State. In its budget for the 2023-2024 fiscal year, approximately 40.23% of the revenues of the District are estimated to be received in the form of State aid. If the State should not adopt its budget in a timely manner, in any year, municipalities and school districts in the State, including the District, may be affected by a delay in the payment of State aid.

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

Federal Aid Received by the State

President Biden has signed into law the American Rescue Plan, a $1.9 trillion COVID-19 relief package that includes $350 billion to state, local and territorial governments to keep their frontline workers employed, distribute the vaccine, increase testing, reopen schools and maintain vital services. The American Rescue Plan also includes an additional $1,400 payment to eligible individuals and families, enhanced unemployment aid, rental and utility assistance to low- and moderate-income households, an increase in food stamp benefits, additional funding for child care and an increase in child care tax credits.

The State receives a substantial amount of federal aid for other 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 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.

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

Pursuant to the provisions of Chapter 760 of the Laws of 1963, the District is eligible to receive a Building Aid Estimate from the New York State Department of Education. Since the gross indebtedness of the District is within the debt limit, the District is not required to apply for a Building Aid Estimate. Based on 2023-2024 preliminary building aid ratios, the District expects to receive State building aid of approximately 53.9% of debt service on State Education Department approved expenditures from July 1, 2004 to the present.

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

State Aid History

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

School district fiscal year (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 was 3.7 percent lower than in the State's 2019-2020 Enacted Budget but was offset in part with increased Federal support. This reduction in State Operating Funds support was 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 was $27.9 billion, an annual increase of approximately $100 million or 0.4 percent. The State's 2020-2021 Enacted Budget continued prior year funding levels for existing programs, including Foundation Aid, Community Schools and Universal Prekindergarten. The 2020-2021 Enacted Budget also provided 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 was 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 authorized 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. Pursuant to that provision, in October, 2020, the State announced that, in the absence of Federal funding to offset such lost revenue, the State had begun to take steps to reduce spending, including but not limited to, temporarily holding back 20% of most aid payments to local governments and school districts. However, the 2020-2021 State aid declines were offset, in part, by $1.1 billion of increased federal funding through the Coronavirus Aid, Relief, and Economic Security Act. With these federal funds, State aid totaled $27.9 billion in the State's 2020-2021 Enacted Budget, an annual increase of approximately $100 million or 0.4 percent from the 2019-2020 Enacted Budget. As of February 1, 2021, the State Education Department ("SED") advised school districts that the State Division of the Budget would, at some point, provide approval for SED to make the payments to school districts for State aid and other Pre-K-12 grant programs that had been subject to the above-referenced 20% withholding.

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

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

School district fiscal year (2023-2024): The State's Budget for fiscal 2023-24 was enacted on May 2, 2024 and provides for a total of $34 billion in State funding to school districts for the 2023-24 school year. The enacted budget for fiscal 2023-24 represents a $3.2 billion or 10.4% increase in State funding for education, and includes a $2.629, or 12.3% percent Foundation Aid increase.

State Aid Litigation

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

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

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

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

- FY 2022: $19.8 billion, covering 30% of the existing shortfall
- FY 2023: Approximately $21.3 billion, covering 50% of the anticipated shortfall
- FY 2024: Approximately $23.2 billion, eliminating the anticipated shortfall, and funding the full amount of Foundation Aid for all school districts

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

State Aid Revenues

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

Fiscal Year	Total State Aid	Total Revenues	Percentage of Total Revenues Consisting of State Aid
2017-2018	$ 4,683,046	$ 12,180,805	38.45%
2018-2019	4,993,143	12,739,054	39.20
2019-2020	4,914,266	12,849,487	38.24
2020-2021	5,024,472	13,128,382	38.27
2021-2022	5,122,354	13,299,454	38.52
2022-2023 (Budgeted)	5,178,031	13,404,670 [1]	38.63
2023-2024 (Budgeted)	5,645,668	14,034,807 [1]	40.23

[1] Does not include interfund transfers or appropriated fund balance or reserves.

Source: Audited Financial Statements for the 2017-2018 through 2021-2022 fiscal years, and the adopted budgets of the District for the 2022-2023 and 2023-2024 fiscal years. This table is not audited.

District Facilities

Name	Grades	Year(s) Built
Alexandria Central School	K-12	1928, ’57, ’67, ’95, 2002, ’09, 2023[1]

[1] In process.

Source: District officials.

Enrollment Trends

School Year	Enrollment	School Year	Projected Enrollment
2018-19	503	2023-24	537
2019-20	491	2024-25	537
2020-21	499	2025-26	537
2021-22	502	2026-27	510
2022-23	497	2027-28	510

Source: District officials.

Employees

The District currently employs approximately 98 full-time and 4 part-time persons. Eleven employees are not represented by a bargaining agent. The remaining employees are represented by the following bargaining agents:

Employees	Union	Contract Expiration Date
56	New York State United Teachers	June 30, 2025
42	Service Employees International Union (Full-time)	June 30, 2025
4	Service Employees International Union (Part-time)	June 30, 2025

Source: District officials.

Status and Financing of Employee Pension Benefits

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

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

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

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

The District is required to contribute at an actuarially determined rate. The actual contributions for the last five years and the budgeted figures for the 2023-2024 fiscal year are as follows:

Fiscal Year	ERS	TRS
2018-2019	$ 170,194	$ 412,617
2019-2020	173,436	432,647
2020-2021	177,895	348,527
2021-2022	192,260	394,394
2022-2023	281,010	490,591 (1)
2023-2024 (Budgeted)	232,537	483,791

(1) Estimated. Finalized information is anticipated summer 2023.

Source: District records.

Pursuant to various laws enacted between 1991 and 2002, the State Legislature authorized local governments to make available certain early retirement incentive programs to its employees. The District currently does not have early retirement incentive programs for its employees; however, the offering of a retirement incentive is being considered as of the date of this Official Statement.

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 (2019-20 to 2023-24) is shown below:

Year	ERS	TRS
2019-20	14.6%	8.86%
2020-21	14.6	9.53
2021-22	16.2	9.80
2022-23	11.6	10.29
2023-24	13.1	9.76 (1)

(1) Estimated.

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

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

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

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

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

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

The State's 2019-2020 Enacted Budget, which was signed into law as Chapter 59 of the Laws of 2019, includes a provision that will allow school districts in the State to establish a reserve fund for the purpose of funding the cost of TRS contributions, as a sub-fund of retirement contribution reserve funds presently authorized for amounts payable to the ERS by a school district. School districts will be permitted to pay into such reserve fund during any particular fiscal year, an amount not to exceed two percent of the total compensation or salaries of all district-employed teachers who are members of the TRS paid during the immediately preceding fiscal year; provided that the balance of such fund may not exceed ten percent of the total compensation or salaries of all district-employed teachers who are members of the TRS paid during the immediately preceding fiscal year. The District established a TRS reserve on April 25, 2019.

Other Post-Employment Benefits

Healthcare Benefits. It should also be noted that the District provides employment healthcare benefits to various categories of former employees. These costs may be expected to rise substantially in the future. There is now an accounting rule that 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 an actuarial firm, to calculate its actuarial valuation under GASB 75. The following outlines the changes to the Total OPEB Liability during the past below fiscal years, by source.

Balance at:	June 30, 2020	June 30, 2021
	$ 42,904,725	$ 57,158,577
Changes for the year:		
Service cost	1,779,097	2,064,061
Interest	1,031,253	1,181,319
Differences between expected and actual experience	-	-
Changes in benefit terms	-	-
Changes in assumptions or other inputs	12,723,997	4,150,009
Benefit payments	(1,280,495)	(1,272,288)
Net Changes	$ 14,253,852	$ 6,123,101
Balance at:	June 30, 2021	June 30, 2022
	$ 57,158,577	$ 63,281,678

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

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

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

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

Other Information

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

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

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

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

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

Financial Statements

The District retains independent Certified Public Accountants. The last audit report covers the period ended June 30, 2022 and is attached hereto as "APPENDIX – D" to this Official Statement. Certain financial information of the District can also 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. This system differs from generally accepted accounting principles as prescribed by the American Institute of Certified Public Accountants' Industry Audit Guide, "Audits of State and Local Governmental Units", and codified in Government Accounting, Auditing and Financial Reporting (GAAFR), published by the Governmental Accounting Standards Board (GASB).

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

Stackel & Navarra CPA, PC, the independent auditor for the District, 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. Stackel & Navarra CPA, PC also has not performed any procedures relating to this Official Statement.

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 on the Office of the State Comptroller website.

The NYS Comptroller's office released an audit report of the District on December 30, 2020. The purpose of the audit was to determine whether the Board and officials adopted reasonable budgets and adequately managed the District's financial condition for the period July 1, 2016 through February 29, 2020.

Key Findings:

- The District's budgeted appropriations from 2016-17 through 2018-19 exceeded actual expenditures by $844,261, or 6.4 percent and the District did not need to use most of the appropriated fund balance for operations.
- The surplus fund balance in the general fund exceeded the 4 percent statutory limit for the past three fiscal years. As of June 30, 2019, surplus fund balance was $1.75 million, or 12.8 percent of the next year's budget.
- District officials have not developed a long-term financial plan or a comprehensive reserve fund policy.

Key Recommendations:

- Develop and adopt realistic budgets, a long-term financial plan and a comprehensive reserve fund policy.

The District provided a complete response to the NYS Comptroller's office on October 22, 2020. A copy of the complete report and response can be found via the website of the Office of the New York State Comptroller.

There are no other recent State Comptroller's audits of the District, nor are there any that are currently in progress or pending release.

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

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

The State Comptroller's Fiscal Stress Monitoring System

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

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

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

Fiscal Year Ending In	Stress Designation	Fiscal Score
2022	No Designation	0.0
2021	No Designation	0.0
2020	No Designation	6.7

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

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

TAX INFORMATION

Taxable Assessed Valuations

Fiscal Year Ending June 30:	2019	2020	2021	2022	2023
Towns of:					
Alexandria	$ 579,576,771	$ 581,047,329	$ 582,660,809	$ 586,241,855	$ 592,060,454
Orleans	120,119	123,829	124,857	131,597	128,615
Theresa	4,901,692	4,932,996	4,996,918	5,027,328	5,030,730
Hammond	15,754,147	15,859,361	15,850,368	16,030,397	16,113,316
Total Assessed Values	$ 600,352,729	$ 601,963,515	$ 603,632,952	$ 607,431,177	$ 613,333,115
State Equalization Rates					
Towns of:					
Alexandria	96.00%	96.00%	92.00%	91.00%	83.00%
Orleans	100.00%	100.00%	100.00%	100.00%	94.00%
Theresa	100.00%	100.00%	100.00%	100.00%	98.00%
Hammond	100.00%	100.00%	96.00%	96.00%	87.00%
Total Taxable Full Valuation	$ 624,501,761	$ 626,173,820	$ 654,959,541	$ 666,079,074	$ 737,117,123

Tax Rate Per $1,000 (Assessed)

Fiscal Year Ending June 30:	2019	2020	2021	2022	2023
Towns of:					
Alexandria	$ 12.23	$ 12.61	$ 12.82	$ 12.97	$ 13.35
Orleans	11.74	12.11	11.79	11.80	11.79
Theresa	11.74	12.11	11.79	11.80	11.30
Hammond	11.74	12.11	12.28	12.29	12.73

Tax Collection Procedure

Tax payments are due September 1st. There is no penalty charge for the first thirty days after taxes are due, but a 2% penalty is charged for the next 30 days. On November 1st, there is a 7% additional penalty charge and uncollected taxes are returnable to the Counties for collection. The District receives this amount from the Counties prior to the end of the District's fiscal year, thereby assuming 100% tax collection annually. Tax sales are held annually by the Counties.

Tax Levy and Tax Collection Record

Fiscal Year Ending June 30:	2019	2020	2021	2022	2023
Total Tax Levy	$ 7,331,500	$ 7,580,130	$ 7,724,152	$ 7,859,325	$ 8,165,839
Amount Uncollected (1)	413,225	491,160	493,981	598,405	810,098
% Uncollected	5.64%	6.48%	6.40%	7.61%	9.92%

(1) Gross tax levy prior to adjustments (tax roll additions, shortages, cancellations, refunds and STAR exemptions). See "Tax Collection Procedure" and "STAR – School Tax Exemption" herein.

Larger Taxpayers 2022 for the 2022-23 Tax Rolls

Name	Type	Estimated Assessed Valuation
National Grid	Utility	$ 25,081,008
Wellesley Island Properties	Resort	21,290,100
Bonnie Castle Holdings LLC	Resort	19,265,700
Mathis Raymond Lewis	Resort	14,922,000
RFO, LLC (Edgewood Resort)	Resort	11,378,400
Hutchinson’s Boat Works	Marina	11,125,800
Crossmon House Inc	Resort	10,242,600
Windermere Holdings (Thomas Schwalm)	Real Estate Holding Co.	8,925,600
Krings Trailer Park LLC	Park	7,969,800
Deer Island Club Corp	Island	7,020,000

The larger taxpayers listed above have a total assessed valuation of $137,221,008, which represents 22.37% of the tax base of the District for the 2022-23 fiscal year.

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

Source: District Tax Rolls.

Real Property Tax Revenues

The following table illustrates the percentage of total revenues of the District for the below fiscal years comprised of Real Property Taxes.

Fiscal Year	Total Revenues	Total Real Property Taxes	Percentage of Total Revenues Consisting of Real Property Tax
2017-2018	$ 12,180,805	$ 6,767,137	55.56%
2018-2019	12,739,054	6,918,275	54.31
2019-2020	12,849,487	7,185,574	55.92
2020-2021	13,128,382	7,356,208	56.03
2021-2022	13,299,454	7,506,840	56.44
2022-2023 (Budgeted)	13,404,670 (1)	8,165,839	60.92
2023-2024 (Budgeted)	14,034,807 (1)	8,328,339	59.34

(1) Does not include interfund transfers or appropriated fund balance or reserves.

Source: Audited Financial Statements for the 2017-2018 through 2021-2022 fiscal years, and the adopted budgets of the District for the 2022-2023 and 2023-2024 fiscal years. This table is not audited.

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.

The STAR program provides State-funded exemptions from school property taxes to homeowners for their primary residences. Homeowners over 65 years of age with household adjusted gross incomes, less the taxable amount of total distributions from individual retirement accounts and individual retirement annuities ("STAR Adjusted Gross Income") of $90,550 or less in 2021-22 and $92,000 or less in 2022-2023, increased annually according to a cost of living adjustment, are eligible for a "full value" exemption of the first $70,700 for the 2021-22 school year and $74,900 for the 2022-23 school year (adjusted annually). Other homeowners with household STAR Adjusted Gross income not in excess of $250,000 ($500,000 in the case of a STAR credit, as discussed below) are eligible for a $30,000 "full value" exemption on their primary residence.

The 2022-23 Enacted State Budget provided $2.2 billion in State funding for a new property tax relief credit, the Homeowner Tax Rebate Credit, for eligible low- and middle-income households, as well as eligible senior households. Under this program, basic STAR exemption and credit beneficiaries with incomes below $250,000 and Enhanced STAR recipients are eligible for the property tax rebate where the benefit is a percentage of the homeowners' existing STAR benefit.

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

Municipality	Enhanced Exemption	Basic Exemption	Date Certified
Alexandria	$ 67,560	$ 24,900	4/6/2023
Orleans	76,520	28,200	4/6/2023
Theresa	79,770	29,400	4/6/2023
Hammond	70,820	26,100	4/6/2023

$337,907 of the District's $8,165,839 school tax levy for 2022-2023 was exempted by the STAR Program. The District received full reimbursement of such exempt taxes from the State in January 2023.

Approximately $350,000 of the District's $8,328,339 school tax levy for 2023-2024 is expected to be exempt by the STAR Program. The District anticipates receiving full reimbursement of such exempt taxes from the State by January 2024.

Additional Tax Information

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

Senior citizens' exemptions are offered to those who qualify.

Total assessed valuation of the District is estimated to be categorized as follows: Residential-78%; Commercial- 20%; and Agricultural-2%.

The estimated total annual property tax bill of a $60,000 market value residential property located in the District is approximately $769 including State, County, City or Town and School District taxes.

TAX LEVY LIMITATION LAW

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

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

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

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

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

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

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

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

Certain additional restrictions on the amount of the personal income tax credit are set forth in Chapter 59 in order for the tax cap to qualify as one which will provide the tax credit benefit to such real property taxpayers. The refundable personal income tax credit amount was increased in the second year if compliance occurs in both taxable years.

For the second taxable year of the program, the refundable personal income tax credit for real property taxpayers was additionally contingent upon adoption by the school district or municipal unit of a state approved "government efficiency plan" which demonstrated "three-year savings and efficiencies of at least one per cent per year from shared services, cooperation agreements and/or mergers or efficiencies".

Municipalities, school districts and independent special districts must have provided certification of compliance with the requirements of the new provisions to certain state officials in order to render their real property taxpayers eligible for the personal income tax credit.

While the provisions of Chapter 59 did not directly further restrict the taxing power of the affected municipalities, school districts and special districts, they did provide an incentive for such tax levies to remain within the tax cap limits established by the Tax Levy Limitation Law. The implications of this for future tax levies and for operations and services of the District are uncertain at this time.

An additional real property tax rebate program applicable solely to school districts was enacted by Chapter 20 of the Laws of 2015, and was signed into law by the Governor on June 26, 2015. The program began in 2016, and was fully phased in 2019.

See "THE SCHOOL DISTRICT – Budgetary Procedures" herein for additional information regarding the District's Tax Levy.

STATUS OF INDEBTEDNESS

Constitutional Requirements

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

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

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

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

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.

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

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

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

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

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

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

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

The District has complied with this estoppel procedure in connection with the Notes.

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

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

Debt Outstanding End of Fiscal Year

Fiscal Years Ending June 30:	2018	2019	2020	2021	2022
Bonds	$ 7,275,000	$ 6,700,000	$ 6,415,000	$ 6,107,500	$ 5,743,000
Bond Anticipation Notes	0	0	0	0	2,500,000
Other Debt	0	0	0	0	0
Total Debt Outstanding	$ 7,275,000	$ 6,700,000	$ 6,415,000	$ 6,107,500	$ 8,243,000

Details of Outstanding Indebtedness

The following table sets forth the indebtedness of the District as of May 24, 2023:

Type of Indebtedness	Maturity	Amount
Bonds	2023-2033	$ 5,700,000
Bond Anticipation Notes		
Capital Project	June 29, 2023	2,500,000 [1]
	Total Indebtedness	$ 8,200,000

[1] To be redeemed renewed at maturity with the portion of the proceeds of the Notes.

Debt Statement Summary

Summary of Indebtedness, Debt Limit and Net Debt-Contracting Margin prepared as of May 24, 2023:

Full Valuation of Taxable Real Property			$ 737,117,123
Debt Limit – 10% thereof			73,711,712
Inclusions:			
Bonds	$ 5,700,000		
Bond Anticipation Notes	0		
Principal of this Issue	4,550,000		
Total Inclusions		$ 10,250,000	
Exclusions:			
State Building Aid [1]	$ 0		
Total Exclusions		$ 0	
Total Net Indebtedness			$ 10,250,000
Net Debt-Contracting Margin			$ 63,461,712
The percent of debt contracting power exhausted is			13.91%

[1] Based on preliminary 2023-2024 building aid estimates, the District anticipates State Building aid of 53.9% for debt service on State Education Department approved expenditures from July 1, 2004 to the present. The District has no reason to believe that it will not ultimately receive all of the building aid it anticipates, however, no assurance can be given as to when and how much building aid the District will receive in relation to the outstanding bonds.

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

Bonded Debt Service

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

Cash Flow Borrowings

The District has not issued either revenue or tax anticipation notes in the recent past, and does not reasonably expect to issue such notes in the foreseeable future.

Capital Project Plans

In May 2021 the District voters approved a $6.55 million capital project for improvements and reconstruction to the District gymnasium facilities. Funding for the project will be from borrowings and capital reserve monies, with borrowings coming pursuant to State approval and construction cash flow needs. The issuance of the Notes will redeem and renew the bond anticipation notes currently outstanding for this purpose, and will provide new money against this authorization.

The District annually issues serial bonds for the purchase of buses. On May 16, 2023, District voters will be presented with a proposition in the amount of $450,000 for this purpose.

The District does not have any other capital projects authorized at the present time.

Estimated Overlapping Indebtedness

In addition to the 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 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
Counties of:						
Jefferson	12/31/2021	$ 20,399,406	$ 3,499,406	$ 16,900,000	7.73%	$ 1,306,370
St. Lawrence	12/31/2021	29,495,000	-	29,495,000	0.27%	79,637
Towns of:						
Alexandria	12/31/2021	4,283,572	3,850,381	433,191	94.91%	411,142
Orleans	12/31/2021	17,310,978	-	17,310,978	0.03%	5,193
Theresa	12/31/2021	-	-	-	2.04%	-
Hammond	12/31/2021	990,000	-	990,000	7.40%	73,260
Village of:						
Alexandria Bay	5/31/2022	2,661,197	1,074,438	1,586,759	100.00%	1,586,759
					Total:	$ 3,462,360

(1) Outstanding bonds and bond anticipation notes are as of the close of respective fiscal years, and are 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.

Source: Comptroller's Special Report on Municipal Affairs for Local Finance Years Ended in 2021.

Debt Ratios

The following table sets forth certain ratios relating to the District's indebtedness as of May 24, 2023:

	Amount	Per Capita [a]	Percentage of Full Value [b]
Net Indebtedness [c][e]	$ 10,250,000	$ 2,893.85	1.39%
Net Indebtedness Plus Net Overlapping Indebtedness [d][e]	13,712,360	3,871.36	1.86

(a) The 2021 estimated population of the District is 3,542. (See "THE SCHOOL DISTRICT – Population" herein.)

(b) The District's full value of taxable real estate for the 2022-2023 fiscal year is $737,117,123. (See "TAX INFORMATION – Taxable Assessed Valuations" herein.)

(c) See "Debt Statement Summary" herein for the calculation of Net Indebtedness.

(d) The District's estimated share of Net Overlapping Indebtedness is $3,462,360. (See "Estimated Overlapping Indebtedness" herein.)

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

SPECIAL PROVISIONS AFFECTING REMEDIES UPON DEFAULT

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

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

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

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

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

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

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

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

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

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

MARKET AND RISK FACTORS

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

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

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

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

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

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

TAX MATTERS

In the opinion of Trespasz & Marquardt, LLP ("Bond Counsel"), based upon an analysis of existing laws, regulations, rulings, and court decisions, and assuming, among other matters, compliance with certain covenants, interest on the Notes is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), and is excluded from adjusted gross income for purposes of New York State and New York City personal income taxes. Interest on the Notes is not treated as a preference item in calculating the alternative minimum tax under the Code, however for tax years beginning after December 31, 2022, interest on the Notes is included in the "adjusted financial statement income" of certain corporations that are subject to the alternative minimum tax under Section 55 of the Code. A complete copy of the proposed form of opinion of Bond Counsel is set forth in "APPENDIX – E".

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

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

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

Future legislative proposals, if enacted into law, or clarification of the Code or court decisions may cause interest on the Notes to be subject, directly or indirectly, to federal income taxation or to be subject to or exempted from state income taxation, or otherwise prevent beneficial owners from realizing the full current benefit of the tax status of such interest. For example, legislative proposals have been advanced that would limit the exclusion from gross income of interest on obligations like the Notes to some extent for taxpayers who are individuals whose income is subject to higher marginal income tax rates. Other proposals have been made that could significantly reduce the benefit of, or otherwise affect, the exclusion from gross income of interest on obligations like the Notes. The introduction or enactment of any such legislative proposals, clarification of the Code or court decisions may also affect, perhaps significantly, the market price for, or marketability of, the Notes. Prospective purchasers of the Notes should consult their own tax advisors regarding any pending or proposed federal or state tax legislation, regulations or litigation, and regarding the impact of future legislation, regulations or litigation, as to which Bond Counsel expresses no opinion.

LEGAL MATTERS

Legal matters incident to the authorization, issuance and sale of the Notes are subject to the approving legal opinion of Trespasz & Marquardt, LLP, Bond Counsel. Bond Counsel's opinion will be in substantially the form attached hereto as APPENDIX – E".

LITIGATION

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

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

CONTINUING DISCLOSURE

In order to assist the purchasers in complying with Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended (“Rule 15c2-12”), the District will enter into an Undertaking to Provide Notice of certain Material Events, the description of which is attached hereto as “APPENDIX – C”.

Historical Compliance

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

MUNICIPAL ADVISOR

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

CUSIP IDENTIFICATION NUMBERS

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

RATINGS

The Notes are <u>not</u> rated. Pending the approval of the District, the purchaser(s) of the Notes may choose to have a rating completed after the sale at the expense of the purchaser(s), including any fees to be incurred by the District, as such rating action may result in a material event notification to be posted to EMMA and/or the provision of a supplement to the final Official Statement.

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

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

MISCELLANEOUS

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

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

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

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

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

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

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

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

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

The District contact information is as follows: Brianne Kirchoff, School Business Manager, 34 Bolton Avenue, Alexandria Bay, New York 13607, Phone: (315) 482-9971 x 2082, Fax: (315) 482-9973, Email: bkirchoff@acsghosts.org.

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

ALEXANDRIA CENTRAL SCHOOL DISTRICT

Dated: May 24, 2023

SUZANNE HUNTER
PRESIDENT OF THE BOARD OF EDUCATION AND
CHIEF FISCAL OFFICER

GENERAL FUND

Balance Sheets

Fiscal Years Ending June 30:	2018	2019	2020	2021	2022
ASSETS					
Unrestricted Cash	$ 2,737,581	$ 2,670,435	$ 2,367,839	$ 2,985,200	$ 3,601,640
Restricted Cash	538,606	1,003,739	1,378,043	617,352	533,086
Accounts Receivable	-	43,789	-	4,431	32,499
Due from Other Funds	175,968	206,580	353,783	128,342	-
Due from Fiduciary Funds	132,285	3,016	-	-	-
Due from Other Governments	154,030	137,601	171,897	161,256	128,057
State and Federal Aid Receivable	211,739	158,402	403,803	144,218	272,244
Prepaid Expenses	10,778	11,101	11,434	11,776	-
Other Receivables	2,300	-	-	-	-
TOTAL ASSETS	$ 3,963,287	$ 4,234,663	$ 4,686,799	$ 4,052,575	$ 4,567,526
LIABILITIES AND FUND EQUITY					
Accounts Payable	$ 10,236	$ -	$ 4,321	$ 32,855	$ 22,897
Accrued Liabilities	123,917	46,217	7,938	56,560	45,243
Due to Other Funds	10	-	-	-	363,632
Due to Teachers' Retirement System	427,057	449,226	399,836	425,726	469,325
Due to Employees' Retirement System	21,718	47,376	31,732	39,286	20,984
Compensated Absences	-	-	-	-	-
Other Liabilities	-	-	-	-	-
Overpayments	-	-	-	-	-
Unearned Revenues	-	-	60,996	3,000	-
Deferred Revenues	-	-	-	-	-
TOTAL LIABILITIES	582,938	542,819	504,823	557,427	922,081
FUND EQUITY					
Nonspendable	$ 849,384	$ 1,014,840	$ 1,389,477	$ 629,128	$ -
Restricted	-	-	-	-	533,086
Unreserved:					
Assigned	1,069,789	925,000	1,015,767	1,134,654	1,381,079
Unassigned	1,461,176	1,752,004	1,776,732	1,731,366	1,731,280
TOTAL FUND EQUITY	3,380,349	3,691,844	4,181,976	3,495,148	3,645,445
TOTAL LIABILITIES and FUND EQUITY	$ 3,963,287	$ 4,234,663	$ 4,686,799	$ 4,052,575	$ 4,567,526

Source: Audited financial reports of the School District. The appendix itself is not audited.

GENERAL FUND

Revenues, Expenditures and Changes in Fund Balance

Fiscal Years Ending June 30:	2017	2018	2019	2020	2021
REVENUES					
Real Property Taxes	$ 6,618,815	$ 6,767,137	$ 6,918,275	$ 7,185,574	$ 7,356,208
Other Tax Items	492,643	483,707	474,127	446,232	381,964
Charges for Services	6,138	4,639	2,829	920	2,903
Use of Money & Property	5,336	1,209	49,592	70,417	8,017
Sale of Property and Compensation for Loss	538	23,233	40,497	52,676	19,316
Miscellaneous	252,597	211,927	226,159	155,063	162,271
Interfund Revenues	-	-	-	-	-
Revenues from State Sources	4,694,225	4,683,046	4,993,143	4,914,266	5,024,472
Revenues from Federal Sources	21,017	5,907	34,432	24,339	173,231
Total Revenues	$ 12,091,309	$ 12,180,805	$ 12,739,054	$ 12,849,487	$ 13,128,382
Other Sources:					
Interfund Transfers	-	-	-	-	-
Total Revenues and Other Sources	12,091,309	12,180,805	12,739,054	12,849,487	13,128,382
EXPENDITURES					
General Support	$ 1,386,059	$ 1,771,720	$ 1,545,838	$ 2,056,967	$ 2,183,045
Instruction	5,493,419	5,874,378	5,722,455	5,502,414	5,205,224
Pupil Transportation	901,351	957,148	984,058	737,324	710,305
Community Services	-	-	-	-	-
Employee Benefits	2,980,677	3,133,648	3,186,181	3,129,460	3,123,098
Debt Service	781,713	557,854	853,877	805,908	847,798
Total Expenditures	$ 11,543,219	$ 12,294,748	$ 12,292,409	$ 12,232,073	$ 12,069,470
Other Uses:					
Interfund Transfers	379,076	274,897	135,150	127,282	1,745,740
Total Expenditures and Other Uses	11,922,295	12,569,645	12,427,559	12,359,355	13,815,210
Excess (Deficit) Revenues Over Expenditures	169,014	(388,840)	311,495	490,132	(686,828)
FUND BALANCE					
Fund Balance - Beginning of Year	3,235,640	3,769,189	3,380,349	3,691,844	4,181,976
Prior Period Adjustments (net)	364,535	-	-	-	-
Fund Balance - End of Year	$ 3,769,189	$ 3,380,349	$ 3,691,844	$ 4,181,976	$ 3,495,148

Source: Audited financial reports of the School District. The appendix itself is not audited.

GENERAL FUND

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

Fiscal Years Ending June 30:	2022			2023	2024
	Adopted Budget	Final Budget	Actual	Adopted Budget	Adopted Budget
REVENUES					
Real Property Taxes	$ 7,859,325	$ 7,506,840	$ 7,506,840	$ 8,165,839	$ 8,328,339
Other Tax Items	10,000	362,485	368,322	-	-
Charges for Services	-	-	12,220	-	-
Use of Money & Property	5,000	5,000	11,221	-	-
Sale of Property and Compensation for Loss	-	-	20,096	-	-
Miscellaneous	70,000	70,000	205,895	-	-
Interfund Revenues	-	-	-	-	-
Revenues from State Sources	5,151,796	5,151,796	5,122,354	5,178,031	5,645,668
Revenues from Federal Sources	-	-	52,506	60,800	60,800
Total Revenues	$ 13,096,121	$ 13,096,121	$ 13,299,454	$ 13,404,670	$ 14,034,807
Other Sources:					
Interfund Transfers	-	-	-	100,000	100,000
Total Revenues and Other Sources	13,096,121	13,096,121	13,299,454	13,504,670	14,134,807
EXPENDITURES					
General Support	$ 2,168,053	$ 2,364,139	$ 2,320,545	$ 2,441,570	$ 2,550,595
Instruction	6,015,389	5,896,515	5,509,669	6,208,864	6,613,106
Pupil Transportation	1,221,800	1,221,896	888,819	1,282,703	1,125,764
Community Services	-	-	-	-	-
Employee Benefits	3,724,880	3,730,265	3,152,188	3,906,115	4,023,812
Debt Service	911,064	911,064	911,064	976,418	1,268,964
Total Expenditures	$ 14,041,186	$ 14,123,879	$ 12,782,285	$ 14,815,670	$ 15,582,241
Other Uses:					
Interfund Transfers	190,000	366,961	366,872	215,000	320,000
Total Expenditures and Other Uses	14,231,186	14,490,840	13,149,157	15,030,670	15,902,241
Excess (Deficit) Revenues Over Expenditures	(1,135,065)	(1,394,720)	150,297	(1,526,000)	(1,767,434)
FUND BALANCE					
Fund Balance - Beginning of Year	1,135,065	1,394,720	3,495,148	1,526,000	1,767,434
Prior Period Adjustments (net)	-	-	-	-	-
Fund Balance - End of Year	$ -	$ -	$ 3,645,445	$ -	$ -

Source: Audited financial report and budgets (unaudited) of the School District. The appendix itself is not audited.

BONDED DEBT SERVICE

Fiscal Year Ending June 30th	Principal	Interest	Total
2023	$ 738,000	$ 155,911.34	$ 893,911.34
2024	815,000	151,963.38	966,963.38
2025	635,000	129,061.50	764,061.50
2026	600,000	113,015.25	713,015.25
2027	555,000	97,330.75	652,330.75
2028	515,000	81,775.00	596,775.00
2029	460,000	67,287.50	527,287.50
2030	475,000	53,487.50	528,487.50
2031	495,000	39,237.50	534,237.50
2032	510,000	24,387.50	534,387.50
2033	260,000	8,450.00	268,450.00
TOTALS	$ 6,058,000	$ 921,907.22	$ 6,979,907.22

CURRENT BONDS OUTSTANDING

Fiscal Year Ending June 30th	2016 Refunding of 2010 Serial Bonds Principal	Interest	Total	2018 Capital Project Principal	Interest	Total
2023	$ 195,000	$ 5,950.00	$ 200,950.00	$ 380,000	$ 141,387.50	$ 521,387.50
2024	200,000	2,000.00	202,000.00	395,000	129,987.50	524,987.50
2025	-	-	-	405,000	118,137.50	523,137.50
2026	-	-	-	415,000	105,987.50	520,987.50
2027	-	-	-	430,000	93,537.50	523,537.50
2028	-	-	-	445,000	80,637.50	525,637.50
2029	-	-	-	460,000	67,287.50	527,287.50
2030	-	-	-	475,000	53,487.50	528,487.50
2031	-	-	-	495,000	39,237.50	534,237.50
2032	-	-	-	510,000	24,387.50	534,387.50
2033	-	-	-	260,000	8,450.00	268,450.00
TOTALS	$ 395,000	$ 7,950.00	$ 402,950.00	$ 4,670,000	$ 862,525.00	$ 5,532,525.00

Fiscal Year Ending June 30th	2019 Bus Bonds Principal	Interest	Total	2020 Bus Bonds Principal	Interest	Total
2023	$ 50,000	$ 2,792.50	$ 52,792.50	$ 55,000	$ 1,617.50	$ 56,617.50
2024	50,000	1,930.00	51,930.00	55,000	1,246.25	56,246.25
2025	55,000	715	55,715	55,000	820.00	55,820.00
2026	-	-	-	60,000	300.00	60,300.00
TOTALS	$ 155,000	$ 5,437.50	$ 160,437.50	$ 225,000	$ 3,983.75	$ 228,983.75

Fiscal Year Ending June 30th	2021 Bus Bonds Principal	Interest	Total	2022 Bus Bonds Principal	Interest	Total
2023	$ 58,000	$ 4,163.84	$ 62,163.84	$ -	$ -	$ -
2024	60,000	2,394.00	62,394.00	55,000	14,405.63	69,405.63
2025	60,000	1,914.00	61,914.00	60,000	7,475.00	67,475.00
2026	60,000	1,284.00	61,284.00	65,000	5,443.75	70,443.75
2027	60,000	462.00	60,462.00	65,000	3,331.25	68,331.25
2028	-	-	-	70,000	1,137.50	71,137.50
TOTALS	$ 298,000	$ 10,217.84	$ 308,217.84	$ 315,000	$ 31,793.13	$ 346,793.13

MATERIAL EVENT NOTICES

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

(a) principal and interest payment delinquencies

(b) non-payment related defaults, if material

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

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

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

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

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

(h) note calls, if material and tender offers

(i) defeasances

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

(k) rating changes

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

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

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

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

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

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

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

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

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

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

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

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

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

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ALEXANDRIA CENTRAL SCHOOL DISTRICT
JEFFERSON AND ST. LAWRENCE COUNTIES, NEW YORK

AUDITED FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED

JUNE 30, 2022

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

Alexandria Central School District
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June 30, 2022

STACKEL & NAVARRA, C.P.A., P.C.
CERTIFIED PUBLIC ACCOUNTANTS

COMMUNITY BANK BUILDING – 216 WASHINGTON STREET
WATERTOWN, NEW YORK 13601-3336
TELEPHONE 315/782-1220
FAX 315/782-0118

Robert F. Stackel, C.P.A.
Jacob Navarra, C.P.A.
Mark B. Hills, C.P.A.

Independent Auditors' Report

Board of Education
Alexandria Central School District

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Alexandria Central School District as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Alexandria Central School District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Alexandria Central School District, as of June 30, 2022, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

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

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

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

Change in Accounting Principle

As discussed in Note 3 to the financial statements, in 2022, Alexandria Central School District adopted new accounting guidance, GASB No. 87, *Leases*. Our opinion is not modified with respect to this matter.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the schedule of funding progress - other post-employment benefits – last 5 fiscal years, the schedule of revenue, expenditures and changes in fund balance – budget and actual – general fund, the schedules of District contributions – NYSTRS & NYSERS pension plans – last 8 fiscal years, and the schedules of District's proportionate share of the net pension liability – NYSTRS & NYSERS pension plans – last 8 fiscal years on pages 5-17 and 61-64 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 14, 2022, on our consideration of Alexandria Central School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Alexandria Central School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Alexandria Central School's internal control over financial reporting and compliance.

Stackel + Navarra, CPA, PC

Watertown, NY
October 14, 2022

Alexandria Central School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2022

The following is a discussion and analysis of the District's financial performance for the fiscal year ended June 30, 2022. This section is a summary of the District's financial activities based on currently known facts, decisions, and/or conditions. It is also based on both the government-wide and fund-based financial statements. The results of the current year are discussed in comparison with the prior year, with an emphasis placed on the current year. This section is only an introduction and should be read in conjunction with the District's financial statements, which immediately follow this section.

Financial Highlights

At the close of the fiscal year, the total liabilities plus deferred inflow of resources (what the District owes) exceeded its total assets plus deferred outflow of resources (what the Districts owns) by $41,512,531 (net position).

As of the close of the fiscal year, the District's governmental funds reported combined fund balances of $5,114,252, a decrease of $59,425 in comparison with the prior year.

At the close of the fiscal year, the total enrollment was 498 students, an increase of 37 students (8.03%) with the prior year.

During the fiscal year, the District had begun, and completed, one capital outlay project. These project included upgrades to the boys' locker room. Other projects that had begun in the prior year and completed during the current year included a new fueling station and a storage building. The voter-approved gym renovation was begun during the 2020-21 year, and is still in process.

During the fiscal year, the District received voter authorization to bond two (2) school buses. These bond proceeds amounted to $298,000, with the first principal payment due August 2022.

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 Management's Discussion and Analysis is intended to serve as an introduction to the District's basic financial statements.

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 District's operations in more detail than the government-wide statements. The fund financial statements concentrate on the District's most significant funds with all other non-major funds consolidated in one column. The District considers each fund as a significant fund.

The financial statements also include notes that explain some of the information in the statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the financial statements with a comparison of the District's budget for the year.

The major features of the District's financial statements, including the portion of the District's activities they cover and types of information they contain are shown below. The remainder of this overview section of MD&A highlights the structure and contents of each of the statements.

Major Features of the Government-Wide and Fund Financial Statements			
	Government-Wide Statements	**Fund Financial Statements**	
		Governmental Funds	**Fiduciary Funds**
Scope	Entire District (except fiduciary funds)	The activities of the District that are not proprietary or fiduciary, such as special education and building maintenance.	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 Revenues, Expenditures, and Changes in Fund Balances	• Statement of Fiduciary Net Position • Statement of Changes in Fiduciary Net Position
Accounting Basis and Measurement Focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial focus	Accrual accounting and economic resources focus
Type of Asset / Deferred Outflows of Resources / Liability / Deferred Inflows of Resources Information	All assets, deferred outflows of resources, liabilities, and deferred inflows of resources both financial and capital, short-term and long-term debt	Generally, assets and deferred outflows of resources expected to be used up and liabilities and deferred inflows of resources that come due or available during the year or soon thereafter; no capital assets or long-term liabilities included	All assets, deferred outflows of resources (if any), liabilities, and deferred inflows of resources (if any) both short-term and long-term; funds do not currently contain capital assets, although they can
Type of Inflow/ Outflow Information	All revenues and expenses during the year, regardless of when cash is received or paid	Revenues 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, deferred outflows or resources, liabilities and deferred inflows of resources. All of the current year's revenues and expenses are accounted for in the Statement of Activities regardless of when cash is received or paid.

The two government-wide statements report the District's net position and how it has changed. Net position, the difference between the District's assets plus deferred outflows of resources and liabilities plus 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 is an indicator of whether its financial position is improving or deteriorating, respectively. Additional nonfinancial factors such as changes in the District's property tax base and the condition of school buildings and facilities must also be considered to assess the District's overall health.

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

Fund Financial Statements

A fund is a grouping of related accounts and is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. All of the funds of the District are governmental funds.

Governmental Funds

All of the District's basic services are included in governmental funds, which generally focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year end that are available for spending.

The funds are reported using modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash.
The governmental funds statements provide a detailed short-term view that helps to determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs.

This information does not encompass the additional long-term focus of the government-wide statements; therefore, additional information at the bottom of the governmental funds statements explains the relationship or differences between them.

The District maintains six individual governmental funds. Information is presented separately in the governmental fund *Balance Sheet* and the governmental fund *Statement of Revenues, Expenses, and Changes in Fund Balance* for the General Fund, Special Aid Fund, Food Services Fund, Debt Service Fund, Miscellaneous Special Revenues, and Capital Projects Fund.

Financial Analysis of the District as a Whole

Net Position

The District's combined net position on June 30, 2022 changed by ($13,234,474) to ($41,512,531) as shown in the table on the following page:

Changes in Net Position from Operating Results

	Governmental Activities and Total School District			
	2021	2022	Increase / (Decrease)	Percentage Change
Current and Other Assets	$ 5,757,262	$ 12,701,861	$ 6,944,599	120.62%
Capital Assets, Net	15,827,872	16,155,349	327,477	2.07%
Total Assets	21,585,134	28,857,210	7,272,076	33.69%
Deferred Outflows of Resources	16,275,141	7,530,338	(8,744,803)	-53.73%
Total Assets and Deferred Outflows of Resources	37,860,275	36,387,548	(1,472,727)	-3.89%
Long-term Liabilities	64,085,212	71,665,642	7,580,430	11.83%
Other Liabilities	595,058	621,984	26,926	4.52%
Total Liabilities	64,680,270	72,287,626	7,607,356	11.76%
Deferred Inflows of Resources	1,686,007	5,612,453	3,926,446	232.88%
Total Liabilities and Deferred Inflows of Resources	66,366,277	77,900,079	11,533,802	17.38%
Net Position				
Net Investment in Capital Assets	9,599,013	10,372,787	773,774	8.06%
Restricted	797,115	1,399,938	602,823	75.63%
Unrestricted (Restated)	(38,902,130)	(53,285,256)	(14,383,126)	36.97%
Total Net Position	$ (28,506,002)	$ (41,512,531)	$ (13,006,529)	45.63%

The District's financial position is the product of many factors including funding reserves and the result of full implementation of GASB #75 regarding retiree health obligations.

A substantial portion of the District's net position reflects its investment in capital assets consisting of land, buildings and improvements, equipment, and vehicles, less any related debt used to acquire those assets still outstanding. The District uses these assets to provide services to the students and consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The District's net position includes resources that are subject to external restrictions on how they may be used, which includes reserves set aside for specific purposes governed by statutory law and regulations. These include the debt service reserve, which is set aside for the repayment of bonds issued to finance capital projects; the capital reserve, which is dedicated for future renovations as approved by the District's voters; the employee benefit accrued liability reserve, which must be used to pay future accumulated sick and vacation time; the retirement contribution reserve, which is restricted to fund contributions paid by the District for both of the State's retirement systems; and the unemployment reserve, which is restricted to pay the cost of reimbursement to the State Unemployment Insurance Fund.

Changes in deferred outflows and deferred inflows of resources include changes in pension and postemployment benefits activity at the State level which is required to be reflected on the District's financial statements. Deferred outflows of resources include contributions required to be paid by the District to the State pension systems and healthcare premiums after the measurement date, and as such are not included in the current net pension position. Deferred outflows and deferred inflows of resources also reflect variances from actuarial assumptions, actual results of investment earnings compared to projected earnings, and changes of assumptions. The District has no control or authority over these transactions.

Changes in Net Position from Operating Results

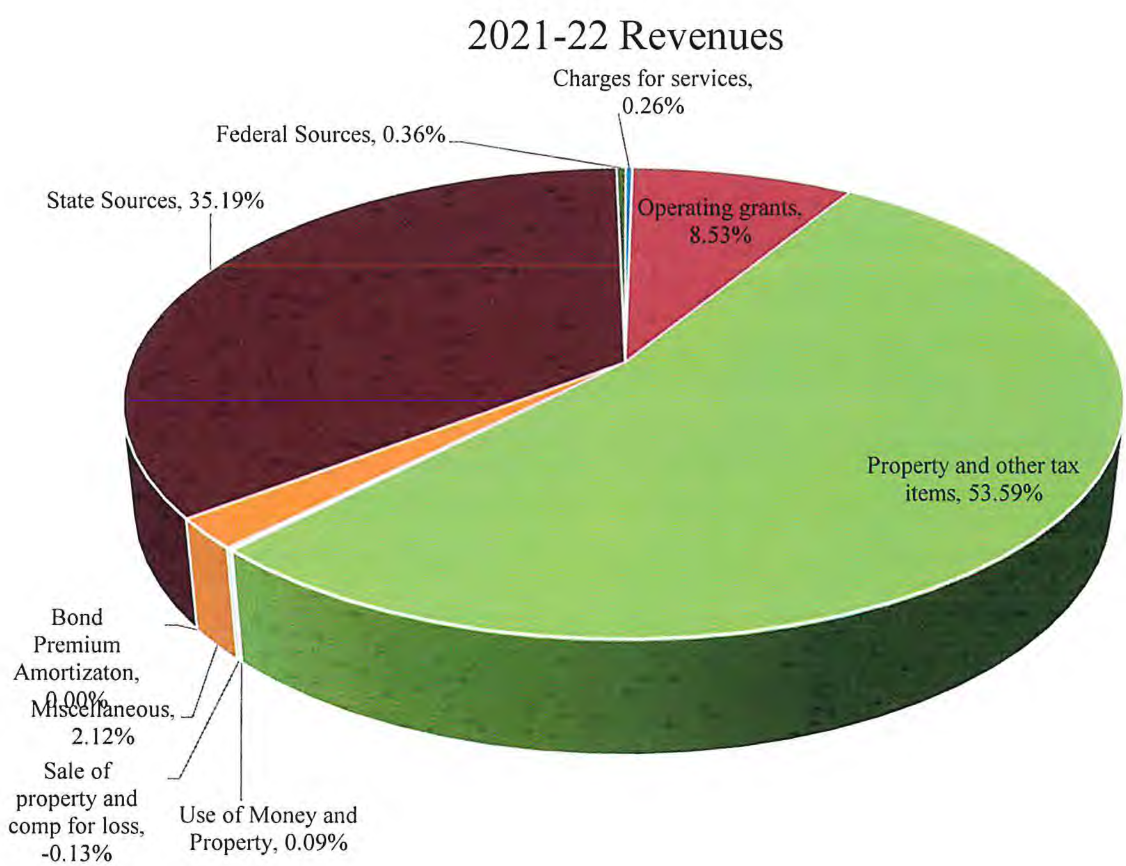
	Governmental Activities and Total School District			
	2021	**2022**	**Increase / (Decrease)**	**Percentage Change**
Revenues				
Charges for Services	$ 13,804	$ 37,808	$ 24,004	173.89%
Operating Grants and Contributions	723,347	1,253,301	529,954	73.26%
General Revenues				
Property Taxes	7,738,172	7,875,162	136,990	1.77%
State Formula Aid	4,960,221	5,171,005	210,784	4.25%
Federal CARES Act	155,607	-	(155,607)	-100.00%
Interest Earnings	8,140	13,304	5,164	63.44%
Other	205,883	339,931	134,048	65.11%
Total Revenues	13,805,174	14,690,511	885,337	6.41%
Expenses				
General Support	3,399,503	5,222,033	1,822,530	53.61%
Instruction	12,540,171	19,345,867	6,805,696	54.27%
Pupil Transportation	1,630,455	2,703,766	1,073,311	65.83%
Debt Service - Interest	184,156	169,449	(14,707)	-7.99%
School Food Service Program	382,266	483,870	101,604	26.58%
Total Expenses	18,136,551	27,924,985	9,788,434	53.97%
Increase/(Decrease) in Net Position	$ (4,331,377)	$ (13,234,474)	$ (8,903,097)	205.55%

Governmental Activities

This section discusses the cost of five major District activities: general support, instruction, pupil transportation, school lunch, and interest on long-term debt.

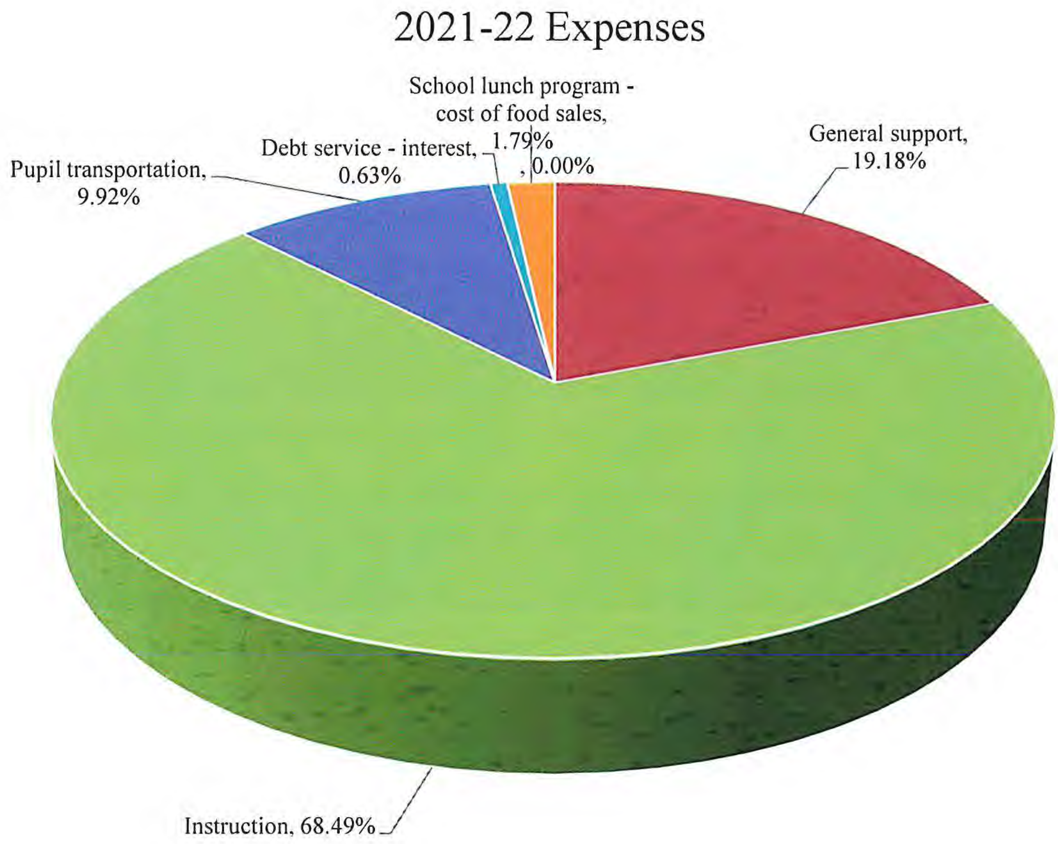
The District's total revenue increased by 6%, to $14,690,511. State and federal aid (36%) and property taxes (54%) accounted for most of the District's revenue. The remaining (10%) of the revenue comes from operating grants, charges for services, investment earnings, compensation for loss, and miscellaneous revenues. The federal and state governments subsidized certain programs with grants and contributions of $1,253,301. Grants and contributions increased by 73% over prior year due to the funding received from CRRSA and ARPA.

Most of the District's costs, however, were financed by District taxpayers and taxpayers of New York State. There was $5,171,005 in state aid based on a statewide education aid formula, and $7,875,162 received in property taxes.



The total cost of all the programs and services increased to $27,924,985. During the 2021-22 fiscal year, Alexandria Central School District's predominate expenses were related to the direct and indirect instructional programs and caring of our students which accounted for $19,345,867, or 68% of the total costs. General support, which included expenses associated with the operation, maintenance, and administration of the District accounted for 19% of the total costs.

The year-over-year increase in expenses totaled $9,788,434, or 54%. This increase in expenses were a result of the ongoing gym construction, and expenses related to the CRRSA and ARPA funding.



Financial Analysis of the District's Funds

The strong financial performance of the District as a whole is reflected in its governmental funds. For the 2021-22 fiscal year, the total fund balance in the governmental funds had a planned decrease of .01%. At the end of the fiscal year, the District's governmental funds reported combined fund balances of $5,114,252, a decrease of $59,425 from last year's ending fund balance of $5,173,677. The fund balances represent the availability of governmental fund resources for future use.

Nonspendable fund balance is the portion of fund balance which is not available for appropriation because the funds are in nonspendable form, such as inventory, prepaid items, and/or long-term receivables.

A reserved or restricted fund balance indicates that it is not available due to the fact that it is either legally restricted to liquidate current contracts or restricted for other purposes. The additional reserve and the increases in the amounts in various reserves demonstrate the continuing growth in the District's financial strength.

The assigned fund balance is generally comprised of appropriated for taxes for the next fiscal year and/or encumbrances which represent purchase commitments made by the District's Purchasing Agent through their authorization of a purchase order prior to year end.

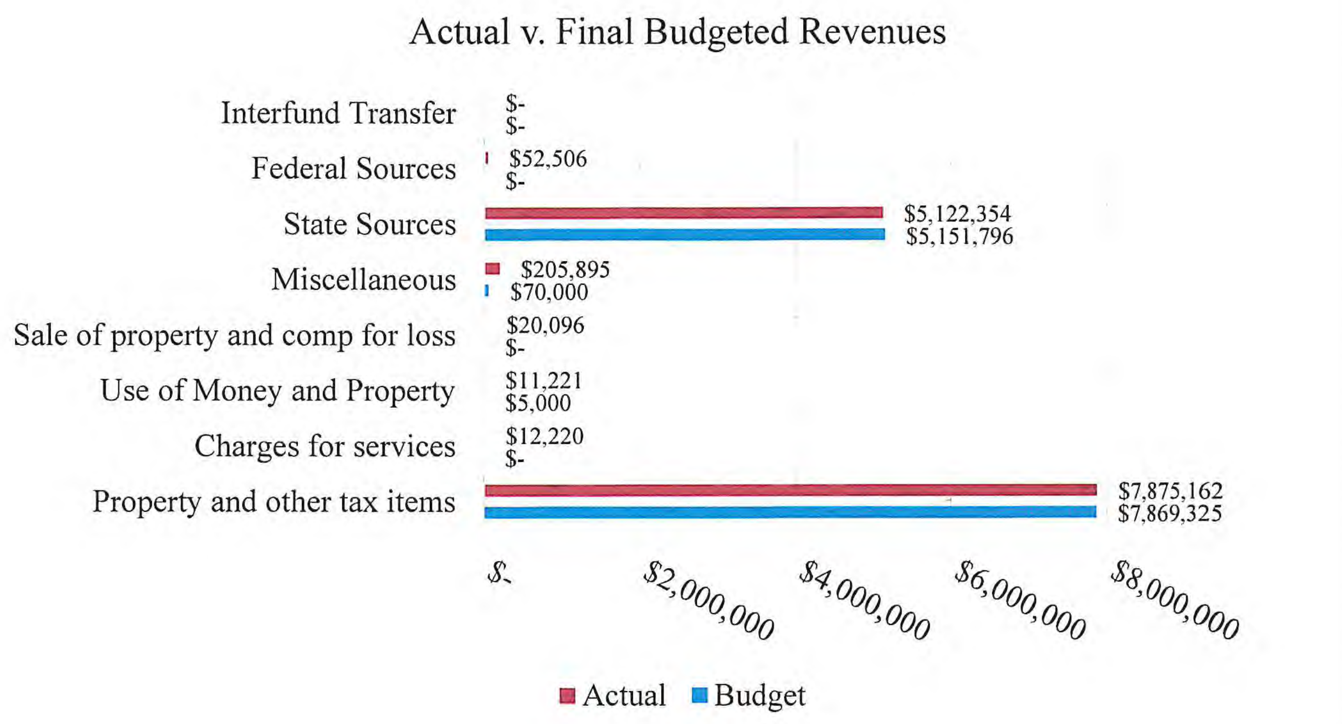
One of the most important pieces of information reported in the governmental fund financial statements is unassigned fund balance. The unassigned portion is not specifically designated and will assist the District in cash flow needs.

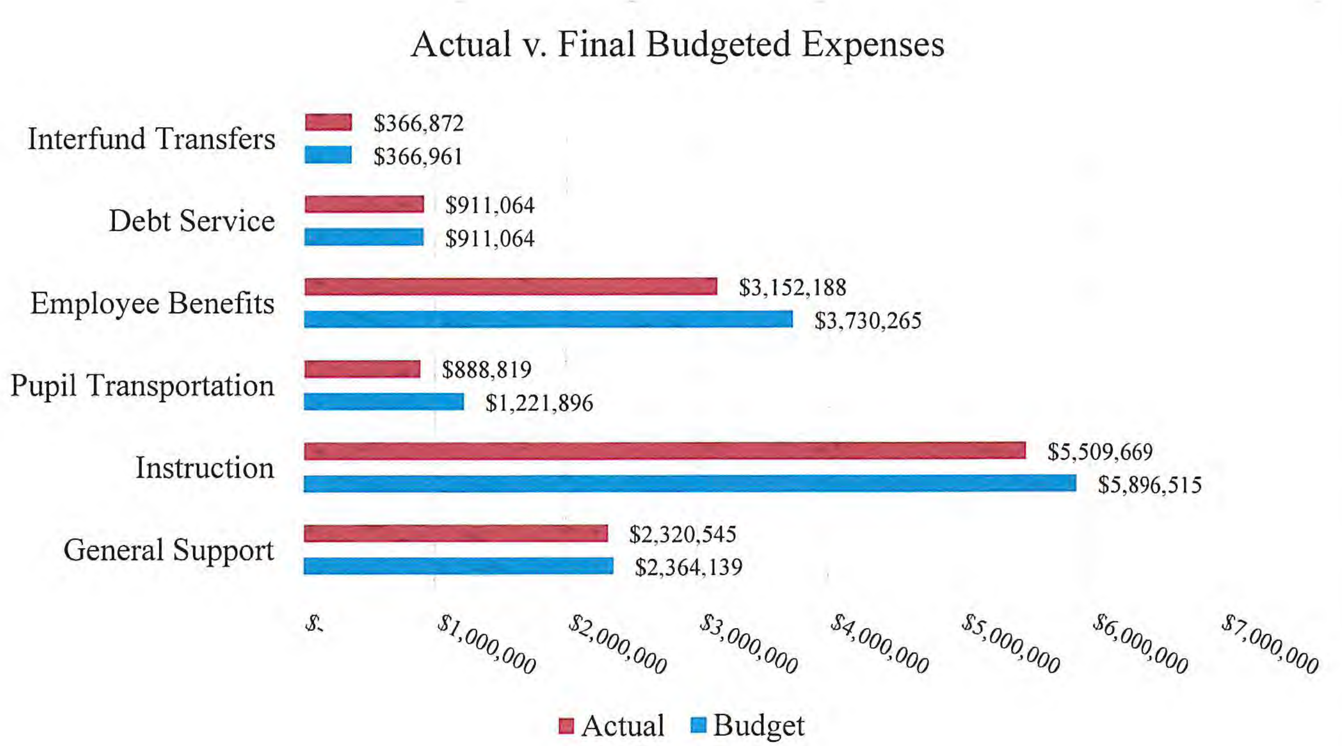
The fund balance available in the General Fund represents $3,645,445 of the governmental total fund balance. At the end of this year, the total fund balance in the General Fund was divided between $533,086 in restricted fund balance, $1,381,079 in assigned fund balance, and $1,731,280 in unassigned fund balance.

The District funded the following restricted funds in the 2021-22 fiscal year, see table below:

General Fund Restricted Balances:	**2021**	**2022**	**Total Variance**
Reserve for Unemployment Insurance	$ 61,904	$ 62,003	$ 99
Retirement Contribution Reserve - ERS	364,607	365,190	583
Retirement Contribution Reserve - TRS	80,764	80,893	129
Reserve for Employee Benefit Accrued Liability	110,077	25,000	(85,077)
Total General Fund Restricted Balance	**$ 617,352**	**$ 533,086**	**$ (84,266)**

General Fund Budgetary Highlights





Over the course of the year, the District revised the annual operating budget. During the 2021-22 fiscal year, the Board of Education approved amendments increasing budget appropriations from $14,231,186 to $14,490,840. This increase included $109,654 of encumbrances rolled over from the prior fiscal year, and $150,000 of transfers into the Capital Fund, based upon the voter-approved gym renovation project.

Actual revenues were $13,299,454, a difference of $203,333 or 1.6% higher than the final amended budget. Sale of property, miscellaneous, State and Federal revenues were all higher than anticipated. This was due to new Inter-Municipal Agreements with Hammond Central School District and the Village of Alexandria Bay. During the 2021-22 fiscal year, Alexandria Central took over the maintenance of Hammond's transportation department and also took over Hammond's business office. The revenues from this agreement amounted to $44,879. The agreement with the Village of Alexandria Bay was due to the new joint fueling station. Alexandria Central School District provides the fuel (gasoline and diesel) and bills the Village monthly for their share of the fuel costs. Those revenues amounted to $38,517.

Actual expenditures and carryover encumbrances were $13,180,236 or 9% less than the final amended budget due, in part, to conservative budgeting and expenditure controls.

Capital Asset and Debt Administration

Capital Assets

By the end of the 2021-22 fiscal year, the District has invested $16,155,349 in a broad range of capital assets, including land, school buildings, furniture, equipment, and vehicles. These amounts are represented as follows:

	2021	2022 Additions	2022 Retirements	2022
Land	$ 54,825	$ -	$ -	$ 54,825
Construction in Progress	325,254	490,482	(305,745)	509,991
Buildings and improvements	20,822,885	480,273	-	21,303,158
Furniture and equipment	435,751	94,774	-	530,525
Vehicles	1,828,041	291,099	(252,626)	1,866,514
Less:				
Accumulated depreciation	(7,638,884)	(689,342)	218,562	(8,109,664)
Net Capital Assets	**$ 15,827,872**	**$ 667,286**	**$ (339,809)**	**$ 16,155,349**

Notable additions during the fiscal year included the purchase of two (2) buses, via bonding, an emergency fueling station; a storage building; and the voter-approved gym renovation.

Right-to-Use Assets

The District is in possession of assets that it paid for the right-to-use over a period of time. All of the assets under the right-to-use agreement were paid for during the past five years, in full, during the year the right-to-use agreement began for a particular asset. The amount is amortized over five years, the number of years each asset item is to be used under the right-to-use agreement. A summary of the assets purchased by year, less accumulated amortization, is summarized as follows:

Fiscal year obtained	Cost	Prior Amortization	Current Amortization	Total Amortization	Net
06/30/18	$ 116,084	$ 69,650	$ 23,217	$ 92,867	$ 23,217
06/30/19	66,735	26,694	13,347	40,041	26,694
06/30/20	100,050	20,010	20,010	40,020	60,030
06/30/21	61,430	-	12,286	12,286	49,144
06/30/22	83,971	-	-	-	83,971
Total	$ 428,270	$ 116,354	$ 68,860	$ 185,214	$ 243,056

Short-Term Debt

At year-end, the District had obtained BAN financing for the gym construction project. Transactions for short-term debt are as follows:

	Maturity	Stated Interest Rate	Beginning Balance	Issued	Redeemed	Ending Balance
BAN	06/29/23	3.00%	$ -	$2,519,919	$ -	$ 2,519,919

Long-Term Debt

At year-end, the District had $69,145,723 in general obligation bonds and other long-term debt outstanding, a $5,060,511 increase from last year as follows:

	2021	2022 Additions	2022 Retirements	2022
Bonds payable	$ 6,107,500	$ 298,000	$ (662,500)	$ 5,743,000
Premiums on bonds	24,798	-	(5,006)	19,792
Installment purchase debt	96,561	-	(76,791)	19,770
Compensated absenses payable	53,136	28,347	-	81,483
Other postemploymnet benefits obligation	57,158,577	6,123,101	-	63,281,678
Net pension liability - proportionate share	644,640	-	(644,640)	-
Total Long-Term Obligations	**$ 64,085,212**	**$ 6,449,448**	**$ (1,388,937)**	**$ 69,145,723**

School Food Service Fund

During the 2021-22 fiscal year, the USDA required Districts to offer breakfast and lunch to all students, free of charge, funded under the COVD-19 Summer Food Service Program. The fund continued to operate at a loss, which required an $85,365 transfer from the General Fund to supplement the Food Service Program.

Adoption of New Pronouncement/Restatement of Prior Period Fund Balance

During the current year, the District adopted GASB Statement No. 87, *Leases.* This pronouncement requires the District to report any leases and the related assets as lease payable and capital assets. The District currently pays for its lease-type assets in full up front and then has the right to use the asset for a period of five years. The prior period net asset balance has been adjusted by the net amount of the right-to-use assets (cost less accumulated amortization), an amount of $227,945.

Factors Bearing on the District's Future

At the time these financial statements were prepared and audited, the School District was not aware of any existing circumstances which could significantly affect its financial position in the future.

Contacting the District's Financial Management

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

Miss Brianne Kirchoff
School Business Administrator
Alexandria Central School District
34 Bolton Avenue
Alexandria Bay, NY 13607

Alexandria Central School District
Statement of Net Position
Governmental Activities
June 30, 2022

Statement #1

Assets		
Cash		
Unrestricted	$ 6,919,854	
Restricted	728,766	
Receivables		
Accounts receivable	32,499	
State and federal aid	367,223	
Due from other governments	176,708	
Inventories	19,822	
Capital assets (net)		
Not being depreciated	564,816	
Being depreciated - net of accumulated depreciation	15,590,533	
Right-to-use asset, net of accumulated depreciation	243,056	
Net pension asset - proportionate share	4,213,933	
Total Assets		$ 28,857,210
Deferred Outflows of Resources		
Pensions	3,375,063	
Other postemployment benefits	4,150,009	
Deferred charges - bond refunding	5,266	
Total Deferred Outflows of Resources		$ 7,530,338
Total Assets and Deferred Outflows of Resources		$ 36,387,548
Liabilities		
Payables		
Accounts payable	$ 28,985	
Accrued liabilities	45,243	
Accrued interest	11,283	
Due to other governments	519	
Unearned credits	38,261	
Due to teachers' retirement system	469,325	
Due to employees' retirement system	28,368	
Long-term liabilities		
Due and payable within one year		
Bond anticipation note	2,519,919	
Bonds payable, net	741,456	
Installment purchase debt payable	19,770	
Due and payable after one year		
Bonds payable, net	5,021,336	
Compensated absences	81,483	
Other postemployment benefits payable	63,281,678	
Total Liabilities		$ 72,287,626

See Notes to Financial Statements.

Alexandria Central School District
Statement of Net Position
Governmental Activities
June 30, 2022

Statement #1

Deferred Inflows of Resources		
Pensions	$ 5,612,453	
Total Deferred Inflows of Resources		$ 5,612,453
Net Position		
Net investment in capital assets	$ 10,372,787	
Restricted for:		
Unemployment	62,003	
Retirement contributions - ERS/TRS	446,083	
Employee benefits	25,000	
Debt	195,680	
Other legal restrictions	671,172	
Unrestricted (deficit)	(53,285,256)	
Total Net Position		$ (41,512,531)

Alexandria Central School District
Statement of Activities and Changes in Net Position
Governmental Activities
For the Year Ended June 30, 2022

	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants	Net (Expense) Revenues and Changes in Net Position
Functions/Programs				
General support	$ 5,222,033	$ -	$ -	$ (5,222,033)
Instruction	19,345,867	12,220	886,502	(18,447,145)
Pupil transportation	2,703,766	-	-	(2,703,766)
Debt service - interest	169,449	-	-	(169,449)
School lunch program	483,870	25,588	366,799	(91,483)
Total Functions and Programs	$ 27,924,985	$ 37,808	$ 1,253,301	(26,633,876)
General Revenues				
Real property taxes				7,506,840
Other tax items				368,322
Use of money and property				13,304
Sale of property and compensation for loss				(19,604)
Miscellaneous				307,029
State sources				5,171,005
Federal sources				52,506
Total General Revenues				13,399,402
Change in Net Position				(13,234,474)
Total Net Position - Beginning of year as restated				(28,278,057)
Total Net Position - End of year				$ (41,512,531)

See Notes to Financial Statements.

Alexandria Central School District
Balance Sheet
Governmental Funds
June 30, 2022

	General	Special Aid	School Food Service	Debt Service	Capital Projects	Miscellaneous Special Revenue	Total Governmental Funds
Assets							
Cash							
Unrestricted	$ 3,601,640	$ -	$ 1,577	$ -	$ 3,256,551	$ 60,086	$ 6,919,854
Restricted	533,086	-	-	195,680	-	-	728,766
Receivables							
Accounts receivable	32,499	-	-	-	-	-	32,499
State and federal aid	272,244	30,150	64,829	-	-	-	367,223
Due from other funds	-	4,379	-	-	415,024	-	419,403
Due from other governments	128,057	-	-	-	48,651	-	176,708
Inventories	-	-	19,822	-	-	-	19,822
Total Assets	$ 4,567,526	$ 34,529	$ 86,228	$ 195,680	$ 3,720,226	$ 60,086	$ 8,664,275
Liabilities							
Payables							
Accounts payable	$ 22,897	$ -	$ -	$ -	$ 6,088	$ -	$ 28,985
Accrued liabilities	45,243	-	-	-	-	-	45,243
Bond anticipation note	-	-	-	-	2,519,919	-	2,519,919
Due to other funds	363,632	-	55,771	-	-	-	419,403
Due to other governments	-	-	519	-	-	-	519
Due to teachers' retirement system	469,325	-	-	-	-	-	469,325
Due to employees' retirement system	20,984	-	7,384	-	-	-	28,368
Unearned credits							
Unearned revenues	-	34,529	2,732	-	-	1,000	38,261
Total Liabilities	922,081	34,529	66,406	-	2,526,007	1,000	3,550,023
Fund Balances							
Nonspendable	-	-	19,822	-	-	-	19,822
Restricted for:							
Unemployment	62,003	-	-	-	-	-	62,003
Retirement contributions - ERS/TRS	446,083	-	-	-	-	-	446,083
Employment benefits accrued liability	25,000	-	-	-	-	-	25,000
Debt	-	-	-	195,680	-	-	195,680
Capital	-	-	-	-	671,172	-	671,172
Assigned	1,381,079	-	-	-	523,047	59,086	1,963,212
Unassigned	1,731,280	-	-	-	-	-	1,731,280
Total Fund Balances	3,645,445	-	19,822	195,680	1,194,219	59,086	5,114,252
Total Liabilities and Fund Balances	$ 4,567,526	$ 34,529	$ 86,228	$ 195,680	$ 3,720,226	$ 60,086	$ 8,664,275

See Notes to Financial Statements.

Alexandria Central School District
Reconciliation of Governmental Funds
Balance Sheet to the Statement of Net Position
June 30, 2022

	Total Governmental Funds	Long-Term Assets & Liabilities	Reclassifications and Eliminations	Statement of Net Position Totals
Assets				
Cash				
Unrestricted	$ 6,919,854	$ -	$ -	$ 6,919,854
Restricted	728,766	-	-	728,766
Receivables				
Accounts receivable	32,499	-	-	32,499
State and federal aid	367,223	-	-	367,223
Due from other funds	419,403	-	(419,403)	-
Due from other governments	176,708	-	-	176,708
Inventories	19,822	-	-	19,822
Capital assets (net)	-	16,155,349	-	16,155,349
Right-to-use assets, net	-	243,056	-	243,056
Net pension asset - proportionate share	-	4,213,933	-	4,213,933
Total Assets	$ 8,664,275	$ 20,612,338	$ (419,403)	$ 28,857,210
Deferred Outflows of Resources				
Pensions	$ -	$ 3,375,063	$ -	$ 3,375,063
Other postemployment benefits	-	4,150,009	-	4,150,009
Deferred charges - bond refunding	-	5,266	-	5,266
Total Deferred Outflows of Resources	$ -	$ 7,530,338	$ -	$ 7,530,338
Total Assets and Deferred Outflows of Resources	$ 8,664,275	$ 28,142,676	$ (419,403)	$ 36,387,548
Liabilities				
Payables				
Accounts payable	$ 28,985	$ -	$ -	$ 28,985
Accrued liabilities	45,243	-	-	45,243
Accrued interest	-	11,283	-	11,283
Due to other funds	419,403	-	(419,403)	-
Due to other governments	519	-	-	519
Due to teachers' retirement system	469,325	-	-	469,325
Due to employees' retirement system	28,368	-	-	28,368
Notes payable				
Bond anticipation	2,519,919	-	-	2,519,919
Unearned credits				
Unearned revenues	38,261	-	-	38,261
Bonds payable, net	-	5,762,792	-	5,762,792
Installment purchase debt payable	-	19,770	-	19,770
Compensated absences payable	-	81,483	-	81,483
Other postemployment benefits payable	-	63,281,678	-	63,281,678
Total Liabilities	$ 3,550,023	$ 69,157,006	$ (419,403)	$ 72,287,626

See Notes to Financial Statements.

Alexandria Central School District
Reconciliation of Governmental Funds
Balance Sheet to the Statement of Net Position
June 30, 2022

Deferred Inflows of Resources				
Pensions	$ -	$ 5,612,453	$ -	$ 5,612,453
Total Deferred Inflows of Resources	$ -	$ 5,612,453	$ -	$ 5,612,453
Total Fund Balance/Net Position				
Total Fund Balances / Net Position	$ 5,114,252	$ (46,626,783)	$ -	$ (41,512,531)
Total Liabilities, Deferred Inflows of Resources and Fund Balances / Net Position	$ 8,664,275	$ 28,142,676	$ (419,403)	$ 36,387,548

See Notes to Financial Statements.

Alexandria Central School District
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds
For the Year Ended June 30, 2022

	General	Special Aid	School Food Service	Debt Service	Capital Projects	Miscellaneous Special Revenue	Total Governmental Funds
Revenues							
Real property taxes	$ 7,506,840	$ -	$ -	$ -	$ -	$ -	$ 7,506,840
Other tax items	368,322	-	-	-	-	-	368,322
Charges for services	12,220	-	-	-	-	-	12,220
Use of money and property	11,221	-	1	307	1,679	96	13,304
Sale of property and compensation for loss	20,096	-	-	-	-	-	20,096
Miscellaneous	205,895	22,232	1,610	-	-	77,292	307,029
State sources	5,122,354	68,488	7,394	-	48,651	-	5,246,887
Federal sources	52,506	818,014	351,948	-	-	-	1,222,468
Surplus food	-	-	7,457	-	-	-	7,457
Sales - school lunch	-	-	25,588	-	-	-	25,588
Total Revenues	$ 13,299,454	$ 908,734	$ 393,998	$ 307	$ 50,330	$ 77,388	$ 14,730,211
Expenditures							
General support	$ 2,320,545	$ -	$ 203,496	$ -	$ -	$ 74,869	$ 2,598,910
Instruction	5,509,669	913,272	-	-	-	-	6,422,941
Pupil transportation	888,819	-	-	-	-	-	888,819
Employee benefits	3,152,188	6,245	90,886	-	-	-	3,249,319
Debt service						-	
Principal	739,291	-	-	-	-	-	739,291
Interest	171,773	-	-	-	-	-	171,773
Cost of sales	-	-	190,760	-	-	-	190,760
Capital outlay	-	-	-	-	825,823	-	825,823
Total Expenditures	$ 12,782,285	$ 919,517	$ 485,142	$ -	$ 825,823	$ 74,869	$ 15,087,636
Excess (Deficiency) of Revenues Over Expenditures	$ 517,169	$ (10,783)	$ (91,144)	$ 307	$ (775,493)	$ 2,519	$ (357,425)
Other Financing Sources and Uses							
Issuance of serial bonds	$ -	$ -	$ -	$ -	$ 298,000	$ -	$ 298,000
Operating transfers in	-	10,783	85,365	42,047	271,560	-	409,755
Operating transfers (out)	(366,872)	-	(836)	-	(42,047)	-	(409,755)
Total Other Financing Sources (Uses)	$ (366,872)	$ 10,783	$ 84,529	$ 42,047	$ 527,513	$ -	$ 298,000
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Sources (Uses)	$ 150,297	$ -	$ (6,615)	$ 42,354	$ (247,980)	$ 2,519	$ (59,425)
Fund Balance - Beginning of year (as restated)	3,495,148	-	26,437	153,326	1,442,199	56,567	5,173,677
Fund Balance - End of year	$ 3,645,445	$ -	$ 19,822	$ 195,680	$ 1,194,219	$ 59,086	$ 5,114,252

Alexandria Central School District
Reconciliation of Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities
For the Year Ended June 30, 2022

Amounts reported for governmental activities in the Statement of Activities are different because:

Net Change in Fund Balances - Total Governmental Funds		$ (59,425)

Capital Related Items

Governmental funds report capital outlays as expenditures. However, in the Statement of assets with an initial, individual cost of more than $5,000 ($2,500 for cafeteria equipment) are capitalized and the cost is allocated over their estimated useful lives and reported as depreciation expense. This is over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period, net of related losses on disposal of capital assets.

Capital outlays	$ 801,172	
Depreciation expense	(689,342)	
Right-to-use asset	83,971	
Right-to-use asset depreciation expense	(68,860)	
Gain (loss) on disposal	(34,064)	
Additions to assets	249,711	342,588

Long-Term Debt Transactions

Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statements of Net Position. This is the amount of debt repayments made in the current period.	739,291
Proceeds of long-term debt is recorded as an other financing source for governmental funds, but it is not recorded in the Statement of Activities. This is the amount of proceeds from long-term debt received in the current year.	(298,000)
(Increases) decreases in accrued compensated absences reported in the Statement of Activities do not provide for or require the use of current financial resources and, therefore, are not reported as revenues or expenditures in the governmental funds.	(28,347)
On the Statement of Activities, the actual and projected long term expenditures for benefits are reported, whereas, on the governmental funds only the actual expenditures are recorded for postemployment benefits.	(14,697,089)

(Increases) decreases in proportionate share of net pension asset/liability reported in the Statement of Activities do not provide for or require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.

Teachers' Retirement System	608,171	
Employees' Retirement System	156,013	764,184

Deferred bond refunding costs are recognized as expenditures in the governmental funds, however, amortized over the shorter of the life of the new or old bonds in the Statement of Activities. This is the amount of these deferred outflows that are amortized as an increase in debt service - interest in the period.	(3,286)

See Notes to Financial Statements.

Alexandria Central School District
Reconciliation of Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities
For the Year Ended June 30, 2022

Proceeds from bond premiums are reported in governmental funds as revenues, however, in the Statement of Activities, the unearned revenue is allocated over the life of the bonds as a reduction of interest expense. This is the amount that the current year premiums received exceeds the amortization in the period.	5,006
(Increases) decreases in accrued interest payable reported in the Statement of Activities do not provide for or require the use of current financial resources and, therefore, are not reported as revenues or expenditures in the governmental funds.	604
Changes in Net Position of Governmental Activities	$ (13,234,474)

See Notes to Financial Statements.

1 – Summary of significant accounting policies

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

A. 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 consisting of seven members. The President of the Board serves as the chief fiscal officer and the Superintendent is the chief executive officer. The Board is responsible for, and controls, all activities related to public school education within the 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 and its component unit and other organizational entities determined to be includable in the District's financial reporting entity. 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 certain entities included in the District's reporting entity.

i. Extraclassroom Activity Funds

The Extraclassroom Activity Funds of the District represent funds of the students of the District. The Board of Education 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 a miscellaneous special revenue fund.

B. Joint Venture:

The District is a component district in the Jefferson-Lewis-Hamilton-Herkimer-Oneida Counties BOCES. A Board of Cooperative Educational Services (BOCES) is a voluntary, cooperative association of school districts in a geographic area that shares planning, services, and programs that provide educational and support activities. There is no authority or process by which a school district can terminate its status as a BOCES component.

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

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

During the year, the District was billed $1,466,526 for BOCES administrative and program costs.

The District's share of BOCES aid amounted to $330,518. This represents state aid distributions of $284,572 and 2021 fund balance returned to schools of $45,946.

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

C. Basis of Presentation:

i. 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 revenues, 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 revenues for each function of the District's governmental activities. Direct expenses are those that are specifically associated with and are clearly identifiable to a particular function. Program revenues include charges paid by the recipients of goods or services offered by the programs, and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

ii. Funds Statements:

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

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 Funds: These funds account for the proceeds of specific revenue sources such as Federal and State grants, that are legally restricted to expenditures for specified purposes, child nutrition and school store operations or other activities whose funds are restricted as to use. These legal restrictions may be imposed either by governments that provide the funds, or by outside parties. The Special Revenue Funds classified as major are:

Special Aid Fund: Used to account for special operating projects or programs supported in whole, or in part, with Federal Funds or State of Local grants.

School Food Service Fund: Used to account for transactions of the lunch and breakfast programs.

Capital Projects Funds: These funds are used to account for the financial resources used for acquisition, construction, or major repair of capital facilities. For these funds, each capital project is assessed to determine whether it is a major or non-major fund. Those capital projects that are determined to be major are reported in separate columns in the financial statements. Those that are determined to be non-major are reported in the supplemental schedules either separately or in the aggregate.

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. When a capital asset is sold and all or a portion of the bonds used to finance the capital assets are outstanding, this fund must be used to account for the proceeds from the sale of capital assets up to the balance of related bonds outstanding.

Miscellaneous Special Revenue Funds: These funds are used to account for transactions of activities for which the District has administrative control, but the activities are not part of the District's operations. Included in the miscellaneous special revenue funds are the extraclassroom activity funds and the scholarship funds.

D. Measurement Focus and Basis of Accounting:

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

The District-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are 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, State Aid, 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 State Aid is recognized in the fiscal year it is apportioned to the State. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

The governmental 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 measurable and available. The District considers all revenues reported in the governmental funds to be available if the revenues are collected within 90 days after the end of the fiscal year except for property taxes, which are considered to be available if they are collected within 60 days after the end of the fiscal year as it matches the liquidation of related obligations.

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.

E. Property Taxes:

Real property taxes are levied annually by the Board of Education no later than September 1, 2021 and become a lien on July 27, 2021. Taxes are collected during the period September 1, 2021 to October 29, 2021.

Uncollected real property taxes are subsequently enforced by Jefferson and St. Lawrence Counties. The Counties pay an amount representing uncollected real property taxes transmitted to the Counties for enforcement to the District no later than the following April 1.

F. Restricted Resources:

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

G. 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). Eliminations have been made for all interfund receivables and payables between the funds.

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

Refer to Note 12 for a detailed disclosure by individual fund for interfund receivables, payables, expenditures, and revenues activity.

H. 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, deferred outflows of resources, liabilities, deferred inflows of resources, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported revenues and expenses/expenditures 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.

I. Cash (and Cash Equivalents):

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 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; obligations of the State and its municipalities and Districts.

J. Accounts Receivable:

Accounts receivable are shown net of an allowance for uncollectible accounts, when applicable. No allowance for uncollectible accounts has been provided since it is believed that such allowance would not be material.

K. Inventories and Prepaid Items:

Inventories of food in the School Food Service Fund are recorded at cost on a first-in, first-out basis, or in the case of surplus food, at stated value that approximates market. Purchases of inventory items in other funds are recorded as expenditures at the time of purchase and are considered immaterial in amount.

Prepaid items represent payments made by the District for which benefits extend beyond year-end. These payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the district-wide and fund financial statements. These items are reported as assets on the Statement of Net Position or Balance Sheet using the consumption method. A current asset for the prepaid amounts is recorded at the time of receipt and/or purchase and an expense/expenditure is reported in the year the goods or services are consumed.

A reserve of these non-liquid assets (inventories and prepaid items) has been recognized to signify that a portion of the fund balance is not available for other subsequent expenditures.

L. Other Assets:

In the district-wide financial statements, bond discounts and premiums, and any prepaid bond insurance costs are deferred and amortized over the life of the debt issue. Bond issuance costs are recognized as an expense in the period incurred.

M. Capital Assets:

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

Land and construction in process are not depreciated. Capitalization thresholds (the dollar value above which asset acquisitions are added to the capital asset accounts), depreciation methods, and estimated useful lives of capital assets reported in the District-wide statements are as follows:

	Capitalization Threshold	Depreciation Method	Estimated Useful Life
Buildings	$ 25,000	SL	50 years
Building improvements	25,000	SL	50 years
Furniture and equipment	5,000	SL	5-8 years
Vehicles	5,000	SL	5-8 years
Cafeteria equipment	2,500	SL	5-8 years

The School District does not possess any infrastructure.

N. Deferred Outflows and Inflows of Resources:

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District has four items that qualify for reporting in this category. First is the deferred charge on bond refunding reported in the government-wide Statement of Net Position. A deferred charge on bond refunding results from the difference in the carrying value of 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 second item is related to pensions reported in the district-wide Statement of Net Position. This represents the effect of the net change in the District's proportion of the collective net pension asset or liability and difference during the measurement period between the District's contributions and its proportionate share of total contributions to the pension systems not included in pension expense. The third item is the District contributions to the pension systems (TRS and ERS Systems) and other postemployment benefits (OPEB) subsequent to the measurement date. The fourth item is related to OPEB reported in the district-wide Statement of Net Position. This represents the effect of the net change in the actual and expected experience.

In addition to liabilities, the Statement of Net Position or Balance Sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position or fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has one item that qualifies for reporting in this category. The item is related to pensions reported in the district-wide Statement of Net Position. This represents the effect of the net change in the District's proportion of the collective net pension liability (ERS System) and difference during the measurement periods between the District's contributions and its proportionate share of total contributions to the pension systems not included in pension expense.

O. Unearned Credits:

The District reports unearned credits on its Statement of Net Position and its Balance Sheet. On the Statement of Net Position, unearned revenue arises when resources are received by the District before it has legal claim to them, as when grant monies are received prior to incurrence of qualifying expenditures. In subsequent periods, when the District has legal claim to resources, the liability for unearned revenue is removed and revenue is recognized.

P. Vested Employee Benefits:

Compensated Absences

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

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

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

Consistent with GASB Statement 16, *Accounting for Compensated Absences*, the liability has been calculated using the vesting/termination method and an accrual for that liability is included in the district-wide financial statements. The compensated absences liability is calculated based on the pay rates in effect at year-end.

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

Q. Other Benefits:

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

In addition to providing pension benefits, the District provides postemployment health insurance coverage and survivor benefits to retired employees and their survivors in accordance with the provision of various employment contracts in effect at the time of retirement. 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.

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

R. Short-Term Debt:

The District may issue Revenue Anticipation Notes (RAN) and Tax Anticipation Notes (TAN) in anticipation of the receipt of revenues. These notes are recorded as a liability of the fund that will actually receive the proceeds from the issuance of the notes. The RANs and TANs represent a liability that will be extinguished by the use of expendable, available resources of the fund.

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

The District may issue Bond Anticipation Notes (BAN) 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. Such notes may be classified as part of the General Long-Term Debt Account Group when (1) the intention is to refinance the debt on a long-term basis and (2) the intention can be substantiated through a post balance sheet issuance of long-term debt or by an acceptable financing agreement. State law requires that BANs issued for capital purposes be converted to long-term financing within five years after the original issue date.

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

Long-term obligations represent the 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.

T. Equity Classifications:

District–wide statements: 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, construction 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 the balance of net position that does not meet the definition of the above two classifications and is deemed to be available for general use by the District.

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

Non-spendable – Includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. Non-spendable fund balance includes inventory recorded in the School Food Service Fund of $19,822.

Restricted – 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 established the following restricted fund balances:

Debt Service Reserve Fund
According to General Municipal Law §6-1, the Mandatory 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 sale. The funding of the reserve is from the proceeds of the sale of District property or capital improvement. This reserve is accounted for in the Debt Service Fund.

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

Retirement Contributions Reserve Fund
According to General Municipal Law §6-r, all expenditures made from the Retirement Contributions Reserve Fund must be used for financing retirement contributions to the New York State and Local Employees' Retirement System. This reserve is established by Board resolution and is funded by budgetary appropriation and such other reserve and funds that may be legally appropriated. The reserve must be accounted for separate and apart from all other funds and a detailed report of the operation and condition of the fund must be provided to the Board. This reserve is accounted for in the General Fund. Effective April 1, 2019, a Board may adopt a resolution establishing a sub-fund for contributions to the New York State Teachers' Retirement System. During a fiscal year, the Board may authorize payment into the sub-fund of up to 2% of the total covered

salaries paid during the preceding fiscal year, with the total amount funded not to exceed 10% of the total covered salaries during the preceding fiscal year. The sub-fund is separately administered, but must comply with all the existing provisions of General Municipal Law §6-r.

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

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

Restricted fund balance includes the following:

General Fund:	
Unemployment insurance	$ 62,003
Retirement contributions - NYSERS	365,190
Retirement contributions - NYSTRS	80,893
Employment benefit accrued liability	25,000
Capital projects fund	671,172
Debt service fund	195,680
	$ 1,399,938

Committed – Includes amounts that can only be used for the specific purposes pursuant to constraints imposed by formal action of the District's highest level of decision-making authority, i.e., the Board of Education. The District has no committed fund balance as of June 30, 2022.

Assigned – Includes amounts that are constrained by the District's intent to be used for specific purposes, but are neither restricted nor committed. The purpose of the constraint must be narrower than the purpose of the general fund, and in funds other than the general fund, assigned fund balance represents the residual amount of fund balance. Assigned fund balance also includes an amount appropriated to partially fund the subsequent year's budget, as well as encumbrances not classified as restricted at the end of the fiscal year. All encumbrances of the General Fund are classified as Assigned Fund Balance in the General Fund. Encumbrances reported in the General Fund amounted to $31,079. Any remaining fund balance in other funds is considered assigned. As of June 30, 2022, the District's General Fund encumbrances were classified as follows:

General support	$ 3,478
Instruction	12,669
Pupil transportation	14,932
Total	$ 31,079

Unassigned – 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. In funds other than the General Fund, the unassigned classification is used to report a deficit fund balance resulting from overspending for specific purposes for which amounts had been restricted or assigned.

Unassigned Fund Balance

NYS Real Property Tax Law §1318 limits the amount of unexpended surplus funds, excluding the reserve for tax reduction, a school district can retain to no more than 4% of the District's budget for the General Fund for the ensuing fiscal year. Non-spendable and restricted fund balance of the General Fund are excluded from the 4% limitation. Amounts appropriated for the subsequent year, encumbrances and amounts reserved for insurance recoveries are also excluded from the 4% limitation.

Net Position/Fund Balance

Net Position Flow Assumption: Sometimes the District will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted - net position and unrestricted - net position in the district-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied.

Fund Balance Flow Assumption: Sometimes the District will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied.

Order of Use of Fund Balance:

The District's policy is to apply expenditures against non-spendable fund balance, restricted fund balance, committed fund balance, assigned fund balance, and 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 assigned or 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.

U. Implementation of New Accounting Standards:

The District has adopted all current Statements of the Governmental Accounting Standards Board (GASB). At June 30, 2022, the District implemented the following new standards issued by GASB:

GASB has issued Statement No. 87 – *Leases,* effective for the year ending June 30, 2022.

GASB has issued Statement No. 89, *Accounting for Interest Cost Incurred Before the End of a Construction Period*, effective for the year ending June 30, 2022.

GASB has issued Statement No. 92, *Omnibus*, effective for the year ending June 30, 2022.

GASB has issued Statement No. 93, *Replacement of Interbank Offered Rate* (paragraph 11b, 13 and 14), effective for the year ending June 30, 2022.

GASB has issued Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*, an amendment of GASB Statements No. 14 and 84, and a supersession of GASB Statement No. 32, effective for the year ending June 30, 2022 (the requirements in paragraph 4, as they apply to defined contribution pension plans, defined contribution OPEB plans and other employee benefit plans, and paragraph 5 were effective as of June 30, 2020).

V. Future Changes in Accounting Standards:

GASB has issued Statement No. 91, *Conduit Debt Obligations*, effective for the year ending June 30, 2023.

GASB has issued Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements,* effective for the year ending June 30, 2023.

GASB has issued Statement No. 96, *Subscription-Based Information Technology Arrangements*, effective for the year ending June 30, 2023.

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

2 – Explanation of certain differences between 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 district-wide statements, compared with the current financial resources focus of the governmental funds.

A) 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 primarily results from the long-term economic focus of the Statement of Net Position versus the solely current financial resources focus of the governmental fund Balance Sheet, as applied to the reporting of capital assets and long-term liabilities, including pensions and other post-employments benefits.

B) Statement of Revenues, Expenditures and Changes in Fund Balances vs. Statement of Activities:

Differences between the funds' Statement of Revenues, Expenditures and Changes in Fund Balances and the Statement of Activities fall into one of five broad categories. The amounts shown below represent:

i. Long-term revenue and expense differences:

Long-term revenue differences arise because governmental funds report revenues only when they are considered "available," whereas the Statement of Activities reports revenues 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.

ii. Capital related differences:

Capital related differences include the difference between proceeds for the sale of capital assets reported on 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 fund statements and depreciation expense on those items as recorded in the Statement of Activities.

iii. Long-term debt transaction differences:

Long-term debt transaction differences occur because both interest and principal payments are recorded as expenditures in the 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.

iv. 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.

v. 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.

3 – Changes in Accounting Principles

For the fiscal year ended June 30, 2022, the District implemented GASB Statement No. 87, *Leases*. The implementation of the statement establishes criteria for identifying activities of all school districts. See note 16 for the financial statement impact of the implementation of the statement.

4 – Stewardship, compliance and accountability

Budgets

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

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

Appropriations are adopted at the program line-item level.

Appropriations established by the adoption of the budget constitute a limitation on expenditures (and encumbrances) that may be incurred. Appropriations lapse at the end of the fiscal year unless expended or encumbered. Encumbrances will lapse if not expended in the subsequent year. Appropriations authorized for the current year are increased by the planned use of specific reserves, and budget amendments approved by the Board of Education as a result of selected new revenue sources not included in the original budget (when permitted by law). These supplemental appropriations may occur subject to legal restrictions if the Board approves them because of a need that exists which was not determined at the time the budget was adopted. The following supplemental appropriations occurred during the year:

Capital Reserve Transfer	$ 150,000
Total	$ 150,000

Budgets are adopted annually on a basis consistent with GAAP. Appropriations authorized for the year are increased by the aggregate encumbrances carried forward from the prior year.

The General Fund is the only fund with a legally adopted budget for the fiscal year ended June 30, 2022.

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 budget 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 restrictions or 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.

The portion of the District's fund balance subject to the New York State Real Property Tax Law §1318 limit exceeded the amount allowable, which is 4% of the District's budget for the upcoming school year. Actions the District plans to pursue to address this issue include funding appropriate reserves and appropriating fund balance for tax reduction.

5 – Cash (and cash equivalents) – custodial credit, concentration of credit, interest rate, and foreign currency risks

Cash

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

Uncollateralized	$ -
Collateralized with securities held by the pledging financial institution, or its trust department or agent, but not in the District's name	$ 7,179,693

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 $533,086 restricted for various fund balance reserves in the General Fund and $195,680 restricted for Debt Service Fund.

Deposits

Deposits are valued at cost-or-cost plus interest and are categorized as either (1) insured, or for which the securities are held by the District's agent in the District's name, (2) collateralized, and for which the securities are held by the pledging financial institution's trust department or agent in the District's name, or (3) uncollateralized. At June 30, 2022 all deposits were fully insured and collateralized by the District's agent but not in the District's name.

Investment and Deposit Policy

The District follows an investment and deposit policy, the overall objective of which is to adequately safeguard the principal amount of funds invested or deposited; conformance with Federal, state and other legal requirements; and provide sufficient liquidity of invested funds in order to meet obligations as they become due. Oversight of investment activity is the responsibility of the Business Administrator of the District.

Interest Rate Risk

Interest rate risk is the risk that the fair value of investments will be affected by changing interest rates. The District's investment policy does not limit investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk

The District's policy is to minimize the risk of loss due to failure of an issuer or other counterparty to an investment to fulfill its obligations. The District's investment and deposit policy authorizes the reporting entity to purchase the following types of investments:

- Interest bearing demand accounts.
- Certificates of deposit.
- Obligations of the United States Treasury and United Stated agencies.
- Obligations of New York State and its localities.

Custodial Credit Risk

Custodial credit risk is the risk that in the event of a failure of a depository financial institution, the reporting entity may not recover its deposits. In accordance with the District's investment and deposit policy, all deposits of the District including interest bearing demand accounts and certificates of deposit, in excess of the amount insured under the provisions of the Federal Deposit Insurance Act (FDIC) shall be secured by a pledge of securities with an aggregate value equal to 100% of the aggregate amount of deposits. The District restricts the securities to the following eligible items:

- Obligations issued, fully insurance or guaranteed as to the payment of principal and interest, by the United States Treasury and United States agencies.
- Obligations issued or fully insured or guaranteed by New York State and its localities.

6 – Capital assets

Capital asset balances and activity were as follows:

	Beginning Balance	Additions	Retirements/ Reclassifications	Ending Balance
Governmental activities				
Capital assets not being depreciated:				
Land	$ 54,825	$ -	$ -	$ 54,825
Construction in progress	325,254	490,482	(305,745)	509,991
Total nondepreciable	380,079	490,482	(305,745)	564,816
Capital assets being depreciated:				
Buildings and improvements	20,822,885	480,273	-	21,303,158
Furniture and equipment	435,751	94,774	-	530,525
Vehicles	1,828,041	291,099	(252,626)	1,866,514
Total depreciated assets	23,086,677	866,146	(252,626)	23,700,197
Less accumulated depreciation for:				
Buildings and improvements	(6,605,952)	(420,051)	-	(7,026,003)
Furniture and equipment	(160,673)	(51,671)	-	(212,344)
Vehicles	(872,259)	(217,620)	218,562	(871,317)
Total accumulated depreciation	(7,638,884)	(689,342)	218,562	(8,109,664)
Total depreciated assets, net	15,447,793	176,804	(34,064)	15,590,533
Total capital assets balances, net	$ 15,827,872	$ 667,286	$ (339,809)	$ 16,155,349

Pupil transportation	$ 220,701
General support	42,311
Instruction	417,066
School food service program	9,264
	$ 689,342

7 – Right-to-use Assets

The District is in possession of assets that it paid for the right-to-use over a period of time. All of the assets under the right-to-use agreement were paid for during the past five years, in full, during the year the right-to-use agreement began for a particular asset. The amount is amortized over five years, the number of years each asset item is to be used under the right-to-use agreement. A summary of the assts purchased by year, less accumulated amortization, is summarized as follows:

Fiscal year obtained	Cost	Prior Amortization	Current Amortization	Total Amortization	Net
06/30/18	$ 116,084	$ 69,650	$ 23,217	$ 92,867	$ 23,217
06/30/19	66,735	26,694	13,347	40,041	26,694
06/30/20	100,050	20,010	20,010	40,020	60,030
06/30/21	61,430	-	12,286	12,286	49,144
06/30/22	83,971	-	-	-	83,971
	$ 428,270	$ 116,354	$ 68,860	$ 185,214	$ 243,056

8 – Short-term debt

Transactions in short-term debt for the year ended June 30, 2022 are summarized below:

	Maturity	Stated Interest Rate	Beginning Balance	Issued	Redeemed	Ending Balance
BAN	6/29/2023	3.00%	$ -	$2,519,919	$ -	$2,519,919

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

Interest paid	$ -
Less: interest accrued in the prior year	-
Plus: interest accrued in the current year	414
Total interest on short-term debt	$ 414

9 – Long-term debt obligations

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

In the fund financial statements, governmental funds recognize bond premiums and discounts during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Further, the unmatured principal of general long-term debt does not require current appropriation and expenditure of governmental fund financial resources.

Serial Bonds

The District borrows money in order to acquire land or equipment, construct buildings, or make improvements. This enables the cost of these capital assets to be borne by the present and future taxpayers receiving the benefit of the capital assets. These long-term liabilities are full faith and credit debt of the local government. The provisions will be in the General Fund's future budgets for capital indebtedness.

Noncurrent liability balances and activity are as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
Long-Term Liabilities:					
Serial bonds	$ 6,107,500	$ 298,000	$ (662,500)	$ 5,743,000	$ 738,000
Premium on bonds	24,798	-	(5,006)	19,792	3,456
Installment purchase debt	96,561	-	(76,791)	19,770	19,770
Total Long-Term Liabilities	6,228,859	298,000	(744,297)	5,782,562	761,226
Other Long-Term Liabilities:					
Compensated absences	53,136	28,347	-	81,483	-
Other postemployment benefits obligation	57,158,577	6,123,101	-	63,281,678	-
Net pension liability - proportionate share	644,640	-	(644,640)	-	-
	57,856,353	6,151,448	(644,640)	63,363,161	-
	$ 64,085,212	$ 6,449,448	$ (1,388,937)	$ 69,145,723	$ 761,226

The General Fund has typically been used to liquidate long-term liabilities such as compensated absences.

Bonds payable is comprised of the following:

Description	Issue Date	Final Maturity	Interest Rate	Balance
2016 Serial Bonds	05/03/16	10/01/23	1.00-2.00%	$ 395,000
2018 Serial Bonds	06/28/18	06/15/33	3.00-3.25%	4,670,000
2021-22 Buses	09/15/20	08/15/26	0.50-1.40%	298,000
2020-2021 Buses	09/15/20	08/15/26	0.60-1.00%	225,000
2019-20 Buses	08/15/19	08/15/24	1.10%	155,000
				$ 5,743,000

The following is a summary of debt service requirements for bonds payable:

Fiscal year ending June 30,	Principal	Interest	Total
2023	$ 738,000	$ 155,911	$ 893,911
2024	760,000	137,558	897,558
2025	575,000	121,586	696,586
2026	535,000	107,572	642,572
2027	490,000	93,999	583,999
2028-2032	2,385,000	265,038	2,650,038
2033	260,000	8,450	268,450
Total	$ 5,743,000	$ 890,114	$ 6,633,114

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

Interest paid	$ 171,773
Less: interest accrued in the prior year	(11,473)
Plus: interest accrued in the current year	10,869
Plus: bond refunding recognized	2,872
Less: bond premium recognized	(5,006)
Total interest on long-term debt	$ 169,035

The energy performance contract is carried in fixed assets at a cost of $813,531 with accumulated depreciation of $252,194 resulting in a net book value of $561,337.

10 – Pension plans

General information:

The District participates in the New York State Teachers' Retirement System (TRS) and the New York State and Local Employees' Retirement System (ERS). These are cost-sharing multiple employer public employee retirement systems. The 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.

Plan Descriptions and Benefits Provided:

Teachers' Retirement System (TRS)

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 New York State 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. The New York State TRS issues a publicly available financial report that contains financial statements and required supplementary information for the System. The report and additional information may be obtained by writing to the New York State Teachers' Retirement System, 10 Corporate Woods Drive, Albany, New York 12211-2395 or by referring to the NYTRS Comprehensive Annual Financial report, which can be found on the System's website at www.nystrs.org.

Employees' Retirement System (ERS)

The District participates in the New York State and Local Employees' Retirement System (ERS). 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 (NYSRSSL). 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, 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, NYSERS, 110 State Street, Albany, New York 12244.

The Systems are noncontributory except for employees who joined after July 27, 1976, who contribute 3 percent of their salary for the first ten years of membership, and employees who joined on or after January 1, 2010 who generally contribute 3.0% to 3.5% of their salary for their entire length of service. In addition, employee contribution rates under ERS tier VI vary based on a sliding salary scale. For ERS, the Comptroller annually certifies the actuarially determined rates expressly used in computing the employers' contributions for the ERS' fiscal year ended March 31. For TRS, contribution rates are established annually by the New York State Teachers' Retirement Board pursuant to Article 11 of the Education Law.

Contributions for the current and two preceding years were equal to 100 percent of the contributions required, and were as follows:

		TRS		ERS
2021-2022	$	394,394	$	192,260
2020-2021		382,509		177,895
2019-2020		432,647		173,436

The District contributions made the Systems were equal to 100 percent of the contributions for each year. ERS has provided additional disclosures through entities that elected to participate in Chapter 260, 57, and 105.

Pension Assets, Liabilities, Pension Expense (Credit), and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions:

At June 30, 2022, the District reported the following asset/(liability) for its proportionate share of the net pension asset/(liability) for each of the Systems. The net pension asset/(liability) was measured as of June 30, 2021 for TRS and March 31, 2022 for ERS. The total pension asset/(liability) used to calculate the net pension asset/(liability) was determined by an actuarial valuation. The District's proportion of the net pension asset/(liability) was based on a projection of the District's long-term share of contributions to the Systems relative to the projected contributions of all participating members, actuarially determined. This information was provided by the TRS and ERS Systems in reports provided to the District.

	TRS	ERS
Actuarial valuation date	June 30, 2021	March 31, 2022
Net pension asset/(liability)	$ 3,851,883	$ 362,050
District's portion of the Plan's total net pension asset/(liability)	0.022228%	0.004429%

For the year ended June 30, 2022, the District recognized its proportionate share of pension expense (credit) of ($211,830) for TRS and $16,098 for ERS. At June 30, 2022 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	
	TRS	ERS	TRS	ERS
Differences between expected and actual experience	$ 530,941	$ 27,419	$ 20,012	$ 35,563
Changes of assumptions	1,266,965	604,221	224,361	10,196
Net difference between projected and actual earnings on pension plan investments	-	-	4,031,394	1,185,562
Changes in proportion and differences between the District's contributions and proportionate share of contributions	119,356	21,899	83,378	21,987
District's contributions subsequent to the measurement date	775,894	28,368	-	-
Total	$ 2,693,156	$ 681,907	$4,359,145	$1,253,308

District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended March 31, 2023 for ERS and June 30, 2022 for TRS. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended	TRS	ERS
2022	$(488,234)	$ -
2023	(575,415)	(95,865)
2024	(743,163)	(132,386)
2025	(956,131)	(308,944)
2026	188,775	(62,575)
Thereafter	132,285	-

Actuarial Assumptions:

The total pension asset/(liability) as of the measurement date was determined by using an actuarial valuation as noted in the table below, with update procedures used to roll forward the total pension asset/(liability) to the measurement date. The actuarial valuations used the following actuarial assumptions:

	TRS	ERS
Measurement date	June 30, 2021	March 31, 2022
Actuarial valuation date	June 30, 2020	April 1, 2021
Interest rate	6.95%	5.90%
Salary scale	1.95-5.18%	4.40%
Decrement tables	July 1, 2015 - June 30, 2020 System's Experience	April 1, 2015 - March 31, 2020 System's Experience
Inflation rate	2.40%	2.70%
Cost of living adjustments	1.30%	1.40%

For ERS, annuitant mortality rates are based on April 1, 2015 – March 31, 2020 System's experience with adjustments for mortality improvements based on the Society of Actuaries' Scale MP-2020. For TRS, annuitant mortality rates are based on plan member experience, with adjustments for mortality improvements based on the Society of Actuaries' Scale MP-2020.

For ERS, the actuarial assumptions used in the April 1, 2021 valuation are based on the results of an actuarial experience study for the period April 1, 2015 – March 31, 2020. For TRS, the actuarial assumptions used in the June 30, 2021 valuation are based on the results of an actuarial experience study for the period July 1, 2015 – June 30, 2020.

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

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

TRS	Target Allocation 2021	Long-term expected Real rate of return* 2021
Asset Type		
Domestic equities	33%	6.80%
International equities	16%	7.60%
Global equities	4%	7.10%
Real estate equities	11%	6.50%
Private equities	8%	10.00%
Domestic fixed income	16%	1.30%
Global bonds	2%	0.80%
Private debt	1%	5.90%
Real estate debt	7%	3.30%
High-yield bonds	1%	3.80%
Cash	1%	-0.20%
Total	100%	

*Real rates of returns are net of the long-term inflation assumption of 2.4% for 2021.

ERS	Target Allocation 2022	Long-term expected Real rate of return* 2022
Asset Type		
Domestic equities	32%	3.30%
International equities	15%	5.85%
Private equities	10%	6.50%
Real estate equities	9%	5.00%
Absolute return strategies (1)	3%	4.10%
Credit	4%	3.78%
Real assets	3%	5.58%
Fixed income	23%	0.00%
Cash	1%	-1.00%
Total	100%	

* Real rates of returns are net of the long-term inflation assumption of 2.5% for 2022.

(1) Excludes equity-oriented and long-only funds. For investment management purposes, these funds are included in domestic equities and international equities, respectively.

Discount Rate:

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

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

The following presents the District's proportionate share of the net pension asset/(liability) as of June 30, 2022 was calculated using the discount rate of 6.95% for TRS and 5.9% for ERS, as well as what the District's proportionate share of the net pension asset/(liability) would be if it were calculated using a discount rate that is 1 percentage point lower (5.95% for TRS and 4.9% for ERS) or 1 percentage point higher (7.95% for TRS and 6.9% for ERS) than the current rate:

TRS	1% Decrease (5.95%)	Current Assumption (6.95%)	1% Increase (7.95%)
Employers' proportionate share of the net pension asset (liability)	$ 404,199	$ 3,851,883	$ 6,749,412

ERS	1% Decrease (4.90%)	Current Assumption (5.90%)	1% Increase (6.90%)
Employers' proportionate share of the net pension asset (liability)	$ (931,912)	$ 362,050	$ 1,444,387

Pension Plan Fiduciary Net Position:

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

	TRS	ERS
Valuation date	June 30, 2021	March 31, 2022
	(Dollars in Thousands)	
Employers' total pension liability	$ 130,819,415	$ 223,874,888
Plan fiduciary net position	148,148,457	232,049,473
Employers' net pension asset/(liability)	$ 17,329,042	$ 8,174,585
Ratio of plan fiduciary neet position to the employers' total pension liability	113.2%	103.65%

Changes of assumptions

Changes of assumptions about future economic or demographic factors or other inputs are amortized over a closed period equal to the average of the expected service lives of all employees that are provided with benefits.

Payables to the Pension Plan:

For TRS, employer and employee contributions for the fiscal year ended June 30, 2022 are paid to the System in September, October and November 2022 through a state aid intercept. Accrued retirement contributions as of June 30, 2022 represent employee and employer contributions for the fiscal year ended June 30, 2022 based on paid TRS covered wages multiplied by the employer's contribution rate, by tier, and employee contributions for the fiscal year as reported to the TRS System. Accrued retirement contributions as of June 30, 202 amounted to $469,325.

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, 2022 represent the projected employer contribution for the period of April 1, 2022 through June 30, 2022 based on paid ERS wages multiplied by the employer's contribution rate, by tier. Accrued retirement contributions as of June 30, 2022 amounted to $28,368.

11 – Unrestricted Net Position

Unrestricted net position in the general fund consists of the following at June 30, 2022:

Designated for subsequent years' expenditures	$ 1,350,000
Reserve for encumbrances	31,079
Unreserved	1,731,280
Total unrestricted net position general fund	$ 3,112,359

12 – Interfund transactions – governmental funds

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

Interfund transactions and balances are as follows:

	Interfund			
	Receivable	Payable	Revenues	Expenditures
General	$ -	$ 363,632	$ -	$ 366,872
School food service	-	55,771	85,365	836
Special aid	4,379	-	10,783	-
Debt service	-	-	42,047	-
Capital projects	415,024	-	271,560	42,047
Total Governmental Funds	$ 419,403	$ 419,403	$ 409,755	$ 409,755

During 2021-2022, the General Fund transferred $10,783 to the Special Aid Fund for the District's share of the special education summer school programs its students attended.

13 – Risk management

General

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

Self-insured Plans

Workers' Compensation Insurance

The District participates in the Black River Valley 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 share of the liability for unbilled and open claims is $0.

Other Insurance Coverage

The District participates in the Jefferson-Lewis Et. Al. School Employees' Healthcare Plan, a non-risk-retained public entity risk pool for its employee health and accident insurance coverage. The pool is operated for the benefit of 16 individual governmental units located within the pool's geographic area, and is considered a self-sustaining risk pool that will provide coverage for its members up to $750,000 per insured event. The pool obtains independent coverage for insured events in excess of the $750,000 limit, and the District has essentially transferred all related risk to the pool.

14 – Commitments and contingencies

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

The District has signed contracts for a gym renovation project. The total anticipated cost of this project is $6,550,000, of which $419,169 has been expended through the end of this fiscal year.

15 – Postemployment Benefit Obligation Payable

Plan Description

The District administers a defined benefit OPEB plan provides OPEB for all permanent full-time general employees of the District. The plan is a single-employer defined benefit OPEB plan (the Plan) administered by Article 11 of the State Compiled Statutes which grants the authority to establish and amend the benefit terms and financing requirements to the District's Board, subject to applicable collective bargaining and employment agreements, and Board of Education policy. The Plan does not issue a separate financial report since there are no assets legally segregated for the sole purpose of paying benefits under the Plan. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

Funding Policy

The obligations of the Plan members and employers are established by action of the District pursuant to applicable collective bargaining and other employment contract. Employees contribute varying percentages of the premiums, depending on when retired and their applicable agreement. Employers are required to reach age 55 and have 10 to 15 years of service to qualify for other post-employment benefits. The District currently funds the Plan to satisfy current obligations on a pay-as-you-go basis. During the year ended June 30, 2022, approximately $1,122,437 was paid on behalf of 90 retirees.

Benefits Provided

The District provides for continuation of medical and/or Medicare Part B benefits for certain retirees and their spouses. The benefit terms are dependent on which contract each employee falls under. Retirees and their spouses receive benefits for the lifetime of the retired employee. The specifics of each contract are on file at the District offices and are available upon request.

Employees Covered by Benefit Terms – At June 30, 2022, the following employees were covered by the benefit terms:

Inactive employees/beneficiaries currently receiving benefit payments	90
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	104
	194

Net OPEB Liability

The District's total OPEB liability measured as of June 30, 2021; the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2021.

Actuarial Assumptions and Other Inputs

The total OPEB liability in the June 30, 2021 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	Based on CPI
Salary increase	Varied by years of service and retirement system
Discount rate	2.09%
Healthcare Cost Trend Rates:	
Medical	6.75% for 2021 decrease to an ultimate rate of 4.50% by 2031
Part B Reimbursement	6.75% for 2021 decrease to an ultimate rate of 4.50% by 2031
Excise Tax Limits	40.00% for 2021 and all subsequent years

The mortality tables used for this valuation is based on the Society of Actuaries Pub-2010 Public Retirement Plans Healthy Male and Female Total Dataset Headcount-Weighted Mortality tables using Employee and Healthy Annuitant Tables for both pre-and post-retirement projected with mortality improvements using the most current Society of Actuaries Mortality Improvement Scale MP-2019.

Retirement participation rate assumed that 90% of the eligible Teachers, Instructional Administrators, and participants other than Teachers and Instructional Administrators will elect medical coverage at retirement age, and 50% of active member's spouses will elect medical coverage. Additionally, a tiered approach based on age and years of service was used to determine retirement rate assumption.

Termination rates are based on tables used by the New York State Teachers' Retirement System and the New York State and Local Retirement System for female employees. Rates are tiered based on the percentage of employees who will terminate employment at any given age each year, for reasons other than death or retirement.

The discount rate is based on the prescribed discount interest rate methodology under GASB No. 75 using an average of three 20-year bond indices (e.g., Bond Buyer -20 Bond GO – 2.21%, S & P Municipal Bond 20 Year High Grade Rate Index – 2.66%, and Fidelity GA AA 20 Years -2.45%) as of June 30, 2021 and rounded to the nearest 0.01%.

Changes in the Total OPEB Liability

	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Total OPEB Liability (a)
Balance at June 30, 2021	$ 57,158,577	$ -	$ 57,158,577
Changes for the year:			
Service cost	2,064,061	-	2,064,061
Interest	1,181,319	-	1,181,319
Changes in assumptions	4,150,009	-	4,150,009
Benefit payments	(1,272,288)	(1,272,288)	-
Contributions from employer	-	1,272,288	(1,272,288)
Net changes	6,123,101	-	6,123,101
Balance at June 30, 2022	$ 63,281,678	$ -	$ 63,281,678

Changes of assumptions and other inputs reflect a change in the discount rate from 2.44% in 2021 to 2.09% in 2022.

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 (1.09%) or 1 percentage point higher (3.09%) than the current discount rate:

	1% Decrease (1.09%)	Discount Rate (2.09%)	1% Increase (3.09%)
Total OPEB Liability	$ 77,736,408	$ 63,281,678	$ 52,302,624

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 trend rates that are 1 percentage point lower or 1 percentage point higher than the current healthcare cost trend rate:

	1% Decrease	Discount Rate	1% Increase
Total OPEB Liability	$ 50,895,264	$ 63,281,678	$ 80,133,789

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

For the year ended June 30, 2022, the District recognized OPEB expense of $6,410,191. At June 30, 2022, 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
Differences between expected and actual experience	$ -	$ -
Changes of assumptions or other inputs	4,150,009	-
Benefit payments subsequent to measurement period	-	-
Total	$ 4,150,009	$ -

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

Fiscal year ending June 30,	Amount
2022	$ 628,789
2023	628,789
2024	628,789
2025	628,789
2026	628,789
Thereafter	1,006,064
	$ 4,150,009

16 – Adoption of New Pronouncement/Restatement of Prior Period Fund Balance

During the current year, the District adopted GASB 87, *Leases*. This pronouncement requires the District to report any leases and the related assets as lease payable and capital assets. The District currently pays for its lease-type assets in full up front and then has the right to use the asset for a period of five years. The prior period net asset balance has been adjusted by the net amount of the right-to-use assets (cost less accumulated amortization), an amount of $227,945.

17 – Subsequent events

The District has evaluated events and transactions that occurred between June 30, 2022 and October 14, 2022, which is the date the financial statements were available to be issued, for possible disclosure and recognition in the financial statements. Nothing of significance was noted.

Alexandria Central School District
Required Supplementary Information
Schedule of Funding Progress- Other Postemployment Benfits
Last 5 Fiscal Years
For the Year Ended June 30, 2022

	2022	2021	2020	2019	2018
Measurement Date	06/30/21	06/30/20	06/30/19	06/30/18	06/30/17
Total OPEB Liability					
Service Cost	$ 2,064,061	$ 1,779,097	$ 1,303,155	$ 1,181,526	$ 1,372,987
Interest	1,181,319	1,031,253	1,176,392	1,179,155	1,031,759
Changes in benefit terms	-	-	-	(201,804)	-
Differences between expected and actual experience in the measurement of the total OPEB liability	-	-	-	5,473,039	-
Changes of assumptions or other inputs	4,150,009	12,723,997	3,494,572	(1,169,374)	(3,656,781)
Benefit payments	(1,272,288)	(1,280,495)	(1,068,214)	(809,065)	(727,687)
Net change in total OPEB liability	6,123,101	14,253,852	4,905,905	5,653,477	(1,979,722)
Total OPEB liability - beginning	57,158,577	42,904,725	37,998,820	32,345,343	34,325,065
Total OPEB liability - ending	$ 63,281,678	$ 57,158,577	$ 42,904,725	$ 37,998,820	$ 32,345,343
Covered payroll	$ 5,786,013	$ 5,596,388	$ 5,661,358	$ 5,758,384	$ 5,130,225
Total OPEB liability as a percentage of covered payroll	1093.70%	1021.35%	757.85%	659.89%	630.49%

10 years of historical information will not be available upon implementation. An additional year of historical information will be added each year subsequent to the year of implementation until 10 years of historical date is available.

Note: The District does not have net assets accumulted in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75 *Accountng and Financail Reporting for Postemployment Benefits Other than Pension* to pay OPEB benefits. The District currently contributes enough money to the plan to satisfy current obligations on a pay-as-you-go basis.

See paragraph on Supplementary Schedules included in Independent Auditors' Report.

Alexandria Central School District
Required Supplementary Information
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - General Fund
For the Year Ended June 30, 2022

	Original Budget	Final Budget	Actual (Budgetary Basis)	Final Budget Variance with Budgetary Actual
Revenues				
Local Sources				
Real property taxes	$ 7,859,325	$ 7,506,840	$ 7,506,840	$ -
Other tax items	10,000	362,485	368,322	5,837
Charges for services	-	-	12,220	12,220
Use of money and property	5,000	5,000	11,221	6,221
Sale of Property and Compensation for Loss	-	-	20,096	20,096
Miscellaneous	70,000	70,000	205,895	135,895
Total Local Sources	7,944,325	7,944,325	8,124,594	180,269
State sources	5,151,796	5,151,796	5,122,354	(29,442)
Federal sources	-	-	52,506	52,506
Total Revenues	13,096,121	13,096,121	13,299,454	$ 203,333
Appropriated Fund Balance				
Prior years' surplus	1,025,000	1,175,000		
Prior year's encumbrances	109,654	109,654		
Appropriated reserves	110,065	110,065		
Total Appropriated Fund Balance	1,244,719	1,394,719		
Total Revenues and Appropriated Fund Balance	$ 14,340,840	$ 14,490,840		

Expenditures	Original Budget	Final Budget	Actual (Budgetary Basis)	Year-End Encumbrances	Final Budget Variance with Budgetary Actual & Encumbrances
General Support					
Board of Education	$ 21,130	$ 28,468	$ 23,214	$ -	$ 5,254
Central Administration	213,064	249,794	247,618	566	1,610
Finance	256,003	271,817	267,619	4	4,194
Staff	50,344	67,266	67,177	-	89
Central Services	1,514,644	1,564,675	1,544,109	2,908	17,658
Special Items	184,115	182,119	170,808	-	11,311
Total General Support	2,239,300	2,364,139	2,320,545	3,478	40,116
Instruction					
Administration and Improvement	375,452	421,798	365,110	124	56,564
Teaching - Regular School	2,940,226	2,890,268	2,804,912	4,825	80,531
Programs for Students with Disabilities	1,320,404	1,232,886	1,197,704	161	35,021
Teaching - Special Schools	420,826	417,155	383,136	427	33,592
Instructional Media	357,751	318,159	302,181	7,034	8,944
Pupil Services	627,252	616,249	456,626	98	159,525
Total Instruction	6,041,911	5,896,515	5,509,669	12,669	374,177
Pupil Transportation	1,233,685	1,221,896	888,819	14,932	318,145
Employee Benefits	3,724,880	3,730,265	3,152,188	-	578,077
Debt Service	911,064	911,064	911,064	-	-
Total Expenditures	14,150,840	14,123,879	12,782,285	31,079	1,310,515
Other Financing Uses					
Transfers to other funds	190,000	366,961	366,872	-	89
Total Expenditures and Other Financing Uses	14,340,840	14,490,840	13,149,157	$ 31,079	$ 1,310,604
Net Change in Fund Balance			150,297		
Fund Balance - Beginning of Year			3,495,148		
Fund Balance - End of Year			$ 3,645,445		

See paragraph on Supplementary Schedules included in Independent Auditors' Report.

Alexandria Central School District
Required Supplementary Information
Schedule of District Contributions
NYSTRS Pension Plan - Last 8 Fiscal Years
For the Year Ended June 30, 2022

	2022	2021	2020	2019	2018	2017	2016	2015
Contractually Required Contribution	$ 394,394	$ 382,509	$ 432,647	$ 412,617	$ 422,548	$ 477,745	$ 614,769	$ 590,471
Contributions in Relation to the Contractually Required Contribution	394,394	382,509	432,647	412,617	422,548	477,745	614,769	590,471
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
District's Covered-Employee Payroll	$ 4,172,963	$ 4,131,171	$ 4,028,337	$ 3,856,827	$ 4,209,871	$ 3,598,184	$ 3,503,926	$ 3,578,723
Contributions as a Percentage of Covered-Employee Payroll	9.45%	9.26%	10.74%	10.70%	10.04%	13.28%	17.55%	16.50%

Alexandria Central School District
Schedule of District Contributions
NYSERS Pension Plan - Last 8 Fiscal Years
For the Year Ended June 30, 2022

	2022	2021	2020	2019	2018	2017	2016	2015
Contractually Required Contribution	$ 192,260	$ 177,895	$ 173,436	$ 170,194	$ 183,050	$ 177,185	$ 194,797	$ 195,035
Contributions in Relation to the Contractually Required Contribution	192,260	177,895	173,436	170,194	183,050	177,185	194,797	195,035
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
District's Covered-Employee Payroll	$ 1,613,050	$ 1,277,311	$ 1,267,269	$ 1,212,844	$ 1,548,513	$ 1,212,571	$ 1,132,814	$ 1,129,900
Contributions as a Percentage of Covered-Employee Payroll	11.92%	13.93%	13.69%	14.03%	11.82%	14.61%	17.20%	17.26%

10 years of historical information was not available upon implementation. An additional year of historical information will be added to each year subsequent to the year of implementation until 10 years of historical data is available.

See paragraph on Supplementary Schedules included in Independent Auditors' Report.

Alexandria Central School District
Required Supplementary Information
Schedule of District's Proportionate Share
of the Net Pension Liability
NYSTRS Pension Plan - Last 8 Fiscal Years
For the Year Ended June 30, 2022

SS #4

	2022	2021	2020	2019	2018	2017	2016	2015
District's Proportion of the Net Pension (Liability) Asset	0.022228%	0.023176%	0.023165%	0.024417%	0.021718%	0.023349%	0.023346%	0.023766%
District's Proportionate Share of the Net Pension (Liability) Asset	$ 3,851,883	$ (640,417)	$ 601,815	$ 441,527	$ 165,081	$ (250,072)	$ 2,424,951	$ 2,647,391
District's Covered-Employee Payroll	$ 4,172,963	$ 4,131,171	$ 4,028,337	$ 3,856,827	$ 4,209,871	$ 3,598,184	$ 3,503,926	$ 3,578,723
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	-92.31%	-15.50%	-14.94%	-11.45%	-3.92%	-6.95%	-69.21%	-73.98%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)	113.20%	97.80%	102.20%	101.53%	100.66%	99.01%	110.46%	111.48%

Alexandria Central School District
Schedule of District's Proportionate Share
of the Net Pension Liability
NYSERS Pension Plan - Last 8 Fiscal Years
For the Year Ended June 30, 2022

	2022	2021	2020	2019	2018	2017	2016	2015
District's Proportion of the Net Pension (Liability) Asset	0.0044290%	0.0042413%	0.0043743%	0.0042689%	0.0048523%	0.0043765%	0.0043800%	0.0043000%
District's Proportionate Share of the Net Pension (Liability) Asset	$ 362,050	$ (4,223)	$ (1,158,335)	$ (305,466)	$ (156,604)	$ (411,227)	$ (702,948)	$ (145,265)
District's Covered-Employee Payroll	$ 1,613,050	$ 1,277,311	$ 1,267,269	$ 1,212,844	$ 1,548,513	$ 1,212,571	$ 1,132,814	$ 1,129,900
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	22.45%	-0.33%	-91.40%	-25.19%	-10.11%	-33.91%	-62.05%	-12.86%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)	103.65%	99.95%	86.39%	96.27%	98.24%	94.70%	90.68%	97.95%

10 years of historical information was not available upon implementation. An additional year of historical information will be added each year subsequent to the year of implementation until 10 years of historical data is available.

See paragraph on Supplementary Schedules included in Independent Auditors' Report.

Alexandria Central School District
Supplementary Information
Schedule of Change from Adopted Budget to Final Budget
And the Real Property Tax Limit - General Fund
For the Year Ended June 30, 2022

Change From Adopted Budget to Final Budget

Adopted Budget	$ 14,231,186
Add: Prior year's encumbrances	109,654
Original Budget	14,340,840
Budget revisions	150,000
Final Budget	$ 14,490,840

Section 1318 of Real Property Tax Law Limit Calculation

2022-23 voter-approved expenditure budget		$ 15,030,670
Maximum allowed (4% of 2022-23 budget)		601,227
General Fund Balance Subject to Section 1318 of Real Property Tax Law:		
Unrestricted fund balance:		
Assigned fund balance	1,381,079	
Unassigned fund balance	1,731,280	
Total unrestricted fund balance		$ 3,112,359
Less:		
Appropriated fund balance	$ 1,350,000	
Encumbrances included in assigned fund balance	31,079	
Total adjustments		$ 1,381,079
General Fund Balance Subject to Section 1318 of Real Property Tax Law		$ 1,731,280
Actual percentage		11.52%

See paragraph on Supplementary Schedules included in Independent Auditors' Report.

Alexandria Central School District
Supplementary Information
Schedule of Project Expenditures
Capital Projects Fund
For the Year Ended June 30, 2022

			Expenditures					Methods of Financing				
	Original Appropriation	Revised Appropriation	Prior Years	Current Year	Total	Unexpended Balance	Proceeds of Obligations	State Aid	Local Sources	Total	Transfer to Debt Service Fund	Fund Balance June 30, 2021
Project Title												
Gym renovations	$ 6,550,000	$ 6,550,000	$ 19,509	$ 399,660	$ 419,169	$ 6,130,831	$ -	$ -	$ 1,613,388	$ 1,613,388	$ -	$ 1,194,219
Bus garage fueling station	150,000	150,000	128,017	21,949	149,966	34	-	-	149,966	149,966	-	-
SSBA project	339,224	339,224	-	24,000	24,000	315,224	-	24,000	-	24,000	-	-
2021-22 Capital outlay	100,000	100,000	-	99,610	99,610	390	-	-	99,610	99,610	-	-
2021-22 E-Rate project	19,435	19,435	-	-	-	19,435	-	-	-	-	-	-
ECF Window #1	20,601	20,601	-	20,601	20,601	-	-	20,601	-	20,601	-	-
ECF Window #2	4,050	4,050	-	4,050	4,050	-	-	4,050	-	4,050	-	-
2021-22 Buses	298,000	298,000	-	255,953	255,953	42,047	298,000	-	-	298,000	42,047	-
Totals	$ 7,481,310	$ 7,481,310	$ 147,526	$ 825,823	$ 973,349	$ 6,507,961	$ 298,000	$ 48,651	$ 1,862,964	$ 2,209,615	$ 42,047	$ 1,194,219

Alexandria Central School District
Supplementary Information
Net Investment in Capital Assets
For the Year Ended June 30, 2022

Capital assets, net		$ 16,155,349
Deduct:		
Short-term portion of bonds payable	$ 741,456	
Long-term portion of bonds payable	5,021,336	
Short-term portion of Energy Performance Contract	19,770	5,782,562
Net Investment in Capital Assets		$ 10,372,787

See paragraph on Supplementary Schedules included in Independent Auditors' Report.

STACKEL & NAVARRA, C.P.A., P.C.
CERTIFIED PUBLIC ACCOUNTANTS

COMMUNITY BANK BUILDING – 216 WASHINGTON STREET
WATERTOWN, NEW YORK 13601-3336
TELEPHONE 315/782-1220
FAX 315/782-0118

Robert F. Stackel, C.P.A.
Jacob Navarra, C.P.A.
Mark B. Hills, C.P.A.

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

Board of Education
Alexandria 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 Alexandria Central School District, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise Alexandria Central School District's basic financial statements, and have issued our report thereon dated October 14, 2022.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Alexandria Central School District's internal control over financial reporting (internal control) as a basis for designing 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 Alexandria Central School District's internal control. Accordingly, we do not express an opinion on the effectiveness of Alexandria Central School District's internal control.

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

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

STACKEL & NAVARRA, C.P.A., P.C
CERTIFIED PUBLIC ACCOUNTANTS

Report on Compliance and Other Matters

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

Purpose of this Report

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

Stackel & Navarra, CPA, PC

Watertown, NY
October 14, 2022

STACKEL & NAVARRA, C.P.A., P.C.
CERTIFIED PUBLIC ACCOUNTANTS

COMMUNITY BANK BUILDING – 216 WASHINGTON STREET
WATERTOWN, NEW YORK 13601-3336
TELEPHONE 315/782-1220
FAX 315/782-0118

Robert F. Stackel, C.P.A.
Jacob Navarra, C.P.A.
Mark B. Hills, C.P.A.

Independent Auditors' Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance

Board of Education
Alexandria Central School District

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Alexandria Central School District's compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of Alexandria Central School District's major federal programs for the year ended June 30, 2022. Alexandria Central School District's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, Alexandria 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, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; 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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

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

Responsibilities of Management for Compliance

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

Auditors' Responsibilities for the Audit of Compliance

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

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

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

- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Alexandria Central School District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- Obtain an understanding of the Alexandria Central School District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Alexandria Central School District's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control over Compliance

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

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

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

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

Stackel & Navarra, CPA, PC

Watertown, NY
October 14, 2022

Alexandria Central School District
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2022

Federal Grantor/Pass-through Grantor/Program Title	Assistance Listing Number	Agency or Pass-through Number	Expenditures
U.S. Department of Education			
Passed-through NYS Education Department:			
Special Education Cluster:			
IDEA - Part B (Section 611)	84.027	0032-22-0315	$ 118,526
ARP-IDEA-Part B (Section 611)	84.027X	5532-22-0315	587
IDEA - Part B (Section 619)	84.173	0033-22-0315	1,911
ARP-IDEA-PartB (Section 619)	84.173X	5533-22-0315	972
Total Special Education Cluster			121,996
Title I - ESEA - Basic Grant	84.010	0021-22-1160	118,652
Title II A - Teacher/Principal Training/Recruit	84.367	0147-22-1160	16,500
Title IV - Student Support/Academic Enrichment	84.424	0204-22-1160	10,000
Education Stabilization Funds:			
CRRSA - ESSER 2	84.425D	5891-21-1160	183,538
ARP ESSER 3	84.425U	5880-21-1160	336,950
Total Education Stabilization Funds			520,488
Total Passed-through NYS Education Department			787,636
Direct Programs			
REAP- Rural Education Achievement Program	84.358	S358A212961	30,378
Total Direct Programs			30,378
Total, U.S. Department of Education			818,014
U.S. Department of Defense			
Direct Programs:			
Impact Aid (Supplement, CWSD, BRAC)	12.558		23,274
Total Direct Programs			23,274
Total, U.S. Department of Defense			23,274
U.S. Department of Homeland Security			
Passed-through NYS Division of Homeland Security:			
FEMA Disaster Grants	97.036		21,460
Total FEMA Disaster Grants			21,460
Total Passed-through NYS Division of Homeland Security			21,460
Total, U.S. Department of Homeland Security			21,460

See Notes to Schedule of Expenditures of Federal Awards.

Alexandria Central School District
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2022

Federal Grantor/Pass-through Grantor/Program Title	Assistance Listing Number	Agency or Pass-through Number	Expenditures
U.S. Department of Agriculture			
Passed-through NYS Education Department:			
Child Nutrition Cluster:			
Non-Cash Assistance (food distribution)			
National School Lunch Program	10.555		$ 7,457
Non-Cash Assistance subtotal			7,457
Cash Assistance			
School Breakfast Program	10.553		89,509
National School Lunch Program	10.555		238,984
Summer Feeding Program	10.559		23,455
Cash Assistance subtotal			351,948
Total Child Nutrition Cluster			359,405
Total Passed-through NYS Education Department			359,405
Total, U.S. Department of Agriculture			359,405
Total Federal Awards Expended			$ 1,222,153

See Notes to Schedule of Expenditures of Federal Awards.

Alexandria Central School District
Notes to Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2022

1 – Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) presents the activity of federal award programs administered by the District, which is described in Note 1 to the District's accompanying financial statements, using the modified accrual basis of accounting. Therefore, some amounts presented in this Schedule may differ from amounts presented in, or used in the preparation of, the District financial statements. Federal awards that are included in the Schedule may be received directly from Federal agencies, as well as Federal awards that are passed through from other government agencies.

The information presented 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* (Uniform Guidance).

2 – Summary of Certain Significant Accounting Policies

Matching costs (the District's share of certain program costs) are not included in the reported expenditures. Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. The amounts reported as Federal expenditures were obtained from the Federal financial reports for the applicable program and periods. The amounts reported in these reports are prepared from records maintained for each program, which are reconciled with the District's financial reporting system.

The Federal expenditures are recognized under the Uniform Guidance.

3 – Scope of Audit

The District is an independent municipal corporation. All Federal grant operations of the District are included in the scope of the single audit.

4 – Non-Cash Assistance

Nonmonetary assistance is reported in the Schedule at the fair market value of the commodities received and disbursed. For the year ended June 30, 2022, the District received food commodities totaling $7,457.

5 – Indirect Cost Rate

The District did not elect to use the 10% de minimus cost rate.

Alexandria Central School District
Notes to Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2022

Indirect costs may be included in the reported expenditures, to the extent they are included in the Federal financial reports used as the source for the data presented. The District's policy is not to charge Federal award programs with indirect costs.

6 – Other Disclosures

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

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

7 – Subrecipients

No amounts were provided to subrecipients.

Alexandria Central School District
Schedule of Findings and Questioned Costs
Year Ended June 30, 2022

Section I - Summary of Auditors' Results

Financial Statements

Type of auditor's opinion(s) issued:		Unmodified
Internal control over financial reporting:		
Material weakness(es) identified?	______ yes	X no
Significant deficiency(ies) identified?	______ yes	X none reported
Noncompliance material to financial statements noted?	______ yes	X no

Federal Awards

Internal control over major programs:		
Material weakness(es) identified?	______ yes	X no
Significant deficiency(ies) identified?	______ yes	X none reported
Type of auditor's opinion(s) issued on compliance for major programs:		Unmodified
Any audit findings disclosed that are required to be reported in accordance with section 2 CFR-200.516(a)	______ yes	X no

Identification of major programs:

Name of federal program	CFDA Number
Education Stabilization Funds:	
CRRSA-ESSER 2	84.425D
ARP-ESSER 3	84.425U

Dollar threshold used to distinguish between Type A and Type B Programs		$750,000
Auditee qualified as low risk?	____ yes	X no

Section II - Financial Statements Findings

None

Section III - Federal Award Findings and Questioned Costs

None

Alexandria Central School District
Summary Schedule of Prior Audit Findings
Year Ended June 30, 2022

There were no prior year audit findings.

APPENDIX – E

FORM OF OPINION OF BOND COUNSEL

June 28, 2023

Alexandria Central School District
34 Bolton Avenue
Alexandria Bay, New York 13607

Re: Alexandria Central School District
$4,550,000 Bond Anticipation Notes, 2023, CUSIP No.: ____________

Ladies and Gentlemen:

We have examined a record of proceedings relating to the issuance of $4,550,000 Bond Anticipation Notes, 2023 (the "Notes") of the Alexandria Central School District, Counties of Jefferson and St. Lawrence, State of New York (the "District"). The Notes are dated June 28, 2023 and are being issued pursuant to the Constitution and laws of the State of New York, including the Education Law and Local Finance Law, a resolution of the District and a Certificate of Determination dated on or before June 28, 2023 of the President of the Board of Education relative to the form and terms of the Notes.

In our opinion, interest on the Notes is excluded from gross income for federal income tax purposes under Section 103 of the Code, and is excluded from adjusted gross income for purposes of New York State and New York City personal income taxes. Interest on the Notes is not treated as a preference item in calculating the alternative minimum tax under the Code, however for tax years beginning after December 31, 2022, interest on the Notes is included in the "adjusted financial statement income" of certain corporations that are subject to the alternative minimum tax under Section 55 of the Code. We express no opinion regarding other tax consequences related to the ownership or disposition of, or the accrual or receipt of interest on, the Notes.

The Internal Revenue Code of 1986, as amended (the "Code"), establishes certain requirements that must be met subsequent to the issuance and delivery of the Notes in order that interest on the Notes be and remain excluded from gross income under Section 103 of the Code. The President of the Board of Education of the District, in executing the Arbitrage and Use of Proceeds Certificate, has certified 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 that interest on the Notes is excluded from gross income under Section 103 of the Code. We have examined such Arbitrage and Use of Proceeds Certificate of the District delivered concurrently with the delivery of the Notes, and, in our opinion, such certificate contains provisions and procedures under which such requirements can be met.

In our opinion, interest on the Notes is excluded from gross income for federal income tax purposes under Section 103 of the Code, and is excluded from adjusted gross income for purposes of New York State and New York City personal income taxes. Interest on the Notes is not a specific preference item for purposes of the federal individual alternative minimum tax. We observe that, for tax years beginning after December 31, 2022, interest on the Notes included in adjusted financial statement income of certain corporations is not excluded from the federal corporate alternative minimum tax. We express no opinion regarding other tax consequences related to the ownership or disposition of, or the accrual or receipt of interest on, the Notes.

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

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

We have examined the first executed Note of each said issue and, in our opinion, the form of said Note and its execution are regular and proper.

Very truly yours,

Trespasz & Marquardt, LLP