

## PRELIMINARY OFFICIAL STATEMENT

### RENEWAL ISSUE

### BOND ANTICIPATION NOTES

*In the opinion of Bond, Schoeneck & King, PLLC, Bond Counsel, assuming continuing compliance by the District with its covenants relating to certain requirements contained in the Internal Revenue Code of 1986, as amended (the "Code"), interest on the Notes is not includable in the gross income of the owners thereof for Federal income tax purposes under existing statutes and court decisions. Moreover, interest on the Notes is not an "item of tax preference" for purposes of the alternative minimum tax imposed by the Code on individuals. Interest on the Notes is exempt from personal income taxes imposed by the State of New York or any political subdivision thereof (including The City of New York). See "TAX MATTERS" herein for a discussion of certain Federal taxes applicable to corporate owners of the Notes.*

*The District will designate the Notes as "qualified tax-exempt obligations" pursuant to Section 265(b)(3) of the Code.*

# \$6,600,000



## SCHOOL DISTRICT OF THE CITY OF PLATTSBURGH CLINTON COUNTY, NEW YORK GENERAL OBLIGATIONS

### \$6,600,000 Bond Anticipation Notes, 2022 (the "Notes")

**Dated: July 28, 2022**

**Due: June 30, 2023**

The Notes are general obligations of the City School District of the City of Plattsburgh, Clinton County, New York (the "District"), all of 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 "TAX LEVY LIMITATION LAW" herein.

The Notes are not subject to redemption prior to maturity. At the option of the purchaser(s), the Notes will be issued as registered notes or registered in the name of the purchaser. If such Notes are issued as registered in the name of the purchaser, principal of and interest on the Notes will be payable in Federal Funds. In such case, the Notes will be issued as registered in the name of the purchaser in denominations of \$5,000 or multiples thereof, as may be determined by such successful bidder(s).

Alternatively, if the Notes are issued as registered notes, the Notes will be registered in the name of Cede & Co. as nominee of The Depository Trust Company ("DTC"), New York, New York, which will act as the securities depository for the Notes. Noteholders will not receive certificates representing their ownership interest in the Notes purchased if the purchaser(s) elects to register the Notes. Such Notes will be issued in denominations of \$5,000 or integral multiples thereof, as may be determined by such successful bidder(s). If the Notes are issued as registered notes, payment of the principal of and interest on the Notes to the Beneficial Owner(s) of the Notes will be made by DTC Direct Participants and Indirect Participants in accordance with standing instructions and customary practices, as is now the case with municipal securities held for the accounts of customers registered in the name of the purchaser or registered in "street name". Payment will be the responsibility of such DTC Direct or Indirect Participants and not of DTC or the District, subject to any statutory and regulatory requirements as may be in effect from time to time. Payment of principal and interest to DTC is the responsibility of the District, disbursement of such payments to direct participants will be the responsibility of DTC, and disbursement of such payments to Beneficial Owners will be the responsibility of Direct and Indirect Participants. 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 approving legal opinion as to the validity of the Notes of Bond, Schoeneck & King, PLLC, Bond Counsel, Syracuse, New York. It is anticipated that the Notes will be available for delivery through the facilities of DTC located in Jersey City, New Jersey, or as may be agreed upon with the purchaser(s), or about July 28, 2022.

**ELECTRONIC BIDS for the Notes must be submitted on Fiscal Advisors Auction website ("Fiscal Advisors Auction") accessible via [www.fiscaladvisorsauction.com](http://www.fiscaladvisorsauction.com), on July 6, 2022 by no later than 10:45 A.M. ET. Bids may also be submitted by facsimile at (315) 930-2354. No other form of electronic bidding services will be accepted. No phone bids will be accepted. Once the bids are communicated electronically via Fiscal Advisors Auction or via facsimile to the District, each bid will constitute an irrevocable offer to purchase the Notes pursuant to the terms provided in the Notice of Sale for the Notes.**

June 23, 2022

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 ENUMERATED EVENTS AS DEFINED IN THE RULE. SEE "APPENDIX C – MATERIAL EVENT NOTICES" HEREIN.

# CITY SCHOOL DISTRICT OF THE CITY OF PLATTSBURGH CLINTON COUNTY, NEW YORK

## SCHOOL DISTRICT OFFICIALS

### 2021-2022 BOARD OF EDUCATION

AMY GERVICH  
President



NIKKI BURDO  
Vice President

FRED WACHTMEISTER, JR.  
ROBERT HALL JR.  
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VACANT

\* \* \* \* \*

JOHN LEBRUN  
Superintendent of Schools

SUSAN WILSON  
Director of Business

KRISTINA LADUKE  
School District Treasurer



School District Attorney



FISCAL ADVISORS & MARKETING, INC.  
Municipal Advisor

**BOND** SCHOENECK  
& KING  
Bond Counsel

No person has been authorized by City School District of the City of Plattsburgh 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 City School District of the City of Plattsburgh.

## TABLE OF CONTENTS

	<u>Page</u>		<u>Page</u>
<b>NATURE OF OBLIGATION .....</b>	<b>1</b>	<b>STATUS OF INDEBTEDNESS (CONT.) .....</b>	<b>22</b>
<b>THE NOTES .....</b>	<b>2</b>	Debt Statement Summary .....	22
Description of the Bonds .....	2	Bonded Debt Service .....	22
No Optional Redemption .....	2	Capital Project Plans .....	22
Purpose of Issue .....	3	Cash Flow Borrowings .....	22
<b>BOOK-ENTRY-ONLY SYSTEM .....</b>	<b>3</b>	Estimated Overlapping Indebtedness .....	23
Certificated Notes .....	4	Debt Ratios .....	23
<b>THE SCHOOL DISTRICT .....</b>	<b>5</b>	<b>SPECIAL PROVISIONS AFFECTING</b>	
General Information .....	5	<b>REMEDIES UPON DEFAULT .....</b>	<b>23</b>
Population .....	5	<b>MARKET AND RISK FACTORS .....</b>	<b>24</b>
Selected Wealth and Income Indicators .....	5	<b>TAX MATTERS .....</b>	<b>24</b>
Larger Employers .....	5	<b>LEGAL MATTERS .....</b>	<b>25</b>
Unemployment Rate Statistics .....	6	<b>LITIGATION .....</b>	<b>26</b>
Form of School Government .....	6	<b>CONTINUING DISCLOSURE .....</b>	<b>26</b>
Budgetary Procedures .....	6	Historical Compliance .....	26
Investment Policy .....	7	<b>MUNICIPAL ADVISOR .....</b>	<b>26</b>
State Aid .....	7	<b>CUSIP IDENTIFICATION NUMBERS .....</b>	<b>27</b>
State Aid Revenues .....	10	<b>RATING .....</b>	<b>26</b>
District Facilities .....	11	<b>MISCELLANEOUS .....</b>	<b>27</b>
Enrollment Trends .....	11	<b>APPENDIX – A</b>	
Employees .....	11	<b>GENERAL FUND - Balance Sheets</b>	
Status and Financing of Employee Pension Benefits ....	11	<b>APPENDIX – A1</b>	
Other Post-Employment Benefits .....	13	<b>GENERAL FUND – Revenues, Expenditures and</b>	
Other Information .....	14	<b>Changes in Fund Balance</b>	
Financial Statements .....	15	<b>APPENDIX – A2</b>	
New York State Comptroller Report of Examination .....	15	<b>GENERAL FUND – Revenues, Expenditures and</b>	
The State Comptroller’s Fiscal Stress Monitoring System .....	16	<b>Changes in Fund Balance - Budget and Actual</b>	
<b>TAX INFORMATION .....</b>	<b>17</b>	<b>APPENDIX – B</b>	
Taxable Assessed Valuations .....	17	<b>BONDED DEBT SERVICE</b>	
Tax Rate Per \$1,000 (Assessed) .....	17	<b>APPENDIX – C</b>	
Tax Collection Procedure .....	17	<b>COMPUTATIONS OF FULL VALUATION</b>	
Tax Levy and Tax Collection Record .....	17	<b>APPENDIX – D</b>	
Real Property Tax Revenues .....	17	<b>MATERIAL EVENT NOTICES</b>	
Larger Taxpayers 2021 Tax Roll for 2021-2022 .....	18	<b>APPENDIX – E</b>	
STAR – School Tax Exemption .....	18	<b>AUDITED FINANCIAL STATEMENTS</b>	
Additional Tax Information .....	19	<b>For the Fiscal Year Ending June 30, 2021</b>	
<b>TAX LEVY LIMITATION LAW .....</b>	<b>19</b>		
<b>STATUS OF INDEBTEDNESS .....</b>	<b>20</b>		
Constitutional Requirements .....	20		
Statutory Procedure .....	21		
Debt Outstanding End of Fiscal Year .....	21		
Details of Outstanding Indebtedness .....	21		

PREPARED WITH THE ASSISTANCE OF



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**OFFICIAL STATEMENT**  
**of the**  
**CITY SCHOOL DISTRICT OF THE CITY OF PLATTSBURGH**  
**CLINTON COUNTY, NEW YORK**  
**Relating To**  
**\$6,600,000 Bond Anticipation Notes, 2022**

This Official Statement, which includes the cover page, has been prepared by the City School District of the City of Plattsburgh, Clinton County, New York (the "School District" or "District", "County", and "State", respectively) in connection with the sale by the District of \$6,600,000 principal amount of Bond Anticipation Notes, 2022 (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 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.

**NATURE OF OBLIGATION**

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

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

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

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

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

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

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

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

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

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

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

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

## THE NOTES

### Description of the Notes

The Notes are general obligations of the District, and will contain a pledge of its faith and credit for the payment of the principal of and interest on the Notes as required by the Constitution and laws of the State (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 “TAX LEVY LIMITATION LAW” herein.

The Notes are dated July 28, 2022 and mature, without option of prior redemption, on June 30, 2023. Interest will be calculated on a 30-day month and 360-day year basis, payable at maturity. The Notes will be issued either as (i) registered in the name of the purchaser(s), in denominations of \$5,000 each or multiples thereof, with principal and interest payable in Federal Funds at such bank(s) or trust company(ies) located and authorized to do business in the State as may be selected by such successful bidder(s); or (ii) registered notes, and, if so issued, registered in the name of Cede & Co. as nominee of DTC, which will act as the securities depository for the Notes. See “BOOK-ENTRY-ONLY SYSTEM” herein.

### No Optional Redemption

The Notes are not subject to redemption prior to maturity.

## **Purpose of Issue**

The Notes are issued pursuant to the Constitution and statutes of the State of New York, including the Education Law and the Local Finance Law and pursuant to a bond resolution adopted by the Board of Education on March 7, 2019 authorizing a \$9,176,583 capital improvement project consisting of the reconstruction, improvement, rehabilitation, repair, refurbishing, and equipping of District buildings and facilities. The District expects to fund this project through the issuance of up to \$7,176,583 serial bonds and bond anticipation notes and the appropriation and expenditure of up to \$2,000,000 from the District's general fund. The proceeds of the Notes, along with \$576,583 available funds of the District, will partially redeem and renew \$7,176,583 bond anticipation notes currently outstanding and maturing on July 29, 2022 for this purpose.

## **BOOK-ENTRY-ONLY SYSTEM**

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

DTC, a "banking organization" within the meaning of the New York Banking Law, is 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](http://www.dtcc.com) and [www.dtc.org](http://www.dtc.org).

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

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

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

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

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

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

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

Source: The Depository Trust Company.

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

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

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

### **Certificated Notes**

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

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

## THE SCHOOL DISTRICT

### General Information

The District is located on beautiful Lake Champlain in upstate New York and serves 1,764 students in 5 schools. It is approximately 30 miles north of the City of Burlington, Vermont and approximately 30 miles south of the Canadian border.

The City of Plattsburgh is an excellent place to live, work and raise a family. There is a growing presence in the aerospace industry, as evidenced by the Plattsburgh International Airport, built on the former Plattsburgh Air Force Base.

Major highways serving the District include Interstate 87 and State Highways 3 and 9.

Source: District officials.

### Population

The estimated population of the School District is 19,343. (Source: 2020 U.S. Census Bureau.)

### 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 are included for information only. It should not be inferred from the inclusion of such data in the Official Statement that the Towns or the County are necessarily representative of the District, or vice versa.

	<u>Per Capita Income</u>			<u>Median Family Income</u>		
	<u>2000</u>	<u>2006-2010</u>	<u>2016-2020</u>	<u>2000</u>	<u>2006-2010</u>	<u>2016-2020</u>
City of:						
Plattsburgh	\$ 17,127	\$ 20,842	\$ 27,246	\$ 46,337	\$ 53,933	\$ 78,250
County of:						
Clinton	17,946	22,660	29,960	45,732	60,280	73,838
State of:						
New York	23,389	30,948	40,898	51,691	67,405	87,270

Note: 2017-2021 American Community Survey data is unavailable as of the date of this Official Statement.

Source: U.S. Census Bureau 2000 report, and 2006-2010 and 2016-2020 American Community Survey 5-Year data.

### Larger Employers

<u>Name</u>	<u>Type</u>	<u>Number of Employees</u>
CVPH Medical Center	Health Care	2,285
Plattsburgh State University	State University	1,352
Clinton County	Local Government	857
Bombardier	Manufacturing	650
Moldrite	Manufacturing	500
City of Plattsburgh	Local Government	408
Plattsburgh City School District	Education	380

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 Clinton. The information set forth below with respect to the County and the State of New York is included for informational purposes only. It should not be inferred from the inclusion of such data in the Official Statement that the County or the State is necessarily representative of the District, or vice versa.

	<u>Annual Averages</u>						
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Clinton County	5.9%	5.5%	5.2%	4.4%	4.2%	7.7%	4.6%
New York State	5.2%	4.9%	4.6%	4.1%	3.8%	9.9%	6.9%

	<u>2021 Monthly Figures</u>					
	<u>Jan</u>	<u>Feb</u>	<u>Mar</u>	<u>Apr</u>	<u>May</u>	<u>Jun</u>
Clinton County	3.8%	3.9%	3.7%	3.0%	N/A	N/A
New York State	5.3%	5.1%	4.7%	4.2%	N/A	N/A

Note: Unemployment rates for May and June of 2022 are unavailable as of the date of this Official Statement.

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

## Form of School Government

The Board of Education, which is the policy-making body of the District, consists of nine members with overlapping three-year terms. The President and the Vice President are selected by the Board members. The President of the Board of Education is the Chief Fiscal Officer of the District.

## Budgetary Procedures

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

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

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

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

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

## Recent Budget Vote Results

The adopted budget for the 2021-22 fiscal year was approved by qualified voters on May 18, 2021 by a vote of 820 to 347. The District’s budget for the 2021-22 fiscal year remained within the Tax Cap imposed by Chapter 97 of the Laws of 2011. The budget called for a total tax levy increase of 2.03%, which was equal to the District tax levy limit of 2.03%.

The adopted budget for the 2022-23 fiscal year was approved by qualified voters on May 17, 2022 by a vote of 536 to 268. The District's budget for the 2022-23 fiscal year remained within the Tax Cap imposed by Chapter 97 of the Laws of 2011. The budget called for a total tax levy increase of 1.998%, which was below the District tax levy limit of 2.000%.

## **Investment Policy**

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

Consistent with the above statutory limitations, it is the District's current policy to invest in: (1) certificates of deposit or time deposit accounts that are fully secured as required by statute, (2) obligations of the United States of America or (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. In the case of obligations of the United States government, the District may purchase such obligations pursuant to a written repurchase agreement that requires the purchased securities to be delivered to a third-party custodian.

## **State Aid**

The District receives financial assistance from the State. In its voter approved budget for the 2022-2023 fiscal year, approximately 45.52% 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 "MARKET AND RISK FACTORS" herein.)

### *Federal Aid Received by the State*

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

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

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

## *Building Aid*

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

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 2022-2023 preliminary building aid ratios, the District expects to receive State building aid of approximately 85.2% 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 (2017-2018):* The State 2017-18 Enacted Budget increased State aid to education by \$1.1 billion, including a \$700 million increase in Foundation Aid, bringing the total amount of State aid to education to \$25.8 billion or an increase of 4.4%. Expense-based aids to support school construction, pupil transportation, BOCES and special education were continued in full, as is the State's usual practice. Transportation aid increased by 5.5% and building aid increased by 4.8%. The State 2017-18 Enacted Budget continued to link school aid increases for 2017-18 and 2018-19 to teacher and principal evaluation plans approved by September 1 of the current year in compliance with Education Law Section 3012-d. The State 2017-18 Enacted Budget allows the Governor to reduce aid to school districts mid-year if receipts from the federal government are less than what was expected. The Legislature then will have 90 days to approve the Governor's plan.

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

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

*School district fiscal year (2020-2021):* Due to the anticipated impact of the COVID-19 pandemic on State revenues, State aid in the State's 2020-2021 Enacted Budget was 3.7 percent lower than in the State's 2019-2020 Enacted Budget but was offset in part with increased Federal support. This reduction in State Operating Funds support was offset by approximately \$1.1 billion in funding provided to the State through the Federal CARES Act, including the Elementary and Secondary School Emergency Education Relief Fund and the Governor's Emergency Education Relief Fund. With these Federal funds, State aid in the school district fiscal year 2020-2021 was \$27.9 billion, an annual increase of approximately \$100 million or 0.4 percent. The State's 2020-2021 Enacted Budget continued prior year funding levels for existing programs, including Foundation Aid, Community Schools and Universal Prekindergarten. The 2020-2021 Enacted Budget also provided over \$200 million in support for competitive grant programs, including \$1 million for development of a new Civics Education curriculum and \$10 million for a Student Mental Health program. Funding for expense-based aids, such as Building Aid, Transportation Aid, and Boards of Cooperative Educational Services (BOCES) Aid was continued under existing aid formulas. Out-year growth in School Aid reflects current projections of the ten-year average growth in State personal income. The State's 2020-2021 Enacted Budget authorized the State's Budget Director to make periodic adjustments to State Aid, in the event that actual State revenues come in below 99% percent of estimates or if actual disbursements exceed 101% of estimates. Pursuant to that provision, in October, 2020, the State announced that, in the absence of Federal funding to offset such lost revenue, the State had begun to take steps to reduce spending, including but not limited to, temporarily holding back 20% of most aid payments to local governments and school districts. However, the 2020-2021 State aid declines were offset, in part, by \$1.1 billion of increased federal funding through the Coronavirus Aid, Relief, and Economic Security Act. With these federal funds, State aid totaled \$27.9 billion in the State's 2020-2021 Enacted Budget, an annual increase of approximately \$100 million or 0.4 percent from the 2019-2020 Enacted Budget. As of February 1, 2021, the State Education Department ("SED") advised school districts that the State Division of the Budget would, at some point, provide approval for SED to make the payments to school districts for State aid and other Pre-K-12 grant programs that had been subject to the above-referenced 20% withholding.

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

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

#### *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. (See both "*School district fiscal year (2022-2023)*" and the following paragraphs herein.)

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

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

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

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

## State Aid Revenues

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

<u>Fiscal Year</u>	<u>Total Revenues</u> <sup>(1)</sup>	<u>Total State Aid</u> <sup>(1)</sup>	<u>Percentage of Total Revenues Consisting of State Aid</u>
2016-2017	\$ 40,539,755	\$ 18,175,294	44.83%
2017-2018	41,961,473	18,812,198	44.83
2018-2019	43,869,843	19,480,954	44.41
2019-2020	44,393,161	19,976,047	45.00
2020-2021	44,552,881	19,253,645	43.22
2021-2022 (Budgeted)	44,913,990	19,999,235	44.53
2022-2023 (Budgeted)	46,505,230	21,170,159	45.52

<sup>(1)</sup> General Fund only.

Source: Audited financial statements for the 2016-2017 through 2020-2021 fiscal years, and budgets of the District for the 2021-2022 and 2022-2023 fiscal years. This table is not audited.

## District Facilities

<u>Name</u>	<u>Grades</u>	<u>Capacity</u>	<u>Year(s) Built/Additions</u>
Bailey Avenue Elementary School	K-2	225	1951, 2006
Momot Elementary School	K-5	375	1951, 2006
Oak Street Elementary School	3-5	215	1959, 2006
Stafford Middle School	6-8	400	1974, 2006
Plattsburgh High School	9-12	600	1968, 2006
Broad Street School	Office	---	1959, 2006

Source: District officials.

## Enrollment Trends

<u>School Year</u>	<u>Actual Enrollment</u>	<u>School Year</u>	<u>Projected Enrollment</u>
2017-2018	1,820	2022-2023	1,840
2018-2019	1,828	2023-2024	1,840
2019-2020	1,811	2024-2025	1,840
2020-2021	1,760	2025-2026	1,840
2021-2022	1,764	2026-2027	1,840

Source: District officials.

## Employees

The District employs a total of 341 full-time and 34 part-time employees with representation by the various bargaining units listed below:

<u>Number of Employees</u>	<u>Bargaining Unit</u>	<u>Contract Expiration Date</u>
9	Plattsburgh Administrative Council	June 30, 2026
254	Plattsburgh Teachers Association	June 30, 2026
104	CSEA – Local 1000	June 30, 2023
9	Exempt	Not Applicable

Source: District officials.

## Status and Financing of Employee Pension Benefits

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

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

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

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

The District is required to contribute at an actuarially determined rate. The actual contributions for the last five years and budgeted figures for the 2022-2023 fiscal year are as follows:

<u>Fiscal Year</u>	<u>ERS</u>	<u>TRS</u>
2017-2018	\$ 537,371	\$ 2,103,389
2018-2019	542,297	1,804,386
2019-2020	525,946	1,890,452
2020-2021	528,648	1,606,099
2021-2022	542,780	1,694,777
2022-2023 (Budgeted)	560,000	1,946,222

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 offered an early retirement incentive for the 2017-18 fiscal year in which 16 employees participated with expected savings of \$280,000. The District did not offer an early retirement incentive in the 2015-16 or 2016-17 fiscal years. The District did offer an early retirement incentive for the 2019-20 fiscal year in which 10 employees participated with a payout of \$83,646. No such offer has been negotiated the 2020-21 fiscal year, nor is one anticipated for the 2021-2022 or 2022-2023 fiscal years.

Historical Trends and Contribution Rates. Historically there has been a State mandate requiring full (100%) funding of the annual actuarially required local governmental contribution out of current budgetary appropriations. With the strong performance of the Retirement System in the 1990s, the locally required annual contribution declined to zero. However, with the subsequent decline in the equity markets, the pension system became underfunded. As a result, required contributions increased substantially to 15% to 20% of payroll for the employees' and the police and fire retirement systems, respectively. Wide swings in the contribution rate resulted in budgetary planning problems for many participating local governments.

A chart of average ERS and TRS rates as a percent of payroll (2017-2018 to 2022-2023) is shown below:

<u>Fiscal Year</u>	<u>ERS</u>	<u>TRS</u>
2017-18	15.3%	9.80%
2018-19	14.9	10.62
2019-20	14.6	8.86
2020-21	14.6	9.53
2021-22	16.2	9.80
2022-23	11.6	10.29*

\* Estimated.

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

new system, a contribution for a given fiscal year is based on the valuation of the pension fund on the prior April 1 of the calendar year preceding the contribution due date instead of the following April 1 in the year of contribution so that the exact amount may now be included in a budget.

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

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

**Stable Rate Pension Contribution Option.** The 2013-14 State Budget included a provision that provides local governments and school districts, including the District, with the option to "lock-in" long-term, stable rate pension contributions for a period of years determined by the State Comptroller and ERS and TRS. The stable rates would be 12% for ERS and 14% for TRS. The pension contribution rates under this program would reduce near-term payments for employers, but will require higher than normal contributions in later years. The District did not participate in the Stable Rate Pension Contribution Option, nor does it intend to do so in the foreseeable future.

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

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

## **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. The District implemented GASB 75 for the fiscal year ended June 30, 2018. The implementation of this statement requires school districts to report OPEB liabilities, OPEB expenses, deferred outflow of resources and deferred inflow of resources related to OPEB. GASB Statement No. 75 replaced GASB Statement 45, which also required the District to calculate and report a net OPEB obligation. However, under GASB 45 districts could amortize the OPEB liability over a period of years, whereas GASB 75 requires districts to report the entire OPEB liability on the statement of net position.

The District contracted with Armory Associates, LLC, an actuarial firm, to calculate its actuarial valuation under GASB 75. The following outlines the changes to the Total OPEB Liability during the below fiscal years, by source.

	Balance beginning at June 30:	2019	2020
<u>Changes for the year:</u>		\$ 167,089,711	\$ 186,507,821
Service cost		5,258,902	5,728,165
Interest		6,588,185	6,638,539
Differences between expected and actual experience		9,745,920	-
Changes in assumptions or other inputs		2,615,566	48,981,887
Changes of benefit terms		(567,887)	-
Benefit payments		(4,222,576)	(5,126,935)
Net Changes		\$ 19,418,110	\$ 56,221,656
	Balance ending at June 30:	2020	2021
		\$ 186,507,821	\$ 242,729,477

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

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

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

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

## Other Information

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

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

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

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

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

## **Financial Statements**

The District retains independent Certified Public Accountants. The last audit report covers the period ending June 30, 2021 and is attached hereto as “APPENDIX – E”. Certain financial information of the District can be found attached as Appendices to the Official Statement.

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

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

Boulrice & Wood CPAs, P.C., the independent auditor for the District, has not been engaged to perform and has not performed, since the date of its report included herein, any procedures on the financial statements addressed in that report. Boulrice & Wood CPAs, P.C. also has not performed any procedures relating to this Official Statement.

## **New York State Comptroller Report of Examination**

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

The State Comptroller’s office released an audit report of the District on September 12, 2018. The purpose of the audit was to determine whether 10 school districts that were audited provided physical education (“PE”) classes consistent with the regulations of the Commissioner of the New York State Education Department (“SED”) for the period July 1, 2016 through June 30, 2017.

### Key Findings:

- None of the districts fully complied with PE requirements mandated by State Education Law and regulations. As a result, not all students are receiving the minimum PE required. Nine of the 10 districts audited did not provide an adequate amount of PE to students in grades K-4, and seven did not do so for grade 5. While the District scheduled all students for PE and students generally attended classes, elementary school students (grades K-5) did not receive the required amount. The District is required to provide elementary school students with 120 PE minutes each week, but provided 80 PE minutes (40 minutes, or 33 percent, less than the minimum required). In addition, the District should have provided grades K-3 with five PE classes a week but provided two; and should have provided grades 4 and 5 with three PE classes a week but also provided two.
- None of the districts audited had developed a PE plan that met SED Commissioner’s regulation requirements. The District did not comply with the Commissioner’s regulations regarding SED PE classes for students in grades K-5. The District’s PE plan was vague and did not address all items required by the regulations, including providing students with the required number of PE classes and minutes per week.
- Seven districts did not file a PE plan with SED, as required. The District did not file a PE plan with SED.
- Five Boards of Education did not approve their District’s PE plan, as required.

### Key Recommendations:

- Develop and institute a PE program that to ensure that students receive the minimum required amount of PE and to ensure that the PE plan addresses all requirements in the Commissioner’s regulations.

The District provided a complete response to the NYS Comptroller’s office on August 1, 2018. A copy of the complete report and response can be found via the website of the Office of the New York State Comptroller.

The State Comptroller's office released an audit report of the District on December 6, 2019. The purpose of the audit was to determine whether District officials procured goods and services in accordance with Board policies and applicable statutory requirements for the period July 1, 2018 through August 31, 2019.

Key Findings:

- The Board-adopted purchasing policies were not updated and deficient.
- All 10 purchase and public works contracts we reviewed totaling approximately \$1.1 million were procured in accordance with the District's purchasing policies and statutory requirements.
- Of the 15 purchase contracts we reviewed totaling \$76,378 that did not exceed the competitive bidding threshold, 11 purchase contracts (73 percent) totaling \$56,624 were not procured in accordance with the purchasing policy.
- Of the services obtained from seven professional service providers, who were paid a combined total of \$178,247 during the audit period, the services from six providers, who were paid \$163,497, were not procured in accordance with the purchasing policy.

Key Recommendations:

- Annually review and update the District's purchasing policies.
- Procure goods and services not subject to the competitive bidding requirements in compliance with the District's purchasing policy.

The District provided a complete response to the State Comptroller's office on November 26, 2019. A copy of the complete report and response can be found via the website of the Office of the New York State Comptroller.

There are no State Comptroller's audits of the District 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 incorporated herein by reference.

### **The State Comptroller's Fiscal Stress Monitoring System**

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

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

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

<u>Fiscal Year Ending In</u>	<u>Stress Designation</u>	<u>Fiscal Score</u>
2021	No Designation	0.0
2020	No Designation	6.7
2019	No Designation	0.0

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

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

## TAX INFORMATION

### Taxable Assessed Valuations

<u>Fiscal Year Ending June 30:</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Taxable Assessed Value	\$ 962,265,783	\$ 965,659,812	\$ 1,003,074,953 <sup>(4)</sup>	\$ 1,012,534,059	\$ 1,036,786,004
Taxable Full Valuation <sup>(2)</sup>	962,265,783	965,659,812	1,003,074,953	1,012,534,059	1,036,786,004
Taxable Full Valuation <sup>(3)</sup>	993,152,836	1,003,700,044	1,031,970,116	1,043,741,943	1,051,507,103

- (1) See "APPENDIX – C" attached hereto for full computation of Taxable Full Valuation made with the use of regular State Equalization Rates and special State Equalization Ratios.
- (2) Full Valuation computed using regular State Equalization Rates.
- (3) Full Valuation computed using special State Equalization Ratios.
- (4) Significant change from prior year due to revaluation.

### Tax Rate Per \$1,000 (Assessed)

<u>Fiscal Year Ending June 30:</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
City of Plattsburgh	\$ 22.57	\$ 23.34	\$ 23.00	\$ 23.28	\$ 23.19

### Tax Collection Procedure

Real property taxes are levied annually by the Board of Education no later than June 30, and become a lien on July 1. Taxes are collected during the period from August to the end of November. Taxes may be paid in four installments. Escrow companies must remit full payment by August 31. Installments are due July 15, August 15, September 15 and October 15. Each installment may be paid without penalty by the last day of each month. Penalties are 1% per month per installment. An amount representing all uncollected real property taxes must be transmitted by the City to the District within two years from the return of unpaid taxes to such City. The District is reimbursed by the City for all unpaid taxes and is thus assured 100% collection of its annual levy.

### Tax Levy and Tax Collection Record

<u>Fiscal Year Ending June 30:</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Total Tax Levy	\$ 19,502,495	\$ 20,403,665	\$ 23,110,146	\$ 23,607,794	\$ 24,066,839
Amount Uncollected <sup>(1)</sup>	1,234,043	1,204,710	897,518	1,055,280	1,176,023
% Uncollected	6.33%	5.90%	3.88%	4.47%	4.89%

- (1) See "Tax Collection Procedure" herein.

### 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.

<u>Fiscal Year</u>	<u>Total Revenues</u>	<u>Total Real Property Taxes <sup>(1)</sup></u>	<u>Percentage of Total Revenues Consisting of Real Property Tax</u>
2016-2017	\$ 40,539,755	\$ 21,075,962	51.99%
2017-2018	41,961,473	21,793,264	51.94
2018-2019	43,869,843	22,833,917	52.05
2019-2020	44,393,161	23,305,538	52.50
2020-2021	44,552,881	23,850,539	53.53
2021-2022 (Budgeted)	44,913,990	24,045,198	53.54
2022-2023 (Budgeted)	46,505,230	24,525,714	52.74

- (1) Includes tax levy and prior year omits, payment in lieu of tax agreements, and interest.

Source: Audited Financial Statements for the 2016-2017 through 2020-2021 fiscal years, and the budgets of the District for the 2021-2022 and 2022-2023 fiscal years. This table is not audited.

## Larger Taxpayers 2021 Tax Roll for 2021-2022

<u>Name</u>	<u>Type</u>	<u>Full Valuation</u>
Meadowbrook Realty Group LLC	Health Facilities	\$ 16,400,000
GP Consumer Products LLC	Manufacturing	11,277,600
PFP 5 Broad Street Commons LLC	Apartments	11,000,000
Bombardier Mass Transit Corp	Commercial	10,500,000
Mousseau Properties	Private	10,148,100
Lake Forest Sr. Living	Senior Living	8,814,000
Meron, Terry	Private	8,510,200
EZ Properties LLC	Commercial	7,480,600
Plattsburgh Plaza	Commercial	7,224,153
Skyway Properties LLC	Shopping Center	6,210,000

The ten larger taxpayers listed above have a total full valuation of \$97,564,653, which represents 9.41% of the tax base of the District for the 2021-22 fiscal year.

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

Source: District Tax Rolls.

### STAR – School Tax Exemption

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

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.

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 State’s 2020-21 Enacted Budget withheld STAR benefits to taxpayers who were delinquent in the payment of their school taxes and maintained the income limit for the exemption to \$250,000, compared with a \$500,000 limit for the credit.

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

<u>City of:</u>	<u>Enhanced Exemption</u>	<u>Basic Exemption</u>	<u>Date Certified</u>
Plattsburgh	\$ 74,900	\$ 30,000	4/7/2022

\$1,918,016 of the District’s \$23,607,794 school tax levy for 2020-2021 was exempted by the STAR Program. The District received full reimbursement of such exempt taxes from the State by January 2021.

\$1,851,700 of the District’s \$24,066,839 school tax levy for the 2021-22 fiscal year was exempted by the STAR Program. The District received full reimbursement of such exempt taxes from the State by January 2022.

## **Additional Tax Information**

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

Senior citizens' exemptions are offered to those who qualify.

The estimated total annual property tax bill of an average homeowner of property located in the District is approximately \$4,000 including County, Town, School District and Fire District taxes.

## **TAX LEVY LIMITATION LAW**

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

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

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

Chapter 97 restricts, among other things, the amount of real property taxes that may be levied by or on behalf of a school district in a particular year. 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.

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

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

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

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

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

An additional real property tax rebate program applicable solely to school districts was enacted by Chapter 20 of the Laws of 2015, signed into law by the Governor on June 26, 2015 which generally extends the provisions of the program through 2019 and includes continued tax cap compliance.

See “THE SCHOOL DISTRICT – Budgetary Procedures” herein for additional information regarding the District’s Tax Levy.

## **STATUS OF INDEBTEDNESS**

### **Constitutional Requirements**

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

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

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

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

## Statutory 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 to the constitutional provisions set forth above. The power to spend money, however, generally derives from other law, including the Education Law.

Bond resolution(s) adopted by the Board of Education authorizing the issuance of bonds, and notes in anticipation of the bonds, must be submitted for approval by the qualified electors of the District. No down payment is required in connection with the issuance of District obligations.

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

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

- (1) Such obligations are authorized for a purpose for which the District is not authorized to expend money, or
- (2) There has not been substantial compliance with the provisions of law which should have been complied within the authorization of such obligations and an action contesting such validity, is commenced within twenty days after the date of such publication or,
- (3) Such obligations are authorized in violation of the provisions of the Constitution.

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

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

## Debt Outstanding End of Fiscal Year

<u>Fiscal Years Ending June 30<sup>th</sup>:</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Bonds	\$ 8,405,000	\$ 6,640,000	\$ 12,755,000	\$ 13,294,030	\$ 11,650,000
Bond Anticipation Notes	8,695,000	8,385,000	0	0	5,500,000
Other Debt <sup>(1)</sup>	<u>0</u>	<u>5,471</u>	<u>1,846</u>	<u>0</u>	<u>0</u>
Total Debt Outstanding	\$ 17,100,000	\$ 15,030,471	\$ 12,756,846	\$ 13,294,030	\$ 17,150,000

<sup>(1)</sup> Represents an Installment Obligation. See "Installment Obligation" herein.

## Details of Outstanding Indebtedness

The following table sets forth the indebtedness of the District as of June 23, 2022.

<u>Type of Indebtedness</u>	<u>Maturity</u>	<u>Amount</u>
<u>Bonds</u>	2022-2035	\$ 10,495,000
<u>Bond Anticipation Notes</u>		
Capital Improvement Project	July 29, 2022	<u>7,176,583 <sup>(1)</sup></u>
	Total Indebtedness	\$ 17,671,583

<sup>(1)</sup> To be partially redeemed and renewed at maturity with available funds of the District and the proceeds of the Notes.



## Debt Statement Summary

Summary of Indebtedness, Debt Limit and Net Debt-Contracting Margin as shown as of June 23, 2022:

	Computed Using Regular State Equalization Rates	Computed Using Special State Equalization Ratios
Five-year Average Full Valuation of Taxable Real Property.....	\$ 996,064,122	\$ 1,024,814,409
Debt Limit 5% thereof <sup>(1)</sup> .....	49,803,206	51,240,720
Inclusions:		
Bonds .....	\$ 10,495,000	\$ 10,495,000
Bond Anticipation Notes .....	7,176,583	7,176,583
Total Inclusions .....	\$ 17,671,583	\$ 17,671,583
Exclusions:		
Appropriations .....	\$ -	\$ -
Total Exclusions .....	\$ -	\$ -
Total Net Indebtedness <sup>(2)(3)</sup> .....	\$ 17,671,583	\$ 17,671,583
Net Debt-Contracting Margin .....	\$ 32,131,623	\$ 33,569,137
The percent of debt contracting power exhausted is .....	35.48%	34.49%

(1) The District's constitutional debt limit has been computed using special equalization ratios established by the State Office of Real Property Services pursuant to Art-12-B of the Real Property Tax Law. Conventional State equalization rates are also established by said Office of Real Property Services, and are used for all other purposes. See "TAX INFORMATION – Taxable Valuations" herein or "APPENDIX – C" attached hereto.

(2) Pursuant to the Provisions of Chapter 760 of the Laws of New York State of 1963, the District receives aid on existing bonded debt. The District, as a school district located in a city, may not under Section 121.20 of the Local Finance Law exclude from gross indebtedness estimated State aid for School building purposes. As noted above, the District receives New York State debt service building aid in an amount approximating 85.2% of its outstanding debt. The District has no reason to believe that it will not ultimately receive all of the building aid it anticipates, however, no assurance can be given as to when and how much building aid the District will receive.

Notes: The State Constitution does not provide for the inclusion of tax anticipation or revenue anticipation notes in the computation of the statutory debt limit of the District.

## Bonded Debt Service

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

## Capital Project Plans

On May 21, 2019, the District voters approved a \$9,176,583 capital improvement project consisting of the reconstruction, improvement, rehabilitation, repair, refurbishing, and equipping of District buildings and facilities. The District expects to fund this project through the issuance of up to \$7,176,583 serial bonds and bond anticipation notes and the appropriation and expenditure of up to \$2,000,000 from the District's general fund. \$5,500,000 bond anticipation notes were issued on October 29, 2020 as the first borrowing for this authorization. The proceeds of \$7,176,583 bond anticipation notes issued July 29, 2021 redeemed and renewed the bond anticipation notes that matured on July 30, 2021, and provided \$1,676,583 in new money for this purpose. The proceeds of the Notes, along with available funds of the District, will partially redeem and renew said \$7,176,583 bond anticipation notes currently outstanding and maturing on July 29, 2022 for this purpose.

## Cash Flow Borrowings

The District historically does not issue revenue or tax anticipation notes, and does not anticipate issuing such notes in the foreseeable future.

## Estimated Overlapping Indebtedness

In addition to the District, the following political subdivisions have the power to issue obligations and to levy taxes or cause taxes to be levied on taxable real property in the District. Estimated bonds and bond anticipation notes are listed as of the close of the respective fiscal years of the below municipalities.

<u>Municipality</u>	<u>Status of Debt as of</u>	<u>Gross Indebtedness</u> <sup>(1)</sup>	<u>Exclusions</u> <sup>(2)</sup>	<u>Net Indebtedness</u>	<u>District Share</u>	<u>Applicable Indebtedness</u>
County of:						
Clinton	12/31/2020	\$ 58,006,570	\$ 5,758,174	\$ 52,248,396	18.69%	\$ 9,765,225
City of:						
Plattsburgh	12/31/2020	24,423,519	4,955,193	19,468,326	100.00%	19,468,326
					Total:	<u>\$ 29,233,551</u>

(1) Bonds and bond anticipation notes are as of the close of the respective fiscal years, and are not adjusted to include subsequent bond or note sales, if any.

(2) Water and sewer debt and appropriations. Pursuant to the Local Finance Law, this indebtedness is excluded from the constitutional debt limit.

Source: Comptroller's Special Report on Municipal Affairs for Local Finance Years Ended in 2020.

## Debt Ratios

The following table sets forth certain ratios relating to the District's indebtedness as of June 23, 2022:

	<u>Amount</u>	<u>Per Capita</u> <sup>(a)</sup>	<u>Percentage of Full Value</u> <sup>(b)</sup>
Net Indebtedness <sup>(c)</sup> .....	\$ 17,671,583	\$ 913.59	1.70%
Net Indebtedness Plus Net Overlapping Indebtedness <sup>(d)</sup> .....	46,905,134	2,424.92	4.52

(a) The 2020 estimated population of the District is 19,343. (See "THE SCHOOL DISTRICT – Population" herein.)

(b) The District's full value of taxable real estate for the 2021-2022 fiscal year is \$1,036,786,004. (See "TAX INFORMATION – Taxable Assessed Valuations" herein.)

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

(d) Estimated net overlapping indebtedness is \$29,233,551. (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 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 these provisions do not apply to Districts, there can be no assurance that they will not be made so applicable in the future.

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.

## **MARKET AND RISK FACTORS**

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

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

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**

The Internal Revenue Code of 1986, as amended (the "Code") establishes certain requirements that must be met subsequent to the issuance and delivery of the Notes in order that interest on the Notes be and remain excludable from gross income for federal income tax purposes. These requirements include provisions which prescribe yield and other limits relative to the investment and expenditures of the proceeds of the Notes and other amounts and require that certain earnings be rebated to the federal government. The District will agree to comply with certain provisions and procedures, pursuant to which such requirements can be satisfied. Non-compliance with such requirements may cause interest on the Notes to become includable in gross income for federal income tax purposes retroactive to the date of issuance thereof, irrespective of the date on which non-compliance is ascertained.

The District has designated the Notes as “qualified tax-exempt obligations” pursuant to Section 265(b)(3) of the Code.

The Code imposes a 30% branch profits tax on the earnings and profits of a United States branch of certain foreign corporations attributable to its income effectively connected (or treated as effectively connected) with a United States trade or business. Included in the earnings and profits of the United States branch of a foreign corporation is income that would be effectively connected with the United States trade or business if such income were taxable, such as the interest on the Notes. Existing United States income tax treaties may modify, reduce, or eliminate the branch profits tax, except in cases of treaty shopping.

The Code further provides that interest on the Notes is includable in the calculation of modified adjusted gross income in determining whether a portion of Social Security or railroad retirement benefits is to be included in taxable income of individuals. In addition, certain S Corporations may have a tax imposed on passive income, including tax-exempt interest, such as interest on the Notes.

Prospective purchasers should consult their tax advisors with respect to the calculations of the foreign branch profits tax liability, and the tax on passive income of S Corporations or the inclusion of Social Security or other retirement payments in taxable income.

In the opinion of Bond Counsel, assuming compliance with certain requirements of the Code, under existing laws, interest on the Notes is not includable in gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals. Bond Counsel expresses no opinion regarding other federal tax consequences arising with respect to the Notes.

The opinion of Bond Counsel described herein with respect to the Federal income tax treatment of interest paid on the Notes is based upon the current provisions of the Code. There can be no assurance that the Code will not be amended in the future so as to reduce or eliminate such favorable Federal income tax treatment of the Notes. Any such future legislation would have an adverse effect on the market value of the Notes.

In addition, in the opinion of Bond Counsel, under existing laws, interest on the Notes is exempt from personal income taxes imposed by the State of New York or any political subdivision thereof, including The City of New York.

## **LEGAL MATTERS**

The legality of the authorization and issuance of the Notes will be covered by the unqualified legal opinion of Bond, Schoeneck & King, PLLC, Bond Counsel, Syracuse, New York. Such legal opinion will state that in the opinion of Bond Counsel (i) the Notes have been 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, all the taxable 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 (ii) interest on the Notes is exempt from personal income taxes imposed by the State of New York or any political subdivision thereof, including the City of New York; and (iii) 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 federal alternative minimum tax imposed on individuals. The opinions of Bond Counsel set forth in (iii) above are 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. The District has covenanted to comply with each such requirement. Failure to comply with certain of such requirements may cause the inclusion of interest on the Notes in gross income for federal income tax purposes to be retroactive to the date of issuance of the Notes. Bond Counsel expresses no opinion regarding other federal tax consequences arising with respect to the Notes. It is to be understood that the rights of the holders of the Notes and the enforceability thereof may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted to the extent constitutionally applicable and that their enforcement may be also subject to exercise of judicial discretion in appropriate cases.

Bond Counsel has not been engaged or undertaken to review the accuracy, completeness or sufficiency of the Official Statement (except to the extent, if any, stated in the Official Statement) or any other offering material relating to the Notes, and Bond Counsel expresses no opinion relating thereto (excepting only matters set forth as Bond Counsel's opinion in the Official Statement).

## **LITIGATION**

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

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

## **CONTINUING DISCLOSURE**

In order to assist the purchasers in complying with Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended ("Rule 15c2-12"), the District will enter into an Undertaking to provide Material Event Notices, the form of which is attached hereto as "APPENDIX – C".

## **Historical Compliance**

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

## **MUNICIPAL ADVISOR**

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

## **CUSIP IDENTIFICATION NUMBERS**

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

## **RATING**

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

Moody's Investors Service, Inc. ("Moody's") has assigned its underlying rating of "A1" to the District's outstanding bonds. No application was made to any other rating agency for the purpose of obtaining an additional rating on the Bonds. A rating reflects only the view of the rating agency assigning such rating, and any desired explanation of the significance of such rating should be obtained from Moody's, 7 World Trade Center, 250 Greenwich St., New York, New York 10007. Phone: (212) 553-0038, Fax: (212) 553-1390.

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

## MISCELLANEOUS

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

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

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

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

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

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

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

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

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

The District contact information is as follows: Kristina LaDuke, District Treasurer, 49 Broad Street, Plattsburgh, New York 12901-3396, Phone: (518) 957-6002, Fax: (518) 561-6605, Email: [kladuke@plattscsd.org](mailto:kladuke@plattscsd.org).

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

**CITY SCHOOL DISTRICT OF THE CITY OF PLATTSBURGH**

**Dated: June 23, 2022**

**/s/ \_\_\_\_\_  
PRESIDENT OF THE BOARD OF EDUCATION AND  
CHIEF FISCAL OFFICER**

**GENERAL FUND**

**Balance Sheets**

Fiscal Years Ending June 30:	<u><b>2017</b></u>	<u><b>2018</b></u>	<u><b>2019</b></u>	<u><b>2020</b></u>	<u><b>2021</b></u>
<u><b>ASSETS</b></u>					
Unrestricted Cash	\$ 3,416,530	\$ 4,072,968	\$ 4,009,278	\$ 2,424,887	\$ 4,427,630
Restricted Cash	3,484,041	3,896,782	2,543,627	2,901,473	1,867,421
Due from Other Funds	701,446	335,047	725,341	1,174,634	1,270,938
Due from Other Governments	599,803	571,596	573,129	798,362	731,457
Taxes Receivable	831,780	1,062,587	1,186,847	1,036,484	1,087,843
State and Federal Aid Receivable	529,145	650,274	625,200	511,910	1,011,733
Accounts Receivable	<u>228,556</u>	<u>219,982</u>	<u>189,412</u>	<u>425,105</u>	<u>149,377</u>
<b>TOTAL ASSETS</b>	<u><u>\$ 9,791,301</u></u>	<u><u>\$ 10,809,236</u></u>	<u><u>\$ 9,852,834</u></u>	<u><u>\$ 9,272,855</u></u>	<u><u>\$ 10,546,399</u></u>
<u><b>LIABILITIES AND FUND EQUITY</b></u>					
Accounts Payable	\$ 200,403	\$ 715,577	\$ 1,230,226	\$ 448,182	\$ 313,457
Accrued Liabilities	51,508	41,011	64,466	7,465	112,855
Due to Other Funds	-	-	-	-	-
Due to Other Governments	-	-	-	-	8
Due to Teachers' Retirement System	2,102,158	1,802,506	1,890,580	1,606,364	1,708,433
Due to Employees' Retirement System	125,074	129,192	111,119	110,542	119,060
Compensated Absences	-	-	-	-	-
Deferred Revenue	<u>592,446</u>	<u>789,405</u>	<u>736,415</u>	<u>710,622</u>	<u>547,779</u>
<b>TOTAL LIABILITIES</b>	<u>3,071,589</u>	<u>3,477,691</u>	<u>4,032,806</u>	<u>2,883,175</u>	<u>2,801,592</u>
<u><b>FUND EQUITY</b></u>					
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	3,484,041	3,896,782	2,887,883	2,901,473	1,867,421
Assigned	1,463,264	1,623,235	1,421,095	1,415,353	1,640,586
Unassigned	<u>1,772,407</u>	<u>1,811,528</u>	<u>1,511,050</u>	<u>2,072,854</u>	<u>4,236,800</u>
<b>TOTAL FUND EQUITY</b>	<u>6,719,712</u>	<u>7,331,545</u>	<u>5,820,028</u>	<u>6,389,680</u>	<u>7,744,807</u>
<b>TOTAL LIABILITIES and FUND EQUITY</b>	<u><u>\$ 9,791,301</u></u>	<u><u>\$ 10,809,236</u></u>	<u><u>\$ 9,852,834</u></u>	<u><u>\$ 9,272,855</u></u>	<u><u>\$ 10,546,399</u></u>

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



**GENERAL FUND**

**Revenues, Expenditures and Changes in Fund Balance**

Fiscal Years Ending June 30:	<u><b>2016</b></u>	<u><b>2017</b></u>	<u><b>2018</b></u>	<u><b>2019</b></u>	<u><b>2020</b></u>
<u><b>REVENUES</b></u>					
Real Property Taxes	\$ 20,971,204	\$ 21,075,962	\$ 21,793,264	\$ 22,833,917	\$ 23,305,538
Real Property Tax Items	-	-	-	-	-
Charges for Services	272,628	305,750	259,055	172,569	249,698
Use of Money & Property	43,671	71,784	171,095	335,046	259,070
Sale of Property and Compensation for Loss	1,135	15,959	15,713	134,711	39,274
Miscellaneous	694,383	680,046	702,668	641,396	374,883
Interfund Revenues	-	-	-	-	-
Revenues from State Sources	17,320,750	18,175,294	18,812,198	19,480,954	19,976,047
Revenues from Federal Sources	108,617	214,960	207,480	271,250	188,651
Total Revenues	<u>\$ 39,412,388</u>	<u>\$ 40,539,755</u>	<u>\$ 41,961,473</u>	<u>\$ 43,869,843</u>	<u>\$ 44,393,161</u>
Other Sources:	-	-	-	-	-
Interfund Transfers	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Revenues and Other Sources	<u>39,412,388</u>	<u>40,539,755</u>	<u>41,961,473</u>	<u>43,869,843</u>	<u>44,393,161</u>
<u><b>EXPENDITURES</b></u>					
General Support	\$ 3,850,101	\$ 3,880,071	\$ 4,097,910	\$ 5,377,367	\$ 3,994,156
Instruction	22,348,251	22,547,544	23,397,670	22,439,024	23,510,235
Pupil Transportation	500,467	401,061	429,922	653,374	413,201
Community Services	6,250	5,381	3,885	3,738	1,870
Employee Benefits	10,584,414	10,425,028	10,707,127	12,105,076	12,987,460
Debt Service	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>\$ 37,289,483</u>	<u>\$ 37,259,085</u>	<u>\$ 38,636,514</u>	<u>\$ 40,578,579</u>	<u>\$ 40,906,922</u>
Other Uses:	-	-	-	-	-
Interfund Transfers	<u>2,175,573</u>	<u>2,093,724</u>	<u>2,680,647</u>	<u>4,802,781</u>	<u>2,916,587</u>
Total Expenditures and Other Uses	<u>39,465,056</u>	<u>39,352,809</u>	<u>41,317,161</u>	<u>45,381,360</u>	<u>43,823,509</u>
Excess (Deficit) Revenues Over Expenditures	<u>(52,668)</u>	<u>1,186,946</u>	<u>644,312</u>	<u>(1,511,517)</u>	<u>569,652</u>
<u><b>FUND BALANCE</b></u>					
Fund Balance - Beginning of Year	5,585,434	5,532,766	6,719,712	7,331,545	5,820,028
Prior Period Adjustments (net)	<u>-</u>	<u>-</u>	<u>(32,479)</u>	<u>-</u>	<u>-</u>
Fund Balance - End of Year	<u><u>\$ 5,532,766</u></u>	<u><u>\$ 6,719,712</u></u>	<u><u>\$ 7,331,545</u></u>	<u><u>\$ 5,820,028</u></u>	<u><u>\$ 6,389,680</u></u>

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

**GENERAL FUND**

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

Fiscal Years Ending June 30:

	<b>2021</b>			<b>2022</b>	<b>2023</b>
	Adopted	Final		Adopted	Adopted
	<u>Budget</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>
<b><u>REVENUES</u></b>					
Real Property Taxes	\$ 23,742,410	\$ 23,742,410	\$ 23,850,539	\$ 24,045,198	\$ 24,525,714
Other Tax Items	-	-	-	175,000	183,000
Charges for Services	207,100	207,100	207,413	186,757	218,557
Use of Money & Property	226,720	226,720	34,345	67,300	17,300
Sale of Property and					
Compensation for Loss	5,500	5,500	4,319	5,500	5,500
Miscellaneous	380,000	558,286	560,504	260,000	210,000
Interfund Revenues	-	-	-	-	-
Revenues from State Sources	19,440,075	19,440,075	19,253,645	19,999,235	21,170,159
Revenues from Federal Sources	175,000	594,557	642,116	175,000	175,000
Total Revenues	<u>\$ 44,176,805</u>	<u>\$ 44,774,648</u>	<u>\$ 44,552,881</u>	<u>\$ 44,913,990</u>	<u>\$ 46,505,230</u>
Other Sources:					
Appropriated Reserves	-	115,353	-	-	-
Interfund Transfers	-	-	-	-	-
Total Revenues and Other Sources	<u>44,176,805</u>	<u>44,890,001</u>	<u>44,552,881</u>	<u>44,913,990</u>	<u>46,505,230</u>
<b><u>EXPENDITURES</u></b>					
General Support	\$ 4,497,742	\$ 4,966,111	\$ 4,536,560	\$ 4,679,962	\$ 4,739,790
Instruction	23,926,456	24,516,443	22,651,735	24,737,389	25,313,629
Pupil Transportation	510,639	475,607	372,620	636,304	712,153
Community Services	7,000	7,000	-	7,000	7,000
Employee Benefits	14,334,357	13,912,421	13,542,217	14,589,705	15,402,096
Debt Service	-	-	-	-	-
Total Expenditures	<u>\$ 43,276,194</u>	<u>\$ 43,877,582</u>	<u>\$ 41,103,132</u>	<u>\$ 44,650,360</u>	<u>\$ 46,174,668</u>
Other Uses:					
Interfund Transfers	<u>2,200,611</u>	<u>2,312,419</u>	<u>2,094,622</u>	<u>1,763,630</u>	<u>2,128,454</u>
Total Expenditures and Other Uses	<u>45,476,805</u>	<u>46,190,001</u>	<u>43,197,754</u>	<u>46,413,990</u>	<u>48,303,122</u>
Excess (Deficit) Revenues Over					
Expenditures	<u>(1,300,000)</u>	<u>(1,300,000)</u>	<u>1,355,127</u>	<u>(1,500,000)</u>	<u>(1,797,892)</u>
<b><u>FUND BALANCE</u></b>					
Fund Balance - Beginning of Year	1,300,000	1,300,000	6,389,680	1,500,000	1,797,892
Prior Period Adjustments (net)	-	-	-	-	-
Fund Balance - End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,744,807</u>	<u>\$ -</u>	<u>\$ -</u>

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

**APPENDIX - B**  
**Plattsburgh City School District**

**BONDED DEBT SERVICE**

Fiscal Year Ending June 30th	Principal	Interest	Total
2022	\$ 1,155,000	\$ 246,750.00	\$ 1,401,750.00
2023	1,180,000	223,650.00	1,403,650.00
2024	1,205,000	199,506.25	1,404,506.25
2025	1,230,000	174,293.75	1,404,293.75
2026	1,035,000	148,556.25	1,183,556.25
2027	805,000	126,956.25	931,956.25
2028	820,000	110,856.25	930,856.25
2029	840,000	93,675.00	933,675.00
2030	860,000	76,075.00	936,075.00
2031	790,000	57,237.50	847,237.50
2032	685,000	39,262.50	724,262.50
2033	590,000	23,212.50	613,212.50
2034	225,000	9,100.00	234,100.00
2035	230,000	4,600.00	234,600.00
TOTAL	\$ 11,650,000	\$ 1,533,731.25	\$ 13,183,731.25

**APPENDIX - B1**  
**Plattsburgh City School District**

**CURRENT BONDS OUTSTANDING**

Fiscal Year Ending June 30th	2012 Serial Bonds			2019 Serial Bonds			2020 Serial Bonds		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2022	\$ 425,000	\$ 43,693.75	\$ 468,693.75	\$ 555,000	\$ 147,156.25	\$ 702,156.25	\$ 175,000	\$ 55,900.00	\$ 230,900.00
2023	435,000	35,193.75	470,193.75	570,000	136,056.25	706,056.25	175,000	52,400.00	227,400.00
2024	445,000	25,950.00	470,950.00	580,000	124,656.25	704,656.25	180,000	48,900.00	228,900.00
2025	455,000	15,937.50	470,937.50	590,000	113,056.25	703,056.25	185,000	45,300.00	230,300.00
2026	240,000	5,700.00	245,700.00	605,000	101,256.25	706,256.25	190,000	41,600.00	231,600.00
2027	-	-	-	615,000	89,156.25	704,156.25	190,000	37,800.00	227,800.00
2028	-	-	-	625,000	76,856.25	701,856.25	195,000	34,000.00	229,000.00
2029	-	-	-	640,000	63,575.00	703,575.00	200,000	30,100.00	230,100.00
2030	-	-	-	655,000	49,975.00	704,975.00	205,000	26,100.00	231,100.00
2031	-	-	-	580,000	35,237.50	615,237.50	210,000	22,000.00	232,000.00
2032	-	-	-	470,000	21,462.50	491,462.50	215,000	17,800.00	232,800.00
2033	-	-	-	370,000	9,712.50	379,712.50	220,000	13,500.00	233,500.00
2034	-	-	-	-	-	-	225,000	9,100.00	234,100.00
2035	-	-	-	-	-	-	230,000	4,600.00	234,600.00
<b>TOTAL</b>	<b>\$ 2,000,000</b>	<b>\$ 126,475.00</b>	<b>\$ 2,126,475.00</b>	<b>\$ 6,855,000</b>	<b>\$ 968,156.25</b>	<b>\$ 7,823,156.25</b>	<b>\$ 2,795,000</b>	<b>\$ 439,100.00</b>	<b>\$ 3,234,100.00</b>

**APPENDIX - C**  
**Plattsburgh City School District**

**TAX INFORMATION**

**Taxable Assessed Valuation**

<u>Fiscal Year Ending June 30:</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
City of Plattsburgh	\$962,265,783	\$965,659,812	\$1,003,074,953 <sup>(1)</sup>	\$1,012,534,059	\$1,036,786,004
Total Assessed Valuation	\$962,265,783	\$965,659,812	\$1,003,074,953	\$1,012,534,059	\$1,036,786,004

**State Equalization Rates**

<u>Fiscal Year Ending June 30:</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
City of Plattsburgh	100.00%	100.00%	100.00%	100.00%	100.00%
Taxable Full Valuation	\$962,265,783	\$965,659,812	\$1,003,074,953	\$1,012,534,059	\$1,036,786,004

**Special Equalization Ratios**

<u>Fiscal Year Ending June 30:</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
City of Plattsburgh	96.89%	96.21%	97.20%	97.01%	98.60%
Taxable Full Valuation	\$993,152,836	\$1,003,700,044	\$1,031,970,116	\$1,043,741,943	\$1,051,507,103

<sup>(1)</sup> Significant change from prior year due to revaluation.

## MATERIAL EVENT NOTICES

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

- (a) principal and interest payment delinquencies
- (b) non-payment related defaults, if material
- (c) unscheduled draws on debt service reserves reflecting financial difficulties
- (d) in the case of credit enhancement, if any, provided in connection with the issuance of the Notes, 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 Note, or other material events affecting the tax status of the Notes
- (g) modifications to rights of Note holders, if material
- (h) note calls, if material and tender offers
- (i) defeasances
- (j) release, substitution, or sale of property securing repayment of the Note
- (k) rating changes
- (l) bankruptcy, insolvency, receivership or similar event of the District
- (m) the consummation of a merger, consolidation, or acquisition involving the District or the sale of all or substantially all of the assets of the District, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material
- (n) appointment of a successor or additional trustee or the change of name of a trustee, if material
- (o) incurrence of a financial obligation of the District, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the District, any of which affect security holders, if material; and
- (p) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the District, any of which reflect financial difficulties.

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

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

For the purposes of the event identified in paragraph (l) of this section, 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.

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

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

The District reserves the right to terminate its obligation to provide the aforescribed 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.

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

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**CITY SCHOOL DISTRICT OF THE CITY OF PLATTSBURGH  
CLINTON COUNTY, NEW YORK**

**FINANCIAL STATEMENTS  
AND OTHER FINANCIAL INFORMATION**

**JUNE 30, 2021**

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



## Contents

<b>INDEPENDENT AUDITOR'S REPORT</b>	<b>1-3</b>
Management's Discussion and Analysis	4-9
Statements of Net Position	10
Statements of Activities	11
Balance Sheets - Governmental Funds	12
Combined Statements of Revenues, Expenditures and Changes in Fund Balance	13-14
Reconciliation of Governmental Funds Balance Sheet to the Statement of Net Position	15
Reconciliation of Governmental Funds - Revenues, Expenditures and Changes in Fund Balance to Statement of Activities	16
Notes to Financial Statements	17-45
<b>SUPPLEMENTARY INFORMATION</b>	
Non-Major Funds:	
Combining Balance Sheets - Non-Major Funds	46
Combining Statements of Revenues and Expenditures - Non-Major Funds	47
General Fund:	
Schedule of Change from Original Budget to Final Budget and the Real Property Tax Limit	48
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund	49-50
Schedule of Project Expenditures - Capital Projects Fund	51
Net Investment in Capital Assets	52
Schedule of Changes in the District's Total OPEB Liability and Related Ratios	53
Schedule of District's Proportionate Share of the Net Pension Liability - NYSERS	54
Schedule of the District's Contributions - NYSERS	55
Schedule of District's Proportionate Share of the Net Pension Liability - NYSTRS	56
Schedule of the District's Contributions - NYSTRS	57
Schedule of Expenditures of Federal Awards	58
Notes to the Schedule of Expenditures of Federal Awards	59
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards	60-61
Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance	62-63
Schedule of Findings and Questioned Costs	64-66
Extraclassroom Activity Fund:	
Independent Auditor's Report	67-68
Statement of Assets, Liabilities and Fund Balance - Cash Basis	69
Statement of Cash Receipts, Disbursements and Ending Balances	70
Notes to Financial Statements	71

# ***BOULRICE & WOOD CPAS, P.C.***

## ***Certified Public Accountants***

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***MICHAEL L. BOULRICE, CPA***

***STEPHEN P. WOOD, CPA***

### **INDEPENDENT AUDITOR'S REPORT**

To the Board of Education  
Plattsburgh City School District  
Plattsburgh, New York

#### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Plattsburgh City School District, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the 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 of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the 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 the Plattsburgh City School District, as of June 30, 2021, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis (pages 4 through 9), budgetary comparison information (pages 49 & 50), Schedule of Changes in the District's Total OPEB Liability and Related Ratios (page 53) and Schedules of District's Proportionate Share of the Net Pension Liability – ERS and TRS, and Schedules of the District's Contributions – ERS and TRS (pages 54-57) 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.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Plattsburgh City School District's basic financial statements as a whole. The Combining Non-Major Fund financial statements, Schedule of Change from Original Budget to Final Budget and the Real Property Tax Limit, Schedule of Project Expenditures, and Net Investment in Capital Assets are presented for purposes of additional analysis and are not a required part of the financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is not a required part of the basic financial statements of Plattsburgh City School District. The Combining Non-Major Fund financial statements, Schedule of Change from Original Budget to Final Budget and the Real Property Tax Limit, Schedule of Project Expenditures, Net Investment in Capital Assets, and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the 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 financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects

in relation to the basic financial statement taken as a whole.

### **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated September 14, 2021, on our consideration of the Plattsburgh City 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 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 Plattsburgh City School District's internal control over financial reporting and compliance.

*Boulrice & Wood CPAs, PC*

Boulrice & Wood CPAs, PC

September 14, 2021

## **Plattsburgh City School District Management's Discussion & Analysis For the Fiscal Year Ended June 30, 2021**

Our discussion and analysis of the District's financial performance provides an overview of the District's financial activities for the fiscal year ended June 30, 2021.

### **Financial Highlights**

Revenues totaled \$47.0 million. Program revenues accounted for \$2.5 million or 5.3% of total revenues, and general revenues accounted for \$44.5 million or 94.7%.

The District's net position was approximately negative \$145.3 million.

### **Overview of the Financial Statements**

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

- The first two statements are district-wide financial statements that provide both short-term and long-term information about the district's overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the district, reporting the district's operations in more detail than the district-wide statements.
- The governmental funds statements tell how basic services such as regular and special education were financed in the short term as well as what remains for future spending.
- Proprietary funds statements offer short and long-term financial information about the activities the district operates. The district has no proprietary funds.
- Fiduciary funds statements provide information about the financial relationships in which the district acts solely as a trustee or agent for the benefit of others.

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

### **District-wide Statements**

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

The two district-wide statements report the district's net position and changes in it. The change in net position provides the reader a tool to assist in determining whether the district's financial health is improving or deteriorating. The reader will need to consider other non-financial factors such as property tax base, current property tax laws, student enrollment growth, and facility conditions in arriving at their conclusion regarding the overall health of the District.

In the district-wide financial statements, the District's activities are divided into two categories:

- **Governmental activities:** Most of the District's basic services are included here, such as regular and special education, transportation, and administration. Property taxes and state formula aid finance most of these activities.
- **Business-type activities:** The District has no business-type activities.

## **Fund Financial Statements**

The fund financial statements provide more detailed information about the most significant funds – not the District as a whole. Some funds are required to be established by State statute, while many other funds are established by the District to help manage money for particular purposes and compliance with various grant provisions.

The District has two kinds of funds:

- **Governmental Funds:** Most of the District's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. These funds are reported using an accounting method called modified accrual accounting, which measures cash and other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the District's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or less financial resources available to spend in the near future to finance the District's programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is reconciled in the notes to the financial statements.

## Financial Analysis of the District as a Whole

### PLATTSBURGH CITY SCHOOL DISTRICT CONDENSED STATEMENT OF NET POSITION

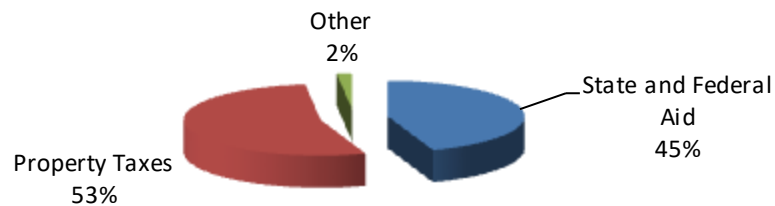
	6/30/2021	Restated 6/30/2020
<b>ASSETS</b>		
Current and other assets	\$ 13,680,095	\$ 12,992,637
Capital assets, net	44,597,142	42,119,596
Total Assets	58,277,237	55,112,233
<b>DEFERRED OUTFLOW OF RESOURCES</b>		
Unamortized defeasance loss	-	10,833
Other post employment benefits	58,096,467	21,261,373
Pensions	12,286,517	10,821,262
Total Assets and Deferred Outflow of Resources	\$ 128,660,221	\$ 87,205,701
<b>LIABILITIES</b>		
Long-term debt outstanding	\$ 257,702,842	\$ 203,206,558
Other liabilities	7,954,489	2,251,163
Total Liabilities	265,657,331	205,457,721
<b>DEFERRED INFLOW OF RESOURCES</b>		
Other post employment benefits	3,709,991	5,068,962
Pensions	4,601,040	3,593,893
	8,311,031	8,662,855
<b>NET POSITION</b>		
Net investment in capital assets	30,665,689	28,836,399
Restricted	2,066,369	3,892,937
Unrestricted	(178,040,199)	(159,644,211)
Total Net Position	(145,308,141)	(126,914,875)
Total Liabilities and Net Position	\$ 128,660,221	\$ 87,205,701

### PLATTSBURGH CITY SCHOOL DISTRICT CHANGES IN NET POSITION FROM OPERATING RESULTS

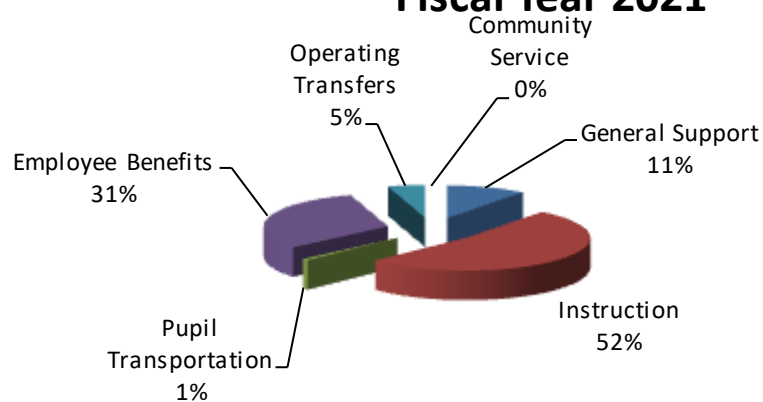
<b>REVENUES</b>		
Program Revenues:		
Charges for services	\$ 212,065	\$ 280,137
Operating grants	2,285,690	2,672,621
General Revenues:		
Real property taxes	23,687,696	23,279,745
Charges for services	-	11,906
Use of money and property	42,889	259,242
Sale of property and compensation for loss	4,319	39,274
Miscellaneous	635,979	542,499
State sources	19,482,215	20,697,928
Federal sources	642,116	188,651
Total Revenues	46,992,969	47,972,003
<b>EXPENSES</b>		
General support	5,504,111	5,038,609
Instruction	24,889,559	25,883,673
Pupil transportation	456,509	501,818
Community service	-	1,870
Employee benefits	33,958,995	24,788,785
Debt service - interest	298,628	301,822
Capital outlay	-	2,964,030
School lunch program	278,433	399,275
Total Expenses	65,386,235	59,879,882
Increase (Decrease) in Net Position	\$ (18,393,266)	\$ (11,907,879)

The graphs below illustrate the allocation of general fund revenues and expenditures.

### Allocation of General Fund Revenue Sources - Fiscal Year 2021



### Allocation of General Fund Expenditures - Fiscal Year 2021





## Financial Analysis of the District's Funds – Fund Balances

The District's governmental funds (as presented on the balance sheet on page 12) reported a combined fund balance of \$5.2 million, which is down from last year's total of \$7.2 million. These figures represent all of the District's governmental funds, which include the General, Special Aid, School Food Service, Capital Project, Debt Service Funds, and Non-Major Funds. The General Fund fund balance figures below reflect Unassigned, Appropriated Fund Balance, as well as the District's strategic reserves.

	<u>Current Year</u>	<u>Prior Year</u>	<u>Change</u>	<u>Percent Change</u>
General Fund	\$ 7,744,807	\$ 6,389,680	\$ 1,355,127	21.21%
Special Aid Fund	\$ -	\$ -	\$ -	0.00%
School Food Service	\$ -	\$ -	\$ -	0.00%
Capital Fund	\$ (2,793,141)	\$ 757,062	\$ (3,550,203)	-468.94%
Debt Service Fund	\$ 615	\$ 25,956	\$ (25,341)	-97.63%
Non-Major Fund	\$ 198,333	\$ 208,446	\$ (10,113)	-4.85%

## General Fund Budgetary Highlights

The District's budget is prepared in accordance with New York law and is based on the cash basis of accounting, utilizing cash receipts, disbursements and encumbrances. The most significant budgeted fund is the General Fund.

Over the course of the year, the District revised its annual operating budget for carryover encumbrances and utilized \$0 of its total appropriated fund balance of \$1,300,000. The District under spent its budget by \$2,851,661 and received \$221,767 less in revenue. Overall, the District continues to have a positive fund balance of \$7.7 million, a portion of which the Board of Education decided to place in reserves for Tax Certiorari, Retirement contributions, Workers compensation and Employee benefits.

## Capital Assets

The District has \$424,597,142 invested in capital assets net of depreciation. Refer to page 31 for details of capital assets.

## **Long-Term Debt**

At June 30, 2021, the District had \$11,650,000 in outstanding bonds payable as compared to \$13,294,030 at June 30, 2020. During the year, the District paid \$1,644,030 in principal and \$287,795 in interest.

## **Factors Bearing on the District's Future**

In recent years, the operation of public school districts has faced unusual – even bordering on surreal – challenges. Surely, the ongoing COVID pandemic is the greatest source of potential impact on the district and its financial operations. Though the start of the 2021-22 school year features somewhat more certainty than the past year, there remains much unknown about the infection rates, pediatrics vaccines, booster shots, and educational continuity. The COVID-related federal stimulus funding will be a boon for all school districts and will assist in overcoming learning loss, addressing the traumatic impacts of school closure, etc.. In deploying these financial resources, our district will need to remain vigilant about discontinuing program or identifying local programming to sustain such past the expiration of these grants.

The resolution of tax certiorari claims, as is evident in the financial statements for 2020-21, can have significant impact on the district's reserved balances, and ultimately on the district overall undesignated fund balance.

Aside from salary expenses, health insurance premiums represent one of the most significant areas of district expenditure. Following years of rapid rate inflation, the health insurance consortium to which the district belongs implemented (prior to the pandemic's onset) a number of rate stabilization strategies. These, coupled with lower consumption of healthcare services during the pandemic, led to one of the most modest rate increases in consortium history in 2021-22. How consumption, and ultimately rates, change as the pandemic progresses and wanes is yet unknown, but given the significance of this expense area for all districts, this matter could have significant budgetary impact.

## **Contacting the District's Financial Management**

This financial report is designated to provide the District's citizens, taxpayers, investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, please contact the Business Official, Plattsburgh City School District, and 49 Broad Street, Plattsburgh, NY 12901.

## PLATTSBURGH CITY SCHOOL DISTRICT

## EXHIBIT 1

## STATEMENTS OF NET POSITION

June 30, 2021

## ASSETS

## Cash:

Unrestricted	\$ 4,427,630
Restricted	5,536,201

## Receivables:

Accounts receivable	149,377
Taxes receivable	1,087,843
State and federal aid receivable	1,666,187
Due from other governments	731,457

Investment in securities	37,995
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Inventories	43,405
-------------	--------

Capital assets, net	44,597,142
---------------------	------------

<b>Total Assets</b>	<b>58,277,237</b>
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## DEFERRED OUTFLOW OF RESOURCES

Other post employment benefits	58,096,467
--------------------------------	------------

Pensions	12,286,517
----------	------------

<b>Total Deferred Outflow of Resources</b>	<b>70,382,984</b>
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<b>Total Assets and Deferred Outflow of Resources</b>	<b>\$ 128,660,221</b>
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## LIABILITIES

## Payables:

Accounts payable	\$ 475,210
------------------	------------

Accrued liability	120,223
-------------------	---------

Bond anticipation notes	5,500,000
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Due to other governments	8
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Due to teacher's retirement system	1,708,433
------------------------------------	-----------

Due to employee's retirement system	150,615
-------------------------------------	---------

## Long-term liabilities

Due and payable within one year:	
Bonds payable-current	1,155,000

Due and payable after one year:	
Bonds payable - non-current	10,495,000

Compensated absences payable	534,251
------------------------------	---------

Other post employment benefits	242,729,477
--------------------------------	-------------

Net pension liability-proportionate share	2,789,114
---	-----------

<b>Total Liabilities</b>	<b>265,657,331</b>
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## DEFERRED INFLOWS OF RESOURCES

Other post employment benefits	3,709,991
--------------------------------	-----------

Pensions	4,601,040
----------	-----------

<b>Total Deferred Inflows of Resources</b>	<b>8,311,031</b>
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## NET POSITION

Net investment in capital assets	30,665,689
----------------------------------	------------

Restricted	2,066,369
------------	-----------

Unrestricted (deficit)	(178,040,199)
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<b>Total Net Position</b>	<b>(145,308,141)</b>
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<b>Total Liabilities, Deferred Inflows and Net Position</b>	<b>\$ 128,660,221</b>
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PLATTSBURGH CITY SCHOOL DISTRICT

EXHIBIT 2

STATEMENT OF ACTIVITIES  
Year Ended June 30, 2021

FUNCTIONS/ PROGRAMS	EXPENSES	PROGRAM REVENUES		NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION
		CHARGES FOR SERVICES	OPERATING GRANTS	
General support	\$ (5,504,111)	\$ -	\$ -	\$ (5,504,111)
Instruction	(24,889,559)	207,413	1,618,788	(23,063,358)
Pupil transportation	(456,509)	-	-	(456,509)
Community service	-	-	-	-
Employee benefits	(33,958,995)	-	-	(33,958,995)
Debt service - interest	(298,628)	-	-	(298,628)
Capital outlay - Boces project	-	-	-	-
School lunch program	(278,433)	4,652	666,902	393,121
<b>Total Functions and Programs</b>	<b>\$ (65,386,235)</b>	<b>\$ 212,065</b>	<b>\$ 2,285,690</b>	<b>(62,888,480)</b>
<b>GENERAL REVENUES</b>				
Real property taxes				23,687,696
Use of money and property				42,889
Sale of property and compensation for loss				4,319
Miscellaneous				635,979
State sources				19,482,215
Federal sources				642,116
<b>Total General Revenues</b>				<b>44,495,214</b>
<b>Change in Net Position</b>				<b>(18,393,266)</b>
<b>Total Net Position - Beginning of Year, as previously reported</b>				<b>(127,123,321)</b>
<b>Prior period adjustment (Note 17)</b>				<b>208,446</b>
<b>Total Net Position-Beginning of Year, as restated</b>				<b>(126,914,875)</b>
<b>Total Net Position - End of Year</b>				<b>\$ (145,308,141)</b>

## PLATTSBURGH CITY SCHOOL DISTRICT

## EXHIBIT 3

BALANCE SHEETS-GOVERNMENTAL FUNDS  
June 30, 2021

	GENERAL	SPECIAL AID	SCHOOL FOOD SERVICE	DEBT SERVICE	CAPITAL PROJECTS	NON-MAJOR	TOTAL
<b>ASSETS</b>							
Cash	\$ 4,427,630	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,427,630
Restricted cash	1,867,421	-	-	323	3,508,119	160,338	5,536,201
Investment in securities	-	-	-	-	-	37,995	37,995
Due from other funds	1,270,938	-	-	292	-	-	1,271,230
Accounts receivable	149,377	-	-	-	-	-	149,377
Taxes receivable	1,087,843	-	-	-	-	-	1,087,843
Due from other governments	731,457	-	-	-	-	-	731,457
State and federal aid receivable	1,011,733	537,284	89,957	-	-	-	1,638,974
Inventories	-	-	43,405	-	-	-	43,405
<b>Total Assets</b>	<b>\$ 10,546,399</b>	<b>\$ 537,284</b>	<b>\$ 133,362</b>	<b>\$ 615</b>	<b>\$ 3,508,119</b>	<b>198,333</b>	<b>\$ 14,924,112</b>
<b>LIABILITIES</b>							
Accounts payable	\$ 313,457	\$ 4,597	\$ -	\$ -	\$ 157,156	\$ -	\$ 475,210
Accrued liabilities	112,855	-	7,368	-	-	-	120,223
Bond anticipation notes payable	-	-	-	-	5,500,000	-	5,500,000
Due to other governments	8	-	-	-	-	-	8
Due to other funds	-	532,687	94,439	-	644,104	-	1,271,230
Due to teachers' retirement system	1,708,433	-	-	-	-	-	1,708,433
Due to employees' retirement system	119,060	-	31,555	-	-	-	150,615
<b>Total Liabilities</b>	<b>2,253,813</b>	<b>537,284</b>	<b>133,362</b>	<b>-</b>	<b>6,301,260</b>	<b>-</b>	<b>9,225,719</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>							
Deferred tax revenue	547,779	-	-	-	-	-	547,779
<b>FUND BALANCES</b>							
Nonspendable							
Inventory	-	-	43,405	-	-	-	43,405
Restricted							
Capital projects	-	-	-	-	-	-	-
Workers compensation	176,071	-	-	-	-	-	176,071
Retirement - ERS	716,507	-	-	-	-	-	716,507
Retirement - TRS	341,293	-	-	-	-	-	341,293
Tax certiorari	379,615	-	-	-	-	-	379,615
Employee benefit accrued liability	253,935	-	-	-	-	-	253,935
Retirement of long-term debt	-	-	-	615	-	-	615
Other	-	-	-	-	-	198,333	198,333
Assigned							
Appropriated Fund Balance	1,500,000	-	-	-	-	-	1,500,000
Encumbrances (Note 10)	140,586	-	-	-	-	-	140,586
Unassigned	4,236,800	-	(43,405)	-	(2,793,141)	-	1,400,254
<b>Total Fund Balances</b>	<b>7,744,807</b>	<b>-</b>	<b>-</b>	<b>615</b>	<b>(2,793,141)</b>	<b>198,333</b>	<b>5,150,614</b>
<b>Total Liabilities, Fund Balances and Deferred Inflows of Resources</b>	<b>\$ 10,546,399</b>	<b>\$ 537,284</b>	<b>\$ 133,362</b>	<b>\$ 615</b>	<b>\$ 3,508,119</b>	<b>\$ 198,333</b>	<b>\$ 14,924,112</b>

See Notes to the Financial Statements

## PLATTSBURGH CITY SCHOOL DISTRICT

## EXHIBIT 4

## COMBINED STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

Year Ended June 30, 2021

	GENERAL	SPECIAL AID	SCHOOL FOOD SERVICE	DEBT SERVICE	CAPITAL PROJECTS	NON-MAJOR	TOTAL
<b>REVENUES</b>							
Real property taxes	\$ 23,850,539	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 23,850,539
Charges for services	91,090	-	-	-	-	-	91,090
Other districts and governments	116,323	-	-	-	-	-	116,323
Use of money and property	34,345	-	-	4,213	-	4,331	42,889
Sale of property and compensation for loss	4,319	-	-	-	-	-	4,319
Miscellaneous	560,504	-	393	-	-	42,707	603,604
State sources	19,253,645	404,694	18,951	-	228,570	-	19,905,860
Federal sources	642,116	1,214,094	647,951	-	-	-	2,504,161
Sales	-	-	4,652	-	-	-	4,652
<b>Total Revenues</b>	<b>44,552,881</b>	<b>1,618,788</b>	<b>671,947</b>	<b>4,213</b>	<b>228,570</b>	<b>47,038</b>	<b>47,123,437</b>
<b>EXPENDITURES</b>							
General support	4,536,560	-	322,431	-	-	57,151	4,916,142
Instruction	22,651,735	1,524,076	-	-	-	-	24,175,811
Pupil transportation	372,620	-	-	-	-	-	372,620
Employee benefits	13,542,217	100,060	206,082	-	-	-	13,848,359
Debt service	-	-	-	1,931,825	-	-	1,931,825
Capital outlay	-	-	-	-	3,863,152	-	3,863,152
Cost of sales	-	-	278,433	-	-	-	278,433
<b>Total Expenditures</b>	<b>41,103,132</b>	<b>1,624,136</b>	<b>806,946</b>	<b>1,931,825</b>	<b>3,863,152</b>	<b>57,151</b>	<b>49,386,342</b>

See Notes to the Financial Statements.

<b>Excess (Deficit) of Revenues over Expenditures</b>	<u>3,449,749</u>	<u>(5,348)</u>	<u>(134,999)</u>	<u>(1,927,612)</u>	<u>(3,634,582)</u>	<u>(10,113)</u>	<u>(2,262,905)</u>
<b>OTHER SOURCES AND USES</b>							
Operating transfers in	-	5,348	134,999	1,869,896	84,379	-	2,094,622
Operating transfers (out)	(2,094,622)	-	-	-	-	-	(2,094,622)
BAN premium	-	-	-	32,375	-	-	32,375
<b>Total Other Sources and Uses</b>	<u>(2,094,622)</u>	<u>5,348</u>	<u>134,999</u>	<u>1,902,271</u>	<u>84,379</u>	<u>-</u>	<u>32,375</u>
<b>Excess (Deficiency) Revenues and Other Sources over Expenditures and Other Uses</b>	1,355,127	-	-	(25,341)	(3,550,203)	(10,113)	(2,230,530)
<b>Fund Balances, Beginning of Year, restated (Note 17)</b>	<u>6,389,680</u>	<u>-</u>	<u>-</u>	<u>25,956</u>	<u>757,062</u>	<u>208,446</u>	<u>7,381,144</u>
<b>Fund Balances, End of Year</b>	<u>\$ 7,744,807</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 615</u>	<u>\$ (2,793,141)</u>	<u>\$ 198,333</u>	<u>\$ 5,150,614</u>

See Notes to the Financial Statements.

PLATTSBURGH CITY SCHOOL DISTRICT

EXHIBIT 5

RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET  
TO THE STATEMENT OF NET POSITION  
JUNE 30, 2021

	TOTAL GOVERNMENT FUNDS	LONG-TERM ASSETS, LIABILITIES	RECLASSIFICATION AND ELIMINATIONS	STATEMENT OF NET POSITION TOTALS
<b>ASSETS</b>				
Unrestricted cash	\$ 4,427,630	\$ -	\$ -	\$ 4,427,630
Restricted cash	5,536,201	-	-	5,536,201
Investment in Securities	37,995	-	-	37,995
Due from other funds	1,271,230	-	(1,271,230)	-
Accounts receivable	149,377	-	-	149,377
Taxes receivable	1,087,843	-	-	1,087,843
Due from other governments	731,457	-	-	731,457
State and federal aid receivable	1,638,974	27,213	-	1,666,187
Inventories	43,405	-	-	43,405
Fixed assets	-	44,597,142	-	44,597,142
<b>Total Assets</b>	<b>14,924,112</b>	<b>44,624,355</b>	<b>(1,271,230)</b>	<b>58,277,237</b>
<b>DEFERRED OUTFLOW OF RESOURCES</b>				
Other post employment benefits	-	58,096,467	-	58,096,467
Pensions	-	12,286,517	-	12,286,517
<b>Total Deferred Outflows of Resources</b>	<b>-</b>	<b>70,382,984</b>	<b>-</b>	<b>70,382,984</b>
<b>Total Assets and Deferred Outflow of Resources</b>	<b>\$ 14,924,112</b>	<b>\$ 115,007,339</b>	<b>\$ (1,271,230)</b>	<b>\$ 128,660,221</b>
<b>LIABILITIES</b>				
Accounts payable	\$ 475,210	\$ -	\$ -	\$ 475,210
Accrued liability	120,223	-	-	120,223
Bond anticipation notes	5,500,000	-	-	5,500,000
Due to other funds	1,271,230	-	(1,271,230)	-
Due to other governments	8	-	-	8
Due to teachers' retirement system	1,708,433	-	-	1,708,433
Due to employees' retirement system	150,615	-	-	150,615
Bonds payable	-	11,650,000	-	11,650,000
Compensated absences	-	534,251	-	534,251
Other post employment benefits obligation	-	242,729,477	-	242,729,477
Net pension liability- proportionate share	-	2,789,114	-	2,789,114
<b>Total Liabilities</b>	<b>9,225,719</b>	<b>257,702,842</b>	<b>(1,271,230)</b>	<b>265,657,331</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred tax revenue	547,779	(547,779)	-	-
Other post employment benefits	-	3,709,991	-	3,709,991
Pensions	-	4,601,040	-	4,601,040
<b>Total Deferred Inflows of Resources</b>	<b>547,779</b>	<b>7,763,252</b>	<b>-</b>	<b>8,311,031</b>
<b>FUND BALANCE/NET POSITION</b>				
<b>Total Fund Balance/ Net Position</b>	<b>5,150,614</b>	<b>(150,458,755)</b>	<b>-</b>	<b>(145,308,141)</b>
<b>Total Liabilities, Deferred Inflows and Fund Balance/Net Position</b>	<b>\$ 14,924,112</b>	<b>\$ 115,007,339</b>	<b>\$ (1,271,230)</b>	<b>\$ 128,660,221</b>

See Notes to the Financial Statements.



## PLATTSBURGH CITY SCHOOL DISTRICT

## EXHIBIT 6

**RECONCILIATION OF GOVERNMENTAL FUNDS-REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE TO STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2021**

	TOTAL GOVERNMENT FUNDS	LONG-TERM REVENUE EXPENSES	CAPITAL RELATED ITEMS	LONG-TERM DEBT TRANSACTION	RECLASSIFICATION AND ELIMINATIONS	STATEMENT OF ACTIVITIES TOTALS
<b>REVENUES</b>						
Real property taxes	\$ 23,850,539	\$ (162,843)	\$ -	\$ -	\$ -	\$ 23,687,696
Charges for services	91,090	-	-	-	-	91,090
Other districts and governments	116,323	-	-	-	-	116,323
Use of money and property	42,889	-	-	-	-	42,889
Sale of property and compensation for loss	4,319	-	-	-	-	4,319
Miscellaneous	603,604	-	-	-	-	603,604
State sources	19,905,860	-	-	-	-	19,905,860
Federal sources	2,504,161	-	-	-	-	2,504,161
Sales	4,652	-	-	-	-	4,652
<b>Total Revenues</b>	<b>47,123,437</b>	<b>(162,843)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>46,960,594</b>
<b>EXPENDITURES</b>						
General support	4,916,142	-	587,969	-	-	5,504,111
Instruction	24,175,811	-	713,748	-	-	24,889,559
Pupil transportation	372,620	-	83,889	-	-	456,509
Employee benefits	13,848,359	20,110,636	-	-	-	33,958,995
Debt service	1,931,825	-	-	(1,633,197)	-	298,628
Capital outlay	3,863,152	-	(3,863,152)	-	-	-
Cost of sales	278,433	-	-	-	-	278,433
<b>Total Expenditures</b>	<b>49,386,342</b>	<b>20,110,636</b>	<b>(2,477,546)</b>	<b>(1,633,197)</b>	<b>-</b>	<b>65,386,235</b>
<b>Excess (Deficit) of Revenues over Expenditures</b>	<b>(2,262,905)</b>	<b>(20,273,479)</b>	<b>2,477,546</b>	<b>1,633,197</b>	<b>-</b>	<b>(18,425,641)</b>
<b>OTHER SOURCES AND USES</b>						
Operating transfers in	2,094,622	-	-	-	(2,094,622)	-
Operating transfers out	(2,094,622)	-	-	-	2,094,622	-
BAN premium	32,375	-	-	-	-	32,375
<b>Total Other Sources and Uses</b>	<b>32,375</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>32,375</b>
<b>Net Change for the Year</b>	<b>\$ (2,230,530)</b>	<b>\$ (20,273,479)</b>	<b>\$ 2,477,546</b>	<b>\$ 1,633,197</b>	<b>\$ -</b>	<b>\$ (18,393,266)</b>

See Notes to the Financial Statements.

## PLATTSBURGH CITY SCHOOL DISTRICT

### NOTES TO FINANCIAL STATEMENTS JUNE 30, 2021

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#### Note 1. Summary of Significant Accounting Policies

A. Reporting entity: The Plattsburgh City School District (the "District") is governed by the Education Law and other general laws of the State of New York. The governing body is the Board of Education of Plattsburgh City School (Board). The Board is the basic level of government, which has oversight responsibilities and control over all activities related to the public school education in the region of Plattsburgh City School District. The Board receives funding from local, state and federal government sources and must comply with the concomitant requirements of these funding source entities. However, the Board is not included in any other governmental "reporting entity" as defined in GASB pronouncements, since Board members are elected by the public and have decision-making authority, the power to designate management, the ability to significantly influence operations and primary accountability for fiscal matters.

B. Basis of presentation

1. 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 nonexchange transactions.

The Statement of Activities presents a comparison between direct expenses and program 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 good or services offered by the programs, and grants and contributions that are restricted to meeting the operations or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

2. Fund Functional 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. Non-major funds are aggregated and presented in a single column. The District chooses to report all governmental funds as major funds, except for Extraclassroom Activity Fund and Scholarship Fund.

**Note 1. Summary of Significant Accounting Policies (continued)**

The District reports the following major governmental funds:

General Fund - the general fund is the principal operating fund of the District and is used to account for all financial resources, except those accounted for in another fund.

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

- Special Aid Funds: Used to account for special operating projects or programs supported in whole, or in part, with Federal funds or State or Local grants.
- School Food Service Fund: Used to account for transactions of the lunch and breakfast programs.

Capital Projects Fund - the capital projects funds are to account for and report financial resources to be used for the acquisition, or construction or renovation of major capital facilities, or equipment.

Debt Service - the debt service funds are to account for the accumulation of resources and the payment of general long-term debt principal and interest.

**C. Measurement Focus and Basis of Accounting**

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. 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 in the fiscal year in which all eligibility requirements have been satisfied.

The governmental fund statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The District considers all revenues reported in the governmental funds to be available if the revenues are collected within 90 days (60 days for property taxes) after the end of the fiscal year.

Expenditures are recorded when the related fund liability is incurred except for:

PLATTSBURGH CITY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2021

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**Note 1. Summary of Significant Accounting Policies (continued)**

- a. Prepaids and inventory-type items are recognized at the time of purchase.
  - b. Principal and interest on indebtedness are not recognized as an expenditure until due.
  - c. Compensated absences, such as vacation and sick leave, which vests or accumulates, are charged as an expenditure when paid.
  - d. Pension costs are recognized as an expenditure when billed by the state.
  - e. The School District recognizes the cost of providing post retirement health insurance coverage and survivor benefits by recording its share of insurance premiums as an expenditure in the year paid.
- D. Inventories: Inventories of food and supplies in the School Lunch Fund are recorded at cost on a first-in, first-out basis or, in the case of surplus food, at stated value, which approximates market. Purchases of supplies in other funds are recorded as expenditures at the time of purchase, and year-end inventory balances are not maintained.
- E. Capital assets: Capital assets are reported in the applicable governmental activities column in the district-wide financial statements. Capital assets are defined by the District as assets with an initial cost of \$5,000 or more and an estimated useful life in excess of one year. Acquisitions of equipment and capital facilities are treated as expenditures in the various funds of the School District, and are also reflected in the general fixed asset group of accounts. The assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are recorded at estimated fair market value at the date of donation.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

	<u>Estimated Useful Life</u>
Land Improvements	20 years
Buildings and improvements	22-50 years
Furniture, equipment and vehicles	5 - 20 years

- F. Property taxes: Real property taxes are levied annually by the Board of Education no later than June 30, and became a lien on July 1, 2020. Taxes were collected during the period August 1 to November 30, 2020.

The City and County in which the District is located enforce uncollected real property taxes. An amount representing all uncollected real property taxes must be transmitted by the City of Plattsburgh to the District within two years from the return of unpaid taxes to the City. Real property taxes receivable expected to be collected within 60 days of

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2021

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**Note 1. Summary of Significant Accounting Policies (continued)**

year-end, less similar amounts collected during this period in the preceding year, are recognized as revenue. Otherwise, a deferred inflow of resources offset real property taxes receivable.

- G. Retirement plan: The School District provides retirement benefits for substantially all of its regular full-time employees through contributions to the New York State Teachers' Retirement System and the New York State Employees' Retirement System. These systems provide various plans and options, some of which require employee contributions.
- H. General long-term debt: Bonds, capital notes, and bond anticipation notes issued for capital projects are recognized when issued.
- I. Budgetary Procedures and Budgetary Accounting

1) General

The School District's policy relating to budgetary information as shown in the accompanying financial statements is as follows:

A public hearing is held upon completion and filing of the tentative budget. Subsequent to such public hearing, the budget is adopted by the Board of Education. The budget is then approved by the voters within the School District. Appropriations established by adoption of the budget constitute limitations on expenditures (and encumbrances) which may be incurred. The New York Uniform System of Accounts requires that fixed budgetary control be used for all governmental fund types. Budget appropriations lapse at year-end.

2) Encumbrances

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve applicable appropriations, is employed as a control in preventing over-expenditure of established appropriations. Open encumbrances are reported as part of assigned fund balance and such commitments will be honored through budget appropriations in the subsequent year. Encumbrances do not constitute expenditures or liabilities.

J. 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.

**Note 1. Summary of Significant Accounting Policies (continued)**

Restricted net position - reports net position when constraints placed on those assets 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 are 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** fund balance – Includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. Non-spendable fund balance includes the inventory recorded in the School Service Fund of \$43,405.

**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. All encumbrances of funds other than the General fund are classified as restricted fund balance. The School District has established the following restricted fund balances:

Employee Benefits 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.

Retirement Contributions – ERS & TRS

According to General Municipal Law §6-r, must be used for financing retirement contributions. 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.

Tax Certiorari

According to General Municipal 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 judgments and claims arising out of tax certiorari proceedings. Any resources deposited to the reserve which are not expended for tax certiorari proceedings in the year such monies are deposited must be returned to the General Fund on or before the first day of the fourth fiscal year after deposit of these monies

PLATTSBURGH CITY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2021

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**Note 1. Summary of Significant Accounting Policies (continued)**

Workers' Compensation

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

Restricted-other

Represents amounts restricted for scholarships and extraclassroom activities.

**Committed** – Includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the school districts highest level of decision-making authority, i.e., the Board of Education. The School District has no committed fund balances as of June 30, 2021.

**Assigned** – Includes amounts that are constrained by the school district's intent to be used for specific purposes, but are neither restricted nor committed. All encumbrances of the General fund are classified as Assigned Fund Balance in the General Fund. Encumbrances reported in the General Fund amounted to \$140,586.

**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 School District.

NYS Real Property Tax Law 1318 limits the amount of unexpended surplus funds a school district can retain to no more than 4% of the School District's budget for the General Fund for the ensuing fiscal year. Nonspendable and restricted fund balance of the General Fund are excluded from the 4% limitation. Amounts appropriated for the subsequent year and encumbrances are also excluded from the 4% limitation.

**Order of Use of Fund Balance:**

The District's policy is to apply expenditures against nonspendable 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, nonspendable fund balances are determined first and then restricted fund balances for specific purposes are determined. Any remaining fund balance amounts for funds other than the General Fund are classified as restricted fund balance. In the general fund, committed fund balance is determined next and then assigned. The remaining amounts are reported as unassigned. Assignments of fund balance cannot cause a negative unassigned fund balance.

PLATTSBURGH CITY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2021

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**Note 1. Summary of Significant Accounting Policies (continued)**

- K. Reclassifications: Certain amounts in the 2020 financial statements may have been reclassified to conform to the 2021 presentation.
- L. Events Occurring After Reporting Date: The District has evaluated events and transactions that occurred between June 30, 2021 and September 14, 2021, which is the date the financial statements were available to be issued, for possible disclosure and recognition in the financial statements.
- M. Estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported revenues and expenses during the reporting period. Actual results could differ from those estimates. Estimates and assumptions are made in a variety of areas, including computation of encumbrances, compensated absences, potential contingent liabilities and useful lives of long-lived assets.
- N. Deferred Outflows and Inflows of Resources: In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. The government has four items that qualify for reporting in this category. First is the deferred charge on refunding reported in the government-wide Statement of Net Position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The second item is related to pensions reported in the district-wide Statement of Net Position. This represents the effect of the net change in the District's proportion of the collective net pension asset or liability and difference during the measurement period between the District's contributions and its proportion share of total contributions to the pension system not included in pension expense. The third item is the District's contributions to the pension systems (TRS and ERS Systems) subsequent to the measurement date. The fourth item relates to OPEB reporting in the district-wide Statement of Net Position. This amount represents the differences between expected and actual experience, changes in assumptions or other inputs, and contributions subsequent to the measurement date.

In addition to liabilities, the statement of net position 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 three items that qualify for reporting in this category. First arises only under a modified accrual basis of accounting as is reported as unavailable revenue – property taxes. The second item is related to pensions reported in the district-



**PLATTSBURGH CITY SCHOOL DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

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**Note 1. Summary of Significant Accounting Policies (continued)**

wide Statement of Net position. This represents the effect of the net change in the District's proportion of the collective net pension liability (ERS System) and difference during the measurement periods between the District's contributions and its proportion share of total contributions to the pension systems not included in the pension expense. The third item is related to OPEB reported in the district-wide Statement of Net Position. This represents the effect of the changes in assumptions or other inputs.

**O. New Accounting Standards:**

The District has adopted and implemented all current Statements of the Governmental Accounting Standards Board (GASB) that are applicable as of June 30, 2021, including GASB Statement No. 84, *Fiduciary Activities*.

**Note 2. Explanation of Certain Differences Between Governmental Fund Statements and District-wide Statements**

Due to the differences in the measurement focus and basis of accounting used in the governmental fund statements and the District-wide statements, certain financial transactions are treated differently. The differences result primarily from the economic focus of the Statement of Activities, compared with the current financial resources 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.

The costs of building and acquiring capital assets (land, buildings and equipment) financed from the governmental funds are reported as expenditures in the year they are incurred, and the assets do not appear on the Balance Sheet. However, the Statement of Net Position includes those capital assets among the assets of the District as a whole, with their original costs capitalized and depreciation expensed annually over their useful lives. Because the governmental funds focus on short-term financing, some assets will not be available to pay for current-period expenditures. Those assets (for example, receivables over 60 days) are offset by deferred revenue in the governmental funds, and thus are not included in the fund balance. They are, however, included in the Statement of Net Position.

Long-term assets are reported in the Statements of Net Position, but not in the governmental funds, because they are not available in the current period.

**PLATTSBURGH CITY SCHOOL DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2021**

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

Long-term liabilities are reported in the Statements of Net Position, but not in the governmental funds, because they are not due and payable in the current period.

Ending fund balance reported on Balance Sheet - Governmental Funds (Exhibit 3)	\$ 5,150,614
Capital assets net of related depreciation	44,597,142
State and federal aid receivable	27,213
Deferred outflows:	
Pensions - TRS	9,799,220
Pensions - ERS	2,487,297
Other post employment benefits	58,096,467
Liabilities, long term:	
Bonds payable	(11,650,000)
Other post employment benefits	(242,729,477)
Compensated absences	(534,251)
Net pension liability	(2,789,114)
Deferred inflows:	
Deferred tax revenue	547,779
Pensions - TRS	(1,401,590)
Pensions - ERS	(3,199,450)
Other post employment benefits	<u>(3,709,991)</u>
Ending net position reported on Statement of Net Position (Exhibit 1)	<u>\$ (145,308,141)</u>

**B. Statement of Revenues, Expenditures and Changes in Fund Balance vs. Statement of Activities.**

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

**PLATTSBURGH CITY SCHOOL DISTRICT**

**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2021**

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

1. Long-Term Revenue 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.

2. Capital Related Differences

Capital related differences include the difference between proceeds for the sale of capital assets reported on governmental fund statements and the gain or loss on the sale of assets as reported on the Statement of Activities and the difference between recording an expenditure for the purchase of capital items in the governmental fund statements and depreciation expense on those items as recorded in the Statement of Activities.

3. Long-Term Debt Transaction Differences

Long-term debt transaction differences occur because both interest and principal payments are recorded as expenditures in the governmental fund statements, whereas interest payments are recorded in the Statement of Activities as incurred and principal payments are recorded as a reduction of liabilities in the Statement of Net Position.

4. Other Post-Employment Benefits Differences

Other post-employment benefits occur because retiree health insurance premiums are paid and recorded as expenditures in the governmental fund statements as incurred. GASB 75 requires an actuarial calculation of the future liability and to record the OPEB Obligation in the Statement of Net Position.

5. Pension Differences

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

**PLATTSBURGH CITY SCHOOL DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

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

Explanation of Differences Between Governmental Funds Operating Statement  
and the Statement of Activities

Total Revenues and other Funding Sources

Total revenues and other funding sources of governmental funds (Exhibit 4)	\$ 47,123,437
Adjustment for change in property taxes not expected to be collected within 60 days of District's year end, thus not considered to be "available" revenues in the government funds	<u>(162,843)</u>
Total revenues of governmental activities in the Statement of Activities (Exhibit 6)	<u>\$ 46,960,594</u>

Total Expenditures/Expenses

Total expenditures reported in governmental funds (Exhibit 4)	\$ 49,386,342
In the Statement of Activities, certain operating expenses (compensated absences) are measured by the amounts 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 during the year exceeded the amount used.	28,267
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 Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital expenditures exceeded depreciation expense in the current year.	(2,477,546)
Repayment of bond principal is an expenditure in the governmental funds, but reduces long-term liabilities in the Statement of Net Position, and does not effect the Statement of Activities,	(1,644,030)
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.	18,027,591

## PLATTSBURGH CITY SCHOOL DISTRICT

### NOTES TO FINANCIAL STATEMENTS JUNE 30, 2021

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#### **Note 2. Explanation of Certain Differences Between Governmental Fund Statements and District-wide Statements (continued)**

During the 2012-13 year, the District refunded some of its existing debt. The difference between the amount of the new bond proceeds of \$4,700,000 and the outstanding bonds retired of \$4,570,000 was \$130,000, and is amortized as an adjustment of interest expense in the statement of activities over the average remaining life of the refunded debt (8 years), beginning in the fiscal year ended 6/30/2013:

Current year amortization of deferral	10,833
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(Increases) decreases in proportionate share of net pension asset/liability reported in the Statement of Activities do not provide for or require the use of current financial resources and therefore are not reported as revenues or expenditures in governmental funds.

Teachers' Retirement System	2,251,048
Employees' Retirement System	<u>(196,270)</u>

Total expenses of governmental activities in the Statement of Activities (Exhibit 6)	<u><u>\$ 65,386,235</u></u>
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#### **Note 3. Cash and Investments**

According to the New York State Education Law, the Board may invest the District's money in special time-deposit accounts or certificates of deposit; however, such time-deposit accounts or certificates of deposit must be made in the name of the district and payable in time for the proceeds to be available to meet expenditures for which the money was obtained. Furthermore, the time-deposit account or certificates of deposit must be secured "by a pledge of obligations of the United States of America or obligations of the State of New York or obligations of any municipal corporation, district or district corporation of the State of New York".

Investments also may be made in obligations of the United States of America or in obligations of New York State or, with the approval of the state comptroller, in certain obligations of municipalities, school districts or district corporations other than the one investing the money. The district may make a variety of short-term investments that include the purchase of United States Treasury bills, United States Treasury certificates of indebtedness or United States Treasury notes and bonds. In addition, it may invest in negotiable certificates of deposit.

All bank balances of deposits as of the balance sheet date are entirely insured or collateralized with securities held by financial institutions in the School's name.

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 at June 30, 2021 was \$5,536,201.

**PLATTSBURGH CITY SCHOOL DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

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**Note 4. Interfund Balances and Activity**

Interfund balances and activity at June 30, 2021 and for the fiscal year then ended, were as follows:

Fund Type	Interfund Receivable	Interfund Payable	Interfund Revenues	Interfund Expenditures
General	\$ 1,270,938	\$ -	\$ -	\$ 2,094,622
Debt service	292	-	1,869,896	-
Capital projects	-	644,104	84,379	-
School food service	-	94,439	134,999	-
Special aid	-	532,687	5,348	-
Total	<u>\$ 1,271,230</u>	<u>\$ 1,271,230</u>	<u>\$ 2,094,622</u>	<u>\$ 2,094,622</u>

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

The District typically transfers money from the General Fund to the Debt Service Fund, where it makes principal and interest payments on the District's bonds.

The District typically transfers money from the General Fund to the Special Aid Fund for its share of special aid programs.

The District transferred \$84,379 to the Capital Projects Fund for various capital projects.

The District transferred funds from the General Fund to the School Food Service Fund to supplement its operations.

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

**PLATTSBURGH CITY SCHOOL DISTRICT**

**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2021**

**Note 5. Capital Assets**

A summary of changes in capital assets follows:

	Beginning Balance	Additions	Retirements/ Reclassifications	Ending Balance
Capital assets that are not depreciated:				
Land	\$ 269,000	\$ -	\$ -	\$ 269,000
Construction in progress	1,801,185	3,863,152	(1,850,714)	3,813,623
	<u>2,070,185</u>	<u>3,863,152</u>	<u>(1,850,714)</u>	<u>4,082,623</u>
Capital assets that are depreciated:				
Land Improvements	4,860,962	-	-	4,860,962
Buildings	66,977,571	1,098,929	-	68,076,500
Furniture & Fixtures	5,272,333	1,000,484	-	6,272,817
Total depreciable historical cost	<u>77,110,866</u>	<u>2,099,413</u>	<u>-</u>	<u>79,210,279</u>
Less accumulated depreciation:				
Land Improvements	4,830,988	19,442	-	4,850,430
Buildings	28,094,856	1,227,628	-	29,322,484
Furniture & Fixtures	4,135,611	387,235	-	4,522,846
Total accumulated depreciation	<u>37,061,455</u>	<u>1,634,305</u>	<u>-</u>	<u>38,695,760</u>
Total depreciable historical cost, net	<u>40,049,411</u>	<u>465,108</u>	<u>-</u>	<u>40,514,519</u>
Total Capital Assets	<u>\$ 42,119,596</u>	<u>\$ 4,328,260</u>	<u>\$ (1,850,714)</u>	<u>\$ 44,597,142</u>

**Note 5. Capital Assets (continued)**

Depreciation was charged to governmental functions as follows:	<b>6/30/2021</b>
General support	\$ 640,944
Instruction	909,472
Pupil Transportation	83,889
	<u>\$ 1,634,305</u>

**PLATTSBURGH CITY SCHOOL DISTRICT**

**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2021**

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**Note 6. Compensated Absences**

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

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

District employees are granted vacation in varying amounts, based primarily on length of service and service position.

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

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

**Note 7. Indebtedness**

Short-term Debt:

Bond Anticipation Notes – Notes issued in anticipation of proceeds from the subsequent sale of bonds are recorded as current liabilities of the funds that will actually receive the proceeds from the issuance of the bonds. Such notes may be classified as long-term debt when (1) the intention is to refinance the debt on a long-term basis and (2) the intention can be substantiated through a post balance-sheet issuance of long-term debt or by an acceptable financing agreement. State law requires that bond anticipation notes issued for capital purposes be converted to long-term financing within five years after the original issue date. The School District currently has one BAN as described above. The interest rate on the BAN is 1.25%. The BAN had an outstanding balance of \$5,500,000 at June 30, 2021.

**Note 7. Indebtedness (continued)**

The following is a summary of changes in short-term debt:

	Balance 6/30/2020	Additions	Deletions	Balance 6/30/2021
Bond Anticipation Notes	\$ -	\$ 5,500,000	\$ -	\$ 5,500,000

BANs are comprised of the following:



**PLATTSBURGH CITY SCHOOL DISTRICT**

**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2021**

**Note 7. Indebtedness (continued)**

Payee	Interest Rate	Date Issued	Maturity Date	Purpose	Balance 6/30/2021
BNY Mellon Capital Markets	1.25%	10/29/2020	7/30/2021	Improvements	<u>\$ 5,500,000</u>

Long-Term Debt:

a. Interest

Interest expense paid was \$287,795 for the year ended June 30, 2021.  
Amortization of unamortized bond discount was a \$10,833 increase to interest expense resulting in net interest expense of \$298,628.

b. Changes

The changes in the District's indebtedness during the year ended June 30, 2021 are summarized as follows:

	Balance 6/30/2020	Additions	Deletions	Balance 6/30/2021
<b>Bonds</b>				
Serial Bond 2012	\$ 2,410,000	\$ -	\$ 410,000	\$ 2,000,000
Serial Bond 2013	520,000	-	520,000	-
Serial Bond 2019	7,400,000	-	545,000	6,855,000
Serial Bond 2020	2,964,030	-	169,030	2,795,000
	<u>13,294,030</u>	<u>-</u>	<u>1,644,030</u>	<u>11,650,000</u>
<b>Other Liabilities</b>				
Compensated absences	505,984	28,267	-	534,251
Other post employment benefits	186,507,821	56,221,656	-	242,729,477
	<u>187,013,805</u>	<u>56,249,923</u>	<u>-</u>	<u>243,263,728</u>
<b>Grand Total</b>	<u>\$ 200,307,835</u>	<u>\$ 56,249,923</u>	<u>\$ 1,644,030</u>	<u>\$ 254,913,728</u>

c. Maturity

The following is a summary of maturity of indebtedness:

**PLATTSBURGH CITY SCHOOL DISTRICT****NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2021****Note 7. Indebtedness (continued)**

Description of Issue	Issue Date	Final Maturity	Interest Rate	Outstanding 6/30/2021
Serial Bond 2012	6/15/2012	6/15/2026	2.0%-2.375%	\$ 2,000,000
Serial Bond 2019	6/27/2019	6/15/2033	2.0%-2.625%	6,855,000
Serial Bond 2020	5/27/2020	6/15/2035	2.0%	2,795,000
Total				<u>\$ 11,650,000</u>

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

Fiscal Year Ending June 30,	Principal	Interest	Total
2022	\$ 1,155,000	\$ 246,750	\$ 1,401,750
2023	1,180,000	223,650	1,403,650
2024	1,205,000	199,506	1,404,506
2025	1,230,000	174,294	1,404,294
2026	1,035,000	148,556	1,183,556
2027-2031	4,115,000	464,800	4,579,800
2032-2036	1,730,000	76,175	1,806,175
	<u>\$ 11,650,000</u>	<u>\$ 1,533,731</u>	<u>\$ 13,183,731</u>

In prior years, the District defeased certain general obligations bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the District's financial statements.

**Note 8. Pension Plans**General information

The District participates in the New York Teachers' retirement System (TRS) and the New York State and Local Employees' Retirement System (ERS). These are cost-sharing multiple employer public employee retirement systems. The Systems offer a wide range of plans and benefits, which are related to years of service and final average salary, vesting of retirement benefits, death, and disability.

Provisions and administrations**Teachers' Retirement System (TRS)**

The System is governed by a 10 member Board of Trustees. TRS provides benefits to plan members and beneficiaries as authorized by the Education Law and the New York

## PLATTSBURGH CITY SCHOOL DISTRICT

### NOTES TO FINANCIAL STATEMENTS JUNE 30, 2021

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#### **Note 8. Pension Plans (continued)**

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 State statute. Additional information regarding the System, may be obtained by writing to the New York State Teachers' Retirement System, 10 Corporate Woods Drive, Albany, NY 12211-2395 or by referring to the NYSSTR Comprehensive Annual Financial report

#### **Employees' Retirement System (ERS)**

The System provides retirement benefits as well as death and disability benefits. The net position of the System is held in the New York State Common Retirement Fund (the Fund), which was established to hold all net assets and record changes in plan net position allocated to the System. The Comptroller of the State of New York serves as the trustee of the Fund and is the administrative head of the System. 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 State statute. The District also participated in the Public Employees' Group Life Insurance Plan (GLIP), which provides death benefits in the form of life insurance. The System is included in the State's financial report as a pension trust fund. That report, including information with regard to benefits provided, may be found at [www.osc.state.ny.us/retire/publications/index.php](http://www.osc.state.ny.us/retire/publications/index.php) or obtained by writing to the New York State and Local Retirement System, 110 State Street, Albany, NY 12244.

#### Funding policies

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

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

**PLATTSBURGH CITY SCHOOL DISTRICT**

**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2021**

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**Note 8. Pension Plans (continued)**

Contributions

	ERS	TRS
2021	\$ 528,648	\$ 1,606,099
2020	\$ 525,946	\$ 1,890,452
2019	\$ 542,297	\$ 1,804,386

ERS has provided additional disclosures for entities that elected to participate in Chapter 260, 57, and 105.

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

At June 30, 2021 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, 2021 for ERS and June 30, 2020 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 System relative to the projected contributions of all participating members, actuarially determined. This information was provided by the ERS and TRS Systems in reports provided to the District.

	ERS	TRS
Measurement Date	3/31/2021	6/30/2020
Net Pension asset/(liability)	\$ (10,948)	\$ (2,778,166)
District's portion of the Plan's total net pension asset/(liability)	0.0109945%	0.100539%
Change in proportion since the prior measurement date	\$ 2,887,775	\$ (5,400,661)

For the year ended June 30, 2021, the District has recognized pension expense of \$329,952 for ERS and \$3,850,211 for TRS. At June 30, 2021 the District has reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

**PLATTSBURGH CITY SCHOOL DISTRICT**

**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2021**

**Note 8. Pension Plans (continued)**

	Deferred Outflows of Resources		Deferred Inflows of Resources	
	ERS	TRS	ERS	TRS
Differences between expected and actual experience	\$ 133,701	\$ 2,434,230	\$ -	\$ 142,376
Changes of assumptions	2,012,922	3,513,734	37,964	1,252,462
Net difference between projected and actual earnings on pension plan investments	-	1,814,386	3,144,813	-
Changes in proportion and differences between the Districts' contributions and proportionate share of contributions	190,059	438,771	16,673	6,752
District's contributions subsequent to the measurement date	150,615	1,598,099	-	-
Total	<u>\$ 2,487,297</u>	<u>\$ 9,799,220</u>	<u>\$ 3,199,450</u>	<u>\$ 1,401,590</u>

District contributions subsequent to the measurement date, which will be recognized as a reduction of the net pension liability in the year, ended June 30, 2022. Other amounts reported as deferred outflows or resources and deferred inflows of resources related to pension will be recognized in pension expense as follow:

	ERS	TRS
Year ended:		
2021	\$ -	\$ 1,192,070
2022	(121,230)	2,294,516
2023	(15,620)	1,900,793
2024	(136,477)	1,174,351
2025	(589,441)	100,651
Thereafter	-	137,150
Total	<u>\$ (862,768)</u>	<u>\$ 6,799,531</u>

**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 to total pension liability to the measurement date. The actuarial valuation used the following actuarial assumptions:

**PLATTSBURGH CITY SCHOOL DISTRICT**

**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2021**

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**Note 8. Pension Plans (continued)**

	<u>ERS</u>	<u>TRS</u>
Measurement date	3/31/2021	6/30/2020
Actuarial valuation date	4/1/2020	6/30/2019
Interest rate	5.9%	7.10%
Salary scale	4.4%	1.90%-4.72%
Decrement tables	April 1, 2015- March 31, 2020 System's Experience	July 1, 2009- June 30, 2014 System Experience
Inflation rate	2.7%	2.20%

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-2020. For TRS, annuitant mortality rates are based on plan member experience, with adjustments for mortality improvements based on Society of Actuaries' Scale MP-2019.

For ERS, the Actuarial assumptions used in the April 1, 2020 valuation are based on the results of an actuarial experience study for the period April 1, 2015 – March 31, 2020. For TRS, the actuarial assumptions used in the June 30, 2019 valuation are based on the results of an actuarial experience study for the period July 1, 2009 – June 30, 2014.

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

**PLATTSBURGH CITY SCHOOL DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

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**Note 8. Pension Plans (continued)**

	<u>ERS</u>	<u>TRS</u>
Measurement Date	3/31/2021	6/30/2020
Asset Type:	%	%
Domestic equity	4.05	7.10
International equity	6.30	7.70
Private equity	6.75	10.40
Real estate	4.95	6.80
Domestic fixed income securities	-	1.80
Opportunistic/ARS portfolio	4.50	-
Credit	3.63	-
Real assets	5.95	-
Cash	0.50	0.70
Private debt	-	5.20
Global equities	-	7.40
Global bonds	-	1.00
High-yield bonds	-	3.90
Real estate debt	-	3.60

Discount Rate

The discount rate used to calculate the total pension liability was 5.9% 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.

Sensitivity of the Proportionate Share for 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 5.9% 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% lower (4.9% for ERS and 6.10% for TRS) or 1% higher (6.9% for ERS and 8.10% for TRS) than the current rate:

**PLATTSBURGH CITY SCHOOL DISTRICT**

**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2021**

**Note 8. Pension Plans (continued)**

ERS	1% Decrease 4.9%	Current Assumption 5.9%	1% Increase 6.9%
Employer's proportionate share of the net pension asset (liability)	\$ (3,038,647)	\$ (10,948)	\$ 2,781,300
TRRS	1% Decrease 6.10%	Current Assumption 7.10%	1% Increase 8.10%
Employer's proportionate share of the net pension asset (liability)	\$ (17,548,719)	\$ (2,778,166)	\$ 9,618,071

**Pension Plan Fiduciary Net Position**

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

	(Dollars in Thousands)		
	ERS	TRRS	Total
Valuation date	3/31/2021	6/30/2020	
Employers' total pension asset/(liability)	\$ (220,680,157)	\$ (123,242,776,215)	\$ (123,463,456,372)
Plan Net Position	220,580,583	120,479,505,380	120,700,085,963
Employers' net pension asset/(liability)	<u>\$ (99,574)</u>	<u>\$ (2,763,270,835)</u>	<u>\$ (2,763,370,409)</u>
Ratio of plan net position to the			
Employers' total pension asset / (liability)	-99.95%	-97.76%	-97.76%

**Payables to the Pension Plan**

For ERS, employer contributions are paid annually based on the System's fiscal year, which ends on March 31<sup>st</sup>. Accrued retirement contributions as of June 30, 2021 represent the projected employer contribution for the period of April 1, 2021 through June 30, 2021 based on paid ERS wages multiplied by the employers' contribution rate, by tier. Accrued retirement contributions as of June 30, 2021 amounted to \$150,615.

For TRRS, employer and employee contributions for the fiscal year ended June 30, 2021 are paid to the System in September, October and November 2021 through a state aid intercept. Accrued retirement contributions for the fiscal year ended June 30, 2021 are based on paid TRRS wages multiplied by the employer's contribution rate, by tier and employee contributions for the fiscal year as reported to the TRRS System. Accrued retirement contributions as of June 30, 2021 amounted to \$1,708,433.



## PLATTSBURGH CITY SCHOOL DISTRICT

### NOTES TO FINANCIAL STATEMENTS JUNE 30, 2021

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#### Note 9. Post-Employment (Health Insurance) Benefits

The District provides post employment (health insurance, etc.) coverage to retired employees in accordance with the provisions of various employment contracts. The benefit levels, employee contributions, and employer contributions are governed by the District's contractual agreements. Post-employment benefits aggregating \$5,191,283 for 462 employees were charged to expenses/ expenditures in the Governmental Funds in the current year.

##### A. General Information about the OPEB Plan

*Plan Description* – The District's defined benefit OPEB plan, provides OPEB for all permanent full-time employees of the District. The plan is a 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 and life insurance benefits for retirees and their dependents. The benefit 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.

*Employees Covered by Benefit Terms* – At June 30, 2021, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	316
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	<u>343</u>
	<u>659</u>

##### B. Total OPEB Liability

The District's total OPEB liability of \$242,729,477 was measured as of July 1, 2020, and was determined by an actuarial valuation as of July 1, 2019.

*Actuarial Assumptions and Other Inputs* – The total OPEB liability in the July 1, 2019 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.4 percent
Salary Increases	3.0 percent

**PLATTSBURGH CITY SCHOOL DISTRICT**

**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2021**

**Note 9. Post-Employment (health insurance) Benefits (continued)**

Discount Rate	2.21 percent
Healthcare Cost Trend Rates	7.0 percent for 2020, decreasing annually to an ultimate rate of 3.94 percent for 2079 and later years

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 generational mortality adjusted to 2006 using scale MP-2014.

**C. Changes in the Total OPEB Liability**

Balance at June 30, 2020	<u>\$ 186,507,821</u>
<u>Changes for the Year-</u>	
Service Cost	5,728,165
Interest	6,638,539
Changes of benefit terms	-
Differences between expected and actual experience	-
Changes in assumptions or other inputs	48,981,887
Benefit payments	<u>(5,126,935)</u>
Net Changes	<u>56,221,656</u>
Balance at June 30, 2021	<u><u>\$ 242,729,477</u></u>

Changes of assumptions and other inputs reflect a change in the discount rate from 3.50% percent in 2020 to 2.21% percent in 2021.

*Sensitivity of the Total OPEB Liability to Changes in the Discount Rate* – The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (1.21 percent) or 1 percentage point higher (3.21 percent) than the current discount rate:

	1% Decrease 1.21%	Discount Rate 2.21%	1% Increase 3.21%
Total OPEB Liability	<u>\$ 293,166,576</u>	<u>\$ 242,729,477</u>	<u>\$ 203,463,656</u>

*Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates* – The following presents the total OPEB liability of the District, as well as what the District's total

**PLATTSBURGH CITY SCHOOL DISTRICT**

**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2021**

**Note 9. Post-Employment (health insurance) Benefits (continued)**

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	Healthcare Cost Trend Rates	1% Increase
Total OPEB Liability	<u>\$ 196,899,263</u>	<u>\$ 242,729,477</u>	<u>\$ 304,560,608</u>

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

For the year ended June 30, 2021, the District recognized OPEB expense of \$23,479,227. At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 8,487,844	\$ -
Changes of assumptions or other inputs	44,156,987	3,709,991
Contributions subsequent to the measurement date	<u>5,451,636</u>	<u>-</u>
Total	<u>\$ 58,096,467</u>	<u>\$ 3,709,991</u>

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

Fiscal Year Ending June 30,	Amount
2022	\$ 11,112,523
2023	10,533,552
2024	9,335,118
2025	10,202,305
2026	<u>7,751,342</u>
	<u>\$ 48,934,840</u>

**PLATTSBURGH CITY SCHOOL DISTRICT**

**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2021**

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**Note 10. Assigned Fund Balance – Encumbrances**

<u>June 30, 2021</u>	<u>General</u>
Central Admin	\$ 2,963
Central Services	81,601
Instruction Admin & Improvement	32,418
Teaching	12,071
Programs for Children with Handicap	1,746
Instructional Media	5,107
Pupil Services	4,680
	<u>\$ 140,586</u>

**Note 11. Commitments and Contingencies**

The Plattsburgh City School District is exposed to various risk of loss related to damage to and destruction of assets: injuries to employees and students; errors and omissions; natural disasters, etc. These risks are covered by commercial insurance purchased from independent third parties. For its employee health and accident insurance coverage the Plattsburgh City School District is a participant in the Clinton-Essex-Warren-Washington Health insurance Consortium, a public entity risk pool operated for the benefit of 16 individual governmental units located within the Counties of Clinton, Essex, Warren and Washington. The District pays an annual premium to the Plan for the health and accident coverage.

The Clinton-Essex-Warren-Washington Health Insurance Consortium is considered a self-sustaining risk pool that will provide coverage for insured events. The Plattsburgh City School District has essentially transferred all related risk to the Consortium.

The Plattsburgh City School District participates in a risk sharing pool, the Clinton-Essex-Warren-Washington Workers' Compensation Consortium, to insure Workers' Compensation claims. The Clinton-Essex-Warren-Washington Workers' Compensation Consortium is a public entity risk pool operated for the benefit of 16 individual governmental units located within the Counties of Clinton, Essex, Warren and Washington. The District pays an annual premium to the Plan for the worker's compensation coverage. The Clinton-Essex-Warren-Washington Worker's Compensation Consortium is considered a self-sustaining risk pool that will provide coverage for insured events. The Plattsburgh City School District has essentially transferred all related risk to the Consortium.

From time to time the Plattsburgh City School District is involved in tax certiorari proceedings from residents petitioning to have their assessed taxable values lowered. The District is aware of various petitions for tax certiorari proceedings which if successful would result in refunds of \$379,615 in school taxes. A reserve for tax certiorari has been established for \$379,615.

## PLATTSBURGH CITY SCHOOL DISTRICT

### NOTES TO FINANCIAL STATEMENTS JUNE 30, 2021

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#### **Note 11. Commitments and Contingencies (continued)**

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

#### **Note 12. Operating Leases**

The Plattsburgh City School District leases a significant amount of property and equipment under operating leases. Total rental expenditures on such leases for the fiscal year ended June 30, 2021 were \$21,813. The maximum future non-cancelable operating lease payments are as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Amount</u>
2022	\$ 20,772
2023	20,772
2024	20,772
	<u>\$ 62,316</u>

#### **Note 13. Joint Venture**

The Plattsburgh City School is one of 16 component school districts in the Clinton-Essex-Warren-Washington Board of Cooperative Educational Services (BOCES). A BOCES is a voluntary, cooperative association of school districts in a geographic area that share planning, services, and programs which provide educational and support activities.

BOCES are organized under Section 1950 of the Education Law. A BOCES Board is considered a corporate body. All BOCES property is held by the BOCES Board as a corporation (Section 1950(6)). In addition, BOCES Boards are also considered municipal corporations to permit them to contract with other municipalities on a cooperative basis under Section 119-n (a) of the General Municipal Law.

A BOCES' budget is comprised of separate budgets for administrative, program, and capital costs. Each component school district's share of administrative and capital cost is determined by resident public school district enrollment as defined in Education Law, Section 1950(4)(b)(7).

There is no authority or process by which a school district can terminate its status as a BOCES component. In addition, component school districts pay tuition or a service fee for programs in which its students participate. Members of a BOCES Board are nominated and elected by their component member boards in accordance with provisions of Section 1950 of the Education Law.

During the year ended June 30, 2021, the Plattsburgh City School District was billed \$4,207,960

## PLATTSBURGH CITY SCHOOL DISTRICT

### NOTES TO FINANCIAL STATEMENTS JUNE 30, 2021

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#### Note 13. Joint Venture (continued)

for BOCES administrative and program costs. Participating school districts issue debt on behalf of BOCES. During the year ended June 30, 2021, the Plattsburgh City School District issued no serial bonds on behalf of BOCES. General-purpose financial statements for the Clinton-Essex-Warren-Washington BOCES are available from BOCES administrative office at P.O. Box 485, Plattsburgh, New York. The District's share of BOCES income amounted to \$1,804,641. BOCES also refunded the District \$214,895 for excess expenses billed in prior years.

#### Note 14. Stewardship

The District's unassigned general fund balance was in excess of New York State Real Property Tax Law Section 1318 limit, which restricts it to an amount not greater than 4% of the District's budget for the upcoming school year. The unassigned fund balanced at June 30, 2021 was \$4,236,800, which represents 9.13% of next year's budget. The excess amounted to \$2,380,240.

#### Note 15. Tax Abatements

The County of Clinton, entered into various property tax abatement programs for the purpose of economic development. The School District property tax revenue was reduced \$590,029. The District received payment in Lieu of Tax (PILOT) payment totaling \$104,356.

#### Note 16. Change in Accounting Principle

The District implemented GASB Statement No. 84, *Fiduciary Activities* during the year ended June 30, 2021. As such, certain amounts historically reported in the Fiduciary Fund were moved to the Governmental Funds as follows:

Scholarship Fund	\$ 124,785
Extraclassroom Activities Fund	<u>83,661</u>
Total prior period adjustment	208,446
 Governmental Fund Balance, as previously reported	 <u>7,172,698</u>
 Governmental Fund Balance, restated	 <u><u>\$ 7,381,144</u></u>

PLATTSBURGH CITY SCHOOL DISTRICT

COMBINING BALANCE SHEETS - NON-MAJOR FUNDS

June 30, 2021

	SCHOLARSHIP FUND	EXTRACLASSROOM ACTIVITIES FUND	TOTAL
<b>ASSETS</b>			
Cash	\$ 89,148	\$ 71,190	\$ 160,338
Investment in securities	37,995	-	37,995
<b>Total Assets</b>	<b>\$ 127,143</b>	<b>\$ 71,190</b>	<b>\$ 198,333</b>
<b>FUND BALANCES</b>			
<b>Total Fund Balances</b>	<b>\$ 127,143</b>	<b>\$ 71,190</b>	<b>\$ 198,333</b>

See Independent Auditor's Report.

PLATTSBURGH CITY SCHOOL DISTRICT

COMBINING STATEMENTS OF REVENUES AND EXPENDITURES - NON-MAJOR FUNDS

Year Ended June 30, 2021

	SCHOLARSHIP FUND	EXTRACLASSROOM ACTIVITIES FUND	Total
<b>REVENUES</b>			
Gifts and contributions	\$ 8,938	\$ -	\$ 8,938
Miscellaneous revenue	-	33,769	33,769
Investment earnings	4,331	-	4,331
<b>Total Revenues</b>	<b>13,269</b>	<b>33,769</b>	<b>47,038</b>
<b>EXPENDITURES</b>			
Scholarships and awards	10,911	-	10,911
Disbursements-extraclassroom	-	46,240	46,240
<b>Total Expenditures</b>	<b>10,911</b>	<b>46,240</b>	<b>57,151</b>
<b>Changes in Fund Balances</b>	<b>2,358</b>	<b>(12,471)</b>	<b>(10,113)</b>
<b>Fund Balances, Beginning of Year</b>	<b>124,785</b>	<b>83,661</b>	<b>208,446</b>
<b>Fund Balances, End of Year</b>	<b>\$ 127,143</b>	<b>71,190</b>	<b>\$ 198,333</b>

See Independent Auditor's Report.



**PLATTSBURGH CITY SCHOOL DISTRICT**

**SCHEDULE OF CHANGE FROM ORIGINAL BUDGET TO FINAL BUDGET AND THE REAL PROPERTY TAX LIMIT**  
**Year Ended June 30, 2021**

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**CHANGE FROM ADOPTED BUDGET TO FINAL BUDGET**

Adopted budget	\$	45,476,805
Add: Prior year's encumbrances		115,353
Tax certiorari settlement		178,286
CARES Act grant revenue		<u>419,557</u>
Final budget	\$	<u><u>46,190,001</u></u>

**SECTION 1318 OF REAL PROPERTY TAX LAW LIMIT CALCULATION**

2021-2022 expenditure budget	\$	46,413,990
Maximum allowed (4% of 2021-22 budget)		

General Fund Fund Balance Subject to Section 1318 of Real Property Tax Law:

Unrestricted fund balance:

Assigned fund balance	\$	1,640,586
Unassigned fund balance		<u>4,236,800</u>
Total unrestricted fund balance		<u><u>5,877,386</u></u>

Less:

Appropriated fund balance	1,500,000
Encumbrances included in assigned fund balance	<u>140,586</u>
Total adjustments	<u><u>1,640,586</u></u>

General Fund Fund Balance Subject to Section 1318 of Real Property Tax Law:	\$	<u><u>4,236,800</u></u>
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Actual percentage	<u><u>9.13%</u></u>
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**PLATTSBURGH CITY SCHOOL DISTRICT**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND**  
**Year Ended June 30, 2021**

	Adopted Budget	Final Budget	Actual (Budgetary Basis)	Final Budget Variance with Budgetary Actual
Revenues:				
Local sources:				
Real property tax items	\$ 23,742,410	\$ 23,742,410	\$ 23,850,539	\$ 108,129
Charges for services	87,100	87,100	91,090	3,990
Other districts and governments	120,000	120,000	116,323	(3,677)
Use of money and property	226,720	226,720	34,345	(192,375)
Sale of property and compensation for loss	5,500	5,500	4,319	(1,181)
Miscellaneous	380,000	558,286	560,504	2,218
State sources	19,440,075	19,440,075	19,253,645	(186,430)
Federal sources	175,000	594,557	642,116	47,559
<b>Total revenues</b>	<b>44,176,805</b>	<b>44,774,648</b>	<b>44,552,881</b>	<b>(221,767)</b>
Other Financing Sources				
Appropriated reserves	-	115,353	-	
	-	115,353	-	
<b>Total revenues and appropriated fund balance</b>	<b>\$ 44,176,805</b>	<b>\$ 44,890,001</b>	<b>\$ 44,552,881</b>	

See Independent Auditor's Report.

	Adopted Budget	Final Budget	Actual (Budgetary Basis)	Year-end Encumbrances	Final Budget Variance with Budgetary Actual and Encumbrances
Expenditures:					
General support:					
Board of education	\$ 51,153	\$ 63,296	\$ 54,142	\$ -	\$ 9,154
Central administration	244,070	254,813	248,192	2,963	3,658
Finance	511,190	677,986	621,743	-	56,243
Staff	138,000	188,618	145,513	-	43,105
Central services	2,565,928	2,615,711	2,323,577	81,601	210,533
Special items	987,401	1,165,687	1,143,393	-	22,294
Instructional:					
Administration and improvement	1,574,822	1,515,386	1,353,425	32,418	129,543
Teaching - regular school	10,444,326	11,001,940	10,644,714	12,071	345,155
Programs for Children with Handicapping	6,992,756	7,072,390	6,140,936	1,746	929,708
ELL Instructional	35,000	35,000	1,208	-	33,792
Occupational Education	1,012,000	1,017,980	1,017,980	-	-
Instructional media	1,505,895	1,553,582	1,414,217	5,107	134,258
Pupil service	2,361,657	2,320,165	2,079,255	4,680	236,230
Pupil transportation	510,639	475,607	372,620	-	102,987
Community Services	7,000	7,000	-	-	7,000
Employee benefits	14,334,357	13,912,421	13,542,217	-	370,204
<b>Total expenditures</b>	<b>43,276,194</b>	<b>43,877,582</b>	<b>41,103,132</b>	<b>140,586</b>	<b>2,633,864</b>
Other financing uses:					
Interfund transfer	2,200,611	2,312,419	2,094,622	-	217,797
<b>Total expenditures and other uses</b>	<b>45,476,805</b>	<b>46,190,001</b>	<b>43,197,754</b>	<b>140,586</b>	<b>2,851,661</b>
<b>Net change in fund balance</b>	<b>(1,300,000)</b>	<b>(1,300,000)</b>	<b>1,355,127</b>		
<b>Fund balance - beginning</b>	<b>6,389,680</b>	<b>6,389,680</b>	<b>6,389,680</b>		
<b>Fund balance - ending</b>	<b>\$ 5,089,680</b>	<b>\$ 5,089,680</b>	<b>\$ 7,744,807</b>		

See Independent Auditor's Report.

PLATTSBURGH CITY SCHOOL DISTRICT

SCHEDULE OF PROJECT EXPENDITURES - CAPITAL PROJECTS FUND

Year Ended June 30, 2021

Project Title	Original Appropriation	Revised Appropriation	Prior Years	Current Year	Total	(Overexpended) Unexpended Balance	Methods of Financing				Fund Balance June 30, 2021
							Proceeds of Obligations	State Aid	Local Sources	Total	
District Wide Projects	\$ 9,094,826	\$ 9,094,826	\$ 9,094,826	\$ -	\$ 9,094,826	\$ -	\$ 7,940,000	\$ 367,346	\$ 787,804	\$ 9,095,150	\$ 324
100K Project	100,000	100,000	-	84,379	84,379	15,621	-	-	84,379	84,379	-
Smart Schools	1,599,700	1,599,700	898,534	262,699	1,161,233	438,467	-	1,055,942	-	1,055,942	(105,291)
Footbridge	450,000	450,000	456,721	-	456,721	(6,721)	-	50,000	-	50,000	(406,721)
District Wide Projects	9,145,000	9,145,000	765,379	3,516,074	4,281,453	4,863,547	-	-	2,000,000	2,000,000	(2,281,453)
Total	\$ 20,389,526	\$ 20,389,526	\$ 11,215,460	\$ 3,863,152	\$ 15,078,612	\$ 5,310,914	\$ 7,940,000	\$ 1,473,288	\$ 2,872,183	\$ 12,285,471	\$ (2,793,141)

See Independent Auditor's Report.

**PLATTSBURGH CITY SCHOOL DISTRICT**

**NET INVESTMENT IN CAPITAL ASSETS**

**Year Ended June 30, 2021**

Capital Assets, Net	\$	44,597,142
Deduct:		
Bond anticipation notes		5,500,000
Short-term portion of bonds payable		1,155,000
Long-term portion of bonds payable		10,495,000
Less unspent bond proceeds		(3,218,547)
Net investment in capital assets	<u>\$</u>	<u>30,665,689</u>

**PLATTSBURGH CITY SCHOOL DISTRICT**

**SCHEDULE OF CHANGES IN THE DISTRICT'S TOTAL OPEB LIABILITY AND RELATED RATIOS**

**Year Ended June 30, 2021**

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Measurement Date	July 1, 2020	July 1, 2019	July 1, 2018	July 1, 2017
Service Cost	\$ 5,728,165	\$ 5,258,902	\$ 5,828,875	\$ 5,492,977
Interest	6,638,539	6,588,185	6,145,152	4,324,271
Changes in benefit terms	-	(567,887)	-	-
Differences between expected and actual experience	-	9,745,920	-	6,701,714
Changes of assumptions or other inputs	48,981,887	2,615,566	(7,786,904)	5,585,277
Benefit payments	<u>(5,126,935)</u>	<u>(4,222,576)</u>	<u>(3,934,343)</u>	<u>(3,006,271)</u>
Net change in total OPEB liability	56,221,656	19,418,110	252,780	19,097,968
Total OPEB liability - beginning	<u>186,507,821</u>	<u>167,089,711</u>	<u>166,836,931</u>	<u>147,738,963</u>
Total OPEB liability - Ending	<u><u>\$ 242,729,477</u></u>	<u><u>\$ 186,507,821</u></u>	<u><u>\$ 167,089,711</u></u>	<u><u>\$ 166,836,931</u></u>
Covered payroll	\$ 22,009,097	\$ 21,838,258	\$ 22,175,717	\$ 23,009,000
Total OPEB liability as a percentage of covered payroll	1103%	854%	753%	725%

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

Changes of assumptions and other inputs reflects the change in the discount rate from 3.5% to 2.21% at the current measurement date.

See Independent Auditor's Report.

**PLATTSBURGH CITY SCHOOL DISTRICT**

**SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**

**Year Ended June 30, 2021**

**NYSERS Pension Plan  
Last 10 Fiscal Years\***

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
District's proportion of the net pension liability (asset)	0.0109945%	0.0109466%	0.0109846%	0.0115846%	0.0117820%	0.0120500%	0.0114206%			
District's proportionate share of the net pension liability (asset)	\$ 10,948	\$ 2,898,723	\$ 778,294	\$ 373,885	\$ 1,107,067	\$ 1,934,065	\$ 385,816			
District's covered- employee payroll	\$ 4,059,174	\$ 2,843,216	\$ 3,780,455	\$ 4,136,299	\$ 4,662,311	\$ 3,235,159	\$ 3,124,371			
Districts proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	0.27%	101.95%	20.59%	9.04%	23.75%	59.78%	12.35%			
Plan fiduciary net position as a percentage of the total pension liability	99.95%	86.39%	96.27%	98.24%	94.70%	90.70%	97.90%			

\* The amounts presented for each fiscal year were determined as of 06/30

The schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10 year trend is compiled, the District is presenting information for those years for which information is available.

See Independent Auditor's Report.

**PLATTSBURGH CITY SCHOOL DISTRICT**

**SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS**

**Year Ended June 30, 2021**

**NYSERS Pension Plan  
Last 10 Fiscal Years**

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Contractually required contribution	\$ 528,648	\$ 525,946	\$ 542,297	\$ 537,371	\$ 521,730	\$ 603,485	\$ 650,798	\$ 593,304	\$ 563,913	\$ 519,441
Contributions in relation to the contractually required contribution	\$ 528,648	\$ 525,946	\$ 542,297	\$ 537,371	\$ 521,730	\$ 603,485	\$ 650,798	\$ 593,304	\$ 563,913	\$ 519,441
Contribution deficiency (excess)	-	-	-	-	-	-	-	-	-	-
Districts covered-employee payroll	\$ 4,059,174	\$ 2,843,216	\$ 3,780,455	\$ 4,136,299	\$ 4,662,311	\$ 3,235,159	\$ 3,124,371			
Contributions as a percentage of covered employee payroll	13.0%	18.5%	14.3%	13.0%	11.2%	18.7%	20.8%			

The schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10 year trend is compiled, the District is presenting information for those years for which information is available.

See Independent Auditor's Report.



**PLATTSBURGH CITY SCHOOL DISTRICT**

**SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**  
**Year Ended June 30, 2021**

	NYSTRS Pension Plan Last 10 Fiscal Years*									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
District's proportion of the net pension liability (asset)	0.100539%	-0.100943%	-0.105672%	-0.106490%	0.110934%	-0.111022%	-0.111060%	-0.107273%		
District's proportionate share of the net pension liability (asset)	\$ 2,778,166	\$ (2,622,495)	\$ (1,910,835)	\$ (809,431)	\$ 1,188,148	\$ (11,531,596)	\$ (12,371,412)	\$ (706,126)		
District's covered- employee payroll	\$ 17,769,368	\$ 19,165,881	\$ 17,227,204	\$ 18,039,418	\$ 17,094,849	\$ 16,959,372	\$ 16,409,779			
Districts proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	15.63%	-13.68%	-11.09%	-4.49%	6.95%	-68.00%	-75.39%			
Plan fiduciary net position as a percentage of the total pension liability (asset)	97.76%	-102.17%	-101.53%	-100.66%	99.01%	-110.46%	-111.48%			

\* The amounts presented for each fiscal year were determined as of 06/30

The schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10 year trend is compiled, the District is presenting information for those years for which information is available.

See Independent Auditor's Report.

**PLATTSBURGH CITY SCHOOL DISTRICT**

**SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS**

**Year Ended June 30, 2021**

NYSTRS Pension Plan  
Last 10 Fiscal Years

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Contractually required contribution	\$ 1,511,929	\$ 1,789,359	\$ 1,686,858	\$ 1,977,772	\$ 2,269,874	\$ 2,923,467	\$ 2,786,176	\$ 1,980,128	\$ 1,909,564	\$ 1,530,930
Contributions in relation to the contractually required contribution	\$ 1,511,929	\$ 1,789,359	\$ 1,686,858	\$ 1,977,772	\$ 2,269,874	\$ 2,923,467	\$ 2,786,176	\$ 1,980,128	\$ 1,909,564	\$ 1,530,930
Contribution deficiency (excess)	-	-	-	-	-	-	-	-	-	-
Districts covered-employee payroll	\$ 17,769,368	\$ 19,165,881	\$ 17,227,204	\$ 18,039,418	\$ 17,094,849	\$ 16,959,372	\$ 16,409,779			
Contributions as a percentage of covered employee payroll	8.51%	9.34%	9.79%	10.96%	13.28%	17.24%	16.98%			

The schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10 year trend is compiled, the District is presenting information for those years for which information is available.

See Independent Auditor's Report.

**PLATTSBURGH CITY SCHOOL DISTRICT**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

**Year Ended June 30, 2021**

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Federal Expenditures</u>
<b>U.S. Department of Education</b>			
<b>Pass-Through New York State Department of Education:</b>			
Special Education Cluster:			
IDEA - Part B -Section 611	84.027	0032-21-0140	\$ 487,692
IDEA - Part B -Section 619	84.173	0033-21-0140	24,593
Total Special Education Cluster			<u>512,285</u>
Title I PT A Improv Acad Achmt	84.010	0021-21-0510	<u>538,843</u>
Title II A Teach/ Prin Trng/ Recruitmt	84.367	0147-21-0510	<u>81,527</u>
Title IV Allocation	84.424	0204-21-0510	<u>47,905</u>
Title V Rural & Low Income Schools	84.358	0006-21-0510	<u>33,534</u>
Education Stabilization Fund Under the Coronavirus Aid, Relief, and Economic Security Act - ESSERF	84.425D	5890-21-0510	364,915
Education Stabilization Fund Under the Coronavirus Aid, Relief, and Economic Security Act - GEER	84.425C	5895-21-0510	87,891
Total Education Stabilization Fund Under the Coronavirus Aid, Relief, and Economic Security Act			<u>452,806</u>
<b>Total Department of Education</b>			<u>1,666,900</u>
<b>U.S. Department of Agriculture</b>			
<b>Pass-Through New York State Department of Education</b>			
National School Lunch Program- Cash	10.555		28,487
National School Lunch Program - Commodities	10.555		102,266
School Breakfast Program	10.553		11,468
COVID-19 Summer Food Service Program	10.559		505,730
Total Child Nutrition Cluster			<u>647,951</u>
<b>Total Department of Agriculture</b>			<u>647,951</u>
<b>Total Federal Assistance Expended</b>			<u>\$ 2,314,851</u>

See Notes to Schedule of Expenditures of Federal Awards.

## **PLATTSBURGH CITY SCHOOL DISTRICT**

### **NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

**June 30, 2021**

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#### **Note 1. Summary of Certain Significant Accounting Policies**

The accompanying schedule of expenditures of federal awards presents the activity of federal award programs administered by the District, which is described in Note 1 to the District's accompanying financial statements, using the modified accrual basis of accounting. Federal awards that are included in the schedule may be received directly from federal agencies, as well as federal awards that are passed through from other government agencies. The information is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations, Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

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

# ***BOULRICE & WOOD CPAS, P.C.***

## ***Certified Public Accountants***

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***MICHAEL L. BOULRICE, CPA***

***STEPHEN P. WOOD, CPA***

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

To the Board of Education  
Plattsburgh City School District  
Plattsburgh, New York 12901

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of Plattsburgh City School District as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise Plattsburgh City School District's basic financial statements and have issued our report thereon dated September 14, 2021.

#### **Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Plattsburgh City 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 Plattsburgh City School District's internal control. Accordingly, we do not express an opinion on the effectiveness of the Plattsburgh City 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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Plattsburgh City School District'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 the internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Plattsburgh City 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 instances 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 2021-001.

## **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.

*Boulrice & Wood CPAs, PC*

Boulrice & Wood CPAs, PC  
September 14, 2021

# ***BOULRICE & WOOD CPAS, P.C.***

***Certified Public Accountants***

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***MICHAEL L. BOULRICE, CPA***

***STEPHEN P. WOOD, CPA***

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

To the Board of Education  
Plattsburgh City School District  
Plattsburgh, New York 12901

### **Report on Compliance for Each Major Federal Program**

We have audited Plattsburgh City School District's compliance with the types of compliance requirements described in OMB Compliance Supplement that could have a direct and material effect on Plattsburgh City School District's major federal programs for the year ended June 30, 2021. Plattsburgh City School District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

### **Management's Responsibility**

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

### **Auditor's Responsibility**

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

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

## **Opinion on Each Major Federal Program**

In our opinion, Plattsburgh City School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

## **Report on Internal Control Over Compliance**

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

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

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

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

*Boulrice & Wood CPAs, PC*

Boulrice & Wood CPAs, PC  
September 14, 2021



**PLATTSBURGH CITY SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2021**

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**SECTION I - SUMMARY OF AUDIT RESULTS**

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Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? ☐ yes ☒ no
- Significant deficiencies identified that are not considered to be material weaknesses? ☒ yes ☐ none

Noncompliance material to financial statements noted? ☐ yes ☒ no

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? ☐ yes ☒ no
- Significant deficiencies identified not considered to be a material weakness? ☐ yes ☒ none

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

Any audit findings disclosed that are required to be reported in accordance with 2 CFR Section 200.516(a) ☐ yes ☒ no

Identification of Major Programs

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
84.010	Title I PT A Improv Acad Achmt
Dollar threshold used to distinguish between Type A and Type B programs:	\$750,000
Auditee qualified as low-risk Auditee?	<input checked="" type="checkbox"/> yes <input type="checkbox"/> no

**PLATTSBURGH CITY SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS, CONTINUED  
JUNE 30, 2021**

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**SECTION II - FINANCIAL STATEMENT FINDINGS**

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**2021-001 Excess Fund Balance**

Condition: The District's unassigned general fund balance was 9.13% of next year's budget.

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

Effect: The District's unassigned general fund balance was 5.13%, or \$2,380,240 over the amount allowable by law.

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

Corrective action: The District recognizes its fund balance exceeds the 4% allowable amount. The District will continue to work towards being conscientious of the 4% limit. The District anticipates greater spending in the 2021-2022 school year creating a larger reliance on its fund balance. The District is also reviewing all reserves to ensure they are funded adequately.

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**SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

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There were no current period findings.

**PLATTSBURGH CITY SCHOOL DISTRICT  
SUMMARY OF PRIOR YEAR AUDIT FINDINGS  
JUNE 30, 2021**

There were no prior year audit findings.

# ***BOULRICE & WOOD CPAS, P.C.***

## ***Certified Public Accountants***

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***MICHAEL L. BOULRICE, CPA***

***STEPHEN P. WOOD, CPA***

### **INDEPENDENT AUDITOR'S REPORT**

To the School Board  
Plattsburgh City School District  
Plattsburgh, New York

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 Plattsburgh City School District as of and for the year June 30, 2021, and the related notes to the financial statements.

#### **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 error or fraud.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion 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 minimum program procedures established by the New York State Department of Education. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the 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 opinion.

### **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets, liabilities, and fund balance – cash basis of the Extraclassroom Activity Funds of the Plattsburgh City School District as of June 30, 2021, and its receipts, disbursements and ending balances – cash basis 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.

*Boulrice & Wood CPAs, PC*

Boulrice & Wood CPAs, PC  
September 14, 2021

**PLATTSBURGH CITY SCHOOL DISTRICT  
EXTRACLASSROOM ACTIVITY FUNDS**

**STATEMENTS OF ASSETS, LIABILITIES AND FUND BALANCE - CASH BASIS  
June 30, 2021 and 2020**

	<u>6/30/2021</u>	<u>6/30/2020</u>
Assets		
Cash	<u>\$ 71,190</u>	<u>\$ 83,661</u>
Total Assets	<u><u>\$ 71,190</u></u>	<u><u>\$ 83,661</u></u>
Fund Balance		
Extraclassroom Activity	<u>\$ 71,190</u>	<u>\$ 83,661</u>
Total Fund Balance	<u><u>\$ 71,190</u></u>	<u><u>\$ 83,661</u></u>

**PLATTSBURGH CITY SCHOOL DISTRICT  
EXTRACLASSROOM ACTIVITY FUNDS**

**STATEMENT OF CASH RECEIPTS, DISBURSEMENTS AND ENDING BALANCES  
Year Ended June 30, 2021**

Activity	Balance June 30, 2020	Receipts	Disbursements	Balance June 30, 2021
Class of 2019	\$ 64	\$ -	\$ 64	\$ -
Class of 2020	2,723	-	2,723	-
Class of 2021	2,632	4,113	4,747	1,998
Class of 2022	3,168	677	1,331	2,514
Class of 2023	1,664	75	232	1,507
Class of 2024	1,975	426	50	2,351
Class of 2025	-	3,185	2,061	1,124
Adventure Club	401	-	65	336
After Prom	2,033	-	2,033	-
Amnesty Int'l	580	-	-	580
Drama Club	10,342	7,319	148	17,513
CFES	1,776	991	-	2,767
Fermata Nowhere	3,884	1,903	4,840	947
Foosball Club	416	-	-	416
French Club	813	-	-	813
French Club - SMS	109	-	-	109
FLBA	474	-	-	474
German Club	21,022	1,600	20,521	2,101
Green Team	2,252	24	-	2,276
Key Club	356	143	276	223
Model UN	502	-	-	502
Multi-Cultural Club	7,399	418	332	7,485
Music / Band	1,059	2,128	89	3,098
National Honor Society	4,456	1	2,232	2,225
Newspaper Club	374	-	-	374
School Store - SMS	455	-	-	455
Science Club	2,374	700	824	2,250
Science Olymapid	427	-	-	427
Student Association	5,123	2,787	3,458	4,452
Student Council - SMS	1,820	-	-	1,820
United Voices	-	176	-	176
Yearbook Club - SMS	2,817	277	-	3,094
Yearbook Club - PHS	-	6,675	-	6,675
Sales Tax - PHS	72	142	106	108
Sales Tax - SMS	99	9	108	-
	<u>\$ 83,661</u>	<u>\$ 33,769</u>	<u>\$ 46,240</u>	<u>\$ 71,190</u>

See Notes to the Financial Statements – Extraclassroom Activity Funds.

## PLATTSBURGH CITY SCHOOL DISTRICT

### EXTRACLASSROOM ACTIVITY FUNDS NOTES TO FINANCIAL STATEMENTS

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#### **Note 1. Summary of Significant Accounting Policies**

Basis of Accounting: The books and records of the Plattsburgh City School District's Extraclassroom Activity Funds are maintained on the cash basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles. Under this basis of accounting, revenues are recognized when cash is received and expenditures are recognized when cash is disbursed.

Basis of Presentation: The Extraclassroom Activity Funds of the Plattsburgh City School 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.

Cash Equivalents: For financial statement purposes all highly liquid investments having maturities of three months or less are considered as cash equivalents.