

SUPPLEMENT DATED OCTOBER 20, 2020
SUPPLEMENT TO THE
OFFICIAL STATEMENT DATED OCTOBER 16, 2020
RELATING TO

NEW ISSUE

BOND RATING: Moody's Investors Service: "Aa3/Stable outlook"

SERIAL BONDS

See "RATINGS" herein

\$106,095,000*

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

GENERAL OBLIGATIONS

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

Dated: Date of Delivery

Due: January 15, 2022-2031

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

Dated: Date of Delivery

Due: May 1, 2021-2031

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

Dated: Date of Delivery

Due: April 15, 2021, October 15, 2022-2036

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

* Preliminary, subject to change

PLEASE BE ADVISED that the section entitled "RATINGS" has been revised as follows:

Moody's Investors Service ("Moody's") has assigned their rating of "Aa3" with a Stable outlook to the Bonds. No application was made to any other rating agency for the purpose of obtaining an additional rating on the Bonds. This rating reflects only the view of Moody's and any desired explanation of the significance of such rating should be obtained from Moody's Investors Service, 7 World Trade Center, 250 Greenwich St., New York, New York 10007. Phone: (212) 553-0038, Fax: (212) 553-1390.

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is no assurance that a particular rating will apply for any given period of time or that it will not be lowered or withdrawn entirely if, in the judgment of the agency originally establishing the rating, circumstances so warrant.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

PLEASE BE ADVISED that the section entitled “LITIGATION” has been revised as follows:

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

There is currently one special education impartial due process hearing, where the parent is seeking compensatory education services and related relief for an alleged denial of a free appropriate public education. In the event of an unfavorable result, the District’s exposure is estimated to be between \$120,000 and \$170,000.

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

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

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

PLEASE BE ADVISED that the section entitled “FINANCIAL FACTORS – Financial Statements” has been revised as follows:

The District retains independent Certified Public Accountants. The audited financial statement available as of the date of this Preliminary Official Statement is for the fiscal year ended June 30, 2019 and is attached hereto as “APPENDIX – F”.

The audited financial report for fiscal year ended June 30, 2020 was accepted by the Board of Education on October 20, 2020. The audited financial report for the fiscal year ended June 30, 2020 has been filed with the Electronic Municipal Market Access system of the Municipal Securities Rulemaking Board and is incorporated by reference herein.

Haverstraw Stony-Point Central School District
<https://emma.msrb.org/P11430288-P11109815-P11519547.pdf>
Base CUSIP: 419578

Certain summary financial information of the District for the five-year period ending June 30, 2020 can be found attached hereto as “APPENDIX-A” to the Official Statement.

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

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

PLEASE BE ADVISED that the section entitled “FINANCIAL FACTORS – State Aid Revenues” has been revised include Fiscal Year Ended 2020 audited financial figures.

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

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

Source: 2015-16 through and including the 2019-20 audited financial statements the adopted budget of the District for the 2020-21 fiscal year.

PLEASE BE ADVISED that the section entitled “FINANCIAL FACTORS – Real Property Tax Revenues” has been revised include Fiscal Year Ended 2020 audited financial figures.

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

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

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

Source: 2015-16 through and including the 2019-20 audited financial statements the adopted budget of the District for the 2020-21 fiscal year.

PLEASE BE ADVISED that the section entitled “APPENDIX-A” has been revised include the District’s 2020 Audited Financial Statement. The revised “APPENDIX-A” is as shown on the following pages to this Supplement:

GENERAL FUND

Balance Sheets

Fiscal Years Ending June 30:

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

GENERAL FUND

Revenues, Expenditures and Changes in Fund Balance

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

GENERAL FUND

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

Fiscal Years Ending June 30:

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

Source: 2020 Audited financial report and 2020-21 adopted budget (unaudited) of the School District. This Appendix is not itself audited.