PRELIMINARY OFFICIAL STATEMENT DATED JUNE 4, 2021

RENEWAL ISSUE | **BOND ANTICIPATION NOTES**

In the opinion of Walsh & Walsh, LLP, Saratoga Springs, New York, Bond Counsel, under existing law, interest on the Notes is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the individual alternative minimum tax imposed by the Internal Revenue Code of 1986, as amended (the "Code"), subject to the condition that the District comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Notes in order that interest thereon be, or continue to be, excluded from gross income for federal income tax purposes. In the opinion of Bond Counsel, under existing law, interest on the Notes is exempt from personal income taxes of New York State and its political subdivisions, including The City of New York. No opinion is expressed regarding any other tax consequences resulting from ownership or disposition of, or the accrual or receipt of interest on, the Notes. See "TAX MATTERS" herein.

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

$17,106,641

LAKE PLACID CENTRAL SCHOOL DISTRICT

ESSEX COUNTY, NEW YORK

GENERAL OBLIGATIONS

$17,106,641 Bond Anticipation Notes, 2021 (Renewals)

(the "Notes")

Dated: June 24, 2021 | **Due: June 24, 2022**

The Notes are general obligations of the Lake Placid Central School District, Essex County, 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 "THE NOTES – Nature of the Obligation" and "TAX LEVY LIMITATION LAW" herein.

The Notes will not be subject to redemption prior to maturity.

At the option of the purchaser(s), the Notes will be issued in (i) registered form registered in the name of the successful bidder(s) or (ii) registered book-entry-only form registered to Cede & Co., as the partnership nominee for The Depository Trust Company, New York, New York ("DTC"). If the Notes are issued registered in the name of the purchaser(s), a single note certificate will be issued for those Notes bearing the same rate of interest in the aggregate principal amount awarded to such purchaser at such interest rate. Principal of and interest on such Notes will be payable in Federal Funds by the District. 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. 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 the Notes will be paid in Federal Funds by the District to Cede & Co., which will in turn remit such principal and interest to its participants for subsequent distribution to the beneficial owners of the Notes. See "BOOK-ENTRY-ONLY SYSTEM" herein.

The Notes are offered when, as and if issued and received by the purchaser(s) and subject to the receipt of the unqualified legal opinion as to the validity of the Notes of Walsh & Walsh, LLP, Saratoga Springs, New York, Bond Counsel. It is anticipated that the Notes will be available for delivery through the facilities of DTC located in Jersey City, New Jersey, or as may be agreed upon with the purchaser(s), on or about June 24, 2021.

ELECTRONIC BIDS for the Notes must be submitted on the Fiscal Advisors Auction website ("Fiscal Advisors Auction") accessible via www.fiscaladvisorsauction.com, on June 14, 2021 by no later than 11:30 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.

June __, 2021

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

LAKE PLACID CENTRAL SCHOOL DISTRICT
ESSEX COUNTY, NEW YORK

SCHOOL DISTRICT OFFICIALS

2020-2021 BOARD OF EDUCATION

RICHARD PRESTON
President

DANIEL E. MARVIN
Vice President

DANIEL CASH
JOAN HALLETT-VALENTINE
BRYAN LIAM KENNELLY
COLLEEN LOCKE
MARTHA SPEAR

* * * * * * * *

ADMINISTRATION

DR. ROGER CATANIA
Superintendent of Schools

DANA WOOD
Assistant Superintendent for Business

KAREN ANGELOPOULOS
School District Clerk

WILLIAM KISSEL, ESQ.
School District Attorney

FISCAL ADVISORS & MARKETING, INC.
Municipal Advisor

WALSH & WALSH, LLP
Bond Counsel

No person has been authorized by the Lake Placid 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 the Lake Placid Central School District.

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PREPARED WITH THE ASSISTANCE OF

Fiscal Advisors & Marketing, Inc.
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OFFICIAL STATEMENT

of the

LAKE PLACID CENTRAL SCHOOL DISTRICT

ESSEX COUNTY, NEW YORK

Relating To

$17,106,641 Bond Anticipation Notes, 2021 (Renewals)

This Official Statement, which includes the cover page, has been prepared by the Lake Placid Central School District, Essex County, New York (the "School District" or "District", "County", and "State", respectively) in connection with the sale by the District of $17,106,641 principal amount of Bond Anticipation Notes, 2021 (Renewals) (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.

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

THE 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 "THE NOTES - Nature of the Obligation" hereunder and "TAX LEVY LIMITATION LAW" herein.

The Notes are to be dated June 24, 2021 and will mature, without option of prior redemption, on June 24, 2022. Interest will be calculated on a 30-day month and 360-day year basis, payable at maturity.

At the option of the purchaser(s), the Notes will be issued in (i) registered form registered in the name of the successful bidder(s) or (ii) registered book-entry-only form registered to Cede & Co., as the partnership nominee for The Depository Trust Company, New York, New York ("DTC"). If the Notes are issued registered in the name of the purchaser(s), a single note certificate will be issued for those Notes bearing the same rate of interest in the aggregate principal amount awarded to such purchaser at such interest rate. Principal of and interest on such Notes will be payable in Federal Funds by the District. 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. 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 the Notes will be paid in Federal Funds by the District to Cede & Co., which will in turn remit such principal and interest to its participants for subsequent distribution to the beneficial owners of the Notes. See "BOOK-ENTRY-ONLY SYSTEM" herein.

No Optional Redemption

The Notes are not subject to redemption prior to maturity.

Purpose of Issue

The Notes are issued pursuant to the Constitution and statutes of the State of New York, including the Education Law and the Local Finance Law, and a bond resolution duly adopted by the Board of Education on November 7, 2017 authorizing the issuance of serial bonds in an aggregate amount not to exceed $19,160,000 for the reconstruction and improvement of various District facilities.

The proceeds of the Notes, together with $1,458,560 available funds of the District, will redeem $18,565,201 bond anticipation notes maturing on June 25, 2021 and issued for the aforementioned purpose.

Nature of the 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, insuring the availability of the levy of property tax revenues to pay debt service. As the Flushing National Bank (1976) Court noted, the term "faith and credit" in its context is "not qualified in any way". Indeed, in Flushing National Bank v. Municipal Assistance Corp., 40 N.Y.2d 1088 (1977) the Court of Appeals described the pledge as a direct constitutional mandate. In Quirk v. Municipal Assistance Corp., 41 N.Y.2d 644 (1977), the Court of Appeals stated that, while holders of general obligation debt did not have a right to particular revenues such as sales tax, "with respect to traditional real estate tax levies, the bondholders are constitutionally protected against an attempt by the State to deprive the city of those revenues to meet its obligations." According to the Court in Quirk, the State Constitution "requires the city to raise real estate taxes, and without specification other revenues, if such a levy be necessary to repay indebtedness."

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

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

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

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

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

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

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

Principal and interest payment 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 principal and interest payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the District, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

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

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

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

Source: The Depository Trust Company.

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

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

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

Certificated Notes

If the book-entry form is initially chosen by a 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, except for a necessary odd denomination. Principal of and interest on the Notes will be payable at a principal corporate trust office of a bank or trust company located and authorized to do business in the State of New York to be named as fiscal agent by the District. The Notes will remain not subject to redemption prior to their stated final maturity date.

THE SCHOOL DISTRICT

General Information

The District, with an approximate land area of 173 square miles, lies approximately 140 miles north of Albany and 100 miles north of Saratoga Springs, in the middle of Essex County in the eastern sector of the Adirondack Park. The District includes portions of the Towns of North Elba and Wilmington.

Major highways within or in close proximity to the District include Interstate Route #87, which extends north to Canada and south to New York City, and New York State Routes #3, #9, #73 and #86 which provide convenient access to each of the New York Interstates. Air transportation through the Adirondack Airport is provided by US Airways Express, as well as various commuter and regional airlines. Electric service is provided by National Grid. Sewer and water services are provided by the municipalities located in the District. Police protection is provided by Town, County and State agencies. Fire protection is provided by various volunteer units. Banking services are provided by Adirondack Bank, Citizens Bank, N.A., HSBC Bank USA, Champlain National Bank and NBT Bank, N.A.

Larger employers located within the District boundaries include the Olympic Regional Development Authority (ORDA), the Adirondack Medical Center, the District itself, Village of Lake Placid, and Town of North Elba.

Opportunities for higher education are available at North Country Community College in Saranac Lake and Paul Smiths College in Paul Smiths, both of which offer two-year degrees. Several four-year institutions lie in close proximity to the District.

Source: District officials.

District Population

The 2019 estimated population of the District is 5,531. (Source: U.S. Census Bureau, 2015-2019 American Community Survey data.)

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

	Per Capita Income			Median Family Income		
	1990	2006-2010	2015-2019	1990	2006-2010	2015-2019
Towns of:						
North Elba	$ 12,480	$ 19,259	$ 27,095	$ 36,136	$ 44,828	$ 68,472
Wilmington	10,381	18,052	36,758	28,333	43,077	72,750
County of:						
Essex	11,354	18,194	31,667	29,809	41,927	68,490
State of:						
New York	16,501	23,389	39,326	39,741	51,691	84,385

Note: 2016-2020 American Community Survey estimates are not available as of the date of this Official Statement.

Source: U.S. Census Bureau 2000 census, and 2006-2010 and 2015-2019 American Community Survey data.

Larger Employers

Name	Type	Employed
Olympic Regional Development Authority	NYS Agency	1,704
Adirondack Medical Center	Health Care Facility	900
Lake Placid CSD	Public School District	200
Village of Lake Placid	Municipal Government	80
Town of North Elba	Municipal Government	50

Note: The information presented in the table above is based on information available prior to the outbreak of the COVID-19 pandemic.

Source: District officials.

Unemployment Rate Statistics

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

Annual Average

	2014	2015	2016	2017	2018	2019	2020
Essex County	6.9%	6.1%	5.4%	5.5%	4.8%	4.5%	8.1%
New York State	6.3%	5.2%	4.9%	4.6%	4.1%	3.8%	10.0%

2020-21 Monthly Figures

	2020							**2021**				
	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May
Essex County	10.3%	9.9%	7.2%	4.8%	4.8%	5.4%	6.0%	6.8%	7.4%	6.8%	6.1%	N/A
New York State	14.8%	14.8%	11.6%	9.9%	8.3%	8.3%	8.5%	9.4%	9.7%	8.4%	7.8%	N/A

Note: Unemployment rates for the month of May 2021 are not available as of the date of this Official Statement. Unemployment rates spiked in April, 2020 as a result of the COVID-19 pandemic and the impact of the pandemic is expected to be felt for the foreseeable future.

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

Form of School Government

The Board of Education, which is the policy-making body of the 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 District and no Board member may hold certain other District offices or positions while serving on the Board of Education. The President and the Vice President are selected by the Board members.

Budgetary Procedures and Recent Budget Votes

Pursuant to the Education Law, the Board of Education annually prepares or causes to be prepared a tentative budget of the School District for the ensuing fiscal year. A public hearing on such budget is held not less than seven 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.

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 School District's tax cap calculation, which includes a growth factor increase of the lesser of 2% or the rate of inflation (the "Tax Cap"), then a majority vote is required for approval. If the proposed budget requires a tax levy that exceeds the 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 Tax Cap also 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). Clarification may be needed to determine whether a Board of Education must adopt a budget that requires the same tax levy amount as used in the prior fiscal year, or whether changes to the levy are permitted for such purposes as the permitted school district exclusions or the tax base growth factor. For a complete discussion of Chapter 97, see "TAX LEVY LIMITATION LAW" herein.

The District reviews trends in expenditures and revenues for the past three fiscal years when preparing the budget. Retirement and healthcare costs are the main driving force for expenditures. The District is dependent on State aid for revenues. See "State Aid" hereunder for additional information.

Recent Budget Votes

The budget for the 2020-21 fiscal year was approved by qualified voters on June 16, 2020 by a vote of 930 yes to 240 no. The adopted budget for the 2020-21 fiscal year included a total tax levy increase of 4.98%, which was within the District's Tax Cap of 6.15% for the 2020-21 fiscal year.

The budget for the 2021-22 fiscal year was approved by qualified voters on May 18, 2021 by a vote of 276 yes to 41 no. The adopted budget for the 2021-22 fiscal year included a total tax levy increase of 0.0%, which was below the District's Tax Cap of 1.69% for the 2021-22 fiscal year.

Investment Policy

Pursuant to the statutes of the State, 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; (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; (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; 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 the State; (3) demand deposit accounts in a bank or trust company located in and authorized to do business in the State; (4) obligations of New York State; and (5) obligations of the United States Government (U.S. Treasury Bills and Notes).

State Aid

The District receives financial assistance from the State. In its adopted budget for the 2021-22 fiscal year, approximately 15.1% of the revenues of the District are estimated to be received in the form of State aid. If the State should not adopt its budget in a timely manner, in any year, municipalities and school districts in the State, including the District, may be affected by a delay in the payment of State aid.

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

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

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

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

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

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 health care, education, transportation and other governmental purposes, as well as federal funding to respond to, and recover from, severe weather events and other disasters. Many of the policies that drive this federal aid may be subject to change under the federal administration and Congress. Current federal aid projections, and the assumptions on which they rely, are subject to revision in the future as a result of changes in federal policy, the general condition of the global and national economies and other circumstances, including the diversion of federal resources to address the current COVID-19 outbreak.

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

Building Aid

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

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

Pursuant to the provisions of Chapter 760 of the Laws of 1963, the District is eligible to receive a Building Aid Estimate from the New York State Department of Education. Since the gross indebtedness of the District is within the debt limit, the District is not required to apply for a Building Aid Estimate. Based on 2021-22 preliminary building aid ratios, the District expects to receive State building aid of approximately 29.9% 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 (2016-2017): The State 2016-17 Enacted Budget included a school aid increase of $991 million over 2015-16, $863 million of which consisted of traditional operating aid. In addition to full funding of expense based aids ($408 million), the budget also included a $266 million increase in Foundation Aid and an $189 million restoration to the Gap Elimination Adjustment. The bulk of the remaining increase included $100 million in Community Schools Aid, an aid category, to support school districts that wish to create community schools. The funds may only be used for certain purposes such as providing health, mental health and nutritional services to students and their families.

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

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

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

School district fiscal year (2020-2021): Due to the anticipated impact of the COVID-19 pandemic on State revenues, State aid in the State's 2020-2021 Enacted Budget is 3.7% lower than in the State's 2019-2020 Enacted Budget but is offset in part with increased Federal support. This reduction in State Operating Funds support will be offset by approximately $1.1 billion in funding provided to the State through the Federal CARES Act, including the Elementary and Secondary School Emergency Education Relief Fund and the Governor's Emergency Education Relief Fund. With these Federal funds, State aid in the school district fiscal year 2020-2021 is expected to total $27.9 billion, an annual increase of approximately $100 million or 0.4%. The State's 2020-2021 Enacted Budget continues prior year funding levels for existing programs, including Foundation Aid, Community Schools and Universal Prekindergarten. The 2020-2021 Enacted Budget also provides over $200 million in support for competitive grant programs, including $1 million for development of a new Civics Education curriculum and $10 million for a Student Mental Health program. Funding for expense-based aids, such as Building Aid, Transportation Aid, and Boards of Cooperative Educational Services (BOCES) Aid is continued under existing aid formulas. Out-year growth in School Aid reflects current projections of the ten-year average growth in State personal income. The State's 2020-2021 Enacted Budget authorizes the State's Budget Director to make periodic adjustments to State Aid, in the event that actual State revenues come in below 99% 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% 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. Such approval was received and the State is expected to release all of the withheld funds prior to June 30, 2021.

School district fiscal year (2021-2022): The State's 2021-22 Budget included $29.5 billion in state aid to school districts, and significantly increased funding for schools and local governments, including a $1.4 billion increase in Foundation Aid and a three-year phase-in of the full restoration to school districts of Foundation Aid that was initially promised in 2007. Additionally, the budget 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. Under the budget, local governments are to receive a full restoration of proposed cuts to Aid and Incentives for Municipalities (AIM) funding, and will receive a full restoration of $10.3 million in proposed Video Lottery Terminal (VLT) aid cuts, where applicable.

State Aid Litigation

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

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

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

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

State Aid Revenues

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

Fiscal Year	Total Revenues [1]	Total State Aid	Percentage of Total Revenues Consisting of State Aid
2015-16	$ 17,733,654	$ 2,617,087	14.76%
2016-17	17,885,093	2,719,264	15.20
2017-18	18,264,472	2,858,301	15.65
2018-19	18,808,940	2,978,672	15.84
2019-20	18,991,090	2,688,029	13.67
2020-21 (Budgeted)	19,978,464	2,971,742	14.87
2021-22 (Budgeted)	20,242,573 [2]	3,053,451	15.08

[1] Does not include interfund transfers.
[2] Does not include $488,570 of appropriated fund balance.

Source: Audited financial statements for the 2015-16 through 2019-20 fiscal years and adopted budgets for the 2020-21 and 2021-22 fiscal years. This table is not audited.

District Facilities

Name	Grades	Capacity	Year(s) Built/Additions
Lake Placid Elementary School	K-5	460	1975, '97, '01
Lake Placid Middle/High School	6-12	805	1923, '34, '75, '02

Source: District officials.

Enrollment Trends

School Year	Actual Enrollment	School Year	Projected Enrollment
2016-17	650	2021-22	620
2017-18	651	2022-23	620
2018-19	622	2023-24	620
2019-20	602	2024-25	620
2020-21	590	2025-26	620

Source: District officials.

Employees

The School District employs a total of approximately 165 full and part time employees. Certain employees are represented by the following unions:

Employees	Union Representation	Contract Expiration Date
41	Civil Services Employees Association, Inc.	June 30, 2023
110	Lake Placid Education Association	June 30, 2023

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 Retirement and Social Security Law (the "Retirement System Law"). The Retirement Systems offer a wide range of plans and benefits which are related to years of service and final average salary, vesting of retirement benefits, death and disability benefits and optional methods of benefit payments. All benefits generally vest after ten years of credited service. The Retirement System Law generally provides that all participating employers in each retirement system are jointly and severally liable for any unfunded amounts. Such amounts are collected through annual billings to all participating employers. Generally, all employees, except certain part-time employees, participate in the Retirement Systems. The Retirement Systems are non-contributory with respect to members hired prior to July 27, 1976. All members working less than ten years must contribute 3% (ERS) or 3.5% (TRS) of gross annual salary towards the cost of retirement programs.

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

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

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

The District's payments to the Retirement Systems for the past five fiscal years, and the budgeted payments for the 2021-22 fiscal year are as follows:

Fiscal Year	ERS	TRS
2016-17	$ 304,751	$ 792,435
2017-18	288,819	656,424
2018-19	315,158	697,044
2019-20	274,370	647,018
2020-21	259,785	647,017
2021-22 (Budgeted)	315,334	725,604

Source: District officials.

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

Historical Trends and Contribution Rates. Historically there has been a State mandate requiring full (100%) funding of the annual actuarially required local governmental contribution out of current budgetary appropriations. With the strong performance of the Retirement Systems 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 (2016-17 to 2020-21) is shown below:

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

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

Chapter 57 of the Laws of 2010 (Part TT) amended the Retirement and Social Security Law to authorize participating employers, if they so elect, to amortize an eligible portion of their annual required contributions to ERS when employer contribution rates rise above certain levels. The option to amortize the eligible portion began with the annual contribution due February 1, 2011. The amortizable portion of an annual required contribution is based on a "graded" rate by the State Comptroller in accordance with formulas provided in Chapter 57. Amortized contributions are to be paid in equal annual installments over a ten-year period, but may be prepaid at any time. Interest is to be charged on the unpaid amortized portion at a rate to be determined by 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 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 has established a TRS reserve fund as of the 2020-21 fiscal year.

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

Other Post-Employment Benefits

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

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

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

GASB 75. In 2015, the Governmental Accounting Standards Board ("GASB") released new accounting standards for public Other Post-Employment Benefits ("OPEB") plans and participating employers. These standards, GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* ("GASB 75"), have substantially revised the valuation and accounting requirements previously mandated under GASB Statements No. 43 and 45. For the fiscal year ended June 30, 2018, the District implemented GASB 75. The implementation of this statement requires the District 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.

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

The District contracted with an actuarial firm to calculate its actuarial valuation under GASB 75. The following table outlines the changes to the Total OPEB Liability during the 2019 and 2020 fiscal years, by source.

Balance beginning at:	July 1, 2018	July 1, 2019
	$ 55,753,682	$ 48,065,013
Changes for the year:		
Service cost	1,968,693	1,578,701
Interest on total OPEB liability	2,059,176	1,894,778
Changes in Benefit Terms	(392,025)	-
Differences between expected and actual experience	(4,450,666)	-
Changes in Assumptions or other inputs	(5,827,738)	1,836,481
Benefit payments	(1,046,109)	(1,366,103)
Net Changes	$ (7,688,669)	$ 3,943,857
Balance ending at:	June 30, 2019	June 30, 2020
	$ 48,065,013	**$ 52,008,870**

Source: Audited financial statements of the District. The above table is not audited. For additional information regarding the District's OPEB liability see "APPENDIX - D" attached hereto.

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.

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.

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 has complied 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 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, 2020 and is attached as "APPENDIX – D" to this Official Statement and has been filed with the Electronic Municipal Market Access ("EMMA") website. Certain financial information of the District can also be found attached as Appendices to this 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.

New York State Comptroller Reports of Examination

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

The most recent State Comptroller audit report of the District dated June 10, 2016 was to examine the District's claims auditing process for the period July 1, 2014 through December 31, 2015.

Key Findings:

- The Business Manager prints signed checks prior to the claims auditor's audit and approval of the corresponding claims.
- Not all claims were audited and approved prior to payment.

Key Recommendations:

- Only print signed checks after the claims have been audited and approved by the claims auditor.
- Ensure that no claim against the District, other than those allowed under State Education Law, is paid prior to audit and approval by the claims auditor.

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

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

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

The State Comptroller's Fiscal Stress Monitoring System

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

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

The classifications of the District for the 2015-16 through 2019-20 fiscal years of the District are as follows:

Fiscal Year Ending In	Stress Designation	Fiscal Score
2020	No Designation	0.0
2019	No Designation	6.7
2018	No Designation	0.0
2017	No Designation	0.0
2016	No Designation	0.0

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

TAX INFORMATION

Taxable Valuations

Taxable Assessed Valuations

Years Ending June 30:	2017	2018	2019	2020	2021
Towns of:					
North Elba	$ 1,959,853,258	$ 1,993,629,208	$ 2,090,636,360	$ 2,092,962,544	$ 2,111,516,993
Wilmington	180,453,912	182,805,527	184,228,752	187,863,979	193,802,504
Totals	$ 2,140,307,170	$ 2,176,434,735	$ 2,274,865,112	$ 2,280,826,523	$ 2,305,319,497
State Equalization Rates					
Towns of:					
North Elba	100.00%	100.00%	100.00%	100.00%	100.00%
Wilmington	100.00%	100.00%	100.00%	100.00%	100.00%
Taxable Full Valuation	$ 2,140,307,170	$ 2,176,434,735	$ 2,274,865,112	$ 2,280,826,523	$ 2,305,319,497

Source: District officials.

Tax Rates Per $1,000 (Assessed)

Years Ending June 30:	2017	2018	2019	2020	2021
Towns of:					
North Elba	$ 6.96	$ 6.95	$ 6.85	$ 6.98	$ 7.25
Wilmington	6.96	6.95	6.85	6.98	7.25

Source: District officials.

Tax Collection Procedure

Tax payments are due September 1st. There is no penalty charge for the first thirty days after taxes are due, but a 2% penalty is charged from October 1st to October 31st. On or about November 15th, uncollected taxes are returnable to Essex County for collection. The District receives this amount from said County prior to the end of the District's fiscal year, thereby assuring 100% tax collection annually.

Tax Levy and Tax Collection Record

Years Ending June 30:	2017	2018	2019	2020	2021
Total Tax Levy (1)	$ 13,481,340	$ 13,733,700	$ 14,161,989	$ 14,538,499	$ 16,710,000
Amount Returned to County (2)	701,375	786,782	709,335	794,206	677,996
% Uncollected	5.2%	5.7%	5.0%	5.5 %	4.1%

(1) Excludes tax levies imposed on State Lands.
(2) The District receives 100% of its tax levy each year. See "Tax Collection Procedure" herein.

Source: District officials.

Real Property Tax Revenues

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

Fiscal Year	Total Revenues [1]	Total Property Taxes & Tax Items	Percentage of Total Revenues Consisting of Property Taxes
2015-16	$ 17,733,654	$ 14,923,919	84.16%
2016-17	17,885,093	14,951,243	83.60
2017-18	18,264,472	15,195,950	83.20
2018-19	18,808,940	15,602,983	82.96
2019-20	18,991,090	15,967,351	84.08
2020-21 (Budgeted)	19,978,464	16,754,000	83.86
2021-22 (Budgeted)	20,242,573 [2]	16,710,000	82.55

[1] Does not include interfund transfers.
[2] Does not include $488,570 of appropriated fund balance.

Source: Audited financial statements for the 2015-16 through 2019-20 fiscal years and adopted budgets for the 2020-21 and 2021-22 fiscal years. This table is not audited.

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

Name	Type	Taxable Full Valuation
State of New York	State owned land	$ 60,847,720
Lake Placid Vacation Corp	Resort Complex	21,055,000
Placid Gold LLC	Resort Complex	19,640,308
Mirror Lake Inn LLC	Hotel	16,487,000
AWH Lake Placid Hotel LLC	Hotel	16,034,200
UH-WL Residential LLC	Hotel/Timeshare	14,213,072
Lake Placid Lodge NY LLC	Resort Complex	13,129,400
Lack Andrew	Multiple Residence	12,315,000
McLenathan Bay Assoc LLC	Hotel	11,956,978
LC Ranch, LLC	Estate/Multi-use	10,541,000

The ten largest taxpayers listed above have a total taxable full valuation of $196,219,678, which represents 8.51% of the tax base of the District.

The District experiences the impact of tax certiorari filings on a regular basis for which the District has a tax certiorari reserve to cover. As of the date of this Official Statement, the level of tax certiorari filings is within acceptable norms and is not anticipated to have a material impact on the District’s finances.

Source: District Tax Rolls.

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-75% and Commercial-25%.

The estimated total annual property tax bill of a $200,000 market value residential property located in the District is approximately $3,600 including County, Town or Village, School District and Fire District taxes.

STAR – School Tax Exemption

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

STAR – School Tax Exemption. The STAR (School Tax Relief) program provides State-funded exemptions from school property taxes to homeowners for their primary residences. Homeowners over 65 years of age with household adjusted gross incomes, less the taxable amount of total distributions from individual retirement accounts and individual retirement annuities ("STAR Adjusted Gross Income") of $88,050 or less in 2020-21 and $90,550 or less in 2021-22, increased annually according to a cost of living adjustment, are eligible for a "full value" exemption of the first $68,700 for the 2020-21 school year and $70,700 for the 2021-22 school year (adjusted annually). Other homeowners with household STAR Adjusted Gross income not in excess of $250,000 ($500,000 in the case of a STAR credit, as discussed below) are eligible for a $30,000 "full value" exemption on their primary residence.

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

The 2019-20 Enacted State Budget made several changes to the STAR program, which went into effect immediately. The changes are intended to encourage homeowners to switch from the STAR exemption to the STAR credit. The income limit for the exemption has been lowered to $250,000, compared with a $500,000 limit for the credit. The amount received for the STAR exemption will remain the same each year, while the amount of the STAR credit can increase up to two percent annually. Homeowners with STAR Adjusted Gross Income of $250,000 or less have the option to select the credit or the exemption.

The 2020-21 Executive Budget would withhold STAR benefits to taxpayers who are delinquent in the payment of their school taxes and would lower the income limit for the exemption to $200,000, compared with a $500,000 limit for the credit. The 2020-21 Executive Budget is subject to approval by the New York State Legislature and then must be signed into law by the Governor. There is no assurance that the 2020-21 Executive Budget will be adopted and no way to predict what changes the Governor and the Legislature may agree to.

The below table lists the basic and enhanced exemption amounts for the 2021-22 District tax roll for the municipalities applicable to the District:

Town of:	Enhanced Exemption	Basic Exemption	Date Certified
North Elba	$ 70,700	$ 30,000	4/9/2021
Wilmington	70,700	30,000	4/9/2021

$291,068 of the District's $15,917,090 school tax levy for the 2019-20 fiscal year was exempt by the STAR Program. The District received full reimbursement of such exempt taxes from the State in January 2020.

$281,693 of the District's $16,710,000 school tax levy for the 2020-21 fiscal year was exempt by the STAR Program. The District received full reimbursement of such exempt taxes from the State in January 2021.

TAX LEVY LIMITATION LAW

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

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

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

Chapter 97 restricts, among other things, the amount of real property taxes that may be levied by or on behalf of a school district in a particular year. It was set to expire on June 15, 2020; however, recent legislation has 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 due to changes in physical or quantity growth in the real property base as defined in Section 1220 of the Real Property Tax Law. A school district can exceed the tax levy limitation for the coming fiscal year only if the voters of such school district first approve a tax levy by at least 60% affirmative vote of those voting to override such limitation for such coming fiscal year only. Tax levies that do not exceed the limitation will only require approval by at least 50% of those voting. In the event that the voters reject a tax levy and the district does not go out for a second vote, or if a second vote is likewise defeated, Chapter 97 provides that the tax levy for the new fiscal year may not exceed the tax levy for the prior fiscal year.

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

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

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

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

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

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; and unless substantially level or declining annual debt service is utilized, no installment may be more than fifty percent in excess of the smallest prior installment. The District is required to provide an annual appropriation for the payment of interest due during the year on its indebtedness and for the amounts required in such year for amortization and redemption of its serial bonds and such required annual installments on its notes.

General. The District is further subject to constitutional limitation by the general constitutionally imposed duty of the State Legislature to restrict the power of taxation and contracting indebtedness to prevent abuses in the exercise of such power; however, as has been noted under "The NOTES - Nature of the Obligation," the State Legislature is prohibited by a specific constitutional provision from restricting the power of the District to levy taxes on real estate for the payment of interest on or principal of indebtedness theretofore contracted.

There is no constitutional limitation on the amount that may be raised by the District by tax on real estate in any fiscal year to pay principal of and interest on all indebtedness. However, Chapter 97 of the Laws of 2011 imposes a statutory limitation on the power of the District to increase its annual tax levy. The amount of such increases is limited by the formulas set forth in such law. See "TAX LEVY LIMITATION LAW," herein.

Statutory Procedure

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

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

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 with in 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 Board of Education, as the finance board of the School 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 School District, pursuant to the Local Finance Law.

Statutory law in the State also permits the School District to issue bond anticipation notes to be issued in anticipation of the issuance of serial bonds, which may be renewed each year, provided annual principal installments are made in the reduction of the total amount of such notes outstanding, commencing no later than two years from the date of the first issuance date of such notes and provided that such renewals do not exceed five years beyond the original date of the issuance of such notes. (See "Payment and Maturity" under "Constitutional Requirements" herein, and "Details of Outstanding Indebtedness" herein).

In general, the Local Finance Law contains provisions providing the School District with the power to issue certain other short-term general obligation indebtedness, including revenue and tax anticipation notes, budget notes and deficiency notes (see "Details of Outstanding Indebtedness" herein).

Debt Outstanding End of Fiscal Year

Fiscal Year Ending:	2016	2017	2018	2019	2020
Bonds	$ 3,445,000	$ 2,475,000	$ 1,465,000	$ 405,000	$ 220,000
Bond Anticipation Notes	0	0	0	750,000	18,565,201
Energy Performance Contract	789,998	744,292	697,138	648,488	598,297
Total Debt Outstanding	$ 4,234,998	$ 3,219,292	$ 2,162,138	$ 1,803,488	$ 19,383,498

Details of Outstanding Indebtedness

The following table sets forth the indebtedness of the District evidenced by bonds and notes as of June 4, 2021.

Type of Obligation	Maturity	Amount
Bonds	2021-2022	$ 220,000
Bond Anticipation Notes		
Capital Project	June 25, 2021	18,565,201 [1]
	Total Debt Outstanding	$ 18,785,201

[1] To be renewed at maturity with the proceeds of the Notes less $1,458,560 available funds of the District.

Debt Statement Summary

Summary of Indebtedness, Debt Limit and Net Debt-Contracting Margin prepared as of June 4, 2021:

Full Valuation of Taxable Real Property			$ 2,305,319,497
Debt Limit - 10% thereof			230,531,950
Inclusions:			
Bonds	$ 220,000		
Bond Anticipation Notes	18,565,201		
Total Inclusions		$ 18,785,201	
Exclusions:			
State Building Aid [1]	$ 0		
Total Exclusions		$ 0	
Total Net Indebtedness			$ 18,785,201
Net Debt-Contracting Margin			$ 211,746,749
The percent of debt contracting power exhausted is			8.15%

[1] Pursuant to the Provisions of Chapter 760 of the Laws of New York State of 1963, the School District receives aid on existing bonded debt. Since the gross indebtedness of the School District is within the debt limit, the School District is not required to apply for a Building Aid Estimate. Over the years the building aid ratio has been adjusted based on State legislative changes with an effective date tied to voter authorization dates. Based on preliminary 2021-22 Building Aid Ratios, the School District anticipates State building aid of 29.9% for debt service on SED approved expenditures from July 1, 2004 to the present. The School District has no reason to believe that it will not ultimately receive all of the building aid it anticipates, however, no assurance can be given as to when and how much building aid the School District will receive in relation to its capital project indebtedness.

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

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 any tax and/or revenue anticipation notes, budget notes or deficiency notes in the past five fiscal years.

Capital Project Plans

On May 16, 2017, the qualified voters of the District approved a $19.16 million capital project. The project includes infrastructure improvements and safety and security improvements. The District currently has $18,565,201 bond anticipation notes outstanding for the capital project which mature on June 25, 2021. The proceeds of the Notes, together with $1,458,560 available funds of the District, will redeem $18,565,201 bond anticipation notes maturing on June 25, 2021. The District plans to issue serial bonds in June 2022 to permanently finance the Notes.

There are presently no other capital projects authorized by the District.

Energy Performance Contract

On January 30, 2015, the District entered into an energy performance contract in the amount of $835,012 and an interest payment of 3.170%. As of the date of this Official Statement, $648,488.68 principal payments remain outstanding, with a final payment date of January 15, 2030.

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
County of:						
Essex	12/31/2019	$ 27,219,000	$ -	$ 27,219,000	32.58%	$ 8,867,950
Town of:						
North Elba	12/31/2019	2,841,019	56,919	2,784,100	91.91%	2,558,866
Wilmington	12/31/2019	5,265,999	5,165,999	100,000	80.15%	80,150
Village of:						
Lake Placid	12/31/2020	17,859,660	10,335,660	7,524,000	100.00%	7,524,000
					Total:	$ 19,030,967

[1] Outstanding bonds and bond anticipation notes are as of the respective dates listed above, 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: Most recent available State Comptroller's Special Report on Municipal Affairs for Local Finance for fiscal years ended 2019 for counties and towns and 2020 for villages.

Debt Ratios

The following table sets forth certain ratios relating to the District's indebtedness as of June 4, 2021:

	Amount	Per Capita [a]	Percentage of Full Value [b]
Net Indebtedness [c]	$ 18,785,201	$ 3,396.35	0.81%
Net Indebtedness Plus Net Overlapping Indebtedness [d]................	37,816,168	6,837.13	1.64

[a] The estimated 2019 population of the District is 5,531. (See "THE SCHOOL DISTRICT – District Population" herein.)

[b] The District's full value of taxable real estate for the 2020-21 fiscal year is $2,305,319,497. (See "TAX INFORMATION – Taxable Valuations" herein.)

[c] See "Debt Statement Summary" herein for the calculation of Total Net Indebtedness.

[d] The District's estimated share of Net Overlapping Indebtedness is $19,030,967. (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

In the event of a default in the payment of the principal of and/or interest on the Notes, the State Comptroller is required to withhold, under certain conditions prescribed by Section 99-b of the State Finance Law, state aid and assistance to the District and to apply the amount thereof so withheld to the payment of such defaulted principal and/or interest, which requirement constitutes a covenant by the State with the holders from time to time of the Notes.

Section 3-a of the General Municipal Law provides, subject to exceptions not pertinent, that the rate of interest to be paid by the District upon any judgment or accrued claim against it shall not exceed nine per centum per annum. 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 or interest on the Notes.

In accordance with the general rule with respect to municipalities, judgments against the District may not be enforced by levy and execution against property owned by the District.

The Federal Bankruptcy Code allows public bodies such as the District 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 to file a petition under any provision of Federal bankruptcy law for the composition or adjustment of municipal indebtedness. While the provisions of the Local Finance Law do not apply to school districts, there can be no assurance that they will not be made so applicable in the future.

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

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

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

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."

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

No principal or interest on District indebtedness is past due. The District has never defaulted in the payment of principal of or 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 this Official Statement, including its appendices, as well as all areas of potential risk.

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

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

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

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

Future amendments to applicable statutes whether enacted by the State or the United States of America affecting the treatment of interest paid on municipal obligations, including the Notes, for income taxation purposes could have an adverse effect on the market value of the Notes (see "TAX MATTERS" 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 District, without providing exclusion for debt service on obligations issued by municipalities and fire districts, may affect the market price and/or marketability for the Notes. (See "TAX LEVY LIMITATION LAW" herein.)

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

COVID-19

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

Cybersecurity

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

TAX MATTERS

In the opinion of Walsh & Walsh, LLP, Saratoga Springs, New York, Bond Counsel, under existing law, interest on the Notes is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the individual alternative minimum tax imposed by the Internal Revenue Code of 1986, as amended (the "Code").

The opinion described above is subject to the condition that the District comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Notes in order that interest thereon be, or continue to be, excluded from gross income for federal income tax purposes. Included among these continuing requirements are certain restrictions on the investment and use of proceeds of the Notes and certain requirements to rebate arbitrage earnings from the investment of proceeds of the Notes to the federal government. Failure to comply with certain of such requirements may cause interest on the Notes to be included in gross income for federal income tax purposes retroactive to their date of issuance, regardless of when such noncompliance occurs. The District will covenant in its arbitrage and use of proceeds certificate with respect to the Notes to comply with certain procedures and guidelines designed to assure satisfaction of the continuing requirements of the Code.

Bond Counsel is further of the opinion that, under existing law, interest on the Notes is exempt from personal income taxes of New York State and its political subdivisions, including The City of New York.

The Notes are NOT being designated by the District as "qualified tax-exempt obligations" pursuant to the provisions of Section 265(b)(3) of the Code.

Although Bond Counsel is of the opinion that interest on the Notes is excluded from gross income for federal income tax purposes and is exempt from personal income taxes of New York State and its political subdivisions, including 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, state or local tax liability. Prospective purchasers of the Notes should consult their own tax advisors as to any other tax consequences resulting from their ownership or disposition of, or the accrual or receipt of interest on, the Notes. Bond Counsel expresses no opinion regarding any such consequences.

Bond Counsel has not undertaken to advise in the future whether any events after the date of issuance of the Notes may affect the tax status of interest on the Notes or the tax consequences of the ownership of the Notes. There can be no assurance that legislation proposed or enacted, clarifications of the Code or court decisions after the date of issuance of the Notes will not have an adverse effect on the tax-exempt status or market price of the Notes. Prospective purchasers of the Notes should consult their own tax advisors regarding any pending or proposed federal or state tax legislation, regulations or litigation, as to which Bond Counsel expresses no opinion.

LEGAL MATTERS

Legal matters incident to the authorization, issuance and sale of the Notes will be covered by the final approving opinion of Walsh & Walsh, LLP, Saratoga Springs, New York, Bond Counsel. Copies of such opinion will be available at the time of delivery of the Notes. Such legal opinion will state that, under existing law, (1) the Notes have been duly authorized and issued in accordance with the Constitution and statutes of the State of New York and constitute valid and legally binding general obligations of the District, for the payment of which the District has validly pledged its faith and credit, and all the taxable real property within the boundaries of the District is subject to the levy of ad valorem taxes to pay the Notes and interest thereon, without limitation as to the rate or amount, subject to applicable statutory limitations, and (2) interest on the Notes is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the individual alternative minimum tax imposed by the Internal Revenue Code of 1986, as amended (the "Code"), subject to the condition that the District comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Notes in order that interest thereon be, or continue to be, excluded from gross income for federal income tax purposes. Such opinion shall also contain further statements to the effect that (a) the rights of the owners of the Notes and the enforceability of the Notes may be limited by bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance or other similar laws affecting creditors' rights generally enacted before or after the date of such opinion, and by equitable principles, whether considered at law or in equity, (b) the scope of its engagement as Bond Counsel in relation to the issuance of the Notes has extended solely to rendering the opinions described herein, and such opinions are not intended and should not be construed to express or imply any conclusion that the amount of real property subject to taxation within the boundaries of the District, together with other legally available sources of revenue, if any, will be sufficient to enable the District to pay the principal of or interest on the Notes as the same respectively become due and payable, and (c) while Bond Counsel has participated in the preparation of this Official Statement, Bond Counsel has not verified the accuracy, completeness or fairness of the factual information contained herein, and, accordingly, Bond Counsel expresses no opinion as to whether the District, in connection with the sale of the Notes, has made any untrue statement of a material fact or omitted to state a material fact necessary in order to make any statements made, in the light of the circumstances under which they were made, not misleading.

LITIGATION

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

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

CONTINUING DISCLOSURE

In order to assist the purchaser(s) 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 Material Events, the description of which is attached hereto as "APPENDIX – C".

Historical Continuing Disclosure Compliance

The District is in compliance, in all material respects within the last five years, with all previous undertakings made pursuant to 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 municipal advisor to the District on matters relating to debt management. The Municipal Advisor is a municipal 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 the Municipal Advisor are partially contingent on the successful closing of the Notes.

RATINGS

The Notes are NOT rated. Subject to the approval of the District, the purchaser(s) of the Notes may have a rating completed after the sale at the expense of the purchaser(s), including any fees to be incurred by the District, such as a rating action that may require the filing of a material event notification to EMMA.

Moody's Investors Service, Inc. ("Moody's") has assigned its rating of "Aa3" to the District's outstanding general obligation bonds. This rating reflects only the view of Moody's and an explanation of the significance of such rating may be obtained from Moody's Investors Service, 7 World Trade Center at 250 Greenwich Street, New York, NY 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 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.

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.

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 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.

Walsh & Walsh, LLP, Saratoga Springs, New York, Bond Counsel, 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 this Official Statement, this 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 this Official Statement obtained from sources other than the District.

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

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

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

The District's contact information is as follows: Dana Wood, Assistant Superintendent for Business, Lake Placid Central School District, 50 Cummings Road, Lake Placid, New York 12946, Phone: (518) 523-2475, Fax: (518) 523-4901, Email: dwood@lpcsd.org.

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

LAKE PLACID CENTRAL SCHOOL DISTRICT

Dated: June 4, 2021

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

GENERAL FUND

Balance Sheets

Fiscal Years Ending June 30:	2016	2017	2018	2019	2020
ASSETS					
Unrestricted Cash	$ 2,784,350	$ 2,994,400	$ 2,428,950	$ 2,677,895	$ 3,223,806
Restricted Cash	1,713,604	1,891,482	1,891,482	1,873,283	1,673,990
Accounts Receivable	16,767	-	2,259	4,480	1,825
Due from Other Funds	207,913	207,913	885,937	1,055,455	1,159,774
State and Federal Aid Receivable	229,712	221,492	251,610	280,125	283,098
Due from Fiduciary Funds	-	-	-	-	-
Prepaid Expenditures	-	-	-	-	-
TOTAL ASSETS	$ 4,952,346	$ 5,315,287	$ 5,460,238	$ 5,891,238	$ 6,342,493
LIABILITIES AND FUND EQUITY					
Accounts Payable	$ 82,425	$ 71,885	$ 162,622	$ 167,103	$ 51,296
Accrued Liabilities	-	-	-	-	9,257
Due to Other Funds	-	-	-	103,963	95,415
Due to Teachers' Retirement System	888,711	844,514	697,045	774,533	647,018
Due to Employees' Retirement System	84,186	76,822	76,380	67,649	68,748
Deferred Reveneus	-	-	-	-	-
TOTAL LIABILITIES	1,055,322	993,221	936,047	1,113,248	871,734
FUND EQUITY					
Nonspendable	$ -	$ -	$ -	$ -	$ -
Restricted	1,913,519	2,453,123	2,653,104	2,554,849	2,284,485
Assigned	523,508	616,329	558,367	598,078	802,050
Unassigned	1,459,997	1,252,614	1,312,720	1,625,063	2,384,224
TOTAL FUND EQUITY	3,897,024	4,322,066	4,524,191	4,777,990	5,470,759
TOTAL LIABILITIES and FUND EQUITY	$ 4,952,346	$ 5,315,287	$ 5,460,238	$ 5,891,238	$ 6,342,493

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

APPENDIX - A1
Lake Placid CSD

GENERAL FUND

Revenues, Expenditures and Changes in Fund Balance

Fiscal Years Ending June 30:	2016	2017	2018	2019	2020
REVENUES					
Real Property Taxes & Items	$ 14,923,919	$ 14,951,243	$ 15,195,950	$ 15,602,983	$ 15,967,351
Charges for Services	27,094	23,806	36,774	31,689	12,640
Use of Money & Property	32,134	26,159	49,353	88,052	129,645
Sale of Property and Compensation for Loss	-	-	-	-	-
Miscellaneous	93,654	98,598	67,448	107,544	193,425
Interfund Revenues	-	-	-	-	-
Revenues from State Sources	2,617,087	2,719,264	2,858,301	2,978,672	2,688,029
Revenues from Federal Sources	39,766	66,023	56,646	-	-
Total Revenues	$ 17,733,654	$ 17,885,093	$ 18,264,472	$ 18,808,940	$ 18,991,090
Other Sources:					
Interfund Transfers	-	-	-	-	-
Total Revenues and Other Sources	17,733,654	17,885,093	18,264,472	18,808,940	18,991,090
EXPENDITURES					
General Support	$ 1,930,648	$ 2,024,794	$ 2,057,310	$ 2,178,153	$ 2,715,342
Instruction	7,708,449	8,091,707	8,502,968	8,618,330	8,191,768
Pupil Transportation	896,968	861,145	900,522	977,832	839,523
Community Services	-	-	-	-	-
Employee Benefits	5,022,594	5,096,614	5,145,491	5,440,910	5,404,982
Debt Service	1,251,835	1,247,035	1,240,267	1,236,503	476,907
Total Expenditures	$ 16,810,494	$ 17,321,295	$ 17,846,558	$ 18,451,728	$ 17,628,522
Other Uses:					
Interfund Transfers	96,647	138,756	267,867	103,413	669,799
Total Expenditures and Other Uses	16,907,141	17,460,051	18,114,425	18,555,141	18,298,321
Excess (Deficit) Revenues Over Expenditures	826,513	425,042	150,047	253,799	692,769
FUND BALANCE					
Fund Balance - Beginning of Year	2,949,127	3,897,024	4,322,066	4,524,191	4,777,990
Prior Period Adjustments (net)	121,384	-	52,078	-	-
Fund Balance - End of Year	$ 3,897,024	$ 4,322,066	$ 4,524,191	$ 4,777,990	$ 5,470,759

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

GENERAL FUND

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

Fiscal Years Ending June 30:	2020 Adopted Budget	2020 Modified Budget	2020 Actual	2021 Adopted Budget	2022 Adopted Budget
REVENUES					
Real Property Taxes & Items	$ 15,961,090	$ 15,961,090	$ 15,967,351	$ 16,754,000	$ 16,710,000
Charges for Services	36,000	36,000	12,640	31,000	29,000
Use of Money & Property	55,000	55,000	129,645	51,348	41,580
Sale of Property and Compensation for Loss	-		-	-	-
Miscellaneous	90,447	90,447	193,425	115,374	58,000
Interfund Revenues	-	-	-	-	-
Revenues from State Sources	2,671,100	2,671,100	2,596,400	2,971,742	3,053,451
Revenues from Federal Sources	55,000	55,000	91,629	55,000	350,542
Total Revenues	$ 18,868,637	$ 18,868,637	$ 18,991,090	$ 19,978,464	$ 20,242,573
Other Sources:					
Interfund Transfers	-	-	-	-	-
Total Revenues and Other Sources	18,868,637	18,868,637	18,991,090	19,978,464	20,242,573
EXPENDITURES					
General Support	$ 2,127,236	$ 2,191,722	$ 2,715,342	$ 2,113,774	$ 2,075,816
Instruction	9,413,728	9,386,141	8,191,768	9,225,247	9,725,671
Pupil Transportation	988,968	991,868	839,523	999,509	1,012,083
Community Services	3,500	3,500	-	3,500	3,500
Employee Benefits	5,701,540	5,701,540	5,404,982	5,733,258	5,877,764
Debt Service	1,033,665	1,071,944	1,071,706	1,783,176	1,791,309
Total Expenditures	$ 19,268,637	$ 19,346,715	$ 18,223,321	$ 19,858,464	$ 20,486,143
Other Uses:					
Interfund Transfers	120,000	120,000	75,000	120,000	245,000
Total Expenditures and Other Uses	19,388,637	19,466,715	18,298,321	19,978,464	20,731,143
Excess (Deficit) Revenues Over Expenditures	(520,000)	(598,078)	692,769	-	(488,570)
FUND BALANCE					
Fund Balance - Beginning of Year	520,000	598,078	4,777,990	-	488,570
Prior Period Adjustments (net)	-	-	-	-	-
Fund Balance - End of Year	$ -	$ -	$ 5,470,759	$ -	$ -

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

BONDED DEBT SERVICE

Fiscal Year Ending June 30th	Principal	Interest	Total
2021	$ 110,000	$ 9,625	$ 119,625
2022	110,000	4,813	114,813
TOTALS	$ 220,000	$ 14,438	$ 234,438

CURRENT BONDS OUTSTANDING

Fiscal Year Ending June 30th	2007 Serial Bonds Principal	2007 Serial Bonds Interest	Total
2021	$ 110,000	$ 9,625	$ 119,625
2022	110,000	4,813	114,813
TOTALS	$ 220,000	$ 14,438	$ 234,438

MATERIAL EVENT NOTICES

In accordance with the requirements of Rule 15c2-12, as the same may be amended or officially interpreted from time to time (the "Rule"), promulgated by the Securities and Exchange Commission (the "Commission"), 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 Electronic Municipal Market Access ("EMMA") system of the Municipal Securities Rulemaking Board 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) 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 securities;

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

(h) bond or note calls, if material, and tender offers;

(i) defeasances;

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

(k) rating changes;

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

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

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

(o) incurrence of a "financial obligation" (as defined in the Rule) of the District, if material, or agreement to covenants, events of default, remedies, priority rights or other similar events under the terms of a financial obligation of the 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 Commission staff to the National Association of Bond Lawyers dated September 19, 1995. Event (c) is not applicable, however, 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), the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the District in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the District, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the District.

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 obligations 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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LAKE PLACID CENTRAL SCHOOL DISTRICT
ESSEX COUNTY, NEW YORK

AUDITED FINANCIAL STATEMENTS

FISCAL YEAR ENDED JUNE 30, 2020

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

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

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TELLING & ASSOCIATES, CPA PC

ACCOUNTANTS • AUDITORS
5 PARK STREET – MIDDLEBURY, VT 05753

PHONE: (802) 388-3311
WEB: WWW.TELLING.INFO

Independent Auditor's Report

To the Board of Education
Lake Placid Central School District
Lake Placid, NY 12946

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Lake Placid Central School District as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise Lake Placid Central School District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Lake Placid Central School District, as of June 30, 2020, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, schedule of funding progress for the retiree health plan, schedule of the District's proportionate share of the net pension asset/liability, and schedules of the District's contributions on pages 3-8 and 46-49 be presented to supplement the basic financial statements.

Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Lake Placid Central School District's basic financial statements. The schedule of change from adopted budget to final, section 1318 of real property tax law limit calculation, schedule of project expenditures and financing sources – capital projects fund, and net investment in capital assets are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The schedule of change from adopted budget to final, section 1318 of real property tax law limit calculation, schedule of project expenditures and financing sources – capital projects fund, and net investment in capital assets are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of change from adopted budget to final, section 1318 of real property tax law limit calculation, schedule of project expenditures and financing sources – capital projects fund, and net investment in capital assets 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 September 28, 2020 on our consideration of Lake Placid 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 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 Lake Placid 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 Lake Placid Central School District's internal control over financial reporting and compliance.

Telling & Associates, CPA, P.C.

Telling & Associates, CPA PC
License # 092-0000692
Middlebury, Vermont
September 28, 2020

As management of Lake Placid Central School District, we offer readers this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2020.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the basic financial statements. The basic financial statements are comprised of three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements

The government-wide financial statements are designed to provide readers with a broad overview of our finances in a manner similar to a private-sector business.

The Statement of Net Position presents information on all assets, liabilities, and deferred outflows/inflows of resources, with the difference reported as net position. Over time increases or decreases in net position may serve as a useful indicator of whether the financial position is improving or deteriorating.

The Statement of Activities presents information showing how the District's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g. earned but unused vacation leave).

Fund financial statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Fund accounting is used to ensure and demonstrate compliance with finance-related legal requirements. All of the funds can be divided into two categories: governmental funds and fiduciary funds.

<u>Governmental funds</u>
Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financial requirements.

Because the focus of the governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and change in fund balance provide a reconciliation to facilitate the comparison between governmental funds and governmental activities.

Fiduciary funds
Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the District's own programs.

Notes to the financial statements
The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other information
In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information which is required to be disclosed by accounting principles generally accepted in the United States of America.

FINANCIAL HIGHLIGHTS

- As of the close of the current fiscal year, the total liabilities and deferred inflows of resources exceeded assets and deferred outflows of resources by $41,606,843 (i.e., net position), a change of $1,414,034 in comparison to the prior year.

- As of the close of the current fiscal year, the governmental activities reported total revenue of $20,325,065, a change of $556,153 in comparison to the prior year.

- As of the close of the current fiscal year, the governmental activities reported total expenses of $18,911,031, a change of $1,236,448 in comparison to the prior year.

- As of the close of the current fiscal year, governmental funds reported a combined ending fund balance of $(2,015,409), a change of $(5,977,235) in comparison to the prior year.

- As of the close of the current fiscal year, unassigned fund balance for the general funds was $2,384,224, a change of $759,161 in comparison to the prior year.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The following is a summary of condensed government-wide financial data for the current and prior fiscal years.

Net Position

	June 30, 2020	June 30, 2019	Percentage Change
Assets			
Other assets	$ 18,868,659	$ 6,612,775	185.3%
Capital assets	20,190,621	13,014,704	55.1
Total assets	39,059,280	19,627,479	99.0
Deferred outflows of resources			
OPEB	2,923,371	1,366,103	114.0
Pensions	4,395,407	4,222,787	4.1
Total assets and deferred outflows of resources	$ 46,378,058	$ 25,216,369	83.9%
Liabilities			
Long-term debt outstanding	$ 55,635,996	$ 51,202,122	8.7%
Other liabilities	19,799,553	1,904,029	939.9
Total liabilities	75,435,549	53,106,151	42.0
Deferred inflows of resources			
OPEB	10,990,915	13,984,740	-21.4
Pensions	1,544,683	1,143,010	35.1
Unearned revenue	13,754	3,345	311.2
Total deferred inflows of resources	12,549,352	15,131,095	-17.1
Net position			
Net investment capital assets	10,424,304	11,926,625	-12.6
Restricted	2,292,560	2,580,996	-11.2
Unrestricted	(54,323,707)	(57,528,498)	5.6
Total net position	(41,606,843)	(43,020,877)	3.3
Total liabilities, deferred inflows of resources, and net position	$ 46,378,058	$ 25,216,369	83.9%

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. At the close of the most recent fiscal year, total net position was $(41,606,843) a change of $1,414,034 from the prior year.

The largest portion of net position, $10,424,304, reflects our investment in capital assets (e.g. land, buildings, machinery, equipment, and infrastructure), less any related debt used to acquire those assets that is still outstanding. These capital assets are used to provide services to citizens; consequently, these assets are not available for future spending. Although the investment in 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.

An additional portion of net position, $2,292,560, represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position in the amount of $(54,323,707) is a deficit, primarily resulting from the District's unfunded net pension liability and OPEB (Other Post-Employment Benefit) liability.

Change in Net Position

	June 30, 2020	June 30, 2019	Percentage Change
Revenues			
Program Revenues			
Charges for services	$ 134,297	$ 151,667	-11.5%
Operating grants	953,530	839,671	13.6
General revenues			
Property taxes and tax items	15,967,351	15,602,983	2.3
State sources	2,688,029	2,978,672	-9.8
Use of money and property	129,645	88,052	47.2
Miscellaneous	198,553	107,867	84.1
Premium on bond anticipation notes	253,660	-	100.0
Total revenues	20,325,065	19,768,912	2.8%
Expenses			
General support	2,769,029	2,169,540	27.6%
Instruction	9,329,981	9,734,852	-4.2
Transportation	893,210	1,031,519	-13.4
Employee benefits	5,395,241	4,318,574	24.9
Interest	192,319	95,432	101.5
School lunch program	331,251	324,666	2.0
Total expenses	18,911,031	17,674,583	7.0
Change in net position	1,414,034	2,094,329	-32.5
Net position – beginning of year, as previously reported	(43,020,877)	(45,115,206)	4.6
Net position – end of year	$ (41,606,843)	$ (43,020,877)	$ 3.3

Governmental activities

Governmental activities for the year resulted in a change in net position of $1,414,034. Key elements of this change are as follows:

General fund operations, as discussed further in section below	$ 692,769
Special aid activity	101,554
School lunch activity	8,735
Capital project activity	(6,780,293)
Acquisition of fixed assets	7,628,752
Principal debt service	284,588
Depreciation expense	(536,871)
Change in employee benefits	9,741
Gain on disposal of fixed asset	5,059
Total	$ 1,414,034

FINANCIAL ANALYSIS OF THE GOVERNMENTAL FUNDS

As noted earlier, fund accounting is used to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds
The focus of governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, governmental funds reported combined ending fund balance of $(2,015,409), a change of $(5,977,235) in comparison with the prior year. Key elements of this change are as follows:

General fund operating results	$ 692,769
Special aid operating results	101,554
School lunch operating results	8,735
Capital operating results	(6,780,293)
Total	$ (5,977,235)

The general fund is the chief operating fund. At the end of the current fiscal year, unassigned fund balance of the general fund was $2,384,224, while total fund balance was $5,470,759. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total general fund expenditures. Refer to the table below.

General Fund	6/30/20	6/30/19	Change	% of Total General Fund Expenditures
Unassigned fund balance	$ 2,384,224	$ 1,625,063	$ 759,161	13.5%
Total fund balance	$ 5,470,759	$ 4,777,990	$ 692,769	31.0%

The total fund balance of the general fund changed by $692,769 during the current fiscal year. Key factors in this change are as follows:

Revenues less than budget	(475,625)
Expenditures less than budget	886,344
Expenditures of current year encumbrance over prior period encumbrance	282,050
Total	$ 692,769

Included in the total general fund balance are the District's reserve accounts with the following balances:

	6/30/20	6/30/19	Change
Unemployment insurance	$ 388,639	$ 388,620	$ 19
Tax certiorari	375,019	375,000	19
Employee benefits	910,332	1,209,570	(299,283)
Retirement contributions	100,000	-	100,000
Liability claim and property loss	510,495	581,659	(71,164)
Total	$ 2,284,485	$ 2,554,849	$ (270,364)

GENERAL FUND BUDGETARY HIGHLIGHTS

The original budget for the General Fund for Lake Placid Central School District was $19,388,637. The total was revised during year to $19,466,715 The difference arises from the carryover of prior year encumbrances.

The School District had a positive performance of expenditures with the original budget after last year encumbrances of $19,466,715 and an actual performance $18,298,321 of expenditures, and $282,050 of encumbrances. With close monitoring of expenses management has cut expenses without providing a lower level of education to their students.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital assets

Total investment in capital assets for governmental activities at year end amounted to $20,190,621 (net of accumulated depreciation). This investment in capital assets includes land, buildings and system improvements, and machinery and equipment.

Major capital asset events during the current fiscal year included the following:

Capital Asset Additions:		
Lawn Mower and accessories	$	95,973
Construction in progress		7,628,752

Additional information on capital assets can be found in the Notes to the Financial Statements.

Long-term debt

At the end of the current fiscal year, total debt outstanding was $882,470, all of which was backed by the full faith and credit of the government.

Additional information on long-term debt can be found in the Notes to the Financial Statements.

FACTORS BEARING ON THE DISTRICT'S FUTURE

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

The COVID-19 outbreak in the United States (and across the globe) has resulted in economic uncertainties. There is considerable uncertainty around the duration and scope of the economic disruption. The extent of the impact of COVID-19 on our operational and financial performance will depend on certain developments, including the duration and spread of the outbreak and impact on individuals served by the District, both of which are uncertain and cannot be predicted. At this point, the extent to which COVID-19 may impact our financial condition or results of operations is uncertain.

The uncertainty of the state's financial position, as it relates to its funding of education, and ongoing litigation challenging the formulas used by New York State to distribute aid, make it difficult to project revenues as a part of the District's long-term planning.

CONTACTING THE SCHOOL DISTRICT'S FINANCIAL MANAGEMENT

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

Lake Placid Central School District Offices
Attn: School Business Executives
50 Cummings Road
Lake Placid, NY 12946

LAKE PLACID CENTRAL SCHOOL DISTRICT
Statement of Net Position
June 30, 2020

Assets		
Cash:		
Unrestricted	$	15,142,936
Restricted		1,673,990
Receivables:		
Accounts receivable		1,825
Due from other funds		71,769
State and federal aid		905,167
Inventories		2,211
Capital assets, net		20,190,621
Net pension asset-proportionate share		1,070,761
Total assets		39,059,280
Deferred outflows of resources		
OPEB		2,923,371
Pensions		4,395,407
Total deferred outflows of resources		7,318,778
Total assets and deferred outflows of resources	$	46,378,058
Liabilities		
Payables:		
Accounts payable	$	508,643
Accrued liabilities		9,917
Bond anticipation note		18,565,201
Due to other governments		26
Long-term liabilities:		
Due and payable within one year:		
Bonds payable		110,000
Lease-purchase obligation		63,495
Due to Teachers' Retirement System		647,018
Due to Employees' Retirement System		68,748
Due and payable after one year:		
Bonds payable		110,000
Lease-purchase obligation		598,975
Compensated absences payable		1,201,810
Other postemployment benefits payable		52,008,870
Net pension liability-proportionate share		1,542,846
Total liabilities		75,435,549
Deferred inflows of resources		
OPEB		10,990,915
Pension		1,544,683
Unearned revenue		13,754
Total deferred inflows of resources		12,549,352
Net position		
Net investment in capital assets		10,424,304
Restricted		
Unemployment insurance		388,639
Tax certiorari		375,019
Employee benefits		910,332
Retirement contributions		100,000
Liability claim and property loss		510,495
Encumbrances		5,864
Inventory		2,211
Unrestricted		(54,323,707)
Total net position		(41,606,843)
Total liabilities, deferred inflows of resources, and net position	$	46,378,058

The accompanying notes are an integral part of the financial statements.

LAKE PLACID CENTRAL SCHOOL DISTRICT
Statement of Activities
Year Ended June 30, 2020

	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants	Net (Expense) Revenue and Changes in Net Position
Functions/Programs				
General support	$ 2,769,029	$ 12,640	$ -	$ (2,756,389)
Instruction	9,329,981	-	810,270	(8,519,711)
Pupil transportation	893,210	-	-	(893,210)
Employee benefits	5,395,241	-	-	(5,395,241)
Interest expense	192,319	-	-	(192,319)
Cost of sales - school lunch	331,251	121,657	143,260	(66,334)
Total functions and programs	$ 18,911,031	$ 134,297	$ 953,530	(17,823,204)
General revenues				
Real property taxes				15,627,841
Other tax items				339,510
Use of money and property				129,645
Miscellaneous				198,553
State sources not restricted to specific programs				2,688,029
Premium on bond anticipation notes				253,660
Total general revenues				19,237,238
Change in net position				1,414,034
Net position - beginning of year				(43,020,877)
Net position - end of year				$ (41,606,843)

The accompanying notes are an integral part of the financial statements.

LAKE PLACID CENTRAL SCHOOL DISTRICT
Balance Sheet - Governmental Funds
June 30, 2020

	General	Special Aid	Capital Project	Nonmajor School Lunch	Total Governmental Funds
Assets					
Cash:					
Unrestricted	$ 3,223,806	$ 112,873	$ 11,806,257	$ -	$ 15,142,936
Restricted	1,673,990	-	-	-	1,673,990
Receivables:					
Accounts receivable	1,825	-	-	-	1,825
Due from other funds	1,159,774	-	-	-	1,159,774
State and federal aid	283,098	563,706	-	58,363	905,167
Inventories	-	-	-	2,211	2,211
Total assets	$ 6,342,493	$ 676,579	$ 11,806,257	$ 60,574	$ 18,885,903
Liabilities					
Payables:					
Accounts payable	$ 51,296	$ 30,000	$ 427,347	$ -	$ 508,643
Accrued liabilities	9,257	-	-	660	9,917
Bond anticipation note	-	-	18,565,201	-	18,565,201
Due to other funds	95,415	317,338	658,721	16,531	1,088,005
Due to other governments	-	-	-	26	26
Due to Teachers' Retirement System	647,018	-	-	-	647,018
Due to Employee's Retirement System	68,748	-	-	-	68,748
Total liabilities	871,734	347,338	19,651,269	17,217	20,887,558
Deferred inflows of resources					
Unearned revenue	-	4,669	-	9,085	13,754
Fund balance					
Nonspendable					
Inventory	-	-	-	2,211	2,211
Restricted					
Unemployment insurance	388,639	-	-	-	388,639
Tax certiorari	375,019	-	-	-	375,019
Employee benefits	910,332	-	-	-	910,332
Retirement contributions	100,000	-	-	-	100,000
Liability claim and property loss	510,495	-	-	-	510,495
Encumbrances	-	4,367	-	1,497	5,864
Assigned					
Encumbrances	282,050	-	-	-	282,050
Unappropriated	-	320,205	-	30,564	350,769
Appropriated	520,000	-	-	-	520,000
Unassigned	2,384,224	-	(7,845,012)	-	(5,460,788)
Total fund balance	5,470,759	324,572	(7,845,012)	34,272	(2,015,409)
Total liabilities , deferred inflows of resources, and fund balance	$ 6,342,493	$ 676,579	$ 11,806,257	$ 60,574	$ 18,885,903

The accompanying notes are an integral part of the financial statements.

LAKE PLACID CENTRAL SCHOOL DISTRICT
Reconciliation of Governmental Fund Balance Sheet
to the Statement of Net Position
June 30, 2020

	Total Governmental Funds	Long-term Assets, Liabilities	Reclassifications and Eliminations	Statement of Net Position
Assets				
Cash:				
Unrestricted	$ 15,142,936	$ -	$ -	$ 15,142,936
Restricted	1,673,990	-	-	1,673,990
Receivables:				
Accounts receivables	1,825	-	-	1,825
Due from other funds	1,159,774	-	(1,088,005)	71,769
State and federal aid	905,167	-	-	905,167
Inventories	2,211	-	-	2,211
Land, building, and equipment (net)	-	20,190,621	-	20,190,621
Net pension asset-proportionate share	-	1,070,761	-	1,070,761
Total assets	18,885,903	21,261,382	(1,088,005)	39,059,280
Deferred outflows of resources				
OPEB	-	2,923,371	-	2,923,371
Pension	-	4,395,407	-	4,395,407
Total deferred outflows of resources	-	7,318,778	-	7,318,778
Total assets and deferred outflows of resources	$ 18,885,903	$ 28,580,160	$ (1,088,005)	$ 46,378,058
Liabilities				
Payables:				
Accounts payable	$ 508,643	$ -	$ -	$ 508,643
Accrued liabilities	9,917	-	-	9,917
Bond anticipation note	18,565,201	-	-	18,565,201
Due to other funds	1,088,005	-	(1,088,005)	-
Due to other governments	26	-	-	26
Due to Teachers' Retirement System	647,018	-	-	647,018
Due to Employees' Retirement System	68,748	-	-	68,748
Bonds payable	-	220,000	-	220,000
Lease-purchase obligation	-	662,470	-	662,470
Compensated absences	-	1,201,810	-	1,201,810
Other postemployment benefits	-	52,008,870	-	52,008,870
Net pension liability-proportionate share	-	1,542,846	-	1,542,846
Total liabilities	20,887,558	55,635,996	(1,088,005)	75,435,549
Deferred inflows of resources				
OPEB	-	10,990,915	-	10,990,915
Pension	-	1,544,683	-	1,544,683
Unearned Revenue	13,754	-	-	13,754
Total deferred inflows of resources	13,754	12,535,598	-	12,549,352
Fund balance/net position				
Total fund balance/net position	(2,015,409)	(39,591,434)	-	(41,606,843)
Total liabilities, deferred inflows of resources and fund balance/net position	$ 18,885,903	$ 28,580,160	$ (1,088,005)	$ 46,378,058

The accompanying notes are an integral part of the financial statements.

LAKE PLACID CENTRAL SCHOOL DISTRICT
Statements of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds
Year Ended June 30, 2020

	General	Special Aid	Capital Project	Nonmajor School Lunch	Total Governmental Funds
Revenues					
Real property taxes	$ 15,627,841	$ -	$ -	$ -	$ 15,627,841
Other tax items	339,510	-	-	-	339,510
Charges for services	12,640	-	-	-	12,640
Use of money and property	129,645	-	-	-	129,645
State sources	2,688,029	476,553	-	4,747	3,169,329
Federal sources	-	333,717	-	122,110	455,827
Surplus food	-	-	-	16,403	16,403
Sales	-	-	-	121,657	121,657
Miscellaneous	193,425	-	-	69	193,494
Total revenues	18,991,090	810,270	-	264,986	20,066,346
Expenditures					
General support	2,715,342	-	7,628,752	-	10,344,094
Instruction	8,191,768	708,716	-	-	8,900,484
Pupil transportation	839,523	-	-	-	839,523
Employee benefits	5,404,982	-	-	-	5,404,982
Debt service:					
Principal	284,588	-	-	-	284,588
Interest	192,319	-	-	-	192,319
Cost of sales	-	-	-	331,251	331,251
Total expenditures	17,628,522	708,716	7,628,752	331,251	26,297,241
Excess (deficiency) of revenues over expenditures	1,362,568	101,554	(7,628,752)	(66,265)	(6,230,895)
Other financing sources and (uses)					
Premium on bond anticipation notes	-	-	253,660	-	253,660
Operating transfers in	-	-	594,799	75,000	669,799
Operating transfers (out)	(669,799)	-	-	-	(669,799)
Total other sources (uses)	(669,799)	-	848,459	75,000	253,660
Excess (deficiency) of revenues and other sources over expenditures and other (uses)	692,769	101,554	(6,780,293)	8,735	(5,977,235)
Fund balance - beginning of year	4,777,990	223,018	(1,064,719)	25,537	3,961,826
Fund balance - end of year	$ 5,470,759	$ 324,572	$ (7,845,012)	$ 34,272	$ (2,015,409)

The accompanying notes are an integral part of the financial statements.

LAKE PLACID CENTRAL SCHOOL DISTRICT
Reconciliation of Governmental Funds Revenues, Expenditures, and Changes in Fund Balance to the Statement of Activities
Year Ended June 30, 2020

	Total Governmental Funds	Long-term Revenues, Expenses	Capital Related Funds	Long-term Debt Transactions	Reclassification and Eliminations	Statement of Activities Totals
Revenues						
Real property taxes	$ 15,627,841	$ -	$ -	$ -	$ -	$ 15,627,841
Other tax items	339,510	-	-	-	-	339,510
Charges for services	12,640	-	-	-	-	12,640
Use of money and property	129,645	-	-	-	-	129,645
State sources	3,169,329	-	-	-	-	3,169,329
Federal sources	455,827	-	-	-	-	455,827
Surplus food	16,403	-	-	-	-	16,403
Sales	121,657	-	-	-	-	121,657
Miscellaneous	193,494	5,059	-	-	-	198,553
Total revenues	20,066,346	5,059	-	-	-	20,071,405
Expenditures/Expenses						
General support	10,344,094	53,687	(7,628,752)	-	-	2,769,029
Instruction	8,900,484	429,497	-	-	-	9,329,981
Pupil transportation	839,523	53,687	-	-	-	893,210
Employee benefits	5,404,982	(9,741)	-	-	-	5,395,241
Debt services:						
Principal	284,588	-	-	(284,588)	-	-
Interest	192,319	-	-	-	-	192,319
Cost of sales	331,251	-	-	-	-	331,251
Total expenditures/expenses	26,297,241	527,130	(7,628,752)	(284,588)	-	18,911,031
Excess (deficiency) of revenues over expenditures	(6,230,895)	(522,071)	7,628,752	284,588	-	1,160,374
Other sources and uses						
Premium on bond anticipation notes	253,660	-	-	-	-	253,660
Operating transfers in	669,799	-	-	-	(669,799)	-
Operating transfers (out)	(669,799)	-	-	-	669,799	-
Total other sources (uses)	253,660	-	-	-	-	253,660
Net change for the year	$ (5,977,235)	$ (522,071)	$ 7,628,752	$ 284,588	$ -	$ 1,414,034

The accompanying notes are an integral part of the financial statements.

LAKE PLACID CENTRAL SCHOOL DISTRICT
Statement of Fiduciary Net Position - Fiduciary Funds
June 30, 2020

	Private Purpose Trusts	Agency
Assets		
Cash	$ 61,814	$ 186,197
Investments	11,492	-
Due from other funds	16,540	-
Total assets	$ 89,846	$ 186,197
Liabilities		
Due to other funds	$ -	$ 88,309
Accounts payable	-	60,464
Extraclassroom activities	-	37,424
Total liabilities	-	186,197
Net Position		
Reserve for scholarship	89,846	-
Total net position	89,846	-
Total liabilities and net position	$ 89,846	$ 186,197

LAKE PLACID CENTRAL SCHOOL DISTRICT
Statement of Changes in Fiduciary Net Position - Fiduciary Funds
Year Ended June 30, 2020

	Private Purpose Trusts
Additions	
Gifts and contributions	$ 77,995
Total additions	77,995
Deductions	
Scholarships and awards	57,500
Total deductions	57,500
Excess of revenues over expenditures	20,495
Net position - beginning of year	69,351
Net position - end of year	$ 89,846

The accompanying notes are an integral part of the financial statements.

Note 1. Summary of Significant Accounting Policies

The financial statements of Lake Placid 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 the State of New York. The District is an independent entity governed by an elected Board of Education consisting of 7 members. The President of the Board serves as the Chief Fiscal Officer and the Superintendent is the Chief Executive Officer. The Board is responsible for and controls all activities related to public school education within the 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 Unit*. The financial reporting entity consist of the primary government, organizations for which the primary government is financially accountable and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The accompanying financial statements present the activities of the District. The District is not a component unit of another reporting entity. The decision to include 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. The cash and investment balances are reported in the Trust and Agency Funds of the District. Separate audited financial statements (cash basis) of the Extraclassroom Activity Funds can be found at the District's business office. The District accounts for assets held as an agent for various student organizations in an agency fund.

b) Joint Venture

The District is a component district in Franklin-Essex-Hamilton BOCES. A Board of Cooperative Educational Services (BOCES) is a voluntary, cooperative association of school districts in a geographical 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.

Note 1. Summary of Significant Accounting Policies (continued)

b) Joint Venture (continued)

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 $972,704 for BOCES administrative and capital costs.

Participating school districts issue debt on behalf of BOCES. During the year, the District issued $0 of serial bonds on behalf of BOCES. As of year-end, the District had outstanding BOCES debt of $0.

The District's share of BOCES aid amounted to $413,061.

Financial statements for 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 Net Position presents the financial position of the District at fiscal year-end. The Statement of Activities presents a comparison between program 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) Fund statements

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

The District reports the following 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 (other than capital projects) that are legally restricted to expenditure for specified purposes. Special revenue funds include the following:

Note 1. Summary of Significant Accounting Policies (continued)

c) Basis of Presentation (continued)

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

School Lunch Fund: Used to account for child nutrition activities whose fund are restricted as to use.

Capital Projects Fund: These funds are used to account for the financial resources to be used for acquisition, construction or major repair to 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 a separate column in the financial statements. Those that are determined to be non-major are reported in the supplemental schedules either separately or in the aggregate.

The District reports the following fiduciary funds:

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

Private Purpose Trust Funds: These funds are used to account for trust arrangements in which principal and income benefit annual third party awards and scholarships for students. Established criteria govern the use of the funds and members of the District or representatives of the donors may serve on committees to determine who benefits.

Agency Funds: These funds are strictly custodial in nature and do not involve the measurement of results of operations. Assets are held by the District as agent for various student groups or Extraclassroom activity funds and for payroll or employee withholdings.

Accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources be 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.

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 and fiduciary fund financial statements are reported using 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.

Note 1. Summary of Significant Accounting Policies (continued)

d) Measurement Focus and Basis of Accounting (continued)

Nonexchange transactions, in which the District gives or receives value without directly receiving or giving equal value in exchange, include property taxes, grants and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

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

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

e) Property Taxes

Real property taxes are levied annually by the Board of Education no later than September 1 and become a lien on August 15, 2019. Taxes are collected during the period September 1, 2019 to November 1, 2019.

Uncollectable real property taxes are subsequently enforced by the County in which the District is located. The County pays an amount representing uncollected real property taxes transmitted to the County for enforcement to the District not 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 borrowing. The District typically loans resources between funds for the purpose of providing cash flow. These interfund receivables and payables are expected to be repaid within one year. Permanent transfers of funds include the transfer of expenditures and revenues to provide financing or other services.

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

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

Note 1. Summary of Significant Accounting Policies (continued)

g) Interfund Transactions (continued)
Refer to Note 7 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 and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported revenues and expenses during the reporting period. Actual results could differ from those estimates. Estimates and assumptions are made in a variety of areas, including computation of encumbrances, compensated absences, potential contingent liabilities, other post-employment benefits, net pension liability, and useful lives of long-lived assets.

i) Cash (and Cash Equivalents)/Investments
The District's cash and cash equivalents consists of cash on hand, demand deposits, and short-term investments with original maturities of three months or less from 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 by pledged as collateral are obligations of the United States and its agencies and obligations of the State and its municipalities and Districts. Investments are stated at fair value.

j) Accounts Receivable
Receivables are shown as gross. No allowance for uncollectible accounts has been provided since the District expects to collect the full amount.

k) Inventories
Inventories of food in the School Lunch Fund are recorded at cost on a first-in, first-out basis or, in the case of surplus food, at stated value 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. A portion of the fund balance in the amount of these non-liquid assets has been identified as not available for other subsequent expenditures.

l) Capital Assets
Capital assets are reported at actual cost for acquisitions. Donated assets are reported at estimated fair market value at the time received. Capitalization thresholds (the dollar value above which asset acquisitions are added to the capital asset accounts), depreciation methods, and estimated useful lives of general fixed assets reported in the District-wide statements are as follows:

		Capitalization Threshold	Depreciation Method	Estimated Useful life
Buildings and improvements	$	3,000	Straight line	5-15 Years
Furniture & equipment	$	3,000	Straight line	3-7 Years

Note 1. Summary of Significant Accounting Policies (continued)

m) 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 School District has three items that qualify for reporting in this category. The first item is related to pensions reported in the district-wide Statement of Net Position. This represents the effect of the net change in 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 second item is the District's contribution to the pension systems (TRS and ERS Systems) and OPEB subsequent to the measurement date. The third item relates to OPEB reporting in the district wide Statement of Net Position. This represents the effects 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 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 four items that qualify for reporting in this category. The first 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 (TRS and ERS Systems) and differences during the measurement periods between the District's contributions and its proportion share of total contributions to the pension system not included in the pension expense. The second item is related to OPEB reported in the district-wide Statement of Net Position. This represents the effect of net changes of assumption or other inputs. The third item is related to unearned revenue. 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. The School District reports unearned on its governmental funds balance sheet and Statement of Net Position as a deferral related to a future period. The fourth item is related to prepaid meals. The School District reports prepaid meals on its governmental funds balance sheet and Statement of Net Position as a deferral related to a future period.

n) Vested Employee Benefits – Compensated Absences

Compensated absences consist of unpaid accumulated annual sick leave, vacation and sabbatical 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 services 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 employment contract in effect at year-end.

Note 1. Summary of Significant Accounting Policies (continued)

n) Vested Employee Benefits – Compensated Absences (continued)

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.

o) Other Benefits

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

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

In addition to providing pension benefits, the District provides post-employment health insurance coverage and survivor benefits to retired employees and their survivors in accordance with provisions 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 District recognizes the cost of providing health insurance by recording its share of insurance premiums as an expenditure.

p) 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 RAN's and TAN's 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. State law requires that BAN's issued for capital purposes be converted to long-term financing within five years after the original issue date.

The District may issue deficiency notes up to an amount not to exceed 5% of the amount of that same year's annual budget in any fund or funds arising from revenues being less than the amount estimated in the budget for that fiscal year. The deficiency notes may mature no later than the close of the fiscal year following the fiscal year in which they were issued. However, they may mature no later than the close of the second fiscal year after the fiscal year in which they were issued, if the notes were authorized and issued after the adoption of the budget for the fiscal year following the year in which they were issued.

Note 1. Summary of Significant Accounting Policies (continued)

q) Accrued Liabilities and Long-term Obligations

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

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

r) 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, 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.

Fund 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 the inventory in the School Lunch Fund of $2,211.

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 School District has established the following restricted fund balances:

<u>Unemployment Insurance</u>

According to General Municipal Law §6-m, must be used to pay the cost of reimbursement to 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 School District elects to convert to tax (contribution) basis, excess resources in the fund over the sum sufficient to pay pending claims may be transferred to any other reserve fund. This reserve is accounted for in the General Fund.

Note 1. Summary of Significant Accounting Policies (continued)

r) Equity Classifications (continued)

Encumbrances

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

Liability Claims and Property Loss

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

Employee Benefit Accrued Liability

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

Tax Certiorari

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

Retirement 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 reserves 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 existing provisions of General Law §6-r.

Note 1. Summary of Significant Accounting Policies (continued)

r) Equity Classifications (continued)

Restricted fund balance includes the following:

General Fund:		
Unemployment insurance	$	388,639
Tax certiorari		375,019
Employee benefit accrued liability		910,332
Retirement contributions		100,000
Liability claim and property loss		510,495
Special Aid Fund:		
Encumbrances		4,367
School Lunch Fund:		
Encumbrances		1,497
	$	2,290,349

Committed – Includes amounts that can only be used for the specific purpose 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, 2020.

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.

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 and could report a surplus or deficit. In the 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 be restricted or assigned.

NYS Real Property Tax Law 1318 limits the amount of unexpended surplus funds, excluding any 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 in the General Fund are excluded from the 4% limitation. Amounts appropriated for the subsequent year and encumbrances, and amounts reserved for insurance recoveries are also excluded from the 4% limitation.

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 determined. Any remaining fund balance amounts for funds other than the General Fund are classified as restricted fund balance. In the General Fund, committed fund balance is determined next and then assigned. The remaining amounts are reported as unassigned. Assignment of fund balance cannot cause a negative unassigned fund balance.

Note 1. Summary of Significant Accounting Policies (continued)

s) Future Changes in Accounting Standards

GASB Statement No. 84, *Fiduciary activities* – Effective for the year ending June 30, 2021

GASB Statement No. 87, *Leases* - Effective for the year ending June 30, 2021

GASB Statement No. 89, *Accounting for interest cost incurred before the end of a construction period* - Effective for the year ending June 30, 2021

GASB Statement No. 90, *Accounting for financial reporting for majority equity interest* - Effective for the year ending June 30, 2021

GASB Statement No. 91, *Conduit Debt Obligations* - Effective for the year ending June 30, 2023

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

Note 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 funds statements and the District-wide statements, certain financial transactions are treated differently. The basic financial statements contain a full reconciliation of these items. The differences result primarily from the economic focus of the Statement of Activities, compared with the current financial resources focus of the governmental funds.

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 additional long-term economic focus of the Statement of Net Position versus the solely current financial resources focus of the governmental fund Balance Sheets, as applied to the reporting on capital assets and long-term liabilities, including pensions.

Explanation of difference between Governmental Fund Balance and District-wide Net Position

Ending fund balance reported on governmental funds Statement of Revenues, Expenditures, and Changes in Fund Balance	$	(2,015,409)
Assets		
Long-term:		
Capital assets net of related depreciation		20,190,621
Net pension assets – proportionate share		1,070,761
Deferred outflows of resources:		
OPEB		2,923,371
Pensions		4,395,407
Liabilities:		
Long-term:		
Bonds payable		(220,000)
Lease-purchase obligations		(662,470)
Compensated absences		(1,201,810)
Other post-employment benefits		(52,008,870)
Net pension liability – proportionate share		(1,542,846)
Deferred inflows of resources:		
OPEB		(10,990,915)
Pensions		(1,544,683)
Ending net position reported in Statement of Position for governmental activities	$	(41,606,843)

Note 2. Explanation of Certain Differences between Fund Statements and District-wide Statements (continued)

b) Statement of Revenues, Expenditures and Changes in Fund Balance vs. Statement of Activities:

Differences between the funds Statement of Revenues, Expenditures and Changes in Fund Balance and the Statement of Activities fall into one of five 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) Other post-employment benefits:

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.

v) Pension differences:

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

Note 2. Explanation of Certain Differences between Fund Statements and District-wide Statements (continued)

Explanation of Differences Between Governmental Funds Operating Statements and the District Wide Statement of Activities

Total revenues and other funding sources of governmental funds	$	20,320,006
Gain on disposal of assets		5,059
Total revenues of governmental activities in the Statement of Activities	$	20,325,065
Total expenditures reported in governmental funds	$	26,297,241
In the Statement of Activities, certain operating expenses (compensated absences) are measured by the amount earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid). Compensated absences earned were less than the amount used during the year.		(394,344)
When the purchase or construction of capital assets is financed through governmental funds, the resources expended for those assets are reported as expenditures in the years they are incurred. However, in the Statements of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.		
Expenditures for capital outlay		(7,628,752)
Current year depreciation		536,871
Repayment of bond and capital lease principal is an expenditure in the governmental funds but reduces long-term liabilities in the Statement of Net Position and does not affect the Statement of Activities.		(284,588)
The payment of other post-employment benefits (OPEB) is recorded in the governmental funds as expenditures when incurred. However, in the Statement of Activities, the current cost plus the actuarial cost of future benefits are combined and recognized as an expense. This is the amount by which the annual OPEB cost exceeded the premiums paid.		(607,236)
Governmental funds report district pension contributions as expenditures. However, in the Statement of Activities, the cost of pension benefits earned net of employee contributions is reported as pension expense.		991,839
Total expenses of governmental activities in the Statement of Activities	$	18,911,031

Note 3. Stewardship, Compliance and Accountability

Budgets

The District administration prepares a proposed budget for approval by the Board of Education for the following governmental funds 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. No supplemental appropriations occurred during the year determined at the time the budget was adopted.

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

The General Fund is the only fund with a legally approved budget for the fiscal year ended June 30, 2020.

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 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 reservations of fund balance and do not represent expenditures or liabilities. These commitments will be honored in the subsequent period. Related expenditures are recognized at that time as the liability is incurred or the commitment is paid.

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 using its fund balance in future budgets to provide stability to taxpayers in a fiscally responsible manner.

The Capital Projects Fund has a deficit fund balance of $7,845,012 . This will be funded when the District obtains permanent financing for its current construction project.

The District has a net position deficit of $41,606,843 at June 30, 2020. This a result of the other post-employment benefits being fully unfunded.

Note 4. Cash (and Cash Equivalents) – Custodial Credit, Concentration of Credit, Interest Rate and Foreign Currency Risk

Cash

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

Uncollateralized	$	-
Collateralized securities held by the pledging financial institution, or its trust department or agent, but not in the District's name	$	13,718,377

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 $1,673,990 within the governmental funds and $248,011 in the fiduciary funds.

Investments 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 States 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.

Note 4. Cash (and Cash Equivalents) – Custodial Credit, Concentration of Credit, Interest Rate and Foreign Currency Risk (continued)

The District restricts the securities to the following eligible items:

- Obligations issued, fully insured, or guaranteed as to the payment of principal and interest, by the United State Treasury and United States agencies.
- Obligations issued or fully insured or guaranteed by New York State and its localities.
- Obligations issued by other than New York State rated in one of the three highest rating categories by at least one nationally recognized statistical rating organizations.

Note 5. Investments

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

U.S GAAP establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy are described as follows:

Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the District has the ability to access.

Level 2: Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in actives markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability
- Inputs that are derived principally from or corroborated by observable market date by correlation or other means;
- If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used should maximize the use of observable inputs and minimize the use of unobservable inputs.

All of the District's investments are valued based on Level 1 of the hierarchy.

The following is a description of the valuation methodologies used for investments measure at fair value:

Cash and cash equivalents: Valued at cost plus accrued interest, which approximates fair market value.

Note 5. Investments (continued)

Common stock and mutual funds: Valued at the net assets value (NAV) of shares held at end of year. The NAV is the closing price reported on the open market on which the securities are traded.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the District believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

	Fair Value
Common Stock	$ 11,492

The District does not typically purchase investments for long enough durations to cause it to believe that it is exposed to any material interest rate.

The District does not typically purchase investments denominate in a foreign currency and is not exposed to foreign currency risk.

Note 6. Receivables

Receivables at year-end for individual funds are as follows:

Description	General	Special Aid	School Lunch	Total
Accounts receivable	$ 1,825	$ -	$ -	$ 1,825
State and Federal aid	283,098	563,706	58,363	905,167
Total	$ 284,923	$ 563,706	$ 58,363	$ 906,992

District management has deemed the amounts to be fully collectible.

Note 7. Interfund Balances and Activity

Interfund balances and activity at June 30, 2020 and for the fiscal year then ended, were as follows:

	Interfund	
Fund	Receivable	Payable
General Fund	$ 1,159,774	$ 95,415
School Lunch Fund	-	16,531
Special Aid Fund	-	317,338
Capital Projects Fund	-	658,721
Total Governmental Funds	1,159,774	1,088,005
Fiduciary	-	71,769
Total	$ 1,159,774	$ 1,159,774

Note 7. Interfund Balances and Activity (continued)

Transfer from	Transfer to		Amount	Purpose
General fund	Capital projects fund	$	594,799	Payment on BAN
General fund	School lunch fund		75,000	Fund school lunch fund
Total		$	669,799	

The District typically loans resources between funds for the purpose of mitigating the effects of transient cash flow issues.

Note 8. Capital Assets

Capital asset balances and activity for the year ended June 30, 2020 were as follows:

	6/30/19 Balance	Additions	Retirements Reclassify	6/30/20 Balance
Capital assets that are not depreciated:				
Land	$ 73,500	$ -	$ -	$ 73,500
Construction in progress	1,255,095	7,628,752	-	8,883,847
Total	1,328,595	7,628,752	-	8,957,347
Capital assets that are depreciated:				
Land improvements	2,397,308	-	-	2,397,308
Buildings and improvements	19,162,931	-	-	19,162,931
Machinery and equipment	1,060,301	95,974	44,468	1,111,807
Vehicles	302,502	-	-	302,502
Total	22,923,042	95,974	44,468	22,974,548
Less accumulated depreciation:				
Land improvements	1,301,217	107,814	-	1,409,031
Building and improvements	8,851,411	374,141	-	9,225,552
Machinery and equipment	926,992	30,620	32,530	925,082
Vehicles	157,313	24,296	-	181,609
Total	11,236,932	536,871	32,530	11,741,274
Total capital assets - net	$ 13,014,704	$ 7,187,855	$ (11,938)	$ 20,190,621

Depreciation expense was charged to governmental functions as follows:

General government	$	53,687
Instruction		429,497
Pupil transportation		53,687
	$	536,871

Note 9. Indebtedness

Short-term debt

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

	Maturity	Stated Interest Rate	Beginning Balance	Issued	Redeemed	Ending Balance
BAN	6/25/21	3.00%	$ 755,738	$ 26,085,201	$ 8,275,738	$ 18,565,201

Long-term debt

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

Long-term liability balances and activity for the year ended June 30, 2020 are summarized below:

	Beginning Balance	Additions	Reductions	Ending Balance
Governmental activities:				
Serial bond	$ 405,000	$ -	$ 185,000	$ 220,000
Notes payable	34,590	-	34,590	-
Lease-purchase obligation	648,489	78,979	64,998	662,470
Other liabilities:				
Compensated absences	1,596,154		394,344	1,201,810
Post – employment benefits	48,065,013	3,943,857	-	52,008,870
Net pension liability	452,876	1,089,970	-	1,542,846
	$ 51,202,122	$ 5,112,806	$ 678,932	$ 55,635,996

Existing serial bond, notes payable, and lease-purchase obligations are as follows:

Description of Issue	Issue date	Final maturity	Interest rate	Original amount	Balance
Serial bond – Construction	7/15/07	2022	4.250-4.375%	1,313,000	220,000
Lease-purchase obligation-Energy performance	1/30/15	2030	3.170%	835,012	598,298
Lease-purchase obligation-Mower and accessories	7/1/19	2025	4.900%	78,979	64,172
					882,470
Less: current portion					(173,495)
Long-term portion					$ 708,975

Total debt outstanding was $882,470 backed by the full faith and credit of the government.

Note 9. Indebtedness (continued)

The following is a summary of maturing debt service requirements:

Years ended June 30	Principal	Interest	Total
2021	$ 173,495	$ 31,806	$ 205,301
2022	175,623	24,746	200,369
2023	67,922	17,361	85,286
2024	70,305	15,251	85,556
2025	72,774	12,781	85,555
2026	322,351	31,302	353,653
	$ 882,470	$ 133,247	$ 1,015,717

Note 10. Pension Plans

General Information:

The District participates in the New York State Employees' Retirement System (NYSERS) and the New York State Teachers' Retirement System (NYSTRS). These are cost-sharing multiple employer 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.

Provisions and administration:

A 10-member Board of Trustees of the New York State Teachers’ Retirement Board administers TRS.

TRS provides benefits to plan members and beneficiaries as authorized by the Education Law and the New York State Retirement and Social Security Law (NYSRSSL). 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. TRS issues a publicly available financial report that contains financial statements and required supplementary information. The report may be obtained by writing to NYSTRS, 10 Corporate Woods Drive, Albany, New York, 12211-2395 or by referring to the TRS Comprehensive Annual Financial report, which can be found on the System’s website at www.nystrs.org.

ERS 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. NYSRSSL govern obligations of employers and employees to contribute, and benefits to employees. 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.

Note 10. Pension Plans (continued)

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.

ERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the NYSERS, Office of the State Comptroller, 110 State Street, Albany, NY 12244 or by referring to the ERS Comprehensive Annual Report, which can be found at www.osc.state.ny.us/retire/publications/index.php.

Funding policies:
The Systems are noncontributory except for the employees who joined after to July 27, 1976, who can contribute 3% of their salary for the first ten years of membership, and employees who joined on or after January 2010 who generally contribute 3% 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 TRS, contribution rates are established annually by the New York State Teachers' Retirement Board pursuant to Article 11 of the Education Law. For ERS, the Comptroller annually certifies the actuarially determined rates expressly used in computing the employers' contributions to the ERS' fiscal year ended March 31. The District pays 100% of the required contributions as billed by the TRS and ERS for the current year and each of the two preceding years.

The District's share of the required contribution based on covered payroll paid by the District's year end June 30, were:

June 30	NYSLRS	NYSTRS
2020	$ 291,575	$ 730,593
2019	$ 300,169	$ 656,417

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

At June 30, 2020, 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 March 31, 2020 for ERS and June 30, 2019 for TRS. 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 ERS and TRS System in reports provided to the District.

	ERS	TRS
Actuarial valuation date	4/1/19	6/30/18
Net pension asset/(liability)	$ (1,542,846)	$ 1,070,761
District's portion of the Plan's total net pension asset/(liability)	0.0058263%	0.041215%

Note 10. Pension Plans (continued)

For the year ended June 30, 2020 the District's recognized pension expense of $556,508 for ERS and $1,316,191 for TRS. At June 30, 2020, the District's reported deferred outflows of and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources		Deferred Inflows of Resources	
	ERS	TRS	ERS	TRS
Differences between expected and actual experiences	$ 90,803	$ 725,627	$ -	$ 79,624
Changes of assumptions	31,066	2,022,811	26,825	493,219
Net difference between projected and actual earnings on pension plan investments	790,938	-	-	858,695
Changes in proportion and differences between the District's contributions and proportionate share of contributions	110,245	25,453	37,463	48,857
District's contributions subsequent to the measurement date	-	598,463	-	-
Total	$ 1,023,052	$ 3,372,355	$ 64,288	$ 1,480,395

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

	ERS	TRS
Year ended:		
2020	$ -	$ 476,438
2021	177,800	22,749
2022	245,660	474,682
2023	299,654	319,760
2024	235,649	36,413
2025	-	(36,545)
2026 and thereafter	-	-
Total	$ 958,763	$ 1,293,497

Note 10. Pension Plans (continued)

Actuarial Assumptions

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

	ERS	TRS
Measurement date	March 31, 2020	June 30, 2019
Actuarial valuation date	April 1, 2019	June 30, 2018
Interest rate	6.80%	7.10%
Salary scale	4.50%	1.90%-4.72%
Decrement tables	April 1, 2015 - March 31, 2020 Systems' Experience	July 1, 2009 - June 30, 2014 Systems' Experience
Inflation rate	2.50%	2.20%
Cost of living adjustment	1.30%	1.30%

For TRS, annuitant mortality rates are based on the July 1, 2009 – June 30, 2014 Systems' experience with adjustments for mortality improvements based on a Society of Actuaries' Scale MP2018. For ERS, annuitant mortality rates are based on April 1, 2015 – March 31, 2020 System's experience with adjustments for mortality improvements based on Society of Actuaries' Scale MP-2019.

For TRS, the actuarial assumptions used in the June 30, 2018 valuation are based on the results of an actuarial experience study for the period July 1, 2005 – June 30, 2010. For ERS, the actuarial assumption used in the April 1, 2019 valuation are based on the results of an actuarial experience study for the period April 1, 2010 – March 31, 2015.

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

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

Note 10. Pension Plans (continued)

Best estimates of the arithmetic real rates for each major asset class included in the target asset allocation are summarized as follows:

ERS	Target allocation	Long-term expected real rate of return
	2019	2019
Asset type		
Domestic equity	36.0%	4.55%
International equity	14.0	6.35
Private equity	10.0	7.50
Real estate	10.0	5.55
Absolute return strategies	2.0	3.75
Opportunistic portfolio	3.0	5.68
Real assets	3.0	5.29
Bond and mortgages	17.0	1.31
Cash	1.0	(0.25)
Inflation-indexed bonds	4.0	1.25
	100.0%	

Real rates of return are net of the long-term inflation assumption of 2.50% for 2019.

TRS	Target allocation	Long-term expected real rate of return
	2019	2019
Asset type		
Domestic equity	33.0%	6.3%
International equity	16.0	7.8
Private equity	8.0	9.9
Real estate	11.0	4.6
Global Equity	4.0	7.2
Domestic fixed income securities	16.0	1.3
Global bonds	2.0	0.9
High yield bonds	1.0	3.6
Cash	1.0	0.3
Private Debt	1.0	6.5
Real Estate Debt	7.0	2.9
	100.0%	

Real rates of return are net of the long-term inflation assumption of 2.2% for 2019.

Discount rate

The discount rate used to calculate the total pension liability was 6.80% for ERS and 7.10% for TRS. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at statutorily required rates, actuarially. 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 liability.

Note 10. Pension Plans (continued)

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

The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 6.80% for ERS and 7.10% for TRS, 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 (5.80% for ERS and 6.10% for TRS) or 1 percentage point higher (7.80% for ERS and 8.10% for TRS) than the current rate:

ERS	1% Decrease (5.8.0%)	Current discount rate (6.8%)	1% Increase (7.80%)
Employer's proportionate share of the net pension asset (liability)	$ (2,831,559)	$ (1,542,846)	$ (355,937)

TRS	1% Decrease (6.10%)	Current discount rate (7.10%)	1% Increase (8.10%)
Employer's proportionate share of the net pension asset (liability)	$ (4,833,304)	$ 1,070,761	$ 6,023,605

Change 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 pension benefits.

Collective Pension Expense

Collective pension expense includes certain current period changes in the collective net pension asset (liability), projected earnings on pension plan investments, and the amortization of deferred outflows of resources and deferred inflows of resources for the current period. The collective pension expense for the year ended June 30, 2020 is $566,508 for ERS and $1,316,191 for TRS.

Payables to the Pension Plan

For ERS, employer contributions are paid annually based on the System's fiscal year which ends on March 31st. Accrued retirement contributions as of June 30, 2020 represent the projected employer contributions for the period of April 1, 2020 through June 30, 2020 based on paid ERS wages multiplied by the employer's contribution rate, by tier. Accrued retirement contributions as of June 30, 2020 amounted to $68,748.

For TRS, employer and employee contributions for the fiscal year ended June 30, 2020 are paid to the System in September, October, and November 2020 through a state aid intercept. Accrued retirement contributions as of June 30, 2020 represent employee and employer contributions for the fiscal year ended June 30, 2020 base on paid TRS wages multiplied by the employer's contribution rate, by tier and employee contributions for the fiscal year as reported to the TRS System. Accrued retirement contributions as of June 30, 2020 amounted to $647,018.

Note 11. Post-Employment Benefits

A. General information about the OPEB Plan

Plan Description – The District's defined benefit OPEB plan provides OPEB for all permanent full-time general and public safety employees of the District. The plan is single-employer defined benefit OPEB plan administered by the District. Article 11 of the State Compiled Statutes grants the authority to establish and amend the benefit terms and financing requirements to the District Board. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

Benefits Provided – The District provides healthcare benefits for retirees and their dependents. The benefits terms are dependent on which contract each employee falls under. The specifics of each contract are on file at the District offices and are available upon request.

Employee Covered by Benefit Terms – At June 30, 2019, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	93
Inactive employees entitled to but not yet receiving benefits payments	-
Active employees	149
	242

B. Total OPEB Liability

The District's total OPEB liability of $52,008,870 was measured as July 1, 2019 and was determined by an actuarial valuation as of July 1, 2018. Actuarial Assumptions and Other Inputs – The total OPEB liability in the June 30, 2020 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.2%
Salary Increases	3.25%
Discount Rate	3.50%
Healthcare Cost Trend Rates	7.50% for 2021, decreasing per year to an ultimate rate of 3.94 for 2089 and later years
Retirees' Share of Benefit-Related Cost	5% of projected health insurance premiums for retirees

The discount rate was based on Bond Buyer Weekly 20 – Bond Go Index.

Mortality rates were based on the RPH – 2014 Mortality Table, as appropriate, with adjustments for mortality improvements based on Scale MP-2018.

Note 11. Post-Employment Benefits (continued)

C. Changes in the Total OPEB Liability

Balance at July 1, 2018	$ 48,065,013
Changes for the Year -	
Service Cost	1,578,701
Interest	1,894,778
Changes of benefit terms	-
Differences between expected and actual experience	-
Changes in assumptions or other inputs	1,836,481
Benefits payments	(1,366,103)
Net Changes	3,943,857
Balance at July 1, 2019	$ 52,008,870

Changes of assumptions and other inputs reflect a change in the discount rate from 3.87% in 2018 to 3.5% in 2019.

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

	1% Decrease (2.50%)	Current discount rate (3.50%)	1% Increase (4.50%)
Total OPEB Liability	$ 61,008,929	$ 52,008,870	$ 44,776,975

Sensitivity of the Total OPEB Liability to Changes in the Health Cost Tread Rates – The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower or 1 percentage point higher than the current healthcare cost trend rate:

	1% Decrease	Current Trend Rates	1% Increase
Total OPEB Liability	$ 43,627,217	$ 52,008,870	$ 62,796,033

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

For the year ended June 30, 2020, the District recognized an OPEB expense of $781,211. At June 30, 2020, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

Note 11. Post-Employment Benefits (continued)

		Deferred Outflows of Resources		Deferred Inflows of Resources
Differences between expected and actual experience	$	-	$	2,989,036
Changes of assumptions or other inputs		1,534,924		8,001,879
Employer contribution subsequent to the measurement date (Expected employer contribution including implicit subsidy)		1,388,447		-
Total	$	2,923,371	$	10,990,915

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
2021	$	(2,692,268)
2022		(2,692,268)
2023		(2,692,268)
2024		(1,555,985)
2025		149,659
2026 and thereafter		27,138
	$	(9,455,992)

Note 12. Commitments and Contingencies

The District incurs costs related to an employee health insurance plan (Plan) sponsored by Franklin-Essex-Hamilton BOCES and its component Districts. Plan members are subject to a supplemental assessment in the event of deficiencies. If the Plan's assets were to be exhausted, members would be responsible for the Plan's liabilities. The Plan uses a reinsurance agreement to reduce its exposure to large losses on insured events.

Reinsurance permits recovery of a portion of losses from the reinsurer, although it does not discharge the liability for both reported and unreported insured events, which includes estimates of both future payments of losses and related claim adjustment expenses.

However, because actual claims costs depend on complex factors, the process used in computing claims liabilities does not necessarily result in an exact amount. Such claims are based on the ultimate cost of claims (including future claim adjustment expenses) that have been reported but not settled and claims that have been incurred but not reported. Adjustments to claims liabilities are charged or credited to expenses in the periods in which they are made.

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

Note 12. Commitments and Contingencies (continued)

The COVID-19 outbreak in the United States (and across the globe) has resulted in economic uncertainties. There is considerable uncertainty around the duration and scope of the economic disruption. The extent of the impact of COVID-19 on our operational and financial performance will depend on certain developments, including the duration and spread of the outbreak and impact on individuals served by the District, both of which are uncertain and cannot be predicted. At this point, the extent to which COVID-19 may impact our financial condition or results of operations is uncertain

Note 13. Risk Management

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

Note 14. Subsequent Events

The District has evaluated events and transactions that occurred between June 30, 2020 and September 28, 2020 which is the date the financial statements were available to be issued, for possible disclosure and recognition in the financial statements.

LAKE PLACID CENTRAL SCHOOL DISTRICT
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - General Fund
Year Ended June 30, 2020

	Original Budget	Final Budget	Actual (Budgetary Basis)	Year-end Encumbrances	Final Budget Variance With Budgetary Actual and Encumbrances
REVENUES:					
Local sources:					
Real property taxes	$ 15,626,022	$ 15,626,022	$ 15,627,841	$ -	$ 1,819
Other tax items	335,068	335,068	339,510	-	4,442
Charges for services	36,000	36,000	12,640	-	(23,360)
Use of money and property	55,000	55,000	129,645	-	74,645
Miscellaneous	90,447	90,447	193,425	-	102,978
Total local sources	16,142,537	16,142,537	16,303,061	-	160,524
State sources	2,671,100	2,671,100	2,596,400	-	(74,700)
Medicaid sources	55,000	55,000	91,629	-	36,629
OTHER FINANCING SOURCES:					
Prior year's encumbrances	-	78,078	-	-	(78,078)
Appropriated fund balance	520,000	520,000	-	-	(520,000)
Total revenues an other financing sources	19,388,637	19,466,715	18,991,090	-	(475,625)
EXPENDITURES:					
General support:					
Board of education	10,700	11,150	6,735	-	4,415
Central administration	205,984	207,734	206,211	-	1,523
Finance	419,829	428,590	407,630	2,334	18,626
Staff	57,280	70,999	68,777	1,325	897
Central services	1,156,000	1,194,040	974,519	20,315	199,206
Special items	277,443	279,209	1,051,470		(772,261)
Total general support	2,127,236	2,191,722	2,715,342	23,974	(547,594)
Instruction:					
Instruction, administration and improvement	530,681	528,269	509,236	607	18,426
Teaching - regular school	4,290,601	4,267,247	3,941,059	26,354	299,834
Programs for children with handicapping conditions	3,012,301	2,986,601	2,442,281	193,335	350,985
Instructional media	648,350	660,324	494,491	30,055	135,778
Pupil services	931,795	943,700	804,701	2,285	136,714
Total instruction	9,413,728	9,386,141	8,191,768	252,636	941,737
Pupil transportation	988,968	991,868	839,523	5,440	146,905
Community services	3,500	3,500	-	-	3,500
Employee benefits	5,701,540	5,701,540	5,404,982	-	296,558
Debt service:					
Principal	829,991	868,270	879,387	-	(11,117)
Interest	203,674	203,674	192,319	-	11,355
OTHER FINANCING USE					
Transfers to other funds	120,000	120,000	75,000	-	45,000
Total expenditures and other financing uses	19,388,637	19,466,715	18,298,321	282,050	886,344
Excess of revenues and other sources over expenditures and other uses	$ -	$ -	$ 692,769	$ (282,050)	$ 410,719

LAKE PLACID CENTRAL SCHOOL DISTRICT
Schedule of Funding Progress for the Retiree Health Plan
Year Ended June 30, 2020

	2020	2019	2018
Measurement date	7/1/2019	7/1/2018	7/1/2017
Total OPEB liability			
Service cost	$ 1,578,701	$ 1,968,693	$ 2,553,076
Interest	1,894,778	2,059,176	1,780,268
Changes in benefit terms	-	(392,025)	-
Difference between expected and actual experience in the measurement of the total OPEB liability	-	(4,450,666)	-
Changes of assumption or other inputs	1,836,481	(5,827,738)	(8,006,235)
Benefit payments	(1,366,103)	(1,046,109)	(971,772)
Net change in total OPEB liability	3,943,857	(7,688,669)	(4,644,663)
Total OPEB liability - beginning	48,065,013	55,753,682	60,398,345
Total OPEB liability - ending	$ 52,008,870	$ 48,065,013	$ 55,753,682
Covered payroll	$ 8,905,459	$ 8,374,854	$ 8,922,472
Total OPEB liability as a percentage of covered payroll	584%	574%	625%

See Independent Auditor's Report.

LAKE PLACID CENTRAL SCHOOL DISTRICT
Schedule of District's Proportionate Share of the Net Pension Asset/Liability
Year Ended June 30, 2020

Teachers' Retirement System

	2020	2019	2018	2017	2016	2015
Measurement date	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015	6/30/2014
Lake Placid Central School District's proportion of the net pension asset or liability	0.041215%	0.041121%	0.040483%	0.040857%	-0.040035%	-0.041532%
Lake Placid Central School District's proportionate share of the net pension asset (liability)	$ 1,070,761	$ 743,575	$ 310,380	$ (437,598)	$ 4,158,315	$ 4,626,439
Lake Placid Central School District's covered-employee payroll	$ 6,789,870	$ 6,877,284	$ 6,698,135	$ 6,470,856	$ 6,329,885	$ 6,076,600
Lake Placid Central School District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	15.8%	10.8%	4.6%	6.8%	65.7%	76.1%

Employees' Retirement System

	2020	2019	2018	2017	2016	2015
Measurement date	3/31/2020	3/31/2019	3/31/2018	3/31/2017	3/31/2016	3/31/2015
Lake Placid Central School District's proportion of the net pension asset or liability	0.0058263%	0.0063918%	0.0065407%	0.0065526%	0.0070769%	0.007116%
Lake Placid Central School District's proportionate share of the net pension asset (liability)	$ 1,542,846	452,876	$ 211,098	$ 615,698	$ 1,135,869	$ 240,380
Lake Placid Central School District's covered-employee payroll	$ 1,934,596	2,028,175	$ 2,106,213	$ 2,051,767	$ 2,088,642	$ 200,337
Lake Placid Central School District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	79.8%	22.3%	10.0%	30.0%	54.4%	120.0%

See Independent Auditor's Report.

LAKE PLACID CENTRAL SCHOOL DISTRICT

Schedule of District's Contributions

Year Ended June 30, 2020

Teachers' Retirement System

	2020	2019	2018	2017	2016	2015
Contractually required contributions	$ 730,593	$ 656,417	$ 758,384	$ 836,002	$ 1,054,208	$ 966,932
Contributions in relation to the contractually required contribution	$ 730,593	$ 656,417	$ 758,384	$ 836,002	$ 1,054,208	$ 996,932
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -
Covered-employee payroll	$ 6,789,870	$ 6,877,284	$ 6,698,135	$ 6,470,856	$ 6,329,885	$ 6,076,600
Contributions as a percentage of covered-employee payroll	10.8%	9.5%	11.3%	12.9%	16.7%	16.4%

Employees' Retirement System

	2020	2019	2018	2017	2016	2015
Contractually required contributions	$ 291,575	$ 300,169	$ 305,394	$ 308,384	$ 376,215	$ 401,343
Contributions in relation to the contractually required contribution	$ 291,575	$ 300,169	$ 305,394	$ 308,384	$ 376,215	$ 401,343
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -
Covered-employee payroll	$ 1,934,596	$ 2,028,175	$ 2,106,213	$ 2,051,767	$ 2,088,642	$ 2,003,337
Contributions as a percentage of covered-employee payroll	15.1%	14.8%	14.5%	15.0%	18.0%	20.0%

See Independent Auditor's Report.

LAKE PLACID CENTRAL SCHOOL DISTRICT
Schedule of Change from Adopted Budget to Final
and the Real Property Tax Limit
Year Ended June 30, 2020

Change from adopted budget to final budget

Original budget		$	19,388,637
Additions:			
Encumbrances - fiscal year 2019	78,078		
Budget revisions - miscellaneous revenue	-		
Total additions			78,078
Revised budget		$	19,466,715

Section 1318 of Real Property Tax Law Limit Calculation

2020-2021 expenditure budget			$	19,978,464
Maximum allowed (4% of 2019-2020 budget)				799,139
General Fund fund balance subject to section 1318 of real property tax law:				2,384,224
Unrestricted fund balance:				
Assigned fund balance	$	802,050		
Unassigned fund balance		2,384,224		
Total unrestricted fund balance	$	3,186,274		
Less:				
Appropriated fund balance	$	520,000		
Insurance recovery reserve		-		
Tax reduction reserve		-		
Encumbrances included in committed and assigned fund balance		282,050		
Total adjustments	$	802,050		
General Fund fund balance subject to section 1318 of real property tax law			$	2,384,224

See Independent Auditor's Report.

LAKE PLACID CENTRAL SCHOOL DISTRICT
Capital Projects Fund
Schedule of Project Expenditures
June 30, 2020

Project Title	Original Appropriation	Revised Appropriation	Prior Year's Expenditures	Current Year Expenditures	Total Expenditures	Unexpended Balance	Proceeds of Obligations	State Aid	Local Sources	Total	Fund Balance June 30, 2020
District-wide	$ 1,380,990	$ 1,380,990	$ 1,142,941	$ 7,422,768	$ 8,565,709	$ (7,184,719)	$ 253,660	$ -	$ 785,175	$ 1,038,835	$ (7,526,874)
Security camera	100,000	100,000	99,615	-	99,615	385	-	-	-	-	(99,615)
Limestone facade	30,000	30,000	12,539	205,984	218,523	(188,523)	-	-	-	-	(218,523)
Total	$ 1,510,990	$ 1,510,990	$ 1,255,095	$ 7,628,752	$ 8,883,847	$ (7,372,857)	$ 253,660	$ -	$ 785,175	$ 1,038,835	$ (7,845,012)

See Independent Auditor's Report.

LAKE PLACID CENTRAL SCHOOL DISTRICT
Net Investment in Capital Assets
Year Ended June 30, 2020

Capital assets, net	$ 20,190,621
Deduct:	
Bond anticipation note	8,883,847
Short-term portion of bonds payable, notes payable, and lease purchase obligation	173,495
Long-term portion of bonds payable, notes payable, and lease purchase obligation	708,975
Net investment in capital assets	$ 10,424,304

See Independent Auditor's Report.

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

To the Board of Education
Lake Placid Central School District
Lake Placid, NY 12946

We have audited 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, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Lake Placid Central School District as of and for the year ended June 30, 2020, which collectively comprise Lake Placid Central School District's basic financial statements and have issued our report thereon dated September 28, 2020.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Lake Placid Central School District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Lake Placid Central School District's internal control. Accordingly, we do not express an opinion on the effectiveness of the Lake Placid 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, and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Lake Placid Central School District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as item 2020-1.

Lake Placid Central School District's Response to the Finding

Lake Placid Central School District 's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. Lake Placid School District's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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.

Telling & Associates, CPA, P.C.

Telling & Associates, CPA PC
License # 092-0000692
Middlebury, Vermont
September 28, 2020

Financial Statements

Compliance and Other Matters

2020-001 Excess Unassigned Fund Balance

Condition and criteria: The District's unassigned fund balance was 11.9% of next year's general fund budget.

Context: According to New York State Real Property Tax Law Section 1318, a district's unassigned fund balance may not exceed an amount equal to 4% of next year's budget.
Cause: Unknown

Recommendation: We recommend the District keep in mind this property tax law when preparing next year's budget.

Lake Placid Central School

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Administration

Superintendent
Dr. Roger P. Catania, ext. 3002

Asst. Superintendent for Business
Finance and Support Serives
Dana Wood, ext. 3004

District Clerk
Karen Angelopoulos, ext. 3001

Deputy Treasurer
Elizabeth Smith, ext. 3005

Tax Collector
Laurie Baumbach, ext. 3003

Administrative Assistant
Tracey Ridenour, ext. 3010

2020-001 Excess Unassigned Fund Balance

Summary of finding: The District's unassigned fund balance was 11.9% in excess of next year's general fund budget. According to New York State Real Property Tax Law Section 1318, a district's unassigned fund balance may not exceed 4% of next year's budget.

Statement of Concurrence or Nonconcurrence: We agree with the finding of the independent auditor.

Corrective Action: Lake Placid Central School District has taken a conservative approach to spending as state aid remains uncertain. The Board of Education plans to use its fund balance in the future budgets to provide stability to the taxpayers in a fiscally responsible manner.

Contact person: Dana Wood, Assistant Superintendent of Business, phone (518) 523-2475 ext. 3004, dwood@lakeplacidcsd.net

Dana Wood

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Independent Auditor's Report

To the Board of Education
Lake Placid Central School District
Lake Placid, New York 12946

We have audited the accompanying statement of assets, liabilities and fund balance – cash basis and the related statement of receipts, disbursements and ending balances – cash basis of the Extraclassroom Activity Funds of the Lake Placid Central School District as of and for the year ended June 30, 2020.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the cash basis of accounting described in Note 1; this includes determining that the cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible 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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets, liabilities, and fund balance of the Extraclassroom Activity Funds of the Lake Placid Central School District, as of June 30, 2020, and its receipts, disbursements, and ending balances thereof for the year then ended in accordance with the basis of accounting as described in Note 1.

Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to that matter.

Telling & Associates, CPA, P.C.

Telling & Associates, CPA PC
License # 092-0000692
Middlebury, Vermont
September 28, 2020

LAKE PLACID CENTRAL SCHOOL DISTRICT
Extraclassroom Activity Fund
Statement of Assets, Liabilities, and Fund Balance - Cash Basis
Year Ended June 30, 2020

Assets		
Cash	$	37,424
Total assets	$	37,424
Liabilities		
Extraclassroom activity balances	$	37,424
Total liabilities	$	37,424

See the accompanying notes to the financial statements.

LAKE PLACID CENTRAL SCHOOL DISTRICT
Extraclassroom Activity Fund
Statement of Receipts, Disbursements, and Ending Balances - Cash Basis
Year Ended June 30, 2020

	July 1 2020	Total Receipts	Total Payments	June 30 2020
Class of 2019	1,040		1,040	-
Class of 2020	1,670	2,372	2,812	1,230
Class of 2021	2,816	1,217	1,493	2,540
Class of 2022	8,359	9,317	7,899	9,777
Class of 2023	2,430	2,093	2,292	2,231
Class of 2024	5,304			5,304
Class of 2025	1,580	1,500	2,920	160
Class of 2026	-	7,841	6,143	1,698
Band	215	11,551	9,585.00	2,181
Boys Hockey	25		25	-
Builders Club	2,688	1,200	3,041	847
Chorus	(436)	435		(1)
Drama Club	945	2,787	2,147	1,585
Environmental Club	6,984	200	5,315	1,869
Faculty Scholarship	255	-	255.00	-
Key Club	1,297	240	325	1,212
Lake Placid Cross Country Club	168	2,645	1,595	1,218
Lambda Pi	550	-	550.00	-
Musical Theatre	-	820	664.00	156
Miscellaneous	(2,723)	968	-	(1,755)
National Honor Society	115	-	69	46
Newspaper	912	-	27.00	885
SADD	25	-	25	-
Sport Study Hall	211	2,727	2,734	204
Student Council	714	137	108	743
Varsity Club	5,554	14,376	17,622	2,308
Washington DC Trip	74	-	74	-
Yearbook	411	4,085	1,510	2,986
Totals	$ 41,183	$ 66,511	$ 70,270	$ 37,424

See the accompanying notes to the financial statements.

Note 1. Summary of Significant Accounting Policies

The transactions of the Extraclassroom Activity Funds are not considered part of the reporting entity of Lake Placid Central School District. Consequently, such transactions are not included in the general purpose financial statements of the school district. Year-end cash balances are, however, reported in the general purpose financial statements as restricted cash and as extraclassroom activity balances, a liability, in the Trust and Agency Fund.

The books and records of the Lake Placid Central School District's Extraclassroom Activity Funds are maintained on the cash basis of accounting, revenues are recognized when cash is received and expenditures are recognized when cash is disbursed.