

## PRELIMINARY OFFICIAL STATEMENT

### NEW/RENEWAL ISSUE

### BOND ANTICIPATION NOTES

*In the opinion of Hodgson Russ LLP, Albany, New York, Bond Counsel, based on existing statutes, regulations, rulings and court decisions and assuming the accuracy of certain representations and continuing compliance with certain covenants described in "Tax Matters" herein, interest on the Notes is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"). Bond Counsel is further of the opinion that interest on the Notes is not treated as a specific preference item for purposes of the federal alternative minimum tax imposed 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).*

*The Notes will NOT be designated as "qualified tax-exempt obligations" pursuant to Section 265(b)(3) of the Code. Bond Counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of, or the accrual or receipt of interest on, the Notes. See "TAX MATTERS" herein.*

# \$18,614,397

## RAVENA-COEYMANS-SELKIRK CENTRAL SCHOOL DISTRICT

### ALBANY AND GREENE COUNTIES, NEW YORK



### GENERAL OBLIGATIONS

### \$18,614,397 Bond Anticipation Notes, 2021

(the "Notes")

**Dated: August 12, 2021**

**Due: August 12, 2022**

The Notes are general obligations of the Ravena-Coeymans-Selkirk Central School District, Albany and Greene Counties, 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 "NATURE OF OBLIGATION" and "TAX LEVY LIMITATION LAW" herein. The Notes will be issued without the option of prior redemption.

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, except for one necessary odd denomination which is or includes \$9,397, 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, except for one necessary odd denomination which is or includes \$9,397, 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 the District, subject to any statutory and regulatory requirements as may be in effect from time to time. 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 Hodgson Russ LLP, Bond Counsel, Albany, 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 August 12, 2021.

**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 29, 2021 by no later than 11:00 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.**

July 22, 2021

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

# RAVENA-COEYMAN-SELKIRK CENTRAL SCHOOL DISTRICT

ALBANY AND GREENE COUNTIES, NEW YORK

## SCHOOL DISTRICT OFFICIALS

2021-2022 BOARD OF EDUCATION

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DR. BRIAN BAILEY

Superintendent of Schools

JOANNE MORAN

School Business Manager

SUZANNE STARR

District Clerk

GIRVIN & FERLAZZO, P.C.

School District Attorney



FISCAL ADVISORS & MARKETING, INC.

Municipal Advisor



Bond Counsel

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

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**PREPARED WITH THE ASSISTANCE OF**



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

**OFFICIAL STATEMENT**  
**of the**  
**RAVENA-COEYMANS-SELKIRK CENTRAL SCHOOL DISTRICT**  
**ALBANY AND GREENE COUNTIES, NEW YORK**  
**Relating To**  
**\$18,614,397 Bond Anticipation Notes, 2021**

This Official Statement, which includes the cover page and appendices, has been prepared by the Ravena-Coeymans-Selkirk Central School District, Albany and Greene Counties, New York (the "School District" or "District", "Counties", and "State", respectively) in connection with the sale by the District of \$18,614,397 principal amount of Bond Anticipation Notes, 2021 (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.

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

**NATURE OF OBLIGATION**

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

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

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

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

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

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

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

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

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

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

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

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

## 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 "NATURE OF OBLIGATION" and "TAX LEVY LIMITATION LAW" herein.

The Notes are dated August 12, 2021 and mature, without option of prior redemption, on August 12, 2022. The Notes will be issued in either (i) registered certificated form registered in the name of the purchaser, in denominations of \$5,000 each or multiples thereof, except for one necessary odd denomination which is or includes \$9,397, 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 book-entry-only form registered to 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**

On January 13, 2015, the qualified voters of the District approved a proposition authorizing the District to undertake a two-part District wide capital improvements project consisting of the reconstruction and renovation of, and the construction of improvements and upgrades to, various District buildings and facilities at a maximum estimated cost of \$31,290,000, with such cost being funded with \$1,200,000 from the District's existing Capital Reserve Fund and the balance of such cost, not in excess of \$30,090,000, through the issuance of the District's serial bonds. The Notes are being issued pursuant to a bond resolution duly adopted by the Board of Education on September 1, 2015. A \$16,820,000 portion of the Notes is being issued, along with \$610,000 of available funds of the District to partially redeem and renew a \$16,090,000 portion of the \$18,144,404 bond anticipation notes maturing August 13, 2021 and provide \$1,340,000 new monies for the aforementioned purpose.

The Notes are also issued pursuant to the Constitution and statutes of the State of New York, including among other things, the Education Law and the Local Finance Law, and bond resolutions adopted by the Board of Education authorizing the issuance of serial bonds for the purchase of school buses for District purposes. A \$1,794,397 portion of the Notes is being issued along with \$718,399 of available funds of the District to partially redeem and renew a \$2,054,404 portion of \$18,144,404 bond anticipation notes maturing August 13, 2021 and provide \$458,392 new money for the aforementioned 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, the world's largest depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments from over 100 countries that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at [www.dtcc.com](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, except for one necessary odd denomination which is or includes \$9,397. 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 in Albany and Greene Counties in a beautiful rural-suburban setting. The 125 square miles of rolling hills are situated in the Towns of Coeymans, Bethlehem, New Scotland and New Baltimore. Bordered on the east by the Hudson River and on the south by scenic views of the Catskills, the community is only minutes away from Albany, the State capital.

Major highways serving the area are US Route 9W, Route #144, Route #396 and Route #32. There is easy access to NYS Thruway #87 and Interstate #90.

The area offers many advantages to its residents. A few major local industries help provide a favorable tax base for the District. Montreal, Boston and New York City are readily accessible. Nearby Albany is rich with cultural, historical, educational and recreational possibilities. It is also home to a major teaching medical center.

Continuing education opportunities are abundant at nearby universities and colleges, including the State University of New York at Albany, Rensselaer Polytechnic Institute, Union College, Skidmore, Russell Sage, and several junior colleges.

The Saratoga Performing Arts Center, summer home of the Philadelphia Orchestra and the New York City Ballet Company, and the Saratoga racetrack are a picturesque one-hour drive away, as are Tanglewood and the Berkshire Mountains.

Source: District officials.

### **Population**

The current estimated population of the District is 14,520. (Source: 2019 U.S. Census Bureau estimate)

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## 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 Counties below. The figures set below with respect to such Towns and Counties and the State of New York are included for information only. It should not be inferred from the inclusion of such data in the Official Statement that the Towns or the Counties are necessarily representative of the District, or vice versa.

	<u>Per Capita Income</u>			<u>Median Family Income</u>		
	<u>2000</u>	<u>2006-2010</u>	<u>2015-2019</u>	<u>2000</u>	<u>2006-2010</u>	<u>2015-2019</u>
Towns of:						
Coeymans	\$ 21,686	\$ 27,455	\$ 32,892	\$ 57,808	\$ 67,930	\$ 80,542
Bethlehem	31,492	39,867	52,083	77,211	104,387	133,906
New Baltimore	20,636	27,624	32,518	50,175	65,886	85,240
New Scotland	29,231	40,542	46,633	65,753	84,072	120,000
Counties of:						
Albany	23,345	30,863	37,635	56,724	76,159	94,506
Greene	18,931	23,461	28,433	43,854	55,260	71,097
State of:						
New York	23,389	30,948	39,326	51,691	67,405	84,385

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

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

## Larger Employers

The larger employers located within the area in and around the District include:

<u>Employer Name</u>	<u>Type</u>	<u>Number of Employees</u>
Ravena-Coeymans-Selkirk Central School	Public School	446
Sabic	Plastics	420
Owens Corning	Building Products	180
LaFarge	Cement	175

Note: The list and the figures provided above are based on information prior to the outbreak of the COVID-19 pandemic.

Source: District officials.

## Unemployment Rate Statistics

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

	<u>Annual Average</u>						
	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Albany County	4.9%	4.3%	4.1%	4.2%	3.7%	3.6%	7.2%
Greene County	6.7%	5.6%	5.0%	5.2%	4.6%	4.5%	8.3%
New York State	6.3%	5.3%	4.8%	4.7%	4.1%	4.0%	10.0%

	<u>2021 Monthly Figures</u>						
	<u>Jan</u>	<u>Feb</u>	<u>Mar</u>	<u>Apr</u>	<u>May</u>	<u>Jun</u>	<u>Jul</u>
Albany County	6.0%	6.4%	5.7%	4.9%	4.3%	N/A	N/A
Greene County	6.7%	7.3%	6.5%	5.9%	5.0%	N/A	N/A
New York State	9.4%	9.7%	8.4%	7.7%	6.9%	N/A	N/A

Note: Unemployment rates for June and July 2021 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 so that, as nearly as possible, an equal number is elected to the Board each year. Each Board member must be a qualified voter of the District and no Board member may hold certain other District offices or positions while serving on the Board of Education. The President and the Vice President are selected by the Board members.

## **Budgetary Procedures**

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 3rd Tuesday in June, or adopt a contingency budget (which would provide for ordinary contingent expenses, including debt service) that levies a tax levy no greater than that of the prior fiscal year (i.e. a 0% increase in the tax levy).

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

## ***Recent Budget Vote Results***

The budget for the 2019-20 fiscal year was approved by the qualified voters on May 21, 2019 with a vote of 726 in favor and 349 against. The District’s budget for the 2019-20 fiscal year remains within the Tax Cap imposed by Chapter 97 of the Laws of 2011. The tax increase was 2.75%, which was below the limit.

The budget for the 2020-21 fiscal year was adopted by the qualified voters on June 16, 2020 by a vote of 1,720 to 809. The District’s adopted budget for the 2020-21 fiscal year remains within the Tax Cap imposed by Chapter 97 of the Laws of 2011. The budget called for no tax levy increase, which is within the District tax levy limit of 3.6%.

The budget for the 2021-22 fiscal year was adopted by the qualified voters on May 18, 2021 by a vote of 497 to 118. The District’s adopted budget for the 2021-22 fiscal year remains within the Tax Cap imposed by Chapter 97 of the Laws of 2011. The budget called no tax levy increase, which is within the District tax levy limit of 2.9%.

## **Investment Policy**

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

Consistent with the above statutory limitations, it is the District's current policy to invest in: (1) 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, and (4) In repurchase agreements involving the purchase and resale of obligations of the United States of America or obligations of agencies of the federal government, if principal and interest is guaranteed by the United States of America and the securities are registered in the name of the District and held by a custodial bank in accordance with the policies established by the New York State Comptroller.

## **State Aid**

The District receives financial assistance from the State. In its adopted budget for the 2021-2022 fiscal year, approximately 38.94% 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.

The Tax Cuts and Jobs Act also made extensive changes to the deductibility of various taxes, including placing a cap of \$10,000 on a taxpayer's deduction of state and local taxes (the "SALT Deduction Limitation"). While it cannot yet be predicted what precise effects the SALT Deduction Limitation will have for the State, it is possible that government officials at both the State and local level may find it politically more difficult to raise new revenues via tax increases, since the deduction thereof, for taxpayers who itemize deductions, is now limited.

### *Potential Reductions in Federal Aid Received by the State*

The State receives a substantial amount of Federal aid for education. Many of the policies that drive this Federal aid are subject to change under the current presidential administration and Congress. However, the State's current financial projections concerning Federal aid, and the assumptions on which they are based, are subject to revision as more information becomes available about the The State receives a substantial amount of Federal aid for education. Many of the policies that drive this Federal aid are subject to change under the current presidential administration and Congress. However, the State's current financial projections concerning Federal aid, and the assumptions on which they are based, are subject to revision as more information becomes available about the proposals for Federal tax policy and legislation, health care, including amendments to the Affordable Care Act, infrastructure, taxation, the Budget Control Act of 2011 (as amended), Federal regulatory reform, and other issues that may arise.

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

The State enacted budget for the 2021-2022 fiscal year is more expansive (about 10% higher) than the prior budget, including significantly increased funding for schools and local governments. School districts will benefit from a \$1.4 billion increase in Foundation Aid and a three-year Foundation Aid full restoration phase-in that will allow all school districts to receive the increased level of Foundation Aid that was originally promised in 2007, along with a \$105 million expansion of full-day prekindergarten. Local governments will receive a full restoration of proposed cuts to Aid and Incentives for Municipalities (AIM) funding. Further, municipalities that host Video Lottery Terminal ("VLT") facilities will receive a full restoration of \$10.3 million in proposed VLT aid cuts.

Although the 2021-2022 budget contains additional aid for school districts and municipalities, it is uncertain whether the State will have future budget shortfalls necessitating cuts to State aid. Reductions in the payment of State aid could adversely affect the financial condition of school districts in the State, including the District. See "COVID-19," herein, for further details on the COVID-19 pandemic and its effects on the State.

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

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

### *Building Aid*

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

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

Pursuant to the provisions of Chapter 760 of the Laws of 1963, the District is eligible to receive a Building Aid Estimate from the New York State Department of Education. Since the gross indebtedness of the District is within the debt limit, the District is not required to apply for a Building Aid Estimate. Based on 2021-2022 preliminary building aid ratios, the District expects to receive State building aid of approximately 71.1% 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 had declined in some prior years before increasing more recently

*School district fiscal year (2016-2017):* The 2016-2017 State budget included a school aid increase of \$991 million over 2015-16, \$863 million of which consisted of traditional operating aid. In addition to full-funding of expense based aids (\$408 million), the budget also included a \$266 million increase in Foundation Aid and an \$189 million restoration to the Gap Elimination Adjustment. The bulk of the remaining increase included \$100 million in Community Schools Aid, an aid category, to support school districts that wish to create community schools. The funds may only be used for certain purposes such as providing health, mental health and nutritional services to students and their families. The District was not part of the Community Schools Grant Initiative (CSGI).

*Gap Elimination Adjustment (GEA).* The GEA law was first introduced for the 2010-2011 fiscal year (although it existed in 2009-10 and was called "Deficit Reduction Assessment") as a way to help close the State's then \$10 billion budget deficit. Under the legislation, a portion of the funding shortfall at the State level was divided among all school districts throughout the State and reflected as a reduction in school district State aid. The GEA was a negative number, money that was deducted from the aid originally due to the District. The total GEA and Deficit Reduction Assessment reduction in school aid for the District amounted to approximately \$1,054,407. The District was forced to deliver programs in new and creative ways, while reducing where necessary based on student-driven needs and increasing taxes accordingly. The District did not lose any additional State aid as a result of the GEA in 2016-2017 fiscal year as the Gap Elimination Adjustment was completely eliminated in the 2016-2017 Enacted State Budget.

*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.

*School district fiscal year (2018-2019):* The State's 2018-2019 Enacted Budget included nearly \$1 billion in additional education funding, representing a 3.9% increase over 2017-2018. Approximately \$859 million of that increase was comprised of traditional public school aid, including increased Foundation Aid and full-funding of expense-based aids. Formula-based school aid stood at \$26.03 billion statewide, a 3.4% increase over the prior year. The State's 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's 2018-2019 Enacted Budget guaranteed that all school districts receive an increase in Foundation Aid over their 2017-2018 levels. \$50 million of the Foundation Aid increase was "set aside" for certain school districts to fund community schools. The State's 2018-2019 Enacted Budget fully funded all expense-based aid for 2018-2019, including building, transportation, BOCES and special education aid. These categories served 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 2018-2019.

*School district fiscal year (2019-2020):* The State's 2019-2020 Enacted Budget includes 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 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 expected to total \$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 is continued under existing aid formulas. Out-year growth in School Aid reflected 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. See "*State Aid*" herein for a discussion of this provision set forth in the State's 2020-2021 Enacted Budget.

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

#### *Federal Aid Received by the State*

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

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 District is currently finalizing their plan for the use of the American Rescue Plan funds.

Although the American Rescue Plan provides for funds to be paid to the State, it is not possible to predict whether any future federal legislation will contain reduction in other federal aid to the State. Any reduction in Federal funding levels could have a materially adverse impact on the State budget. In addition to the potential fiscal impact of policies that may be proposed and adopted by the new administration and Congress, the State budget may be adversely affected by other actions taken by the federal government, including audits, disallowances, and changes to federal participation rates or other Medicaid rules.

If the State's financial position were to change materially and adversely due to such actions by the federal government, the State could be required to take additional gap-closing actions. Such actions could include, but not be limited to: reductions in State agency operations; delays or reductions in payments to local governments or other recipients of State aid including school districts in the State. Reductions in the payment of State aid could adversely affect the financial condition of school districts in the State.

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

### *State Aid Litigation*

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

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

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

A case related to the *Campaign for Fiscal Equity, Inc. v. State of New York* was heard on appeal on May 30, 2017 in *New Yorkers for Students' Educational Rights v. State of New York* (“NYSER”) and a consolidated case on the right to a sound basic education. The NYSER lawsuit asserts that the State failed to comply with the original decision in the Court of Appeals in the *Campaign for Fiscal Equity* case, and asked 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.

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>
2015-2016	\$ 42,589,057	\$ 15,730,141	36.93%
2016-2017	44,024,381	16,694,191	37.92
2017-2018	45,383,726	17,390,962	38.32
2018-2019	47,420,420	18,610,416	39.25
2019-2020	46,709,582	17,449,264	37.36
2020-2021 (Budgeted)	47,077,662	18,190,513	38.64
2021-2022 (Budgeted)	47,281,552	18,413,650	38.94

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

Source: Audited financial statements for the 2015-2016 fiscal year through and including the 2019-2020 fiscal year, and the budgets of the District for the 2020-2021 and 2021-2022 fiscal years. This table is not audited.

## District Facilities

The District currently operates the following facilities:

<u>Name</u>	<u>Grades</u>	<u>Capacity</u>	<u>Year(s) Built</u>
RCS Senior High School	9-12	851	1961, 1988
RCS Middle School	6-8	909	1971, 1981
Albertus W Becker Elementary	K-5	507	1963, 1995
Pieter B Coeymans Elementary	K-5	541	1963, 1995

Source: District officials.

## Enrollment Trends

<u>School Year</u>	<u>Actual Enrollment</u>	<u>School Year</u>	<u>Projected Enrollment</u>
2016-2017	1,980	2021-2022	1,712
2017-2018	1,956	2022-2023	1,705
2018-2019	1,912	2023-2024	1,689
2019-2020	1,891	2024-2025	1,680
2020-2021	1,799	2025-2026	1,676

Source: District officials.

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## Employees

The District employs approximately 377 full-time persons and 52 hourly and part-time persons. The collective bargaining agents, if any, which represent them and the dates of expiration of the various collective bargaining agreements are as follows:

<u>Members</u>	<u>Bargaining Unit</u>	<u>Expiration Date</u>
215	Ravena-Coeymans-Selkirk Teachers' Association	6/30/2021 <sup>(1)</sup>
7	Ravena-Coeymans-Selkirk Administrators' Association	6/30/2022
81	Related Professionals Association	6/30/2022
77	CSEA Local 1000	6/30/2022
12	Ravena-Coeymans-Selkirk Food Service Association	6/30/2021 <sup>(1)</sup>
10	Ravena-Coeymans-Selkirk Professional Operations Group	6/30/2023
25	Unrepresented	N/A

<sup>(1)</sup> Currently under negotiations

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, unaudited figures for the 2020-2021 fiscal year and budgeted figures for the 2021-2022 fiscal years are as shown on the following page:



<u>Fiscal Year</u>	<u>ERS</u>	<u>TRS</u>
2015-2016	\$ 735,528	\$ 2,918,582
2016-2017	608,378	2,214,761
2017-2018	663,873	1,991,980
2018-2019	631,941	1,737,679
2019-2020	643,620	1,925,825
2020-2021 (Unaudited)	670,334	1,531,470
2021-2022 (Budgeted)	788,621	1,773,484

Source: District records.

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

*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 (2018 to 2022) is shown below:

<u>Year</u>	<u>ERS</u>	<u>TRS</u>
2017-2018	15.3%	9.80%
2018-2019	14.9	10.62
2019-2020	14.6	8.86
2020-2021	14.6	9.53
2021-2022	16.2	9.80 (Estimated)

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

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

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

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

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

The 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.

Retirement System Assumptions. The investment of monies and assumptions underlying same, of the Retirement Systems covering the School District’s employees is not subject to the direction of the School 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 School District which could affect other budgetary matters. Concerned investors should contact the Retirement Systems administrative staff for further information on the latest actuarial valuations of the Retirement Systems.

## **Other Post Employee 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, school districts could amortize the OPEB liability over a period of years, whereas GASB 75 requires school districts to report the entire OPEB liability on the statement of net position.

The District contracted with Capital Region BOCES to calculate its actuarial valuation under GASB 75 for the fiscal years ending June 30, 2019 and 2020.

The following outlines the changes to the Total OPEB Liability during the past two fiscal years, by source.

	Balance beginning at June 30:	2018	2019
<u>Changes for the year:</u>		<u>\$ 35,416,820</u>	<u>\$ 42,254,929</u>
Service cost		1,291,880	1,898,878
Interest		1,392,406	1,523,661
Differences between expected and actual experience		(245,105)	142,377
Changes in assumptions or other inputs		5,871,329	7,955,231
Changes of benefit terms		-	-
Benefit payments		<u>(1,472,401)</u>	<u>(1,502,270)</u>
Net Changes		<u>\$ 6,838,109</u>	<u>\$ 10,017,877</u>
	Balance ending at June 30:	2019	2020
		<u>\$ 42,254,929</u>	<u>\$ 52,272,806</u>

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

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

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

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

In April 2015, the State Comptroller announced legislation to create an optional investment pool to help the State and local governments fund retiree health insurance and other post-employment benefits. The proposed legislation would allow the following:

- Authorize the creation of irrevocable OPEB trusts, not part of the New York State Common Retirement Fund, so that New York state and its local governments can, at their option, help fund their OPEB liabilities;
- Establish an OPEB investment fund in the sole custody of the State Comptroller for the investment of OPEB assets of the state and participating eligible local governments;
- Designate the president of the Civil Service Commission as the trustee of the state’s OPEB trust and the governing boards as trustee for local governments; and
- Allow school districts to transfer certain excess reserve balances to an OPEB trust once it is established.

Under the State Comptroller’s proposal, there are no restrictions on the amount a government can deposit into the trust. The proposed legislation was not enacted into law in the last two legislative sessions. It is not possible to predict whether the Comptroller’s proposed legislation will be reintroduced or enacted if introduced.

## 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, 2020 and is attached hereto as "APPENDIX – D". The audit report covering the period ending June 30, 2021 is unavailable as of the date of this Official Statement. 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.

### *Unaudited Results for Fiscal Year Ending June 30, 2021*

The District expects to end the fiscal year ending June 30, 2021 with an unappropriated unreserved fund balance of \$7,092,634. Summary unaudited information for the General Fund for the period ending June 30, 2020 is as follows:

Revenues:	\$ 46,700,159
Expenditures:	<u>42,114,860</u>
Excess (Deficit) Revenues Over Expenditures:	<u>\$ 4,585,299</u>
Total General Fund Balance at June 30, 2019:	\$ 17,338,727
Total Projected General Fund Balance at June 30, 2020:	\$ 21,924,026

Note: These projections are based upon certain current assumptions and estimates and the audited results may vary therefrom.

Source: District officials.

## 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 April 1, 2021. The purpose of the audit was to determine whether the Ravena-Coeymans-Selkirk Central School District's (District) extra-classroom activity (ECA) and event admissions funds were adequately safeguarded and properly accounted for

### Key Findings:

ECA and event admission funds were not adequately safeguarded or properly accounted for.

- The District officials did not provide adequate oversight of ECA and admission event collections.
- ECA club collections and disbursements and sporting event admission records lacked adequate supporting documentation and reconciliations were not performed.
- District officials conducted four ECA audits that identified poor collection controls. However, District officials did not implement the faculty auditor's recommendations.

### Key Recommendations:

- Ensure ECA funds are handled in accordance with District policies and SED procedures, and that clubs implement faculty auditor recommendations.
- Ensure student treasurers maintain adequate supporting documentation.
- Develop and implement policies and procedures to ensure admissions revenue is adequately safeguarded and accurately recorded and provide sufficient oversight for the cash collection, remitting and deposit processes.

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

Other than noted above, there are no recent State Comptroller's audits of the District, nor are there any others that are currently in progress or pending release.

Note: Reference to website implies no warranty of accuracy of information therein.

## 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>
2020	No Designation	0.0%
2019	No Designation	0.0%
2018	No Designation	0.0%
2017	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.

## TAX INFORMATION

### Taxable Assessed Valuations

<u>Fiscal Year Ending June 30:</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Towns of:					
Coeymans	\$ 499,493,671	\$ 499,574,413	\$ 486,513,302	\$ 501,295,516	\$ 582,702,051
Bethlehem	630,700,767	583,164,038	595,854,795	608,995,118	630,417,382
New Baltimore	67,648,425	68,142,097	68,210,183	68,840,620	68,857,103
New Scotland	58,872,187	59,206,724	59,567,835	60,899,253	61,367,923
Total Assessed Values	<u>\$1,256,715,050</u>	<u>\$ 1,210,087,272</u>	<u>\$1,210,146,115</u>	<u>\$1,240,030,507</u>	<u>\$1,343,344,459</u>

### State Equalization Rates

Towns of:					
Coeymans	100.00%	100.00%	97.00%	95.00%	100.00%
Bethlehem	100.00%	100.00%	95.00%	95.00%	95.00%
New Baltimore	76.25%	74.00%	71.25%	69.00%	69.00%
New Scotland	100.00%	98.00%	96.00%	92.00%	91.00%
Total Taxable Full Valuation	<u>\$1,277,785,871</u>	<u>\$ 1,235,237,390</u>	<u>\$1,286,559,097</u>	<u>\$1,334,690,838</u>	<u>\$1,413,529,476</u>

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

<u>Fiscal Year Ending June 30:</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Towns of:					
Coeymans	\$ 19.11	\$ 20.02	\$ 20.35	\$ 20.58	\$ 18.47
Bethlehem	19.11	20.02	20.78	20.58	19.44
New Baltimore	25.07	27.06	27.70	28.33	26.76
New Scotland	19.11	20.43	20.56	21.25	20.29

## Tax Collection Procedure

District taxes are due September 30, 2021. If paid by September 30, 2021 no penalty is imposed. There is a 2% penalty if paid by October 31. No tax is collected after November 1.

On November 15, a list of all unpaid taxes is given to the County Treasurers for relevy on County/Town tax rolls with additional penalties.

The District is reimbursed by the Counties for all unpaid taxes so that it is assured of 100% collection of its tax each year by no later than April 1.

## Tax Levy and Tax Collection Record

<u>Fiscal Year Ending June 30:</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Total Tax Levy	\$ 22,454,615	\$ 24,732,166	\$ 25,395,903	\$ 26,094,290	\$ 26,094,290
Amount Uncollected <sup>(1)</sup>	1,757,659	920,598	988,859	944,987	977,046
% Uncollected	7.83%	3.72%	3.89%	3.62%	3.74%

<sup>(1)</sup> 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.

<u>Fiscal Year</u>	<u>Total Revenues</u>	<u>Total Real Property Taxes</u>	<u>Percentage of Total Revenues Consisting of Real Property Tax</u>
2015-2016	\$ 42,589,057	\$ 21,355,880	50.14%
2016-2017	44,024,381	21,795,061	49.51
2017-2018	45,383,726	22,147,224	48.80
2018-2019	47,420,420	22,933,049	48.36
2019-2020	46,709,582	23,725,437	50.79
2020-2021 (Budgeted)	47,077,662	23,990,789	50.96
2021-2022 (Budgeted)	47,281,522	26,094,290	55.19

Source: Audited financial statements for the 2015-2016 fiscal year through the 2019-2020 fiscal year, and the adopted budgets of the District for the 2020-2021 and 2021-2022 fiscal years. This table is not audited.

## Larger Taxpayers 2020 Tax Roll for 2020-21

<u>Name</u>	<u>Type</u>	<u>Taxable Assessed Valuation</u>
Selkirk Cogen Partners	Utility	\$ 50,000,000
New York Central Lines	Railroad	48,385,420
Albany Water Board	Utility	27,563,890
GE NORYL LLC	Commercial	20,961,840
Niagara Mohawk	Utility	20,381,705
Coeymans Recycling Center	Commercial	16,643,900
Oakbrook Manor LLC	Apartments	14,732,100
CSX Transportation Inc.	Railroad	13,562,620
Owens Corning	Commercial	13,300,000
Frick, Louise	Commercial	12,119,700

The ten larger taxpayers listed have a total taxable assessed valuation of \$237,651,175, which represents 17.69% of the tax base of the District.

As of the date of this Official Statement, the District has outstanding tax certioraris with a potential maximum refund of approximately \$49,580. The District has a tax certiorari reserve of approximately \$192,519 to assist in offsetting this potential liability.

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, increased annually according to a cost of living adjustment, are eligible for a “full value” exemption of the first \$68,700 for the 2019-20 school year (adjusted annually). Other homeowners with household STAR Adjusted Gross income not in excess of \$250,000 (\$500,000 in the case of a STAR credit, as discussed below) are eligible for a \$30,000 “full value” exemption on their primary residence.

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

The 2020-21 Executive Budget withholds STAR benefits to taxpayers who are delinquent in the payment of their school taxes and lowers the income limit for the exemption to \$200,000, compared with a \$500,000 limit for the credit.

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

<b><u>Towns of:</u></b>	<b><u>Enhanced Exemption</u></b>	<b><u>Basic Exemption</u></b>	<b><u>Date Certified</u></b>
Coeymans	\$ 70,700	\$ 30,000	4/9/2021
Bethlehem	67,170	28,500	4/9/2021
New Baltimore	48,780	20,700	4/9/2021
New Scotland	64,340	27,300	4/9/2021

\$2,103,501 of the District’s \$26,094,290 school tax levy for the 2020-21 fiscal year was exempt by the STAR Program. The District received full reimbursement of such exempt taxes from the State in January 2021.

Approximately \$2,103,501 of the District’s \$26,094,290 school tax levy for the 2021-22 fiscal year is expected to be exempt by the STAR Program. The District anticipates receiving full reimbursement of such exempt taxes

## Additional Tax Information

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

Senior citizens' and disability exemptions are offered to those who qualify.

## TAX LEVY LIMITATION LAW

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

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

Tax Levy Limitation Law requires that a school district submit its proposed tax levy to the voters each year beginning with the 2012-2013 fiscal year.

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

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

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

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

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



Chapter 59 of the Laws of 2014 (“Chapter 59”) included provisions which provides a refundable personal income tax credit to real property taxpayers in school districts in 2014 and 2015 and certain municipal units of government in 2015 and 2016. The eligibility of real property taxpayers for the tax credit in each year depended on such jurisdiction’s compliance with the provisions of the Tax Levy Limitation Law. For the second taxable year of the program, the refundable personal income tax credit for real property taxpayers was additionally contingent upon adoption by the school district or municipal unit of a State approved “government efficiency plan” which demonstrated three year savings and efficiencies of at least one per cent per year from shared services, cooperation agreements and/or mergers or efficiencies.

Chapter 20 of the Laws of 2015 (“Chapter 20”) introduced a new real property tax rebate program that provides state-financed tax rebate checks and credits to taxpayers who are eligible for the STAR exemption in the years 2016-2019. For 2016, eligible taxpayers who resided outside New York City but within the Metropolitan Commuter Transportation District (“MCTD”) received \$130, and eligible taxpayers who resided outside the MCTD received \$185. Credits in 2017-2019 will vary based on a taxpayer’s personal income level and STAR tax savings. Similar to the Chapter 59 real property tax credit, under Chapter 20 the eligibility of real property taxpayers in each year depends on the school district’s compliance with the provisions of the Tax Levy Limitation Law. Unlike Chapter 59, however, for taxpayers other than those living in one of the “Big 4” cities only the compliance of the school district in which the taxpayer resides is relevant. Municipal compliance with the Tax Levy Limitation Law is only required in the case of the “Big 4” cities that have fiscally dependent school districts. In such cases, the joint school/city levy must remain in compliance with the Tax Levy Limitation Law.

While the provisions of Chapter 59 did not, and the provisions of Chapter 20 do not, directly further restrict the taxing power of the affected municipalities, school districts and special districts, Chapter 59 did, and Chapter 20 does, provide an incentive for such tax levies to remain with the tax cap limits established by the Tax Levy Limitation Law.

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

## **STATUS OF INDEBTEDNESS**

### **Constitutional Requirements**

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

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

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

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

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

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

## Statutory Procedure

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

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

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

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

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

- (1) (a) Such obligations are authorized for a purpose for which the District is not authorized to expend money or
- (b) 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
- (2) Such obligations are authorized in violation of the provisions of the Constitution.

The District complied with this estoppel procedure. It is a procedure that is recommended by Bond Counsel, but it is not an absolute legal requirement.

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.

Statutory Law in New York permits bond anticipation notes to be renewed each year provided annual principal installments are made in reduction of the total amount of such notes outstanding, commencing no later than two years from the date of the first of such notes and provided that such renewals do not exceed five years beyond the original date of borrowing. (See "Payment and Maturity" under "Constitutional Requirements" herein, and "Details of Outstanding Indebtedness" herein).

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.

In general, the Local Finance Law contains provisions providing the District with power to issue certain other short-term general obligation indebtedness including revenue and tax anticipation notes and budget notes (see "Details of Outstanding Indebtedness" 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	\$ 15,625,000	\$ 13,175,000	\$ 10,640,000	\$ 9,695,000	\$ 8,725,000
Bond Anticipation Notes	<u>1,953,335</u>	<u>17,119,559</u>	<u>17,220,750</u>	<u>18,512,440</u>	<u>18,144,404</u>
Total Debt Outstanding	\$ 17,578,335	\$ 30,294,559	\$ 27,860,750	\$ 28,207,440	\$ 26,869,404

## Details of Outstanding Indebtedness

The following table sets forth the indebtedness of the District evidenced by bonds and notes as of July 22, 2021.

<u>Type of Indebtedness</u>	<u>Maturity</u>	<u>Amount</u>
<u>Bonds</u>	2022-2032	\$ 8,725,000
<u>Bond Anticipation Notes</u>		
Capital Project & School Bus Purchase	August 13, 2021	<u>18,144,404</u> <sup>(1)</sup>
	Total Indebtedness	<u>\$ 26,869,404</u>

<sup>(1)</sup> To be partially redeemed and renewed at maturity with the proceeds of the Notes and \$1,328,399 available funds of the District.

## Debt Statement Summary

Summary of Indebtedness, Debt Limit and Net Debt-Contracting Margin as of July 22, 2021:

Full Valuation of Taxable Real Property .....	\$ 1,413,529,476
Debt Limit 10% thereof .....	141,352,948

### Inclusions:

Bonds.....	\$ 8,725,000
Bond Anticipation Notes .....	1,328,399
Principal of this Issue .....	<u>18,614,397</u>
Total Inclusions .....	<u>\$ 28,667,796</u>

### Exclusions:

State Building Aid <sup>(1)</sup> .....	<u>\$ 0</u>
Total Exclusions .....	<u>\$ 0</u>

Total Net Indebtedness ..... \$ 28,667,796

Net Debt-Contracting Margin ..... \$ 112,685,152

The percent of debt contracting power exhausted is ..... 20.28%

<sup>(1)</sup> Based on preliminary 2021-2022 building aid estimates, the District anticipates State Building aid of 71.1% for debt service on State Education Department approved expenditures from July 1, 2004 to the present. The District has no reason to believe that it will not ultimately receive all of the building aid it anticipates, however, no assurance can be given as to when and how much building aid the District will receive in relation to the outstanding bonds.

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

## Bonded Debt Service

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

## Capital Project Plans

On January 13, 2015, District voters approved two propositions as follows; (i) a District-wide capital improvement project to reconstruct and renovate various buildings and facilities at an amount not to exceed \$31,290,000. The District anticipates funding the project with \$1,200,000 capital reserve funds, with the balance of \$30,090,000 to be funded with general obligations and (ii) renovation, improvement and upgrade of the District's Middle-High school at an amount not to exceed \$1,300,000 to be funded with general obligations. The District issued \$11,000,000 serial bonds on July 29, 2016. On August 17, 2017, the District issued \$15,000,000 as the second borrowing against this authorization. The District issued \$17,220,750 bond anticipation notes on August 16, 2018, \$15,000,000 of which renewed the outstanding bond anticipation notes that matured on August 17, 2018. The District issued a \$16,345,000 portion of the \$18,512,440 bond anticipation notes on August 15, 2019, along with \$655,000 of available funds of the District, to partially redeemed and renewed a \$15,000,000 portion of the \$17,220,750 bond anticipation notes which matured August 16, 2019 and provided \$2,000,000 new money for the aforementioned purpose. A \$16,090,000 portion of \$18,144,404 bond anticipation notes issued on August 13, 2020, along with \$255,000 of available funds of the District, partially redeemed and renewed a \$16,345,000 portion of the \$18,512,440 bond anticipation notes that matured August 14, 2020 for the aforementioned purpose. A \$16,820,000 portion of the Notes is being issued, along with \$610,000 of available funds of the District to partially redeem and renew a \$16,090,000 portion of the \$18,144,404 bond anticipation notes maturing August 13, 2021 and provide \$1,340,000 new monies for the aforementioned purpose.

The District borrows annually for the purchase of school buses. On May 18, 2021 the District voters approved \$458,392 for the purchase of buses. A \$1,794,397 portion of the Notes is being issued along with \$718,399 of available funds of the District to partially redeem and renew a \$2,054,404 portion of \$18,144,404 bond anticipation notes maturing August 13, 2021 and provide \$458,392 new money for the aforementioned purpose.

The District is planning to work with an architectural firm to identify capital improvements for the District that will require voter approval for future capital projects.

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

## Cash Flow Borrowings

The District has not issued revenue anticipation notes or tax anticipation notes in the past five years, and does not reasonably expect to issue such notes in the current fiscal year.

## 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:						
Albany	12/31/2019	\$ 331,955,000	\$ -	\$ 331,955,000	4.51%	\$ 14,971,171
Greene	12/31/2019	53,277,972	217,972	53,060,000	1.62%	859,572
Town of:						
Coeymans	12/31/2019	1,673,625	-	1,673,625	97.17%	1,626,261
Bethlehem	12/31/2019	42,602,100	26,042,932	16,559,168	15.73%	2,604,757
New Baltimore	12/31/2019	1,286,420	-	1,286,420	30.92%	397,761
New Scotland	12/31/2019	4,366,093	3,641,343	724,750	6.07%	43,992
Total:						<u>\$ 20,503,514</u>

<sup>(1)</sup> 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.

<sup>(2)</sup> 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 2019.

## Debt Ratios

The following table sets forth certain ratios relating to the District's indebtedness as of July 22, 2021:

	<u>Amount</u>	<u>Per Capita</u> <sup>(a)</sup>	<u>Percentage of Full Value</u> <sup>(b)</sup>
Net Indebtedness <sup>(c)</sup> .....	\$ 28,667,796	\$ 1,974.37	2.03%
Net Indebtedness Plus Net Overlapping Indebtedness <sup>(d)</sup> .....	49,171,310	3,386.45	3.48

(a) The current estimated population of the District is . (See "THE SCHOOL DISTRICT – Population" herein.)

(b) The District's full value of taxable real estate for the 2021-2022 fiscal year is \$1,413,529,476. (See "TAX INFORMATION – Taxable Assessed Valuations" herein.)

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

(d) Estimated net overlapping indebtedness is \$20,503,514. (See "Estimated Overlapping Indebtedness" herein.)

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

## SPECIAL PROVISIONS AFFECTING REMEDIES UPON DEFAULT

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

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

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

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

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

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

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

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

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

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

## **MARKET AND RISK FACTORS**

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

The financial condition of the 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 or in other jurisdictions in the country, including, for example, the seeking by a municipality or large taxable property owner of remedies pursuant to the Federal Bankruptcy Code or otherwise, will not occur which might affect the market price of and the market for the Notes. If a significant default or other financial crisis should occur in the affairs of the State or any of its agencies or political subdivisions thereby further impairing the acceptability of obligations issued by borrowers within the State, both the ability of the 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 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" herein.

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

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

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

## **COVID-19**

The outbreak of COVID-19, a serious respiratory disease caused by a novel strain of coronavirus, was declared a pandemic by the World Health Organization on March 11, 2020.

### **Economic Impacts**

The outbreak of COVID-19 has drastically affected travel, commerce and financial markets globally. As almost all nations have experienced a rise in infections and implemented containment measures that in the case of some nations (including the United States) have been drastic, economies have suffered in the extreme. While several vaccines have been developed and are now being deployed world-wide, the full impact of the pandemic is difficult to predict due to uncertainties regarding its duration and severity.

While initially the hospitality and tourism industries were hardest hit, within a short period of time there was widespread unemployment across all economic sectors in the United States.

Uncertainty regarding the short, medium and long-term effects of the COVID-19 pandemic initially caused extreme volatility across all financial markets, including the primary and secondary markets for municipal bonds. In the United States, Congress and the Federal Reserve took significant steps to backstop those markets and to provide much-needed liquidity, and markets have since generally stabilized. Still, given these conditions, it is possible that the process of trading the Notes in the secondary market could generally be affected in ways that are difficult to predict.

### **Federal Response**

The federal government has passed several pieces of legislation in response to the COVID-19 pandemic including the \$2.3 trillion Coronavirus Aid, Relief, and Economic Security (“CARES”) Act of 2020 and the \$1.9 trillion American Rescue Plan Act (“ARP”) Act of 2021, both of which provide funding for pandemic-related expenses and attempt to address financial stability and liquidity issues through a variety of stimulus measures.

Stimulus Efforts for State and Local Governments: The CARES Act included a \$150 billion Coronavirus Relief Fund, which provided funds to states, tribal governments and local governments with populations exceeding 500,000 (local governments with smaller populations could receive monies from the amount allocated to their state). This money was intended for programs that were necessary expenditures incurred due to the public health emergency resulting from the pandemic. This money was not intended to be used to directly account for revenue shortfalls due to the COVID-19 pandemic, but it could indirectly assist with revenue shortfalls in cases where the expenses that were covered by this fund would otherwise create a further budget shortfall.

The CARES Act also included an Education Stabilization Fund, which provided \$30.75 billion for K-12 and higher education systems. There were three main forms of relief: \$13.2 billion for K-12 schools that was administered on a state-by-state basis, \$14 billion for public and private colleges and universities, and \$3 billion in emergency relief that governors could distribute to schools, colleges and universities that were particularly affected by COVID-19 and the ensuing crisis.

The ARP Act includes an additional \$350 billion for states, tribal governments and local governments. Notably, in addition to the uses allowed under the CARES Act, ARP funds can be used to replace revenues lost due to COVID-19 and to make necessary investments in water, sewer or broadband infrastructure. These broader categories allow such governments much more flexibility in utilizing such funds.

The ARP Act also includes a total of \$170.3 billion in funding for education, including more than \$122.8 billion for the Elementary and Secondary School Emergency Relief Fund (“ESSER”). The largest portion of such ESSER funds will be distributed to school districts based on their relative share of Title I funding, but additional moneys are also allocated to help schools address learning time lost by students, after-school and summer enrichment programs, and administration costs.

**Municipal Liquidity Facility:** The Federal Reserve established a “Municipal Liquidity Facility” (“MLF”) in 2020 that offered up to \$500 billion in direct federal lending to certain larger issuers, which were in turn able to use their own loan proceeds to make loans to included smaller governmental units that would not otherwise qualify for this program. The MLF expired on December 31, 2020. Most municipal issuers did not have to resort to the MLF because rates have been conducive to issuing debt through the conventional municipal bond market; however, it is notable that the MLF existed as a market backstop if needed.

## **State Response**

**Executive orders:** Pursuant to emergency powers granted by the State Legislature, Governor Cuomo has released a number of executive orders in response to the COVID-19 pandemic.

Pursuant to State Executive Order 202.4, every school in the State was directed to close no later than March 18, 2020. While schools were originally ordered closed until April 1, the time period was later extended to May 15, and then through the end of the school year. School districts must normally maintain 180-day in-class attendance for State aid; however, this requirement was waived to the extent attributable to COVID-19 related closures during the 2019-2020 school year. Additionally, pursuant to State Executive Orders Nos. 202.13 and 202.26, the school district elections and budget votes that normally would have been held in-person on May 19, 2020 were postponed and conducted by absentee ballot, with such ballots being counted on June 16, 2020.

While initially “non-essential” employees were mandated to work from home, starting on May 15, 2020, regions of the State that met certain criteria were allowed to begin reopening. Reopening occurred in phases, with different businesses and industries allowed to open in each phase.

As COVID-19 cases began to rise again in the fall of 2020, the State shifted to a strategy based on identifying areas with higher positivity rates and implementing successively higher restrictions in such areas. Such areas were labeled “yellow”, “orange” or “red.” When COVID-19 cases dropped again, affected areas could be removed from the list. As of March 22, 2021, all remaining yellow zone cluster restrictions were lifted; therefore, there were no longer any areas of the State subject to special restrictions under such system.

Since increased supplies of COVID-19 vaccine have become available, the State has encouraged residents to get vaccinated and, as of April 6, 2021, all New Yorkers 16 years of age and older have been eligible to receive a vaccine. As of June 15, 2021, the State reached the milestone of 70 percent of New Yorkers aged 18 or older having received the first dose of the COVID-19 vaccination series. Since then, the State’s health guidance and industry specific guidelines have been largely lifted, including social gathering limits, capacity restrictions, and social distancing requirements.

Up-to-date information on the State’s COVID-19 response can be found at <https://forward.ny.gov>. Reference to website implies no warranty of accuracy of information therein.

**State Budget:** The City of New York was an early epicenter of the COVID-19 pandemic in the United States, and as a result the State suffered significant revenue shortfalls and unanticipated expenses beginning at the end of the State’s 2019-2020 fiscal year, and continuing during the State’s 2020-2021 fiscal year.

In response, the enacted State budget for the 2020-2021 fiscal year allowed the State to reduce expenditures (including aid to local school districts and municipalities) if tax receipts were lower than anticipated. Accordingly, in June, 2020 the State Division of the Budget (“DOB”) began withholding 20 percent of most local aid payments, although such aid has generally since been restored.

Many of the State’s 2020-2021 budget decisions were based on the uncertainty of future federal aid. In the period of time since such decisions were made, the \$1.9 trillion American Rescue Plan Act was signed into law (on March 11, 2021), which legislation includes almost \$24 billion in funding for various levels of government in the State, including approximately \$12.5 billion for the State, \$6 billion for New York City, and \$4 billion to be divided among counties in the State; another \$12 billion is intended to be used toward the safe reopening of K-12 schools as well as colleges and universities.

Accordingly, the State enacted budget for the 2021-2022 fiscal year is more expansive (about 10% higher) than the prior budget, including significantly increased funding for schools and local governments. School districts will benefit from a \$1.4 billion increase in Foundation Aid and a three-year Foundation Aid full restoration phase-in that will allow all school districts to receive the increased level of Foundation Aid that was originally promised in 2007, along with a \$105 million expansion of full-day prekindergarten. Local governments will receive a full restoration of proposed cuts to Aid and Incentives for Municipalities (AIM) funding. Further, municipalities that host Video Lottery Terminal (VLT) facilities will receive a full restoration of \$10.3 million in proposed VLT aid cuts.

Although the 2021-2022 budget contains additional aid for school districts and municipalities, it is uncertain whether the State will have future budget shortfalls necessitating cuts to State aid. Reductions in the payment of State aid could adversely affect the financial condition of school districts in the State, including the District.



Legislation Allowing Financial Flexibility for Municipalities and School Districts: On August 24, 2020, Governor Cuomo signed legislation allowing municipalities and school districts additional financial flexibility in response to the COVID-19 pandemic. Whereas municipalities and school districts in the State typically may only pursue short-term financing for five years, under certain circumstances the new legislation allows note financing for up to an additional two years prior to converting to long-term bonds.

The new legislation also allows municipalities and school districts additional flexibility related to the use of reserve funds or inter-fund transfers for costs associated with COVID-19. The typical mandatory or permissive referendum requirements for the expenditure of funds from a capital reserve fund have been waived for capital costs attributable to the COVID-19 pandemic. Moneys from a capital reserve fund can also be temporarily advanced for operating costs or other costs attributable to the COVID-19 pandemic, so long as such moneys are repaid within five fiscal years, with interest. Additionally, while inter-fund transfers must typically be repaid by the end of the fiscal year in which the transfer is made, inter-fund advances for costs attributable to the COVID-19 pandemic do not need to be repaid until the close of the following fiscal year.

## **Local Response**

The State Executive Law Section 24 contains procedures for local governments to declare local states of emergency and issue orders to implement the same. Specifically, in the event of a qualifying disaster or reasonable apprehension of immediate danger to the public safety, the municipal chief executive has the authority to declare a local state of emergency for a period of up to 30 days and issue orders to protect life and property or to bring the emergency situation under control.

While the District itself is not able to declare a local state of emergency, the County has done so. The District closed in mid-March 2020 and did not resume session for the rest of the 2019-20 school year. During the timeframe of the closure the District provided education to students remotely and was responsible for providing meal deliveries to students.

While the impacts of COVID-19 on the global, federal, State and local economy cannot be predicted with any certainty, the pandemic could have a significant adverse effect on the District's finances.

The District is continuing to monitor this situation and will attempt to mitigate any such adverse effects through program cuts or staffing reductions, as needed.

## **TAX MATTERS**

### **The Notes**

Hodgson Russ LLP, of Albany, New York, Bond Counsel, will deliver an opinion that, under existing law, the interest on the Notes is excluded from gross income of the holders thereof for federal income tax purposes and is not an item of tax preference for the purpose of the individual alternative minimum tax imposed by the Internal Revenue Code of 1986, as amended (the "Code"). However, such opinion will note that the District, by failing to comply with certain restrictions contained in the Code, may cause interest on the Notes to become subject to federal income taxation from the date of issuance of the Notes. Prospective purchasers should consult their tax advisers as to any possible collateral consequences from their ownership of, or receipt of interest on, or disposition of, the Notes. Bond Counsel expresses no opinion regarding any such collateral federal income tax consequences.

### **Tax Requirements**

In rendering the foregoing opinions, Hodgson Russ LLP will note that the exclusion of the interest on the Notes from gross income for federal income tax purposes is subject to, among other things, continuing compliance by the District with the applicable requirements of Code sections 141, 148, and 149, and the regulations promulgated thereunder (collectively, the "Tax Requirements"). In the opinion of Hodgson Russ LLP, the tax compliance certificate and nonarbitrage certificate that will be executed and delivered by the District in connection with the issuance of the Notes (collectively, the "Tax Certificate") establishes the requirements and procedures, compliance with which will satisfy the Tax Requirements.

The Tax Requirements referred to above, which must be complied with in order that interest on the Notes remains excluded from gross income for federal income tax purposes, include, but are not limited to:

- 1 The requirement that the proceeds of the Notes be used in a manner so that the Notes are not obligations which meet the definition of a "private activity bond" within the meaning of Code section 141;
- 2 The requirements contained in Code section 148 relating to arbitrage bonds; and
- 3 The requirements that payment of principal or interest on the Notes not be directly or indirectly guaranteed (in whole or in part) by the United States (or any agency or instrumentality thereof) as provided in Code section 149(b).

In the Tax Certificate, the District will covenant to comply with the Tax Requirements, and to refrain from taking any action which would cause the interest on the Notes to be includable in gross income for federal income tax purposes. Any violation of the Tax Requirements may cause the interest on the Notes to be included in gross income for federal income tax purposes from the date of issuance of the Notes. Hodgson Russ LLP expresses no opinion regarding other federal tax consequences arising with respect to the Notes.

### **Not Bank Qualified**

The Notes will NOT be designated as “qualified tax-exempt obligations” pursuant to Code section 265.

### **Other Impacts**

Prospective purchasers of the Notes should be aware that ownership of, accrual or receipt of interest on, or disposition of, the Notes may have collateral federal income tax consequences for certain taxpayers, including financial institutions, property and casualty insurance companies, S corporations, certain foreign corporations, individual recipients of Social Security or Railroad Retirement benefits, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry such obligations. Prospective purchasers should consult their tax advisors as to any possible collateral consequences from their ownership of, or receipt of interest on, or disposition of, the Notes. Bond Counsel expresses no opinion regarding any such collateral federal income tax consequences.

### **Information Reporting and Backup Withholding**

In general, information reporting requirements will apply to non-corporate holders with respect to payments of principal, payments of interest, and the proceeds of the sale of a bond before maturity within the United States. Backup withholding may apply to a holder of the Notes under Code section 3406, if such holder fails to provide the information required on Internal Revenue Service (“IRS”) Form W-9, Request for Taxpayer Identification Number and Certification, or the IRS has specifically identified the holder as being subject to backup withholding because of prior underreporting. Any amounts withheld under the backup withholding rules from a payment to a beneficial owner, and which constitutes over-withholding, would be allowed as a refund or a credit against such beneficial owner’s United States federal income tax provided the required information is furnished to the IRS. Neither the information reporting requirement nor the backup withholding requirement affects the excludability of interest on the Notes from gross income for federal income tax purposes.

### **Future Legislation**

Bond Counsel has not undertaken to advise in the future whether any events occurring after the date of issuance of the Notes may affect the tax status of interest on the Notes. The Code has been continuously subject to legislative modifications, amendments, and revisions, and proposals for further changes are regularly submitted by leaders of the legislative and executive branches of the federal government.

No representation is made as to the likelihood of such proposals being enacted, or if enacted, the effective date of any such legislation, and no assurances can be given that such proposals or amendments will not materially and adversely affect the economic value of the Notes or the tax consequences of ownership of the Notes.

Prospective purchasers of the Notes should consult their own tax advisers regarding pending or proposed federal and state tax legislation and court proceedings, and prospective purchasers of the Notes at other than their original issuance at the respective prices set indicated on the cover of this Official Statement should also consult their own tax advisers regarding other tax considerations, such as the consequences of market discount, as to which Bond Counsel expresses no opinion.

### **New York State Taxes**

In the opinion of Bond Counsel, interest on the Notes is exempt, under existing statutes, from New York State and New York City personal income taxes.

### **Miscellaneous**

All quotations from and summaries and explanations of provisions of laws do not purport to be complete and reference is made to such laws for full and complete statements of their provisions.

Bond Counsel’s engagement with respect to the Notes ends with the issuance of the Notes. Bond Counsel has not undertaken to advise in the future whether any events occurring after the date of issuance of the Notes may affect the tax status of interest on the Notes. Unless separately engaged, Bond Counsel is not obligated to defend the District or the owners of the Notes regarding the tax status of the interest thereon in the event of an audit examination by the Service.

ALL PROSPECTIVE PURCHASERS OF THE NOTES SHOULD CONSULT WITH THEIR TAX ADVISORS IN ORDER TO UNDERSTAND THE IMPLICATIONS OF THE CODE AS TO THE TAX CONSEQUENCES OF PURCHASING OR HOLDING THE NOTES.

## LEGAL MATTERS

The legality of the authorization and issuance of the Notes will be covered by the unqualified legal opinion of Hodgson Russ LLP, Bond Counsel, Albany, 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, subject to the statutory limitation imposed by the Tax Levy Limitation Law, (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. See "TAX LEVY LIMITATION LAW" herein.

Such legal opinion also will state that (i) in rendering the opinions expressed therein, Bond Counsel has assumed the accuracy and truthfulness of all public records, documents and proceedings examined by Bond Counsel which have been executed or certified by public officials acting within the scope of their official capacities, and has not verified the accuracy or truthfulness thereof, and Bond Counsel also has assumed the accuracy of the signatures appearing upon such public records, documents and proceedings and such certifications; (ii) the scope of Bond Counsel's engagement in relation to the issuance of the Notes has extended solely to the examination of the facts and law incident to rendering the opinions expressed therein; (iii) the opinions expressed therein are not intended and should not be construed to express or imply any conclusion that the amount of real property subject to taxation within the boundaries of the District, together with other legally available sources of revenue, if any, will be sufficient to enable the District to pay the principal of and interest on the Notes as the same respectively become due and payable; (iv) reference should be made to this Official Statement for factual information which, in the judgment of the District, would materially affect the ability of the District to pay such principal and interest; and (v) while Bond Counsel has participated in the preparation of the Official Statement, Bond Counsel has not verified the accuracy, completeness or fairness of the factual information contained therein and, accordingly, no opinion is expressed by Bond Counsel as to whether the District, in connection with the sale of the Notes, has made any untrue statement of a material fact, or omitted to state a material fact necessary in order to make any statements made, in the light of the circumstances under which they were made, not misleading.

## LITIGATION

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

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

## CONTINUING DISCLOSURE

In accordance with the requirements of Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended (the "Rule"), unless the Notes are purchased for the purchaser's own account, as principal for investment and not for resale, the District will enter into an Undertaking to Provide Notices of Events at closing, the form of which is attached hereto as "APPENDIX – C."

The District has established procedures to ensure that future filings of continuing disclosure information will be in compliance with existing continuing disclosure obligations, including transmitting such filings to the Municipal Securities Rulemaking Board ("MSRB") established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934 through the Electronic Municipal Market Access System ("EMMA").

A purchaser buying for its own account shall deliver a municipal securities disclosure certificate that documents its intent to purchase the Notes as principal for investment and not for resale (in a form satisfactory to Bond Counsel) establishing that an exemption from the Rule applies.

### **MUNICIPAL ADVISOR**

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

Moody's Investors Service ("Moody's") has assigned its underlying rating of "Aa3" to the District's outstanding bonds. The rating reflects only the view of Moody's and any desired explanation of the significance of such rating should be obtained from Moody's, 99 Church Street - 9th Floor, 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.

Hodgson Russ LLP, Albany, 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's contact information is as follows: Ms. Joanne Moran, School Business Manager, P.O. Box 100, 15 Mountain Road, Ravena, New York 12143 telephone (518) 756-5200 x 6000, fax (518) 767-2644, email [jmoran@rcscsd.org](mailto:jmoran@rcscsd.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)

**RAVENA-COEYMANS-SELKIRK CENTRAL SCHOOL DISTRICT**

**Dated: July 22, 2021**

**EDWARD REVILLE**  
**PRESIDENT OF THE BOARD OF EDUCATION AND**  
**CHIEF FISCAL OFFICER**

**GENERAL FUND**

**Balance Sheets**

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>ASSETS</b></u>					
Cash and Cash Investments	\$ 9,767,949	\$ 11,514,023	\$ 13,522,190	\$ 15,850,481	\$ 17,797,598
Accounts Receivable	55,460	138,086	126,107	51,975	98,033
Due from Other Funds	840,059	498,165	937,914	414,935	944,332
State and Federal Aid Receivable	637,796	773,278	675,169	784,769	711,469
Due from Other Governments	508,451	447,619	396,477	564,345	464,886
Prepaid Expenditures	-	-	-	-	-
<b>TOTAL ASSETS</b>	<u><u>\$ 11,809,715</u></u>	<u><u>\$ 13,371,171</u></u>	<u><u>\$ 15,657,857</u></u>	<u><u>\$ 17,666,505</u></u>	<u><u>\$ 20,016,318</u></u>
<u><b>LIABILITIES AND FUND EQUITY</b></u>					
Accounts Payable	\$ 1,081,728	\$ 536,709	\$ 1,281,163	\$ 936,066	\$ 404,829
Accrued Liabilities	301,865	441,118	206,084	237,903	87,394
Deferred Inflows of Resources	-	-	-	-	220,758
Due to Other Funds	-	-	-	10,496	-
Due to Teachers' Retirement System	2,214,761	1,991,980	1,737,678	1,924,373	1,607,253
Due to Employees' Retirement System	163,689	158,287	167,442	162,662	165,955
Due to Other Governments	-	-	-	-	-
Compensated Absences	210,138	505,553	338,263	628,169	191,402
Advances	64,259	43,696	26,561	16,252	-
<b>TOTAL LIABILITIES</b>	<u><u>4,036,440</u></u>	<u><u>3,677,343</u></u>	<u><u>3,757,191</u></u>	<u><u>3,915,921</u></u>	<u><u>2,677,591</u></u>
<u><b>FUND EQUITY</b></u>					
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	5,272,048	4,967,579	7,834,055	8,939,532	9,930,291
Committed	-	-	-	-	-
Assigned	721,206	847,197	1,167,322	1,519,350	1,985,329
Unassigned	1,780,021	3,879,052	2,899,289	3,291,702	5,423,107
<b>TOTAL FUND EQUITY</b>	<u><u>7,773,275</u></u>	<u><u>9,693,828</u></u>	<u><u>11,900,666</u></u>	<u><u>13,750,584</u></u>	<u><u>17,338,727</u></u>
<b>TOTAL LIABILITIES and FUND EQUITY</b>	<u><u>\$ 11,809,715</u></u>	<u><u>\$ 13,371,171</u></u>	<u><u>\$ 15,657,857</u></u>	<u><u>\$ 17,666,505</u></u>	<u><u>\$ 20,016,318</u></u>

Source: Audited financial reports of the District. Summary itself not audited.

**GENERAL FUND**

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

Fiscal Years Ending June 30:	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
<b><u>REVENUES</u></b>					
Real Property Taxes	\$ 21,063,139	\$ 21,355,880	\$ 21,795,061	\$ 22,147,224	\$ 22,933,049
Other Tax Items	4,717,152	4,817,975	4,817,924	4,891,769	4,903,833
Charges for Services	148,467	239,573	152,250	157,702	377,983
Use of Money & Property	60,174	58,294	38,504	48,967	199,682
Sale of Property and					
Compensation for Loss	125,006	64,847	109,122	159,731	41,709
Miscellaneous	207,084	187,579	207,885	440,039	268,719
Interfund Revenues	-	-	-	-	-
Revenues from State Sources	15,038,495	15,730,141	16,694,191	17,390,962	18,610,416
Revenues from Federal Sources	218,162	134,768	209,444	147,332	85,029
Total Revenues	<u>\$ 41,577,679</u>	<u>\$ 42,589,057</u>	<u>\$ 44,024,381</u>	<u>\$ 45,383,726</u>	<u>\$ 47,420,420</u>
Other Sources:					
Interfund Transfers	<u>14,107</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Revenues and Other Sources	<u>41,591,786</u>	<u>42,589,057</u>	<u>44,024,381</u>	<u>45,383,726</u>	<u>47,420,420</u>
<b><u>EXPENDITURES</u></b>					
General Support	\$ 3,822,402	\$ 3,796,715	\$ 3,873,958	\$ 3,877,970	\$ 4,232,293
Instruction	21,226,638	22,082,489	22,155,369	22,928,341	23,773,970
Pupil Transportation	2,643,697	2,568,245	3,024,171	2,990,470	3,206,137
Community Services	-	-	-	-	-
Employee Benefits	10,051,503	9,621,410	9,529,051	9,673,813	10,294,068
Debt Service	3,389,735	3,273,605	3,371,410	3,415,676	3,891,939
Total Expenditures	<u>\$ 41,133,975</u>	<u>\$ 41,342,464</u>	<u>\$ 41,953,959</u>	<u>\$ 42,886,270</u>	<u>\$ 45,398,407</u>
Other Uses:					
Interfund Transfers	<u>813,804</u>	<u>650,165</u>	<u>149,869</u>	<u>290,618</u>	<u>172,095</u>
Total Expenditures and Other Uses	<u>41,947,779</u>	<u>41,992,629</u>	<u>42,103,828</u>	<u>43,176,888</u>	<u>45,570,502</u>
Excess (Deficit) Revenues Over					
Expenditures	<u>(355,993)</u>	<u>596,428</u>	<u>1,920,553</u>	<u>2,206,838</u>	<u>1,849,918</u>
<b><u>FUND BALANCE</u></b>					
Fund Balance - Beginning of Year	7,532,840	7,176,847	7,773,275	9,693,828	11,900,666
Residual Equity Transfer	-	-	-	-	-
Prior Period Adjustments (net)	-	-	-	-	-
Fund Balance - End of Year	<u><u>\$ 7,176,847</u></u>	<u><u>\$ 7,773,275</u></u>	<u><u>\$ 9,693,828</u></u>	<u><u>\$ 11,900,666</u></u>	<u><u>\$ 13,750,584</u></u>

Source: Audited financial reports of the District. Summary itself not audited.

**GENERAL FUND**

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

Fiscal Years Ending June 30:	<b>2020</b>			<b>2021</b>	<b>2022</b>
	Original Budget	Final Budget	Actual	Adopted Budget	Adopted Budget
<b><u>REVENUES</u></b>					
Real Property Taxes	\$ 26,094,290	\$ 23,727,657	\$ 23,725,437	\$ 26,094,290	\$ 26,094,290
Real Property Tax Items	2,299,132	4,656,066	4,643,348	2,342,359	2,403,112
Charges for Services	119,000	122,400	139,224	65,000	122,500
Use of Money & Property	53,000	53,000	249,587	138,000	38,000
Sale of Property and					
Compensation for Loss	35,000	55,102	29,224	27,500	-
Miscellaneous	130,000	135,650	243,266	120,000	110,000
Interfund Revenues	-	-	-	-	-
Revenues from State Sources	17,781,895	17,781,895	17,449,264	18,190,513	18,413,650
Revenues from Federal Sources	150,000	150,000	230,232	100,000	100,000
Total Revenues	<u>\$ 46,662,317</u>	<u>\$ 46,681,770</u>	<u>\$ 46,709,582</u>	<u>\$ 47,077,662</u>	<u>\$ 47,281,552</u>
Other Sources:					
Appropriated Fund Balance	\$ 1,519,350	\$ 1,519,350	\$ -	\$ 1,600,000	\$ 1,355,749
Appropriated Reserves	-	206,305	-	-	-
Interfund Transfers	-	-	-	-	-
Total Revenues and Other Sources	<u>48,181,667</u>	<u>48,407,425</u>	<u>46,709,582</u>	<u>48,677,662</u>	<u>48,637,301</u>
<b><u>EXPENDITURES</u></b>					
General Support	\$ 4,707,119	\$ 4,867,265	\$ 4,059,126	\$ 4,765,824	\$ 5,159,545
Instruction	26,054,255	25,953,100	23,221,578	26,654,754	26,269,580
Pupil Transportation	3,648,128	3,648,128	2,686,997	3,845,411	3,663,690
Community Services	-	-	-	-	-
Employee Benefits	10,411,000	10,405,513	9,635,021	10,680,400	10,707,451
Debt Service	3,211,165	3,211,165	3,196,463	2,581,273	2,602,035
Total Expenditures	<u>\$ 48,031,667</u>	<u>\$ 48,085,171</u>	<u>\$ 42,799,185</u>	<u>\$ 48,527,662</u>	<u>\$ 48,402,301</u>
Other Uses:					
Interfund Transfers	150,000	322,254	322,254	150,000	235,000
Total Expenditures and Other Uses	<u>48,181,667</u>	<u>48,407,425</u>	<u>43,121,439</u>	<u>48,677,662</u>	<u>48,637,301</u>
Excess (Deficit) Revenues Over Expenditures	<u>-</u>	<u>-</u>	<u>3,588,143</u>	<u>-</u>	<u>-</u>
<b><u>FUND BALANCE</u></b>					
Fund Balance - Beginning of Year	-	-	13,750,584	-	-
Prior Period Adjustments (net)	-	-	-	-	-
Fund Balance - End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 17,338,727</u>	<u>\$ -</u>	<u>\$ -</u>

Source: Audited financial report and budgets of the District. Summary itself not audited.



**APPENDIX - B**  
**Ravena-Coeymans-Selkirk CSD**

**BONDED DEBT SERVICE**

Fiscal Year Ending June 30th	Principal	Interest	Total
2022	\$ 820,000	\$ 196,450.00	\$ 1,016,450.00
2023	840,000	177,875.00	1,017,875.00
2024	865,000	158,450.00	1,023,450.00
2025	725,000	138,050.00	863,050.00
2026	740,000	123,550.00	863,550.00
2027	755,000	108,750.00	863,750.00
2028	770,000	93,650.00	863,650.00
2029	785,000	77,287.50	862,287.50
2030	800,000	59,625.00	859,625.00
2031	820,000	40,625.00	860,625.00
2032	805,000	20,125.00	825,125.00
TOTALS	\$ 8,725,000	\$1,194,437.50	\$ 9,919,437.50

**CURRENT BONDS OUTSTANDING**

Fiscal Year Ending June 30th	2011 DASNY Serial Bonds			2016 Library/Capital Project		
	Principal	Interest	Total	Principal	Interest	Total
2022	\$ 145,000	\$ 16,900.00	\$ 161,900.00	\$ 675,000	\$ 179,550.00	\$ 854,550.00
2023	150,000	11,825.00	161,825.00	690,000	166,050.00	856,050.00
2024	155,000	6,200.00	161,200.00	710,000	152,250.00	862,250.00
2025	-	-	-	725,000	138,050.00	863,050.00
2026	-	-	-	740,000	123,550.00	863,550.00
2027	-	-	-	755,000	108,750.00	863,750.00
2028	-	-	-	770,000	93,650.00	863,650.00
2029	-	-	-	785,000	77,287.50	862,287.50
2030	-	-	-	800,000	59,625.00	859,625.00
2031	-	-	-	820,000	40,625.00	860,625.00
2032	-	-	-	805,000	20,125.00	825,125.00
TOTALS	\$ 450,000	\$ 34,925.00	\$ 484,925.00	\$ 8,275,000	\$ 1,159,512.50	\$ 9,434,512.50

## FORM UNDERTAKING TO PROVIDE NOTICES OF EVENTS

This undertaking to provide notice of certain designated events (the “Disclosure Undertaking”) is executed and delivered by the Ravena-Coeymans-Selkirk Central School District, a school district of the State of New York (the “Issuer”) in connection with the issuance of its **\$18,614,397 Bond Anticipation Notes, 2021** (the “Security”). The Security has a stated maturity of 18 months or less. The Issuer hereby covenants and agrees as follows:

Section 1. Obligation to Provide Notices of Events. (a) The Issuer hereby undertakes (for the benefit of Security Holders) to provide (or cause to be provided either directly or through a dissemination agent) to EMMA (or any successor thereto) in an electronic format (as prescribed by the MSRB) in a timely manner (not in excess of ten business days after the occurrence of any such event) notice of any of the following events with respect to the Security:

- (1) Principal and interest payment delinquencies;
- (2) Non-payment related defaults, if material;
- (3) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (4) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (5) Substitution of credit or liquidity providers, or their failure to perform;
- (6) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701–TEB) or other material notices or determinations with respect to the tax status of the Security, or other material events affecting the tax status of the Security;
- (7) Modifications to rights of Security Holders, if material;
- (8) Bond calls, if material, and tender offers;
- (9) Defeasances;
- (10) Release, substitution, or sale of property securing repayment of the Security, if material;
- (11) Rating changes;
- (12) Bankruptcy, insolvency, receivership or similar event of the obligated person;

Note to paragraph (12): For the purposes of the event identified in paragraph (12) 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 an obligated person 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 obligated person, 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 obligated person.

- (13) The consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- (14) Appointment of a successor or additional trustee or the change of name of a trustee, if material;
- (15) Incurrence of a Financial Obligation of the obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the obligated person, any of which affect Security Holders, if material; and

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

(b) The Issuer may choose to disseminate other information in addition to the information required as part of this Disclosure Undertaking. Such other information may be disseminated in any manner chosen by the Issuer. If the Issuer disseminates any such additional information, the Issuer shall have no obligation to update such information or include it in any future materials disseminated pursuant to this Disclosure Undertaking.

(c) The Issuer may choose to provide notice of the occurrence of certain other events, in addition to those listed in Section 1(a) above, if the Issuer determines that any such other event is material with respect to the Security; but the Issuer does not undertake to commit to provide any such notice of the occurrence of any material event except those events listed above.

## Section 2. Definitions

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

“Financial Obligation” shall mean a (A) debt obligation; (B) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (C) guarantee of (A) or (B). Financial Obligation shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with Rule 15c2-12.

“MSRB” shall mean the Municipal Securities Rulemaking Board established in accordance with the provisions of Section 15B(b)(1) of the Securities Exchange Act of 1934.

“Purchaser” shall mean the financial institution referred to in a certain Certificate of Determination that is being delivered by the Issuer in connection with the issuance of the Security.

“Rule 15c2-12” shall mean Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended through the date of this Disclosure Undertaking, including any official interpretations thereof.

“Security Holder” shall mean any registered owner of the Security and any beneficial owner of the Security within the meaning of Rule 13d-3 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934.

Section 3. Remedies. If the Issuer fails to comply with any provision of this Disclosure Undertaking, then any Security Holder may enforce, for the equal benefit and protection of all Security Holders similarly situated, by mandamus or other suit or proceeding at law or in equity, this Disclosure Undertaking against the Issuer and any of the officers, agents and employees of the Issuer, and may compel the Issuer or any such officers, agents or employees to perform and carry out their duties under this Disclosure Undertaking; provided that the sole and exclusive remedy for breach of this Disclosure Undertaking shall be an action to compel specific performance of the obligations of the Issuer hereunder and no person or entity shall be entitled to recover monetary damages hereunder under any circumstances. Failure to comply with any provision of this Disclosure Undertaking shall not constitute an event of default on the Security.

Section 4. Parties in Interest. This Disclosure Undertaking is executed to assist the Purchaser to comply with paragraph (b)(5) of Rule 15c2-12 and is delivered for the benefit of the Security Holders. No other person has any right to enforce the provisions hereof or any other rights hereunder.

Section 5. Amendments. Without the consent of any Security Holders, at any time while this Disclosure Undertaking is outstanding, the Issuer may enter into any amendments or changes to this Disclosure Undertaking for any of the following purposes:

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

(b) to add a dissemination agent for the information required to be provided as part of this Disclosure Undertaking and to make any necessary or desirable provisions with respect thereto;

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

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

(e) to cure any ambiguity, to correct or supplement any provision hereof which may be inconsistent with any other provision hereof, or to make any other provisions with respect to matters or questions arising under this Disclosure Undertaking which, in each case, comply with Rule 15c2-12 or Rule 15c2-12 as in effect at the time of such amendment or change; provided that no such action pursuant to this Section 5 shall adversely affect the interests of the Security Holders in any material respect. In making such determination, the Issuer shall rely upon an opinion of nationally recognized bond counsel.

Section 6. Termination. This Disclosure Undertaking shall remain in full force and effect until such time as all principal, redemption premiums, if any, and interest on the Security shall have been paid in full or the Security shall have otherwise been paid or legally defeased in accordance with their terms. Upon any such legal defeasance, the Issuer shall provide notice of such defeasance to EMMA. Such notice shall state whether the Security has been defeased to maturity or to redemption and the timing of such maturity or redemption.

Section 7. Undertaking to Constitute Written Agreement or Contract. This Disclosure Undertaking shall constitute the written agreement or contract for the benefit of Security Holders, as contemplated under Rule 15c2-12.

Section 8. Governing Law. This Disclosure Undertaking shall be governed by the laws of the State of New York determined without regard to principles of conflict of law.

IN WITNESS WHEREOF, the undersigned has duly authorized, executed and delivered this Disclosure Undertaking as of **August \_\_, 2021**.

**RAVENA-COEYMANS-SELKIRK CENTRAL SCHOOL DISTRICT**

By: /s/:  
President of the Board of Education

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**RAVENA-COEYMANS-SELKIRK CENTRAL SCHOOL DISTRICT  
ALBANY AND GREENE COUNTIES, NEW YORK**

**FINANCIAL STATEMENTS  
AND OTHER FINANCIAL INFORMATION**

**JUNE 30, 2020**

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

RAVENA-COEYMANS-SELKIRK CENTRAL SCHOOL DISTRICT

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RAVENA-COEYMANS-SELKIRK CENTRAL SCHOOL DISTRICT

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## INDEPENDENT AUDITOR'S REPORT

To the President and Members  
of the Board of Education of the  
Ravena-Coeymans-Selkirk Central School District

### Report on the Financial Statements

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

### Management's Responsibility for the Financial Statements

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

### Auditor's Responsibility

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

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

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 Ravena-Coeymans-Selkirk Central School District, as of June 30, 2020, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages A1 - A8, budgetary comparison information on page C1, schedule of changes in total OPEB liability on page C2, schedules of proportionate share of the net pension liability (asset) on page C3 and schedules of District contributions on page C4 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.

### *Supplemental Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Ravena-Coeymans-Selkirk Central School District's basic financial statements. The supplemental information on pages D1 - D14 is presented for purposes of additional analysis and is not a required part of the basic financial statements. The schedule of expenditures of federal awards on page F3 is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated October 29, 2020, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Ravena-Coeymans-Selkirk Central School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

*Marvin and Company, P.C.*

Latham, NY  
October 29, 2020

**RAVENA-COEYMANS-SELKIRK CENTRAL SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

The following is a discussion and analysis of the Ravena-Coeymans-Selkirk Central School District's financial performance for the fiscal year ended June 30, 2020. This section is a summary of the District's financial activities based on currently known facts, decisions, or conditions. It is based on both the government-wide and fund-based financial statements. The results of the current year are discussed in comparison with the prior year, with an emphasis placed on the current year. This section is only an introduction and should be read in conjunction with the District's financial statements, which immediately follow this section.

**Financial and District Highlights**

- In January 2015, the voters approved two propositions that would upgrade classrooms, fields and athletic facilities as well as "behind the scenes" cafeteria, public address, heating and electrical systems. Funding for the project would be available in two phases to coincide with the retirement of \$700,000 in debt payments from 2016 and another \$1.6 million in 2019. In addition, the District will utilize \$1.2 million in its Capital Reserve. Project expenditures are underway. As of June 30, 2020, the District had recognized expenditures in the amount of \$28,500,932.
- In August 2020, the Board of Education approved the 2020/21 tax levy in the amount of \$26,094,290. This represented a zero (0%) increase in levy from the prior year. This also included designating \$1,600,000 from Unreserved, Undesignated Fund Balance.
- Due to the COVID-19 Pandemic, Governor Cuomo closed schools in March 2020 and they remained closed for the rest of the academic year. The District moved to a virtual instructional model through June 2020. The District was focused on getting the undesignated fund balance below 4%, the closure of schools has increased the undesignated fund balance by 5 percent to just over 11%. The 2021-2022 budget development process will evaluate the most fiscally responsible ways to reduce that number and at the same time mitigate the tax burden on our community.

**Overview of the Financial Statements**

This annual report consists of three parts: Management's Discussion and Analysis (MD&A) (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.
- 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. Figure A-1 shows how the various parts of this annual report are arranged and related to one another.

**Figure A-1: Organization of the District Annual Financial Report**

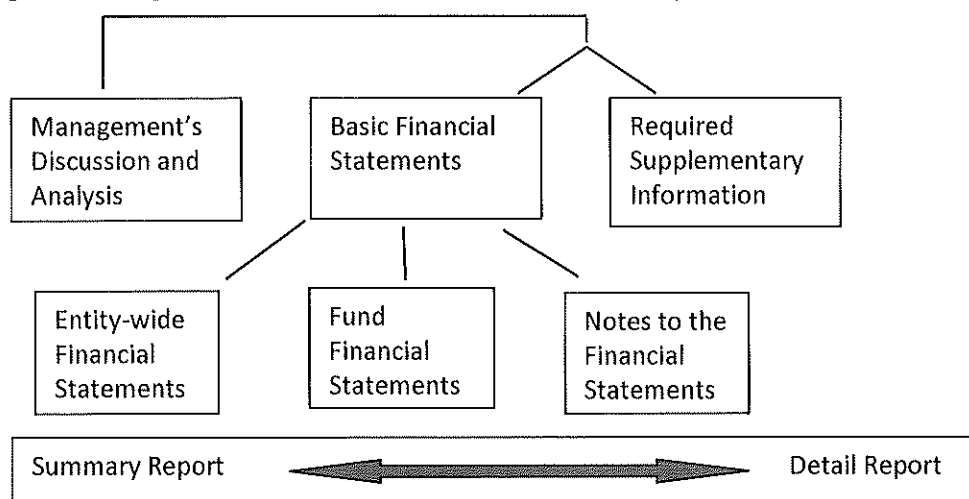


Figure A-2 summarizes the major features of the district's financial statements, including the portion of the district's activities they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis highlights the structure and contents of each of the statements.

**Figure A-2: Major Features of the District-Wide and Fund Financial Statements**

		Fund Financial Statements	
	District-wide Statements	Governmental Funds	Fiduciary Funds
Scope	Entire district (except fiduciary funds)	The activities of the district that are not proprietary or fiduciary, such as special education and building maintenance	Instances in which the district administers resources on behalf of someone else, such as scholarship programs and student activities monies
Required Financial Statements	<ul style="list-style-type: none"> <li>Statement of net position</li> <li>Statement of activities</li> </ul>	<ul style="list-style-type: none"> <li>Balance Sheet</li> <li>Statement of revenues, expenditures, and changes in fund equity</li> </ul>	<ul style="list-style-type: none"> <li>Statement of fiduciary net position</li> <li>Statement of changes in fiduciary net position</li> </ul>
Accounting Basis and Measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial focus	Accrual accounting and economic resources focus
Type of Asset/Liability information	All assets and liabilities, both financial and capital, short-term and long-term	Generally, assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included	All assets and liabilities, both short-term and long-term; funds do not currently contain capital assets, although they can
Type of Inflow/outflow Information	All revenues and expenses during the year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable	All additions and deductions during the year, regardless of when cash is received or paid.

#### 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 how they have changed. Net position – the difference between the district's assets and liabilities – is one way to measure the district's financial health or position.

- Over time, increases or decreases in the district's net position are an indicator of whether its financial position is improving or deteriorating, respectively.
- To assess the district's overall health, you need to consider additional non-financial factors such as changes in the district's property tax base and the condition of school buildings and other facilities.

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

#### District-wide Financial Analysis

Figure A-3: Condensed Statement of Net Position

	Fiscal Year <u>2019</u>	Fiscal Year <u>2020</u>	Variance Increase/ (Decrease)
<b><u>Assets</u></b>			
Current Assets	\$ 19,095,565	\$ 22,392,088	\$ 3,296,523
Capital Assets	47,846,629	46,704,216	(1,142,413)
Net Pension Asset	<u>1,855,922</u>	<u>2,682,948</u>	<u>827,026</u>
<b>Total Assets</b>	<u>68,798,116</u>	<u>71,779,252</u>	<u>2,981,136</u>
<b><u>Deferred Outflows of Resources</u></b>			
Pensions/OPEB	<u>15,965,312</u>	<u>23,283,309</u>	<u>7,317,997</u>
<b>Total Deferred Outflows of Resources</b>	<u>15,965,312</u>	<u>23,283,309</u>	<u>7,317,997</u>
<b>Total Assets and Deferred Outflows of Resources</b>	<u>\$ 84,763,428</u>	<u>\$ 95,062,561</u>	<u>\$ 10,299,133</u>
<b><u>Liabilities</u></b>			
Current Liabilities	\$ 22,373,937	\$ 21,648,485	(725,452)
Long-Term Liabilities	<u>57,406,269</u>	<u>69,642,108</u>	<u>12,235,839</u>
<b>Total Liabilities</b>	<u>79,780,206</u>	<u>91,290,593</u>	<u>11,510,387</u>
<b>Deferred Inflows of Resources</b>	<u>4,410,303</u>	<u>5,225,581</u>	<u>815,278</u>
<b><u>Net Position</u></b>			
Net investment in capital assets	20,395,878	18,876,777	(1,519,101)
Restricted (a)	9,123,090	10,227,926	1,104,836
Unrestricted (b)	<u>(28,946,049)</u>	<u>(30,558,316)</u>	<u>(1,612,267)</u>
<b>Total Net Position</b>	<u>\$ 572,919</u>	<u>\$ (1,453,613)</u>	<u>\$ (2,026,532)</u>

Total Net Position shows the results of overall operation for the fiscal year.

- (a) Restricted net positions are those with constraints on their use by external sources (creditor, grantors, contributors, or laws or regulations of governments) or imposed by law through constitutional provisions or enabling legislation.
- (b) Unrestricted net positions are net positions that do not meet any of the restrictions contained in footnote (a).

**Figure A-4: Changes in Net Position from Operating Results**

Fiscal Year 2019 as Compared to Fiscal Year 2020			
	Fiscal Yr. <u>2019</u>	Fiscal Yr. <u>2020</u>	Increase/ (Decrease)
<b>REVENUES</b>			
Program Revenues			
Charges for Services & Operating Grants	\$ 2,546,387	\$ 2,834,245	\$ 287,858
General Revenues			
Property Taxes & Other Tax Items	27,836,882	28,368,785	531,903
State Aid	18,610,416	17,449,264	(1,161,152)
Other Revenues	<u>1,147,782</u>	<u>1,397,158</u>	<u>249,376</u>
<b>TOTAL REVENUES</b>	<b><u>\$ 50,141,467</u></b>	<b><u>\$ 50,049,452</u></b>	<b><u>\$ (92,015)</u></b>
<b>EXPENSES</b>			
General Support	\$ 5,009,156	\$ 5,436,556	\$ 427,400
Instruction	34,676,665	37,468,199	2,791,534
Pupil Transportation	4,321,471	4,037,993	(283,478)
Interest Expense	974,300	684,565	(289,735)
Depreciation - Unallocated	2,388,299	3,681,835	1,293,536
School Lunch Program	<u>822,714</u>	<u>766,836</u>	<u>(55,878)</u>
<b>TOTAL EXPENSES</b>	<b><u>\$ 48,192,605</u></b>	<b><u>\$ 52,075,984</u></b>	<b><u>\$ 3,883,379</u></b>
<b>Change in Net Position</b>	<b>\$ 1,948,862</b>	<b>\$ (2,026,532)</b>	<b>\$ (1,948,862)</b>
<b>Net Position – Beginning</b>	<b><u>(1,375,943)</u></b>	<b><u>572,919</u></b>	<b><u>1,948,862</u></b>
<b>Net Position – Ending</b>	<b><u>\$ 572,919</u></b>	<b><u>\$ (1,453,613)</u></b>	<b><u>\$ (2,026,532)</u></b>

#### Changes in Net Position

The District's total fiscal year 2020 revenues totaled \$50,049,452 (See Figure A-4). General Fund State aid, property taxes and other tax items accounted for most of the District revenue by contributing approximately 92%. The remainder came from miscellaneous sources (See Figure A-4).

The cost of all programs and services totaled \$52,075,984 for the fiscal year 2020. These expenses are predominantly related to general support, instruction and pupil transportation (See Figure A-4). The District general support accounted for \$5,436,556 or approximately 10% of the total costs. Overall, expenditures exceeded revenues by \$2,026,532.

The future fiscal health of the District operational condition is dependent upon several factors:

- Continued leadership of the District Board and Administration
- Approval of the District proposed annual budget
- Continued growth in the District's property tax base and
- Continued state and federal aid

## Fund Financial Statements

The fund financial statements provide more detailed information about the district's funds, focusing on its most significant or "major" funds – not the district as a whole. Funds are accounting devices the district uses to keep track of specific sources of funding and spending on particular programs:

- Some funds are required by state law and by bond covenants.
- The district establishes other funds to control and manage money for particular purposes (such as repaying its long-term debts) or to show that it is properly using certain revenues (such as federal grants).

The district has two kinds of funds:

- **Governmental funds:** Most of the district's basic services are included in governmental funds, which generally focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the district's programs. Because this information does not encompass the additional long-term focus of the district-wide statements, additional information at the bottom of the governmental funds statements explains the relationship (or differences) between them.
- **Fiduciary funds:** The district is the trustee, or fiduciary, for assets that belong to others, such as the scholarship fund and the student activities funds. The district is responsible for ensuring that the assets reported in these funds are used only for their intended purposes and by those to whom the assets belong. The district excludes these activities from the district-wide financial statements because it cannot use these assets to finance its operations.

## Fund Financial Analysis (District's Funds)

Fund	Fund Balance <u>2019</u>	Fund Balance <u>2020</u>	Variance Increase/ (Decrease)
General	\$ 13,750,584	\$ 17,338,727	\$ 3,588,143
Special Aid (combined)	(114,946)	(49,961)	64,985
School Lunch	4,751	-	(4,751)
Capital (combined)	(16,437,143)	(16,938,688)	(501,545)
Permanent	<u>5,563</u>	<u>5,642</u>	<u>79</u>
Total	<u>\$ (2,791,191)</u>	<u>\$ 355,720</u>	<u>\$ 3,146,911</u>

The General Fund has loaned funds to the Special Aid Fund to assist in cash flow until grant revenues are received. Since reimbursements for the Section 4408 summer handicap program are anticipated to be received beyond the 90 day accrual period, the receivable is reflected as deferred inflow and not revenue causing a fund deficit.

The deficit within the Capital Fund is caused by financing capital expenditures with bond anticipation notes. When the bond anticipation notes are refinanced with bonds, this deficit will be removed.



## General Fund

The following tables are provided to illustrate the major revenues and expenditure activities of the General Fund.

Revenues	Fiscal Year <u>2019</u>	Fiscal Year <u>2020</u>	Variance Increase/ (Decrease)
Taxes	\$ 27,836,882	\$ 28,368,785	\$ 531,903
Charges for Services	377,983	139,224	(238,759)
Use of Money and Property	199,682	249,587	49,905
State and Federal Sources	18,695,445	17,679,496	(1,015,949)
Other	<u>310,428</u>	<u>272,490</u>	<u>(37,938)</u>
Total	<u>\$ 47,420,420</u>	<u>\$ 46,709,582</u>	<u>\$ (710,838)</u>

The decrease in overall revenues was primarily due to a decrease in State Aid funding.

Expenses	Fiscal Year <u>2019</u>	Fiscal Year <u>2020</u>	Variance Increase/ (Decrease)
General Support	\$ 4,232,293	\$ 4,059,126	\$ (173,167)
Instruction	23,773,970	23,221,578	(552,392)
Pupil Transportation	3,206,137	2,686,997	(519,140)
Employee Benefits	10,294,068	9,635,021	(659,047)
Debt Service	<u>3,891,939</u>	<u>3,196,463</u>	<u>(695,476)</u>
Total	<u>\$ 45,398,407</u>	<u>\$42,799,185</u>	<u>\$ (2,599,222)</u>

The expenses for 2020 decreased \$2,599,222 or 5.7% over the prior year primarily due to the covid-19 school closure.

## Financial Analysis of the District Funds

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

## General Fund Budgetary Highlights

The District's budget is prepared in accordance with New York State law and is based on the modified accrual basis of accounting, utilizing cash receipts, disbursements, and encumbrances. The difference between the General Fund's adopted budget and original budget was \$119,350. This amount represents the carryover of outstanding purchase orders (encumbrances) from 2018/19. In addition, the Board approved \$225,758 of supplemental appropriations. These were funded by gifts and donations, charges for services, insurance recoveries and appropriating the Employee Benefit Accrued Liability Reserve and the Tax Certiorari Reserve.

## Capital Assets and Debt Administration

Figure A-5: Capital Assets (net of depreciation)

	Fiscal Year <u>2019</u>	Fiscal Year <u>2020</u>
Land	\$ 289,636	\$ 289,636
Construction in Progress	16,871,379	-
Buildings and improvements	27,276,217	42,719,566
Land Improvements	80,094	59,185
Furniture, vehicles & equipment	<u>3,329,303</u>	<u>3,635,829</u>
<b>Total Capital Assets – Net</b>	<b><u>\$ 47,846,629</u></b>	<b><u>\$46,704,216</u></b>

Current Year Depreciation amounted to \$3,681,835.

Figure A-6: Outstanding Long-Term Debt

The District has outstanding debt in the form of serial and statutory bonds, other postemployment benefits, compensated absences, as well as installment purchase contracts. Please refer to Note 4.B.II. in the footnotes for more detailed information. The most significant liability is the amount outstanding for serial and statutory bonds:

	Fiscal Year 2019	Fiscal Year 2020
Outstanding Long Term Debt (serial bonds)	\$ 10,230,000	\$ 9,315,000

### Factors Bearing on the District's Future

- Legislation enacted in 2011 creates a property tax cap for school districts starting in 2012-13 and continuing into the future. For districts other than the Big Five, tax levy growth, with certain exemptions, is limited to the lesser of two percent or the annual increase in the consumer price index (CPI). A district may exceed the cap, with the approval of 60 percent of the voters.
- The Board of Education continually considers future financial challenges facing the district, and to the extent possible, establishes appropriate reserve funds for these future liabilities. Examples of such reserve funds include the Unemployment Insurance Reserve, Repair Reserve Funds, Retirement Contribution Reserves and the Employee Benefit Accrued Liability Reserve.
- On August 13, 2020, the Division of the Budget (DOB) issued the FY 2021 First Quarterly State Budget Financial Plan Update which notes that, in the absence of Federal action since enactment of the FY 2021 budget, DOB began withholding 20 percent of most local aid payments in June, and that all or a portion of these withholds may be converted to permanent reductions depending on the size and timing of new Federal aid, if any.
- At the time these financial statements were prepared and audited, the district was unaware of any existing circumstances that could significantly affect its financial health in the future.

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

This financial report is designed to provide citizens, taxpayers, customers, and investors and creditors with a general overview of the finances of District and to demonstrate our accountability with the funds we receive.

If you have any questions about this report or need additional financial information please contact:

Mrs. Joanne Moran, School Business Manager  
District Offices  
Ravena-Coeymans-Selkirk Central School District  
15 Mountain Road  
Ravena, New York 12143

**RAVENA-COEYMANS-SELKIRK CENTRAL SCHOOL DISTRICT**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2020**

**ASSETS**

Current Assets:	
Cash - Unrestricted	\$ 6,472,832
Cash -Restricted	6,774,945
Investments - Unrestricted	1,399,815
Investments - Restricted	5,408,076
Accounts Receivable	98,073
Due From Fiduciary Funds	66,817
State and Federal Aid Receivable	1,670,321
Due From Other Governments	464,886
Inventories	36,323
Capital Assets, net	46,704,216
Net pension asset - proportionate share	<u>2,682,948</u>
Total Assets	<u>71,779,252</u>

**DEFERRED OUTFLOWS OF RESOURCES**

Other Post Employment Benefits	12,001,688
Pensions	<u>11,281,621</u>
Total Deferred Outflows of Resources	<u>23,283,309</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 95,062,561</u>

**LIABILITIES**

Current Liabilities:	
Accounts Payable	\$ 633,667
Accrued Liabilities	89,137
Bond Interest Accrued	375,494
Due to Teachers' Retirement System	1,607,253
Due to Employees' Retirement System	165,955
Bond Anticipation Note	18,512,439
Compensated Absences	191,402
Advances	73,138
Long-Term Liabilities - Due and Payable Within One Year	
Bonds	940,000
Long-Term Liabilities - Due and Payable After One Year	
Bonds	8,375,000
Compensated Absences	3,768,760
Other Post Employment Benefits	52,272,806
Judgments and Claims	42,332
Net pension liability - proportionate share	<u>4,243,210</u>
Total Liabilities	<u>91,290,593</u>

**DEFERRED INFLOWS OF RESOURCES**

Other Post Employment Benefits	1,479,631
Pensions	<u>3,745,950</u>
Total Deferred Inflows of Resources	<u>5,225,581</u>

**NET POSITION**

Net Investment in Capital Assets	18,876,777
Restricted	10,227,926
Unrestricted	<u>(30,558,316)</u>
Total Net Position	<u>(1,453,613)</u>
Total Liabilities, Deferred Inflows of Resources, and Net Position	<u>\$ 95,062,561</u>

See accompanying notes to financial statements.

B1.

**RAVENA-COEYMANS-SELKIRK CENTRAL SCHOOL DISTRICT  
STATEMENT OF ACTIVITIES AND CHANGES IN NET POSITION  
FOR THE YEAR ENDED JUNE 30, 2020**

		<u>Program Revenues</u>		<u>Net (Expense)</u>
	<u>Expenses</u>	<u>Charges for</u>	<u>Operating</u>	<u>Revenue and</u>
		<u>Services</u>	<u>Grants</u>	<u>Changes in</u>
				<u>Net Position</u>
<b>FUNCTIONS/PROGRAMS</b>				
General Support	\$ 5,436,556	\$ 19,076	\$ -	\$ (5,417,480)
Instruction	37,468,199	120,148	2,117,911	(35,230,140)
Pupil transportation	4,037,993	-	-	(4,037,993)
Debt service - interest	684,565	-	-	(684,565)
Depreciation - unallocated	3,681,835	-	-	(3,681,835)
School lunch program	766,836	167,040	410,070	(189,726)
	<u>52,075,984</u>	<u>306,264</u>	<u>2,527,981</u>	<u>(49,241,739)</u>
Total Functions and Programs	\$	\$	\$	
<b>GENERAL REVENUES</b>				
Real property taxes				23,725,437
Other tax items				4,643,348
Use of money and property				271,156
Sale of property and compensation for loss				29,224
State sources				17,449,264
Federal sources				230,232
Miscellaneous				866,546
				<u>47,215,207</u>
Total General Revenues				
Change in Net Position				(2,026,532)
Total Net Position - Beginning of Year				572,919
Total Net Position - End of Year				\$ <u>(1,453,613)</u>

**RAVENA-COEYMANS-SELKIRK CENTRAL SCHOOL DISTRICT**  
**BALANCE SHEET - GOVERNMENTAL FUNDS**  
**JUNE 30, 2020**

	<u>General</u>	<u>Facility Wide Project</u>	<u>Non-Major</u>	<u>Total Governmental Funds</u>
<b>ASSETS</b>				
Cash - Unrestricted	\$ 6,467,492	\$ -	\$ 5,340	\$ 6,472,832
Cash - Restricted	4,527,857	2,092,495	154,593	6,774,945
Investments - Unrestricted	1,399,815	-	-	1,399,815
Investments - Restricted	5,402,434	-	5,642	5,408,076
Accounts Receivable	98,033	-	40	98,073
Due from other funds	944,332	-	203,154	1,147,486
Due from State and Federal	711,469	-	958,852	1,670,321
Due from other governments	464,886	-	-	464,886
Inventories	-	-	36,323	36,323
Total Assets	<u>\$ 20,016,318</u>	<u>\$ 2,092,495</u>	<u>\$ 1,363,944</u>	<u>\$ 23,472,757</u>
<b>LIABILITIES</b>				
Accounts payable	\$ 404,829	\$ 124,773	\$ 104,065	\$ 633,667
Accrued liabilities	87,394	-	1,743	89,137
Due to other funds	-	207,148	873,521	1,080,669
Bond anticipation note	-	16,345,000	2,167,439	18,512,439
Due to Teachers' Retirement System	1,607,253	-	-	1,607,253
Due to Employees' Retirement System	165,955	-	-	165,955
Compensated absences	191,402	-	-	191,402
Advances	-	-	123,398	123,398
Total Liabilities	<u>2,456,833</u>	<u>16,676,921</u>	<u>3,270,166</u>	<u>22,403,920</u>
DEFERRED INFLOWS OF RESOURCES	220,758	-	492,359	713,117
<b>FUND EQUITY</b>				
Non-spendable	-	-	41,498	41,498
Restricted	9,930,291	-	297,635	10,227,926
Committed	-	-	-	-
Assigned	1,985,329	-	121	1,985,450
Unassigned	<u>5,423,107</u>	<u>(14,584,426)</u>	<u>(2,737,835)</u>	<u>(11,899,154)</u>
Total Fund Equity	<u>17,338,727</u>	<u>(14,584,426)</u>	<u>(2,398,581)</u>	<u>355,720</u>
Total Liabilities, Deferred Inflows of Resources and Fund Equity	<u>\$ 19,795,560</u>	<u>\$ 2,092,495</u>	<u>\$ 871,585</u>	<u>\$ 22,759,640</u>

Amounts reported for governmental activities in the statement of net position are different because:

Total governmental fund equity per above	\$ 355,720
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds	46,704,216
Proportionate share of net pension asset/liability and deferred outflows/inflows reported in the Statement of Activities do not provide for or require the use of current financial resources and therefore are not reported as revenues or expenditures in the governmental funds	6,695,476
Long-term liabilities, including bonds payable, installment purchase debt, judgments and claims and post employment benefits are not due and payable in the current period and, therefore, are not reported in the funds	(55,596,908)
Deferral of charges for services earned in the current year are recognized as revenue under full accrual accounting	763,377
Interest payable at June 30, 2020 in the government-wide statements under full accrual accounting	(375,494)
NET POSITION OF GOVERNMENTAL ACTIVITIES	<u>\$ (1,453,613)</u>

See accompanying notes to financial statements.

B3.

**RAVENA-COEYMANS-SELKIRK CENTRAL SCHOOL DISTRICT**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND EQUITY**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2020**

	General	Facility Wide Project	Non-Major	Total Governmental Funds
<b>Revenues</b>				
Real property taxes	\$ 23,725,437	\$ -	\$ -	\$ 23,725,437
Other tax items	4,643,348	-	-	4,643,348
Charges for services	139,224	-	-	139,224
Use of money and property	249,587	19,135	2,434	271,156
Sale of property and compensation for loss	29,224	-	-	29,224
State sources	17,449,264	-	639,959	18,089,223
Federal sources	230,232	-	1,252,742	1,482,974
Sales - school lunch	-	-	167,040	167,040
Miscellaneous	243,266	454,165	169,115	866,546
<b>Total Revenues</b>	<u>46,709,582</u>	<u>473,300</u>	<u>2,231,290</u>	<u>49,414,172</u>
<b>Expenditures</b>				
General support	4,059,126	-	361,824	4,420,950
Instruction	23,221,578	-	1,351,394	24,572,972
Pupil transportation	2,686,997	-	95,433	2,782,430
Employee benefits	9,635,021	-	277,216	9,912,237
Debt service				
Principal	2,272,114	-	-	2,272,114
Interest	924,349	-	-	924,349
Cost of sales	-	-	255,204	255,204
Capital outlay	-	1,434,142	1,049,977	2,484,119
<b>Total Expenditures</b>	<u>42,799,185</u>	<u>1,434,142</u>	<u>3,391,048</u>	<u>47,624,375</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>3,910,397</u>	<u>(960,842)</u>	<u>(1,159,758)</u>	<u>1,789,797</u>
<b>Other Financing Sources And (Uses)</b>				
BANs redeemed from appropriations	-	655,000	702,114	1,357,114
Operating Transfers In (Out)	(322,254)	-	322,254	-
<b>Total Other Sources (Uses)</b>	<u>(322,254)</u>	<u>655,000</u>	<u>1,024,368</u>	<u>1,357,114</u>
Excess (Deficiency) of Revenues and Other Financing Sources and (Uses) Over Expenditures	3,588,143	(305,842)	(135,390)	3,146,911
Fund Equity - Beginning of year	<u>13,750,584</u>	<u>(14,278,584)</u>	<u>(2,263,191)</u>	<u>(2,791,191)</u>
Fund Equity - End of year	<u>\$ 17,338,727</u>	<u>\$ (14,584,426)</u>	<u>\$ (2,398,581)</u>	<u>\$ 355,720</u>

See accompanying notes to financial statements.

**RAVENA-COEYMANS-SELKIRK CENTRAL SCHOOL DISTRICT  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND EQUITY - GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2020**

Net changes in fund equity - total governmental funds	\$ 3,146,911
Capital outlays are expenditures in governmental funds, but are capitalized in the statement of net position.	2,539,422
Depreciation is not recorded as an expenditure in the governmental funds, but is recorded in the statement of activities.	(3,681,835)
Repayments of long-term debt are recorded as expenditures in the governmental funds, but are recorded as payments of liabilities in the statement of net position.	915,000
Certain revenue recognized in the statement of activities does not meet the revenue recognition criteria under the modified accrual basis of accounting and is not recognized in the governmental funds.	635,280
Interest is recognized as an expense in governmental funds when paid. For governmental activities interest expense is recognized as it accrues. The decrease in accrued interest during 2019/20 results in less expense.	239,784
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 the governmental funds.	(2,641,739)
Current year other post employment benefits are recognized as an expense and a liability when the expense is incurred under full accrual accounting.	(3,162,054)
Certain expenses in the statement of activities do not require the expenditure of current resources and are, therefore, not reported as expenditures in the governmental funds.	<u>(17,301)</u>
Change in net position - Governmental activities	\$ <u><u>(2,026,532)</u></u>



**RAVENA-COEYMANS-SELKIRK CENTRAL SCHOOL DISTRICT**  
**STATEMENT OF NET POSITION - FIDUCIARY FUNDS**  
**JUNE 30, 2020**

	<u>Agency</u>	<u>Private Purpose Trusts</u>
<b>ASSETS</b>		
Cash - unrestricted	\$ 85,405	\$ -
Cash - restricted	99,259	31
Investments - Restricted	-	95,661
Accounts receivable	-	-
Due from other funds	-	-
	<u>          </u>	<u>          </u>
Total Assets	\$ <u>184,664</u>	<u>95,692</u>
 <b>LIABILITIES</b>		
Extraclassroom activity balances	\$ 99,259	-
Due to other funds	61,817	5,000
Other liabilities	23,588	-
	<u>          </u>	<u>          </u>
Total Liabilities	\$ <u>184,664</u>	<u>5,000</u>
 <b>NET POSITION</b>		
Reserved for scholarships		\$ <u>90,692</u>

**STATEMENT OF CHANGES IN NET POSITION - FIDUCIARY FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2020**

	<u>Private Purpose Trusts</u>
<b>ADDITIONS</b>	
Gifts and contributions	\$ 3,700
Investment earnings	1,505
	<u>          </u>
Total Additions	<u>5,205</u>
 <b>DEDUCTIONS</b>	
Scholarships and awards	<u>20,600</u>
Change in Net Position	<u>(15,395)</u>
Net Position - Beginning of year	<u>106,087</u>
Net Position - End of year	\$ <u>90,692</u>

RAVENA-COEYMANS-SELKIRK CENTRAL SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2020

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

**A. Reporting Entity**

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

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

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

The Extraclassroom Activity Fund

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

**B. Joint Venture**

The District is one of 24 component school districts in the Capital Region Board of Cooperative Educational Services (BOCES). A BOCES is a voluntary, cooperative association of school districts in a geographic area that shares planning, services, and programs that provide educational and support activities. There is no authority or process by which a school district can terminate its status as a BOCES component.

**RAVENA-COEYMANS-SELKIRK CENTRAL SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

***B. Joint Venture***

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

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

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

***C. Basis of Presentation***

***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. Operating grants include operating-specific and discretionary (either operating or capital) grants, while the capital grants column, if any, reflects capital-specific grants.

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

***Fund financial statements***

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

RAVENA-COEYMANS-SELKIRK CENTRAL SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

*C. Basis of Presentation*

*Fund financial statements*

The District reports the following major governmental funds:

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

Facility Wide Project

This fund is used to account for all financial transactions of the district facility-wide project.

All remaining governmental funds are aggregated and reported as non-major funds:

1. 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. These legal restrictions may be imposed either by governments that provide the funds, or by outside parties. The Special Revenue Funds include the following funds:

a. 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.

b. School Lunch Fund

Used to account for transactions of the lunch and breakfast programs.

2. Capital Projects Funds

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

3. Permanent Fund

The permanent fund accounts for resources that are legally restricted to the extent that earnings, not principal, may be used for purposes that benefit the District.

RAVENA-COEYMANS-SELKIRK CENTRAL SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2020

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

***C. Basis of Presentation***

**Fund financial statements**

The District reports the following fiduciary funds:

Fiduciary Funds

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

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

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

***D. Basis of Accounting/Measurement Focus***

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

The District-wide and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash transaction takes place. Nonexchange transactions, in which the District gives or receives value without directly receiving or giving equal value in exchange, include property taxes, grants and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

The fund statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The District considers all revenues reported in the governmental funds to be available if the revenues are collected within 90 days after the end of the fiscal year, except for real property taxes, which are considered to be available when levied.

**RAVENA-COEYMANS-SELKIRK CENTRAL SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

***D. Basis of Accounting/Measurement Focus***

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

***E. Advances***

Advances arise when resources are received by the District before it has a legal claim to them, as when grant monies are received prior to incurring qualifying expenditures. In subsequent periods, when both recognition criteria are met, or when the District has legal claim to the resources, the liability for advances is removed and revenues are recorded.

***F. Property Taxes***

***I. Calendar***

Real property taxes are levied annually by the Board of Education no later than September 1, and became a lien on August 7<sup>th</sup>. Taxes were collected during the period September 1<sup>st</sup> through October 31<sup>st</sup>.

***II. Enforcement***

Uncollected real property taxes are enforced by the Counties of Albany and Greene, in which the District is located. An amount representing all uncollected real property taxes must be transmitted by the Counties to the District no later than the following April 1.

***G. Budgetary Procedures and Budgetary Accounting***

***I. Budget Policies***

1. The budget policies are as follows:
  - a. The District administration prepares a proposed budget for approval by the Board of Education for the General Fund.
  - b. The voters within the District approve the proposed appropriation budget for the General Fund.
  - c. Appropriations are adopted at the program level.

RAVENA-COEYMANS-SELKIRK CENTRAL SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

*G. Budgetary Procedures and Budgetary Accounting*

*I. Budget Policies*

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

Funded by:

		Function
Charges for Services	\$ 3,400	Instruction
Gifts and Donations	5,650	Instruction
Insurance Recoveries	20,102	General Support
Appropriating Tax Certiorari Reserve	55,693	General Support
Appropriating EBALR	<u>150,612</u>	Employee Benefits
	<u>\$ 235,457</u>	Total

*II. Encumbrances*

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

*III. Budget Basis of Accounting*

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

Under GASB Statement No. 34, budgetary comparison information is required to be presented for the General Fund and each major special revenue fund with a legally adopted budget. The District is not legally required to adopt a budget for its special revenue funds. Therefore, budget comparison information for special revenue funds is not included in the District's financial statements.

**RAVENA-COEYMANS-SELKIRK CENTRAL SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

***H. Cash and Investments***

The District's cash and cash equivalents consist of cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. New York State law governs the District's investment policies. District monies must be deposited in FDIC-insured commercial banks or trust companies located within the State. Permissible investments include obligations of the U.S. Treasury and U.S. Agencies, repurchase agreements, and obligations of New York State or its localities.

Collateral is required for demand and time deposits and certificates of deposit not covered by FDIC insurance. Obligations that may be pledged as collateral are obligations of the United States and its agencies and obligations of the State and its municipalities and districts. Investments are stated at fair value.

***I. Accounts Receivable***

Accounts receivable are shown gross, with uncollectible amounts recognized under the direct write-off method. No allowance for uncollectible accounts has been provided since it is believed that such allowance would not be material.

***J. Inventories***

Inventories of food and/or 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 that approximates market. Purchases of inventoriable items in other funds are recorded as expenditures at the time of purchase, and are considered immaterial in amount.

***K. Interfund Transactions***

The operations of the District include transactions between funds. These transactions may be temporary in nature, such as with interfund borrowings. The District typically loans resources between funds for the purpose of providing cash flow. These interfund receivables and payables are expected to be repaid within one year. Permanent transfers of funds include the transfer of expenditure and revenues to provide financing or other services. In the district-wide statements, the amounts reported on the statement of net position for interfund receivables and payables represent amounts due between different fund types. Eliminations have been made for all interfund receivables and payables between the funds, with the exception of those due from or to the fiduciary funds. The governmental funds report all interfund transactions as originally recorded. Interfund receivables and payables may be netted on the accompanying governmental funds balance sheet when it is the District's practice to settle these amounts at a net balance based upon the right of legal offset. Refer to Note 4.A.II for a detailed disclosure by individual fund for interfund receivables, payables, expenditures and revenues activity.



RAVENA-COEYMANS-SELKIRK CENTRAL SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

*L. 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 reduced by outstanding balances of related debt obligations from the acquisition, construction or improvements of those assets.

Restricted net position - reports net position when constraints placed on the assets are either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.

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

Fund statements:

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

**Non-spendable** - includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. Non-spendable fund balance includes: Inventory recorded in the School Lunch Fund of \$36,323; and principal of an endowment within the Permanent Fund of \$5,175.

**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 District has established the following restricted fund balances:

Debt Service

According to General Municipal Law §6-1, this reserve is used to account for proceeds from the sale of property that was financed by obligations still outstanding, interest and earnings on outstanding obligations, and remaining bond issue proceeds not utilized for the intended purpose. These monies must be used to pay the debt service of the obligations from which they originated. This reserve is accounted for in the General Fund under Restricted Fund Balance.

Employee Benefit Accrued Liability

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

RAVENA-COEYMANS-SELKIRK CENTRAL SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

*L. Equity Classifications*

Tax Certiorari

According to Education Law §3651.1-a, this reserve is 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. This reserve is accounted for in the General Fund under Restricted Fund Balance.

Unemployment Insurance Reserve

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

Repair Reserve Funds

According to General Municipal Law §3651, expenditures made from the repair reserve fund must be used to pay the cost of repairs to capital improvements or equipment, which repairs are of a type not recurring annually. The Board of Education, without voter approval, may establish a repair reserve fund by a majority vote of its members. Voter approval is required to fund this reserve (Opinion of the New York State Comptroller 81-401). Expenditures from this reserve may be made only after a public hearing has been held, except in emergency situations. If no hearing is held, the amount expended must be repaid to the reserve fund over the next two subsequent fiscal years. This reserve is accounted for in the General Fund under restricted fund balance.

Retirement Contributions

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

RAVENA-COEYMANS-SELKIRK CENTRAL SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

*L. Equity Classifications*

Retirement Contributions

State Teachers' Retirement System. During a fiscal year, the Board may authorize payment into the sub-fund of up to 2% of the total covered salaries paid during the preceding fiscal year, with the total amount funded not to exceed 10% of the total covered salaries during the preceding fiscal year. The sub-fund is separately administered, but must comply with the existing provisions of General Municipal Law §6-r. This reserve is accounted for in the General Fund under restricted fund balance.

Capital Reserve

According to Education Law §3651, this reserve must be used to pay the cost of any object or purpose for which bonds may be issued. The creation of a capital reserve fund requires authorization by a majority of the voters establishing the purpose of the reserve; the ultimate amount, its probable term and the source of the funds. Expenditure may be made from the reserve only for a specific purpose further authorized by the voters. The form for the required legal notice for the vote on establishing and funding the reserve and the form of the proposition to be placed on the ballot are set forth in §3651 of the Education Law. This reserve is accounted for in the General Fund under restricted fund balance.

Restricted fund balance includes the following:

General Fund	
Debt Service	\$ 104,299
Employee Benefit Accrued Liability	3,819,176
Tax Certiorari	42,332
Unemployment Insurance	350,284
Repair Reserve	100,000
Retirement Contribution – NYSERS	1,004,980
Retirement Contribution – NYSTRS	683,752
Capital Reserve	3,825,468
Capital Fund	297,168
Permanent Fund	467
Total Restricted Funds	<u>\$10,227,926</u>

**Committed** - includes amounts that can only be used for the 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 District has no committed fund balances as of June 30, 2020.

**Assigned** - includes amounts that are constrained by the District's intent to be used for specific purposes, but are neither restricted nor committed. The purpose of the constraint must be narrower than the purpose of the General Fund, and in funds other than the General Fund, assigned fund balance represents the residual amount of fund balance. Assigned fund balance also includes an amount appropriated to partially fund the subsequent year's budget, as well as encumbrances not classified as restricted as the end of the fiscal year. All encumbrances of the General Fund are classified as Assigned Fund Balance.

RAVENA-COEYMANS-SELKIRK CENTRAL SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

*L. Equity Classifications*

Assigned fund balance is comprised of:

General Fund	
Encumbrances	\$ 385,329
Appropriated for ensuing year's budget	1,600,000
Special Aid Fund	<u>121</u>
Total Assigned Funds	<u>\$ 1,985,450</u>

Encumbrances

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

**Unassigned** - includes all other General Fund amounts that do not meet the definition of the above four classifications and are deemed to be available for general use by the District, and deficit fund balances of other governmental funds.

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 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. The District did exceed the 4% limit at June 30, 2020 by \$3,476,001.

**Order of Use of Fund Balance:**

The District's policy is to apply expenditures against non-spendable fund balance, restricted fund balance, committed fund balance, assigned fund balance and unassigned fund balance at the end of the fiscal year. For all funds, non-spendable fund balances are determined first and then restricted fund balances for specific purposes are determined. Any remaining fund balance amounts for funds other than the General Fund are classified as 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.

RAVENA-COEYMANS-SELKIRK CENTRAL SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

***M. Post Employment Benefits***

In addition to providing the retirement benefits described in Note 4, the District provides post employment health insurance coverage to its retired employees and their survivors in accordance with the provisions of the employment contract negotiated between the District and its employee groups. Substantially all of these employees may become eligible for these benefits if they reach normal retirement age while working for the District. Health care benefits are provided through plans whose premiums are based on the benefits paid during the year. The District recognized the cost of providing benefits for fiscal year 2020 by recording approximately \$5,765,000 in expenditures, its share of insurance premiums. The cost of providing this benefit for 191 retirees was approximately \$1,502,000.

***N. Capital Assets***

Capital assets are reported at actual cost for acquisitions subsequent to September 22, 2009. For assets acquired prior to September 22, 2009, estimated historical costs based on appraisals conducted by independent third-party professionals were used. Donated assets are reported at estimated fair market value at the time received.

Capitalization thresholds (the dollar amount above which asset acquisitions are added to the capital asset accounts), depreciation methods, and estimated useful lives of capital assets reported in the District-wide statements are as follows:

	<b>Capitalization Threshold</b>	<b>Depreciation Method</b>	<b>Estimated Useful Life</b>
Land	\$ 2,500	N/A	N/A
Buildings	2,500	SL	40 years
Building improvements	2,500	SL	15-20 years
Land improvements	2,500	SL	20 years
Furniture and equipment	2,500	SL	5-20 years
Vehicles	2,500	SL	5-8 years

***O. Accrued Liabilities and Long-Term Obligations***

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

Long-term obligations represent the District's future obligations or future economic outflows. The liabilities are reported as due in one year or due and payable after one year in the statement of net position.

**RAVENA-COEYMANS-SELKIRK CENTRAL SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

***P. 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. If applicable, the District has four items that qualify for reporting in this category. First is the deferred charge on refunding reported in the statement of net position. A deferred charge on refunding results from the difference in 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 statement of net position. This represents the effect of the net change in the District's proportion of the collective net pension asset or liability and difference during the measurement period between the District's contributions and its proportionate share of total contributions to the pension systems not included in pension expense. The third item is the District contributions to the pension systems (TRS and ERS Systems) subsequent to the measurement date. The fourth item relates to the OPEB reporting in the district wide statement of net position. This represents the effect of the change in the actual and expected experience.

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. If applicable, the District has two items that qualify for reporting in this category. The first item is related to pensions reported in the statement of net position. This represents the effect of the net change in the District's proportion of the collective net pension liability/asset and difference during the measurement periods between the district's contributions and its proportionate share of total contributions to the pension systems not included in pension expense. The second item is related to the OPEB reported in the district wide statement of net position. This represents the effect of the net changes of assumptions or other inputs.

***Q. Use of Estimates***

The preparation of financial statements in conformity with GAAP 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 revenue and expenditures during the reporting period. Actual results could differ from those estimates. Estimates and assumptions are made in a variety of areas, including computation of compensated absences, other post employment benefits, potential contingent liabilities, net pension asset/liability, deferred inflows/outflows and the lives of long-lived assets.

***R. Vested Employee Benefits***

Compensated absences consist of unpaid accumulated annual sick leave, vacation, and sabbatical time:

RAVENA-COEYMANS-SELKIRK CENTRAL SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2020

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

***R. Vested Employee Benefits***

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

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

Consistent with GASB Statement 16, *Accounting for Compensated Absences*, an accrual for accumulated sick leave is included in the compensated absences liability at year-end. The compensated absences liability is calculated based on the applicable contract rates in effect at year-end.

In the fund level 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.

***S. Workers' Compensation Plan***

The District joined the Schoharie Area Workers' Compensation Trust (the Trust) on July 1, 2010. The Trust is a mechanism to provide funds for the District to meet its responsibility under the Workers' Compensation Law. It is a group self-insurance plan with excess insurance coverage. The Trust establishes a liability for both reported and unreported insured events, which includes estimates of both future payments of losses and related claim adjustment expenses. However, because actual claims costs depend on complex factors, the process used in computing claims liabilities does not necessarily result in an exact amount. Such claims are based on the ultimate cost of claims (including future claim adjustment expenses) that have been reported but not settled, and claims that have been incurred but not reported. Adjustments to claims liabilities are charged or credited to expense in the periods in which they are made. The Trust has a stop loss policy to protect the District from unusually high claims. To the extent the Trust funds might be insufficient to pay benefits, the District would assume the liability.

***T. New Accounting Standards***

The District has adopted and implemented all the following current Statements of the Governmental Accounting Standards Board (GASB) that are applicable as of June 30, 2020, which had minimal impact:

Statement No. 83, *Certain Asset Retirement Obligations*, effective for the year ending June 30, 2020.

Statement No. 88, *Certain Disclosures Related to Debt, Including Direct Borrowing and Direct Placements*, effective for the year ending June 30, 2020.

GASB issued Statement 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*, effective for the year ending June 30, 2020.

RAVENA-COEYMAN-SSELKIRK CENTRAL SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

*U. Future Changes in Accounting Standards*

Statement No. 84, *Fiduciary Activities*, effective for the year ending June 30, 2021.

Statement No. 87, *Leases*, effective for the year ending June 30, 2022. Statement No. 89, *Accounting for Interest Costs Incurred Before the End of a Construction Period*, effective for the year ending June 30, 2022.

Statement No. 90, *Accounting and Financial Reporting As Majority Equity Interest*, effective for the year ending June 30, 2021.

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

GASB has issued Statement 92, *Omnibus 2020*, effective for the year ending June 30, 2022.

GASB has issued Statement 93, *Replacement of Interbank Offered Rates*, effective dates vary based on specific paragraphs of the statement from the year ending June 30, 2021, 2022 and 2023.

GASB has issued Statement 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, effective for the year ending June 30, 2023.

GASB issued Statement 96, *Subscription-Based Information Technology Arrangements*, effective for the year ending June 30, 2023.

GASB issued Statement 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*, effective for the year ending June 30, 2022.

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



RAVENA-COEYMANS-SELKIRK CENTRAL SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2020

**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 basic financial statements contain a full reconciliation of these items. The differences result primarily from the economic focus of the statement of activities compared with the current financial resources focus of the governmental funds.

*Total Fund Equity of Governmental Funds vs. Net Position of Governmental Activities*

Total fund equity of the District's governmental funds differs from "net position" of governmental activities reported in the statement of net position. This difference primarily results from the additional long-term economic focus of the statement of net position versus the solely current financial resources focus of the governmental fund balance sheets, as applied to the reporting of capital assets and long-term liabilities, including pensions and other post-employment benefits.

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

Differences between the governmental funds statement of revenues, expenditures, and changes in fund equity and the statement of activities fall into one of five broad categories. The differences represent:

Long-Term Revenue and Expense Differences

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

Capital Related Differences

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

Long-Term Debt Transaction Differences

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

RAVENA-COEYMANS-SELKIRK CENTRAL SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2020

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

Pension Differences

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

OPEB Differences

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

**3. STEWARDSHIP, COMPLIANCE, ACCOUNTABILITY**

***Deficit Fund Balances***

- a. The 2019/20 Section 4408 Summer Handicap program has a deficit of \$50,260 due to recognizing expenditures in advance of the related revenue.
- b. The Capital Project 15/16 Buses has a deficit of \$170,652. This deficit is caused by financing the project with bond anticipation notes. When the bond anticipation notes are refinanced with bonds, this deficit will be removed.
- c. The Capital Project 16/17 Buses has a deficit of \$344,618. This deficit is caused by financing the project with bond anticipation notes. When the bond anticipation notes are refinanced with bonds, this deficit will be removed.
- d. The Capital Project 17/18 Buses has a deficit of \$418,803. This deficit is caused by financing the project with bond anticipation notes. When the bond anticipation notes are refinanced with bonds, this deficit will be removed.
- e. The Capital Project 18/19 Buses has a deficit of \$576,195. This deficit is caused by financing the project with bond anticipation notes. When the bond anticipation notes are refinanced with bonds, this deficit will be removed.
- f. The Capital Project 19/20 Buses has a deficit of \$648,803. This deficit is caused by financing the project with bond anticipation notes. When the bond anticipation notes are refinanced with bonds, this deficit will be removed.
- g. The Capital Project Smart Schools Bond Act has a deficit of \$492,359 due to recognizing expenditures in advance of the related revenue.
- h. The Facility Wide Project has a deficit of \$14,584,426. This deficit is caused by financing the project with bond anticipation notes. When the bond anticipation notes are refinanced with bonds, this deficit will be removed.

RAVENA-COEYMANS-SELKIRK CENTRAL SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2020

4. DETAIL NOTES ON ALL FUNDS

A. Assets

I. Cash and Cash Equivalents

1. Deposits

Deposits are valued at cost or cost plus interest and are categorized as either (1) insured, or for which the securities are held by the District's agent in the District's name, (2) collateralized, and for which the securities are held by the pledging financial institution's trust department or agent in the District's name, or (3) uncollateralized. At June 30, 2020, all deposits were fully insured and collateralized.

Investment and Deposit Policy

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

Interest Rate Risk

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

Credit Risk

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

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

RAVENA-COEYMANS-SELKIRK CENTRAL SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2020

4. DETAIL NOTES ON ALL FUNDS

A. Assets

I. Cash and Cash Equivalents

Custodial Credit Risk

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

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

Investments

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

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

Level 2: Inputs to the valuation methodology include:

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

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

RAVENA-COEYMANS-SELKIRK CENTRAL SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2020

4. DETAIL NOTES ON ALL FUNDS

A. Assets

II. Cash and Cash Equivalents

Investments

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

The District participates in CLASS, a multi-municipal cooperative investment pool agreement pursuant to New York State General Municipal Law Article 5-G, Section 119-0, whereby it holds a portion of the investments in cooperation with other participants. At June 30, 2020, the District held \$6,903,552 in investments consisting of various investments in securities issued by the United States and its agencies. Total investments of the cooperative as of the year-end are \$3,364,095,147, which consisted of \$887,784,709 in collateralized bank deposits, \$195,117,519 in certificate deposits, \$215,974,908 in repurchase agreements and \$2,065,218,011 in U.S. Government Treasury Securities.

Investment in Securities at Value	<u>Valuation Inputs</u>			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
General Fund	\$ -	\$ 6,802,249	\$ -	\$ 6,802,249
Private Purpose Trust Fund	-	95,661	-	95,661
Permanent Fund	-	5,642	-	5,642
Total	<u>\$ -</u>	<u>\$ 6,903,552</u>	<u>\$ -</u>	<u>\$ 6,903,552</u>

The above amount represents the fair value of the investment pool shares. For the year ended June 30, 2020, the portfolio did not have significant unobservable inputs (Level 3) used in determining fair value. Thus, a reconciliation of assets in which significant unobservable inputs (Level 3) which were used in determining fair value is not applicable.

There were no transfers between Level 1 and Level 2 of the fair value hierarchy during the period. The portfolio recognizes transfers between the levels as of the beginning of the fiscal year.

**RAVENA-COEYMANS-SELKIRK CENTRAL SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

**4. DETAIL NOTES ON ALL FUNDS**

**A. Assets**

**2. Restricted Cash and Investments**

General Fund	\$ 104,299	Restricted for Debt Service
General Fund	\$ 42,332	Restricted for Tax Certiorari
General Fund	\$ 3,819,176	Restricted for Employee Benefits
General Fund	\$ 350,284	Restricted for Unemployment Insurance
General Fund	\$ 3,825,468	Restricted for Capital Reserve
General Fund	\$ 1,004,980	Restricted for Retirement Contributions ERS
General Fund	\$ 683,752	Restricted for Retirement Contributions TRS
General Fund	<u>\$ 100,000</u>	Restricted for Repair Reserve
Total General Fund	<u>\$ 9,930,291</u>	
Capital Projects	\$ 2,247,088	Restricted for Capital Projects
Trust and Agency	\$ 99,259	Restricted for the Extraclassroom Activity Fund
Private Purpose Trusts	\$ 95,692	Restricted for Scholarships
Permanent Fund	\$ 5,642	Restricted for High School Library

**II. *Interfund Transactions***

Interfund transactions and balances are as follows:

	<u>Interfund Receivable</u>	<u>Interfund Payable</u>	<u>Interfund Revenues</u>	<u>Interfund Expenditures</u>
General Fund	\$ 944,332	\$ -	\$ -	\$ 322,254
Special Aid Funds	51,962	433,658	143,783	-
School Lunch Fund	-	43,513	178,471	-
Capital Projects Funds	<u>151,192</u>	<u>603,498</u>	<u>-</u>	<u>-</u>
Total Government Activities	1,147,486	1,080,669	322,254	322,254
Fiduciary Funds	<u>-</u>	<u>66,817</u>	<u>-</u>	<u>-</u>
Totals	<u>\$ 1,147,486</u>	<u>\$ 1,147,486</u>	<u>\$ 322,254</u>	<u>\$ 322,254</u>

District management has deemed the receivable amounts to be fully collectible.

**RAVENA-COEYMANS-SELKIRK CENTRAL SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

**4. DETAIL NOTES ON ALL FUNDS**

**A. Assets**

**II. Interfund Transactions**

The General Fund transferred \$143,783 to the Special Aid Fund to finance the District's local share of expenditures related to the 19/20 Section 4408 Summer Handicapped program, a Section 4201 placement and the UPK grant.

The General Fund transferred \$178,471 to the School Lunch Fund to fund a portion of operating expenses.

**III. Capital Assets**

Capital asset balances for the year ended June 30 are as follows:

	<u>Balance</u> <u>July 1</u>	<u>Additions</u>	<u>Retirements/ Re- classific- ations</u>	<u>Balance</u> <u>June 30</u>
Governmental Activities				
Capital assets that are not depreciated:				
Land	\$ 289,636	\$ -	\$ -	\$ 289,636
Construction in progress	<u>16,871,379</u>	<u>-</u>	<u>(16,871,379)</u>	<u>(16,871,379)</u>
Total Nondepreciable Cost	<u>17,161,015</u>	<u>-</u>	<u>(16,871,379)</u>	<u>289,636</u>
Capital assets that are depreciated:				
Land improvements	1,688,479	7,390	-	1,695,869
Buildings and improvements	49,180,668	1,430,414	16,871,379	67,482,461
Furniture and equipment	<u>12,330,615</u>	<u>1,101,618</u>	<u>(664,575)</u>	<u>12,767,658</u>
Total Depreciable Historical Cost	<u>63,199,762</u>	<u>2,539,422</u>	<u>16,206,804</u>	<u>63,199,762</u>
Less accumulated depreciation:				
Land improvements	1,608,385	28,299	-	1,636,684
Buildings and improvements	21,904,451	2,858,444	-	24,762,895
Furniture and equipment	<u>9,001,312</u>	<u>795,092</u>	<u>(664,675)</u>	<u>9,131,829</u>
Total Accumulated Depreciation	<u>32,514,148</u>	<u>3,681,835</u>	<u>(664,575)</u>	<u>35,531,408</u>
Total Capital Assets, Net	<u>\$ 47,846,629</u>	<u>\$ (1,142,413)</u>	<u>\$ -</u>	<u>\$ 46,704,216</u>

RAVENA-COEYMANS-SELKIRK CENTRAL SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2020

4. DETAIL NOTES ON ALL FUNDS

*B. Liabilities*

*I. Pension Plans*

General Information

The District participates in the New York State and Local Employees' Retirement System (ERS) and the New York State Teachers' Retirement System (TRS). Collectively, TRS and ERS are referred to herein as the "Systems". 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.

*Teachers' Retirement System*

The TRS is administered by the New York State Teachers' Retirement Board. The System provides retirement benefits as well as death and disability benefits to plan members and beneficiaries as authorized by the Education Law and the Retirement and Social Security Law of the State of New York. The system is governed by a 10 member Board of Trustees. Membership is mandatory and automatic for all full-time teachers, teaching assistants, guidance counselors and administrators employed in the New York Public Schools and BOCES who elected to participate in TRS. Once a public employer elects to participate in the System, the election is irrevocable. The New York State Constitution provides that pension membership is a contractual relationship and plan benefits cannot be diminished or impaired. Benefits can be changed for future members only by enactment of a State statute. The New York State TRS issues a publicly available financial report that contains financial statements and required supplementary information for the System. The report and additional information may be obtained by writing to the New York State Teachers' Retirement System, 10 Corporate Woods Drive, Albany, NY 12211-2395 or by referring to the NYSTRS Comprehensive Annual Financial report which can be found on the System's website at [www.nystrs.org](http://www.nystrs.org).

*Employees' Retirement System*

The New York State and Local Employees' Retirement 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. Obligations of employers and employees to contribute and benefits to employees are governed by the New York State Retirement and Social Security Law (NYSRSSL). Once a public employer elects to participate in the System, the election is irrevocable. The New York State Constitution provides that pension membership is a contractual relationship and plan benefits cannot be diminished or impaired. Benefits can be changed for future members only by enactment of a State statute. The District also participates in the Public Employees' Group Life Insurance Plan (GLIP), which provides death benefits in the form of life insurance. The System is included in the State's financial report as a pension trust fund. The System issues a publicly available financial report that includes financial statements and required supplementary information. That report and additional information may be obtained by writing to the New York State and Local Retirement System, 110 State Street, Albany, NY 12244 or found at [www.osc.state.ny.us/retire/publications/index.php](http://www.osc.state.ny.us/retire/publications/index.php).



**RAVENA-COEYMANS-SELKIRK CENTRAL SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

**4. DETAIL NOTES ON ALL FUNDS**

***B. Liabilities***

***I. Pension Plans***

**Contributions**

The Systems are noncontributory except for employees who joined after July 27, 1976. For employees who joined the Systems after July 27, 1976, and prior to January 1, 2010, employees contribute 3% to 3.5% of their salary. With the exception of ERS tier V and VI employees in the System more than ten years are no longer required to contribute. In addition, employee contribution rates under ERS tier VI vary based on a sliding salary scale. For ERS, the Comptroller annually certifies the rates expressly used in computing the contributions based on salaries paid during the Systems' fiscal year ending March 31. Pursuant to Article 11 of the Education Law, the New York State Teachers' Retirement Board establishes rates annually for TRS.

The District is required to contribute at an actuarially determined rate. The required contributions for the current year and two preceding years were:

	<u>ERS</u>	<u>TRS</u>
2019-20	\$ 643,620	\$ 1,925,825
2018-19	\$ 631,941	\$ 1,737,679
2017-18	\$ 663,873	\$ 1,991,980

The District contributions made to the Systems were equal to 100 percent of the contributions required for each year.

**Pension Liabilities**

At June 30, 2020, the District reported the following asset/(liability) for its proportionate share of the net pension asset/(liability) for each of the Systems. The net pension asset/(liability) was measured as of March 31, 2020 for ERS and June 30, 2019 for TRS. The total net pension asset/(liability) used to calculate the net pension asset/(liability) was determined by an actuarial valuation as of that date. The District's proportion of the net pension asset/(liability) was based on a projection of the District's long-term share of contributions of all participating members, actuarially determined. This information was provided by the ERS and TRS systems in reports provided to the District.

	<u>ERS</u>	<u>TRS</u>
Actuarial valuation date	April 1, 2019	June 30, 2018
Net pension (asset)/liability	\$ 4,243,210	\$(2,682,948)
District's portion of the Plan's total net pension (asset)/liability	0.0160239%	0.103269%

RAVENA-COEYMANS-SELKIRK CENTRAL SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2020

4. DETAIL NOTES ON ALL FUNDS

**B. Liabilities**

**I. Pension Plans**

*Pension Expense (Credit)*

For the year ended June 30, 2020, the District recognized its proportionate share of pension expense of \$1,440,492 for ERS and \$3,314,920 for TRS.

*Deferred Outflows and Inflows of Resources Related to Pensions*

At June 30, 2020, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>		<u>Deferred Inflows of Resources</u>	
	<u>ERS</u>	<u>TRS</u>	<u>ERS</u>	<u>TRS</u>
Differences between expected and actual experiences	\$ 249,730	\$ 1,818,165	\$ -	\$ 199,509
Changes of assumptions	85,438	5,068,448	73,774	1,235,831
Net difference between projected and actual earnings on pension plan investments	2,175,276	-	-	2,151,586
Changes in proportion and differences between contributions and proportionate share of contributions	70,323	135,549	7,038	78,212
Contributions subsequent to the measurement date	<u>165,955</u>	<u>1,512,737</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 2,746,722</u>	<u>\$ 8,534,899</u>	<u>\$ 80,812</u>	<u>\$ 3,665,138</u>

District's contributions subsequent to the measurement date will be recognized as a reduction of the net pension asset/(liability) in the year ended June 30, 2020 for TRS and March 31, 2021 for ERS. Other amounts reported as deferred outflows of resources, and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

	<u>ERS</u>	<u>TRS</u>
Year ended:		
2020	\$ -	\$ 1,235,492
2020	431,528	98,708
2021	635,036	1,231,093
2022	795,360	800,194
2023	638,031	86,755
Thereafter	-	(95,218)

**RAVENA-COEYMANS-SELKIRK CENTRAL SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

**4. DETAIL NOTES ON ALL FUNDS**

**B. Liabilities**

**I. Pension Plans**

*Actuarial Assumptions*

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

	<u>ERS</u>	<u>TRS</u>
Measurement date	March 31, 2020	June 30, 2019
Actuarial valuation date	April 1, 2019	June 30, 2018
Interest Rate	6.8%	7.10%
Salary Scale	4.2%	1.90-4.72%
Decrement tables	April 1, 2010 - March 31, 2015 System's Experience	July 1, 2009 - June 30, 2014 System's Experience
Inflation rate	2.5%	2.20%
Projected Cost of Living Adjustments	1.3% annually	1.3% annually

For ERS, annuitant mortality rates are based on April 1, 2010 - March 31, 2015 System's experience with adjustments for mortality improvements based on Society of Actuaries MP-2018. For TRS, annuitant mortality rates are based on July 1, 2009 - June 30, 2014 System's experience with adjustments for mortality improvements based on Society of Actuaries Scale MP-2018.

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

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

RAVENA-COEYMANS-SELKIRK CENTRAL SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2020

4. DETAIL NOTES ON ALL FUNDS

**B. Liabilities**

**I. Pension Plans**

target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation are summarized below:

<u>ERS</u>	<u>Target Allocation 2020</u>	<u>Long-term expected real rate of return* 2020</u>
Asset Class:		
Domestic equities	36%	4.05%
International equities	14	6.15
Private equity	10	6.75
Real estate	10	4.95
Absolute return strategies (1)	2	3.25
Opportunistic portfolio	3	4.65
Real assets	3	5.95
Bonds and mortgages	17	0.75
Cash	1	0.00
Inflation-Indexed bonds	4	0.50
Total	<u>100%</u>	

\* Real rates of return are net of the long-term inflation assumption of 2.5% for 2020.

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

<u>TRS</u>	<u>Target Allocation 2019</u>	<u>Long-term expected real rate of return* 2019</u>
Asset Class:		
Domestic equities	33%	6.3%
International equities	16	7.8
Global equities	4	7.2
Real estate	11	4.6
Private equities	8	9.9
Total equities	72	
Domestic fixed income securities	16	1.3
Global fixed income securities	2	0.9
Private debt	1	6.5
Real estate debt	7	2.9
High-yield fixed income securities	1	3.6
Short-term	1	0.3
Total fixed income	<u>28</u>	
Total	<u>100%</u>	

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

RAVENA-COEYMANS-SELKIRK CENTRAL SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2020

4. DETAIL NOTES ON ALL FUNDS

**B. Liabilities**

**I. Pension Plans**

*Discount Rate*

The discount rate used to calculate the total pension asset/(liability) was 6.8% 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 System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension asset/(liability).

*Sensitivity of the Proportionate Share of the Net Pension Asset/(Liability) to the Discount Rate Assumption*

The following presents the District's proportionate share of the net pension asset/(liability) calculated using the discount rate of 6.8% 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 one percentage point lower (5.8% for ERS and 6.10% for TRS) or one percentage point higher (7.8% for ERS and 8.10% for TRS) than the current rate:

	1% Decrease (5.80%)	Current Assumption (6.80%)	1% Increase (7.80%)
<b>ERS</b>			
Employer's proportionate share of the net pension (asset)/liability	\$ <u>7,787,488</u>	\$ <u>4,243,210</u>	\$ <u>978,915</u>
	1% Decrease (6.10%)	Current Assumption (7.10%)	1% Increase (8.10%)
<b>TRS</b>			
Employer's proportionate share of the net pension (asset)/liability	\$ <u>12,110,547</u>	\$ <u>(2,682,948)</u>	\$ <u>(15,093,021)</u>

*Changes in assumptions*

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

RAVENA-COEYMANS-SELKIRK CENTRAL SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2020

4. DETAIL NOTES ON ALL FUNDS

*B. Liabilities*

*I. Pension Plans*

*Collective Pension Expense*

Collective pension expenses includes certain current period changes in the collective net pension asset/(liability), projected earnings on pension plan investments, and the amortization of deferred outflows or resources and deferred inflows of resources for the current period. The collective pension expense for the year ended June 30, 2020 is \$4,809,260.

*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, 2020 represent the projected employer contribution for the period of April 1, 2020 through June 30, 2020 based on paid ERS wages multiplied by the employer's contribution rate, by tier. Accrued retirement contributions as of June 30, 2020 amounted to \$165,955.

For TRS, employer and employee contributions for the fiscal year ended June 30, 2020 are paid to the System in September, October and November 2020 through a state aid intercept. Accrued retirement contributions as of June 30, 2020 represent employee and employer contributions for the fiscal year ended June 30, 2020 based on paid TRS wages multiplied by the employer's contribution rate, by tier and employee contributions for the fiscal year as reported to the TRS System. Accrued retirement contributions as of June 30, 2020 amounted to \$1,607,253.

*II. Indebtedness*

1. Short-Term Debt

a. Revenue Anticipation Notes and Tax Anticipation Notes

The District may issue revenue anticipation notes (RANs) and tax anticipation notes (TANs), in anticipation of the receipt of specific revenue. These notes are recorded as a liability of the fund that will actually receive the proceeds from the issuance of the notes. The RANs and TANs represent a liability that will be extinguished by the use of expendable, available resources of the fund. The District did not issue any revenue or tax anticipation notes during the current year. The District has authorized issuance of a RAN up to \$6million, which remains unissued as of the date of the financial statements.

RAVENA-COEYMANS-SELKIRK CENTRAL SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2020

4. DETAIL NOTES ON ALL FUNDS

*II. Indebtedness*

1. Short-Term Debt

b. Bond Anticipation Notes

Notes issued in anticipation of proceeds from the subsequent sale of bonds are recorded as a current liability of the fund that will actually receive the proceeds from the issuance of the bonds. 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. Transactions in short-term debt for the year are summarized below:

	<u>Maturity</u>	<u>Interest Rate</u>	<u>Beginning Balance</u>	<u>Issued</u>	<u>Redeemed</u>	<u>Ending Balance</u>
BAN	08/16/19	2.25%	\$ 72,000	\$ -	\$ 72,000	\$ -
BAN	08/14/20	2.25%	341,684	-	170,842	170,842
BAN	08/14/20	2.25%	522,341	-	174,114	348,227
BAN	08/14/20	2.25%	564,262	-	141,066	423,196
BAN	08/14/20	2.25%	720,464	-	144,093	576,371
BAN	08/14/20	2.25%	-	648,803	-	648,803
BAN	08/14/20	2.25%	<u>15,000,000</u>	<u>2,000,000</u>	<u>655,000</u>	<u>16,345,000</u>
			<u>\$ 17,220,751</u>	<u>\$ 2,648,803</u>	<u>\$ 1,357,115</u>	<u>\$18,512,439</u>

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

Interest paid	\$ 688,830
Less accrued interest in the prior year	(600,131)
Plus current year accrued interest	<u>364,036</u>
Total Expense	<u>\$ 452,735</u>

RAVENA-COEYMANS-SELKIRK CENTRAL SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2020

4. DETAIL NOTES ON ALL FUNDS

*II. Indebtedness*

2. Long-Term Debt

a. Serial Bonds

The District borrows money in order to acquire or construct buildings and improvements. This enables the cost of these capital assets to be borne by the present and future taxpayers receiving the benefit of the capital assets. These long-term liabilities are full faith and credit debt of the District. The provision to be made in future budgets for capital indebtedness represents the amount, exclusive of interest, authorized to be collected in future years from taxpayers and others for liquidation of the long-term liabilities.

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

Interest paid	\$ 235,519
Less interest accrued in the prior year	(15,147)
Plus interest accrued in the current year	<u>11,458</u>
Total Expense	<u>\$ 231,830</u>

b. Other Long-Term Debt

In addition to the above long-term debt, the District had the following noncurrent liabilities:

Compensated Absences - Represents the value of the earned and unused portion of the liability for employees' vacation and sick pay, which has not been accrued in the General Fund.

Installment Purchase Debt - Represents the remaining installments due on capital leases.

Judgments and Claims - The non-current portion of the estimated liability for various legal actions taken against the District.



RAVENA-COEYMANS-SELKIRK CENTRAL SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2020

4. DETAIL NOTES ON ALL FUNDS

*B. Liabilities*

*II. Indebtedness*

2. Long-Term Debt

Other Post Employment Benefits - Represents the actuarial accrued liability for other post employment benefits.

3. Changes

The changes in bond indebtedness during the year ended June 30, 2020 are summarized as follows:

	<u>7/1/2019</u>	<u>Additions</u>	<u>Deletions</u>	<u>6/30/2020</u>
Serial Bonds	\$ 10,230,000	\$ -	\$ 915,000	\$ 9,315,000

The changes in other long-term indebtedness during the year ended June 30, 2020 are summarized as follows:

	<u>Compensated Absences</u>	<u>Other Post Employment Benefits</u>	<u>Judgments and Claims</u>	<u>Total</u>
Balance, July 1	\$ 3,599,983	\$ 42,254,929	\$ 193,808	\$ 46,048,720
Additions	168,777	11,520,147	-	11,688,924
Deletions	<u>-</u>	<u>1,502,270</u>	<u>151,476</u>	<u>1,653,746</u>
Balance, June 30	<u>\$ 3,768,760</u>	<u>\$ 52,272,806</u>	<u>\$ 42,332</u>	<u>\$ 56,083,898</u>

Additions and reductions to Compensated Absences are shown net since it is impractical to determine these amounts separately.

The above liabilities are liquidated by the General Fund.

RAVENA-COEYMANS-SELKIRK CENTRAL SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2020

4. DETAIL NOTES ON ALL FUNDS

*B. Liabilities*

*II. Indebtedness*

4. Maturity

The following is a summary of maturity of indebtedness:

<u>Description of Issue</u>	<u>Issue Date</u>	<u>Final Maturity</u>	<u>Interest Rate</u>	<u>Outstanding June 30, 2020</u>	<u>Amounts Due Within One Year</u>
Serial Bonds					
Bus Garage	07/15/05	07/15/21	3.75-4.0%	\$ 165,000	\$ 165,000
EXCEL Construction	06/08/11	06/15/24	2.0-5.0%	590,000	140,000
Facility Wide Project	07/29/16	06/15/32	2.0-2.5%	8,560,000	635,000
Total				<u>\$ 9,315,000</u>	<u>\$ 940,000</u>

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

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 940,000	\$ 209,869	\$ 1,149,869
2022	790,000	188,969	978,969
2023	810,000	170,994	980,994
2024	830,000	152,169	982,169
2025	690,000	132,468	822,468
2026-2030	3,670,000	445,631	4,115,631
2031-2032	<u>1,585,000</u>	<u>59,750</u>	<u>1,644,750</u>
Total	<u>\$ 9,315,000</u>	<u>\$ 1,359,850</u>	<u>\$ 10,674,850</u>

RAVENA-COEYMANS-SELKIRK CENTRAL SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2020

4. DETAIL NOTES ON ALL FUNDS

**B. Liabilities**

**III. Constitutional Debt Limit**

The constitution of the State of New York limits the amounts of indebtedness, which may be issued by the District. The District may issue indebtedness to the extent that the aggregate outstanding debt issues which are subject to such limit does not exceed 10% of the average full valuation of taxable real estate within the District. At June 30, 2020, the District has exhausted 21.8% of its constitutional debt limit.

The voters have authorized the following debt which was unissued at June 30, 2020: \$4,090,000 to finance capital improvements of District buildings.

**IV. Advances**

At June 30, 2020 advances consists of:

<u>Fund Description</u>	<u>Amount</u>
School Lunch Fund	
Miscellaneous	\$ 17,700
Special Aid Fund	
Local and State Aid	105,698
Total	<u>\$ 123,398</u>

**V. Deferred Inflows of Resources**

At June 30, 2020 deferred inflows of resources consists of:

<u>Fund Description</u>	<u>Amount</u>
General Fund	
State Aid	\$ 220,758
Capital Fund	
State Aid	492,359
Total	<u>\$ 713,117</u>

**VI. Post Employment Benefits Obligations Payable**

**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 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's Board. No assets are accumulated in trust that meet the criteria in paragraph 4 of Statement No. 75.

RAVENA-COEYMANS-SELKIRK CENTRAL SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2020

4. DETAIL NOTES ON ALL FUNDS

*B. Liabilities*

*VI. Post Employment Benefits Obligations Payable*

A. General Information about the OPEB Plan

Benefits Provided - The District provides healthcare and life insurance benefits to 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, 2018, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	191
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	<u>397</u>
Total plan members	<u>588</u>

B. Total OPEB Liability

The District's total OPEB liability of \$52,272,806 was measured as of June 30, 2020, and was determined by an actuarial valuation as of that date.

*Actuarial Assumptions and Other Inputs* - The total OPEB liability in the June 30, 2018 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.20%
Salary increases, including wage inflation	Varied by years of service and retirement system
Discount rate	2.21%
Health Care Cost Trends	
Medical	5.40% for 2019 decreasing to an ultimate rate of 3.84% by 2075
Dental	4.25% for 2019 decreasing by 0.25% annually to an ultimate rate of 3.00%

The discount rate was based on the Bond Buyer General Obligation 20-year Municipal Bond Index.

Mortality rates were based on Pub-2010 Headcount-Weighted table (Teachers for TRS group and General Employees for ERS group) projected fully generationally using MP-2019.

RAVENA-COEYMANS-SELKIRK CENTRAL SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2020

4. DETAIL NOTES ON ALL FUNDS

*B. Liabilities*

*VI. Post Employment Benefits Obligations Payable*

B. Total OPEB Liability

The actuarial assumptions used in the June 30, 2018 valuation were based on the results of an actuarial experience study for the period April 1, 2010 - March 31, 2015.

C. Changes in the Net OPEB Liability

	<u>Total OPEB Liability</u>
Balance at June 30, 2019	\$42,254,929
Changes for the year:	
Service cost	1,898,878
Interest	1,523,661
Change in benefit terms	-
Difference between expected and actual experience	142,377
Changes of assumptions or other inputs	7,955,231
Benefit payments	<u>(1,502,270)</u>
Net changes	<u>10,017,877</u>
Balance at June 30, 2020	<u>\$52,272,806</u>

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

	<u>1% Decrease</u> <u>(1.21%)</u>	<u>Discount Rate</u> <u>Current</u> <u>(2.21%)</u>	<u>1% Increase</u> <u>(3.21%)</u>
Total OPEB Liability	\$ 59,869,376	\$ 52,272,806	\$ 45,990,542

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

	<u>1% Decrease</u>	<u>Healthcare Cost Trend</u> <u>Current</u>	<u>1% Increase</u>
Total OPEB Liability	\$ 43,800,518	\$ 52,272,806	\$ 63,108,070

RAVENA-COEYMANS-SELKIRK CENTRAL SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2020

4. DETAIL NOTES ON ALL FUNDS

*B. Liabilities*

*VI. Post Employment Benefits Obligations Payable*

C. Changes in the Net OPEB Liability

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

For the year ended June 30, 2020, the District recognized OPEB expense of \$4,664,324. At June 30, 2020, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 126,557	\$ (200,541)
Changes of assumptions	<u>11,875,131</u>	<u>(1,279,090)</u>
Total	<u>\$ 12,001,688</u>	<u>\$ (1,479,631)</u>

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

Year ending June 30,	
2021	\$ 1,241,785
2022	1,241,785
2023	1,241,785
2024	1,241,785
2025	1,241,785
Thereafter	4,313,132

**RAVENA-COEYMANS-SELKIRK CENTRAL SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

**5. COMMITMENTS AND CONTINGENCIES**

***A. Federal and State Grants***

The District receives federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to requests for reimbursements to grantor agencies for expenditures disallowed under the terms of the grant. Based upon prior experience, District management believes such disallowances, if any, would not be material.

***B. Risk Financing and Related Insurance***

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

Also see Note 1.S for Workers' Compensation insurance risks.

***C. Risk and Uncertainties with Investments***

The District invests in various investment securities. Investment securities are exposed to various risk such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, is at least reasonably possible that changes could materially affect the amounts reported in the statement of net position.

**6. JOINT VENTURE**

BOCES charges districts for program costs based on participation and for administrative costs. During the year ended June 30, 2020, the District was billed \$3,116,133 for BOCES administrative and program costs. In the same period, the District received \$762,299 in State Aid and \$90,958 in refund of prior year's expense from BOCES. The June 30, 2020 financial statements included a receivable from BOCES in the amount of \$392,322. Financial statements for Capital Region BOCES are available from the BOCES administrative office.

**RAVENA-COEYMANS-SELKIRK CENTRAL SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

**7. TAX ABATEMENTS**

The following agencies have entered into various property tax abatement programs for the purpose of economic development. The District property tax revenue was reduced by \$2,465,286. The District received payment in Lieu of Tax (PILOT) totaling \$2,256,178.

<u>Agency</u>	<u>Company</u>	<u>Projected Tax Revenue</u>	<u>PILOT Payment</u>	<u>Taxes Abated</u>
Town of Bethlehem IDA	Finke Enterprises, LLC	\$ 121,419	\$ 93,169	\$ 28,250
Town of Coeymans	Coeymans Recycling	80,067	55,973	24,094
Town of Coeymans	LaFarge Building Materials	<u>2,263,800</u>	<u>2,107,037</u>	<u>156,763</u>
		<u>\$ 2,465,286</u>	<u>\$ 2,256,179</u>	<u>\$ 209,107</u>

**8. CONTINGENCY**

On March 11, 2020, the World Health Organization declared the outbreak of COVID-19, a respiratory disease, to be a pandemic. It is uncertain as to the full magnitude that the pandemic will have on the District's financial condition, liquidity, and future operations. The District's operations are heavily dependent on real property taxes and state aid. Additionally, access to grants, funding and contracts from federal, state, and local governments may decrease or may not be available depending on appropriations. The outbreak will likely have a continued material adverse impact on the economy and cost of education. In August 2020, the Governor signed legislation that provides financial flexibility to school districts as a result of the pandemic. The full impact of the COVID-19 outbreak continues to evolve as of the date these financial statements were available to be issued.

**9. SUBSEQUENT EVENTS**

The District has evaluated subsequent events through October 29, 2020, which is the date these financial statements were issued. All subsequent events requiring recognition or disclosure as of June 30, 2020, have been incorporated into these financial statements.



**RAVENA-COEYMAHS-SELKIRK CENTRAL SCHOOL DISTRICT**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND**  
**FOR THE YEAR ENDED JUNE 30, 2020**

	Adopted Budget	Prior Year Encumbrances	Original Budget	Final Budget	Actual		Over(Under) Revised Budget
<b>Revenues</b>							
Local Sources							
Real property taxes	\$ 26,094,290	\$ -	\$ 26,094,290	\$ 23,727,657	\$ 23,725,437		\$ (2,220)
Other tax items	2,299,132	-	2,299,132	4,656,066	4,643,348		(12,718)
Charges for services	119,000	-	119,000	122,400	139,224		16,824
Use of money and property	53,000	-	53,000	53,000	249,587		196,587
Sale of property and compensation for loss	35,000	-	35,000	55,102	29,224		(25,678)
Miscellaneous	130,000	-	130,000	135,650	243,266		107,816
Total Local Sources	28,730,422	-	28,730,422	28,740,875	29,030,066		280,211
State sources	17,781,895	-	17,781,895	17,781,895	17,449,264		(332,631)
Federal Sources	150,000	-	150,000	150,000	230,232		80,232
Total Revenues	46,662,317	-	46,662,317	46,681,770	46,709,582		27,812
Other Financing Sources							
Transfers from other funds	-	-	-	-	-		-
Appropriated reserves	-	-	-	209,305	-		(209,305)
Appropriated fund balance	1,400,000	119,350	1,519,350	1,519,350	-		(1,519,350)
Total Revenues and Other Financing Sources	\$ 48,062,317	\$ 119,350	\$ 48,181,667	\$ 48,407,425	\$ 46,709,582		\$ (1,697,843)
<b>Expenditures</b>							
General Support							
Board of education	\$ 63,240	\$ -	\$ 63,240	\$ 65,940	\$ 60,896	\$ -	\$ 5,044
Central administration	238,037	-	238,037	238,037	220,174	-	17,863
Finance	696,370	-	696,370	688,006	635,756	1,500	50,750
Staff	248,520	-	248,520	326,584	289,408	-	37,176
Central services	2,965,760	77,288	3,043,068	3,084,820	2,438,751	268,543	377,526
Special items	417,884	-	417,884	463,878	414,141	-	49,737
Total General Support	4,629,831	77,288	4,707,119	4,867,265	4,059,126	270,043	538,096
Instruction							
Instruction, administration and improvement	1,504,625	1,649	1,508,274	1,529,504	1,353,125	10,219	166,160
Teaching - regular school	13,532,608	10,056	13,542,664	13,225,450	12,575,366	37,460	612,604
Programs for children with handicapping conditions	7,708,465	-	7,709,465	7,854,168	6,351,849	2,600	1,499,739
Teaching - special school	72,800	-	72,900	72,800	18,513	-	54,387
Instructional media	1,189,881	23,144	1,213,025	1,252,061	1,116,341	44,426	91,284
Pupil services	2,003,434	4,513	2,007,947	2,018,897	1,806,384	17,620	194,993
Total Instruction	26,014,893	39,362	26,054,255	25,953,100	23,221,576	112,345	2,619,177
Other							
Pupil Transportation	3,645,428	2,700	3,648,128	3,648,128	2,688,997	2,941	958,190
Employee Benefits	10,411,000	-	10,411,000	10,405,513	9,635,021	-	770,492
Debt Service - Principal	2,286,816	-	2,286,816	2,286,816	2,272,114	-	14,702
Debt Service - Interest	924,349	-	924,349	924,349	924,349	-	-
Total Other	17,267,593	2,700	17,270,293	17,264,806	15,518,481	2,941	1,743,384
Total Expenditures	47,912,317	119,350	48,031,667	48,085,171	42,799,185	385,329	4,900,657
Other Financing Uses							
Transfers to other funds	150,000	-	150,000	322,254	322,254	-	-
Total Expenditures and Other Uses	\$ 48,062,317	\$ 119,350	\$ 48,181,667	\$ 48,407,425	\$ 43,121,439	\$ 385,329	\$ 4,900,657
Net change in fund balance					\$ 3,588,143		
Fund balance - beginning					13,750,584		
Fund balance - ending					\$ 17,338,727		

**RAVENA-COEYMANS-SELKIRK CENTRAL SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY  
JUNE 30, 2020**

	<u>Fiscal Year Ending 2020</u>	<u>Fiscal Year Ending 2019</u>	<u>Fiscal Year Ending 2018</u>
<b>Total OPEB Liability</b>			
Measurement date	6/30/2020	6/30/2019	6/30/2018
Service cost at end of year	\$ 1,898,878	\$ 1,291,880	\$ 1,330,740
Interest	1,523,661	1,392,406	1,259,467
Changes in benefit terms	-	-	-
Difference between expected and actual experience in the measurement of the total OPEB liability	142,377	(245,105)	-
Changes in assumptions and other inputs	7,955,231	5,871,329	(1,787,365)
Benefit payments	<u>(1,502,270)</u>	<u>(1,472,401)</u>	<u>(1,133,318)</u>
Net Change in Total OPEB Liability	10,017,877	6,838,109	(330,476)
Total OPEB Liability - beginning	<u>42,254,929</u>	<u>35,416,820</u>	<u>35,747,296</u>
Total OPEB Liability - ending	<u><u>\$ 52,272,806</u></u>	<u><u>\$ 42,254,929</u></u>	<u><u>\$ 35,416,820</u></u>
Covered-employee payroll	\$ 23,069,771	\$ 22,453,330	\$ 21,822,183
Total OPEB Liability as a percentage of covered-employee payroll	226.59%	188.19%	162.30%

Note: This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled this presentation will only include information for those years for which information is available. Additionally the amounts presented for each fiscal year were determined as of the measurement date as disclosed in the footnotes.

**RAVENA-COEYMANS-SELKIRK CENTRAL SCHOOL DISTRICT**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULES OF PROPORTIONATE SHARE OF THE**  
**NET PENSION LIABILITY (ASSET)**  
**FOR THE YEAR ENDED JUNE 30, 2020**

	ERS Pension Plan Last 10 Fiscal Years					
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Proportion of the net pension liability (asset)	0.016352%	0.015968%	0.015354%	0.015976%	0.015914%	0.016024%
Proportionate share of the net pension liability (asset)	\$ 552,394	\$ 2,562,848	\$ 1,442,658	\$ 515,625	\$ 1,127,549	\$ 4,243,210
Covered-employee payroll	\$ 4,327,202	\$ 4,227,912	\$ 4,499,889	\$ 4,503,572	\$ 4,625,747	\$ 4,762,859
Proportionate share of the net pension liability (asset) as a percentage of covered-employee payroll	13%	61%	32%	11%	24%	89%
Plan fiduciary net position as a percentage of the total pension liability (asset)	97.9%	90.7%	94.7%	98.2%	96.3%	86.4%
	TRS Pension Plan Last 10 Fiscal Years					
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Proportion of the net pension liability (asset)	0.104301%	0.106675%	0.103303%	0.102744%	0.102636%	0.103269%
Proportionate share of the net pension liability (asset)	\$ (11,618,459)	\$ (11,080,122)	\$ 1,106,415	\$ (780,955)	\$ (1,855,922)	\$ (2,682,948)
Covered-employee payroll	\$ 15,406,852	\$ 16,024,017	\$ 15,940,645	\$ 16,281,508	\$ 16,718,249	\$ 17,237,355
Proportionate share of the net pension liability (asset) as a percentage of covered-employee payroll	75%	69%	-7%	5%	11%	16%
Plan fiduciary net position as a percentage of the total pension liability (asset)	111.48%	110.46%	99.01%	100.66%	101.53%	102.17%

Note: This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled this presentation will only include information for those years for which information is available. Additionally, the amounts presented for each fiscal year were determined as of each plans measurement date as described in the footnotes.

**RAVENA-COEYMANS-SELKIRK CENTRAL SCHOOL DISTRICT**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULES OF DISTRICT CONTRIBUTIONS**  
**FOR THE YEAR ENDED JUNE 30, 2020**

ERS Pension Plan  
Last 10 Fiscal Years

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Contractually required contribution	\$ 817,206	\$ 735,528	\$ 624,689	\$ 665,238	\$ 648,314
Contributions in relation to the contractually required contribution	<u>(817,206)</u>	<u>(735,528)</u>	<u>(624,689)</u>	<u>(665,238)</u>	<u>(648,314)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered-employee payroll	\$ 4,327,202	\$ 4,227,912	\$ 4,499,889	\$ 4,503,572	\$ 4,625,747
Contributions as a percentage of covered-employee payroll	18.89%	17.40%	13.88%	14.77%	14.02%

TRS Pension Plan  
Last 10 Fiscal Years

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Contractually required contribution	\$ 2,503,613	\$ 2,809,010	\$ 2,113,730	\$ 1,908,193	\$ 1,638,382
Contributions in relation to the contractually required contribution	<u>(2,503,613)</u>	<u>(2,809,010)</u>	<u>(2,113,730)</u>	<u>(1,908,193)</u>	<u>(1,638,382)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered-employee payroll	\$ 15,406,852	\$ 16,024,017	\$ 15,940,645	\$ 16,281,508	\$ 16,718,249
Contributions as a percentage of covered-employee payroll	16.25%	17.53%	13.26%	11.72%	9.80%

Note: This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled this presentation will only include information for those years for which information is available. Additionally, the amounts presented for each fiscal year were determined as of each plans measurement date as described in the footnotes.

**RAVENA-COEYMANS-SELKIRK CENTRAL SCHOOL DISTRICT**  
**COMBINING BALANCE SHEET -**  
**NON-MAJOR GOVERNMENTAL FUNDS**  
**JUNE 30, 2020**

	<u>Paws for Healing</u>	<u>2019/20 ESEA Title 1 Grant</u>	<u>Harvesting Healthy Options</u>	<u>Westchester Institute</u>	<u>Target Fieldtrip Grant</u>	<u>Bee Cause Project</u>	<u>Target Soccer Grant</u>
<b>ASSETS</b>							
Cash and Investments	\$ -	\$ -	\$ -	\$ 3,775	\$ -	\$ -	\$ -
Accounts Receivable	-	-	-	-	-	-	-
Food Inventory	-	-	-	-	-	-	-
Due from other funds	8,000	-	6,944	3,058	700	69	1,000
Due from State and Federal	-	58,171	-	-	-	-	-
Total Assets	<u>\$ 8,000</u>	<u>\$ 58,171</u>	<u>\$ 6,944</u>	<u>\$ 6,833</u>	<u>\$ 700</u>	<u>\$ 69</u>	<u>\$ 1,000</u>
<b>LIABILITIES</b>							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Retainage payable	-	-	-	-	-	-	-
Accrued liabilities	-	-	-	-	-	-	-
Bond anticipation note	-	-	-	-	-	-	-
Due to other funds	-	58,171	-	-	-	-	-
Due to other governments	-	-	-	-	-	-	-
Advances	8,000	-	6,944	6,712	700	69	1,000
Total Liabilities	<u>8,000</u>	<u>58,171</u>	<u>6,944</u>	<u>6,712</u>	<u>700</u>	<u>69</u>	<u>1,000</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>							
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND EQUITY (DEFICIENCY)</b>							
Non-spendable	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-
Committed	-	-	-	-	-	-	-
Assigned	-	-	-	121	-	-	-
Unassigned	-	-	-	-	-	-	-
Total Fund Equity (Deficiency)	<u>-</u>	<u>-</u>	<u>-</u>	<u>121</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities, Deferred Inflows, and Fund Equity (Deficiency)	<u>\$ 8,000</u>	<u>\$ 58,171</u>	<u>\$ 6,944</u>	<u>\$ 6,833</u>	<u>\$ 700</u>	<u>\$ 69</u>	<u>\$ 1,000</u>

**RAVENA-COEYMANS-SELKIRK CENTRAL SCHOOL DISTRICT**  
**COMBINING BALANCE SHEET -**  
**NON-MAJOR GOVERNMENTAL FUNDS**  
**JUNE 30, 2020**

	<u>AWB Dell Lanes Grant</u>	<u>Stewarts Backpack Program</u>	<u>Annual Earth Day Grant</u>	<u>Stewarts Holiday Match</u>	<u>2019/20 Improving Teacher Quality State Grants</u>	<u>2019/20 Special Ed - Preschool Grants</u>	<u>2019/20 Special Education - Grants to States</u>	<u>2019/20 Title IV Grant</u>
<b>ASSETS</b>								
Cash and Investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts Receivable	-	-	-	-	-	-	-	-
Food Inventory	-	-	-	-	-	-	-	-
Due from other funds	164	750	743	500	-	-	-	-
Due from State and Federal	-	-	-	-	12,244	6,745	100,151	9,632
Total Assets	<u>\$ 164</u>	<u>\$ 750</u>	<u>\$ 743</u>	<u>\$ 500</u>	<u>\$ 12,244</u>	<u>\$ 6,745</u>	<u>\$ 100,151</u>	<u>\$ 9,632</u>
<b>LIABILITIES</b>								
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,136	\$ 4,671	\$ -
Retainage payable	-	-	-	-	-	-	-	-
Accrued liabilities	-	-	-	-	-	-	-	-
Bond anticipation note	-	-	-	-	-	-	-	-
Due to other funds	-	-	-	-	12,244	3,609	95,480	9,632
Due to other governments	-	-	-	-	-	-	-	-
Advances	164	750	743	500	-	-	-	-
Total Liabilities	<u>164</u>	<u>750</u>	<u>743</u>	<u>500</u>	<u>12,244</u>	<u>6,745</u>	<u>100,151</u>	<u>9,632</u>
DEFERRED INFLOWS OF RESOURCES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND EQUITY (DEFICIENCY)</b>								
Non-spendable	-	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-	-
Committed	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-
Total Fund Equity (Deficiency)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities, Deferred Inflows, and Fund Equity (Deficiency)	<u>\$ 164</u>	<u>\$ 750</u>	<u>\$ 743</u>	<u>\$ 500</u>	<u>\$ 12,244</u>	<u>\$ 6,745</u>	<u>\$ 100,151</u>	<u>\$ 9,632</u>

**RAVENA-COEYMANS-SELKIRK CENTRAL SCHOOL DISTRICT**  
**COMBINING BALANCE SHEET -**  
**NON-MAJOR GOVERNMENTAL FUNDS**  
**JUNE 30, 2020**

	PHRMA Grant	Community Foundation BFF Fund	2019/20 Section 4201	15/16 Section 4408 Summer Handicap	Earth Day Grant	2018/19 Section 4408 Summer Handicap	Records Management Grant
<b>ASSETS</b>							
Cash and Investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts Receivable	-	-	-	-	-	-	-
Food Inventory	-	-	-	-	-	-	-
Due from other funds	171	5,000	-	-	750	-	13,513
Due from State and Federal	-	-	57,318	-	-	-	-
<b>Total Assets</b>	<b>\$ 171</b>	<b>\$ 5,000</b>	<b>\$ 57,318</b>	<b>\$ -</b>	<b>\$ 750</b>	<b>\$ -</b>	<b>\$ 13,513</b>
<b>LIABILITIES</b>							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Retainage payable	-	-	-	-	-	-	-
Accrued liabilities	-	-	-	-	-	-	-
Bond anticipation note	-	-	-	-	-	-	-
Due to other funds	-	-	57,318	-	-	-	-
Due to other governments	-	-	-	-	-	-	-
Advances	171	5,000	-	(178)	750	-	13,513
<b>Total Liabilities</b>	<b>171</b>	<b>5,000</b>	<b>57,318</b>	<b>(178)</b>	<b>750</b>	<b>-</b>	<b>13,513</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND EQUITY (DEFICIENCY)</b>							
Non-spendable	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-
Committed	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-
Unassigned	-	-	-	178	-	-	-
<b>Total Fund Equity (Deficiency)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>178</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Liabilities, Deferred Inflows, and Fund Equity (Deficiency)</b>	<b>\$ 171</b>	<b>\$ 5,000</b>	<b>\$ 57,318</b>	<b>\$ -</b>	<b>\$ 750</b>	<b>\$ -</b>	<b>\$ 13,513</b>

**RAVENA-COEYMANS-SELKIRK CENTRAL SCHOOL DISTRICT**  
**COMBINING BALANCE SHEET -**  
**NON-MAJOR GOVERNMENTAL FUNDS**  
**JUNE 30, 2020**

	<u>2019/20 Section 4408 Summer Handicap</u>	<u>Community Foundation Grant</u>	<u>Stewarts - Art Classes</u>	<u>Stewarts - Backpacks</u>	<u>Bank of Greene County Grant</u>	<u>2019/20 Universal PreK</u>
<b>ASSETS</b>						
Cash and Investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts Receivable	-	-	-	-	-	-
Food Inventory	-	-	-	-	-	-
Due from other funds	-	7,500	500	2,500	100	-
Due from State and Federal	<u>127,939</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>69,265</u>
Total Assets	<u>\$ 127,939</u>	<u>\$ 7,500</u>	<u>\$ 500</u>	<u>\$ 2,500</u>	<u>\$ 100</u>	<u>\$ 69,265</u>
<b>LIABILITIES</b>						
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Retainage payable	-	-	-	-	-	-
Accrued liabilities	-	-	-	-	-	-
Bond anticipation note	-	-	-	-	-	-
Due to other funds	127,939	-	-	-	-	69,265
Due to other governments	-	-	-	-	-	-
Advances	<u>50,260</u>	<u>7,500</u>	<u>500</u>	<u>2,500</u>	<u>100</u>	<u>-</u>
Total Liabilities	<u>178,199</u>	<u>7,500</u>	<u>500</u>	<u>2,500</u>	<u>100</u>	<u>69,265</u>
DEFERRED INFLOWS OF RESOURCES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND EQUITY (DEFICIENCY)</b>						
Non-spendable	-	-	-	-	-	-
Restricted	-	-	-	-	-	-
Committed	-	-	-	-	-	-
Assigned	-	-	-	-	-	-
Unassigned	<u>(50,260)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Fund Equity (Deficiency)	<u>(50,260)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities, Deferred Inflows, and Fund Equity (Deficiency)	<u>\$ 127,939</u>	<u>\$ 7,500</u>	<u>\$ 500</u>	<u>\$ 2,500</u>	<u>\$ 100</u>	<u>\$ 69,265</u>



**RAVENA-COEYMANS-SELKIRK CENTRAL SCHOOL DISTRICT**  
**COMBINING BALANCE SHEET -**  
**NON-MAJOR GOVERNMENTAL FUNDS**  
**JUNE 30, 2020**

	<u>School Lunch</u>	<u>Smart Schools Bond Act Project</u>	<u>Capital Project 18/19 Buses</u>	<u>Capital Project 12/13 Buses</u>	<u>Capital Project 14/15 Buses</u>	<u>Capital Project 19/20 Buses</u>
<b>ASSETS</b>						
Cash and Investments	\$ 1,565	\$ -	\$ 176	\$ 249	\$ -	\$ (1,192)
Accounts Receivable	40	-	-	-	-	-
Food Inventory	36,323	-	-	-	-	-
Due from other funds	-	-	-	-	-	1,192
Due from State and Federal	<u>25,028</u>	<u>492,359</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Assets	<u>\$ 62,956</u>	<u>\$ 492,359</u>	<u>\$ 176</u>	<u>\$ 249</u>	<u>\$ -</u>	<u>\$ -</u>
<b>LIABILITIES</b>						
Accounts payable	\$ -	\$ 96,258	\$ -	\$ -	\$ -	\$ -
Retainage payable	-	-	-	-	-	-
Accrued liabilities	1,743	-	-	-	-	-
Bond anticipation note	-	-	576,371	-	-	648,803
Due to other funds	43,513	396,101	-	249	-	-
Due to other governments	-	-	-	-	-	-
Advances	<u>17,700</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities	<u>62,956</u>	<u>492,359</u>	<u>576,371</u>	<u>249</u>	<u>-</u>	<u>648,803</u>
DEFERRED INFLOWS OF RESOURCES	<u>-</u>	<u>492,359</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND EQUITY (DEFICIENCY)</b>						
Non-spendable	36,323	-	-	-	-	-
Restricted	-	-	-	-	-	-
Committed	-	-	-	-	-	-
Assigned	-	-	-	-	-	-
Unassigned	<u>(36,323)</u>	<u>(492,359)</u>	<u>(576,195)</u>	<u>-</u>	<u>-</u>	<u>(648,803)</u>
Total Fund Equity (Deficiency)	<u>-</u>	<u>(492,359)</u>	<u>(576,195)</u>	<u>-</u>	<u>-</u>	<u>(648,803)</u>
Total Liabilities, Deferred Inflows, and Fund Equity (Deficiency)	<u>\$ 62,956</u>	<u>\$ 492,359</u>	<u>\$ 176</u>	<u>\$ 249</u>	<u>\$ -</u>	<u>\$ -</u>

**RAVENA-COEYMANS-SELKIRK CENTRAL SCHOOL DISTRICT**  
**COMBINING BALANCE SHEET -**  
**NON-MAJOR GOVERNMENTAL FUNDS**  
**JUNE 30, 2020**

	<u>Capital Project LaFarge Community Benefit</u>	<u>Capital Project 15/16 Buses</u>	<u>Capital Project 16/17 Buses</u>	<u>Capital Project 17/18 Buses</u>	<u>Permanent Fund</u>	<u>Total Non-Major Governmental Funds</u>
<b>ASSETS</b>						
Cash and Investments	\$ 147,168	\$ 190	\$ 3,609	\$ 4,393	\$ 5,642	\$ 165,575
Accounts Receivable	-	-	-	-	-	40
Food Inventory	-	-	-	-	-	36,323
Due from other funds	150,000	-	-	-	-	203,154
Due from State and Federal	-	-	-	-	-	958,832
Total Assets	<u>\$ 297,168</u>	<u>\$ 190</u>	<u>\$ 3,609</u>	<u>\$ 4,393</u>	<u>\$ 5,642</u>	<u>\$ 1,353,944</u>
<b>LIABILITIES</b>						
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 104,065
Retainage payable	-	-	-	-	-	-
Accrued liabilities	-	-	-	-	-	1,743
Bond anticipation note	-	170,842	348,227	423,196	-	2,167,439
Due to other funds	-	-	-	-	-	873,521
Due to other governments	-	-	-	-	-	-
Advances	-	-	-	-	-	123,398
Total Liabilities	<u>-</u>	<u>170,842</u>	<u>348,227</u>	<u>423,196</u>	<u>-</u>	<u>3,270,166</u>
DEFERRED INFLOWS OF RESOURCES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>492,359</u>
<b>FUND EQUITY (DEFICIENCY)</b>						
Non-spendable	-	-	-	-	5,175	41,498
Restricted	297,168	-	-	-	467	297,635
Committed	-	-	-	-	-	-
Assigned	-	-	-	-	-	121
Unassigned	-	(170,652)	(344,618)	(418,803)	-	(2,737,835)
Total Fund Equity (Deficiency)	<u>297,168</u>	<u>(170,652)</u>	<u>(344,618)</u>	<u>(418,803)</u>	<u>5,642</u>	<u>(2,398,581)</u>
Total Liabilities, Deferred Inflows, and Fund Equity (Deficiency)	<u>\$ 297,168</u>	<u>\$ 190</u>	<u>\$ 3,609</u>	<u>\$ 4,393</u>	<u>\$ 5,642</u>	<u>\$ 1,353,944</u>

RAVENA-COEYMANS-SELKIRK CENTRAL SCHOOL DISTRICT  
COMBINING STATEMENT OF REVENUES,  
EXPENDITURES, AND CHANGES IN FUND  
EQUITY (DEFICIENCY) - NON-MAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2020

	Paws for Healing	2019/20 ESEA Title 1 Grant	Harvesting Healthy Options	Westchester Institute	Target Fieldtrip Grant	Bee Cause Project	Target Soccer Grant	AWB Dell Lanes Grant	Stewarts Backpack Program
<b>REVENUES</b>									
Miscellaneous	\$ -	\$ -	\$ 11,916	\$ -	\$ -	\$ 54	\$ -	\$ 836	\$ -
Use of Money and Property	-	-	-	-	-	-	-	-	-
Sales	-	-	-	-	-	-	-	-	-
State aid	-	-	-	-	-	-	-	-	-
Federal aid	-	243,243	-	-	-	-	-	-	-
<b>Total Revenues</b>	-	243,243	11,916	-	-	54	-	836	-
<b>Expenditures</b>									
General support	-	-	-	-	-	-	-	-	-
Employee Benefits	-	-	-	-	-	-	-	-	-
Cost of Sales	-	-	-	-	-	-	-	-	-
Instruction	-	243,243	11,916	-	-	54	-	836	-
Pupil transportation	-	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-	-
<b>Total Expenditures</b>	-	243,243	11,916	-	-	54	-	836	-
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	-	-	-	-	-	-	-	-	-
<b>Other Financing Sources and Uses</b>									
Proceeds from serial bonds	-	-	-	-	-	-	-	-	-
Proceeds from installment purchase debt	-	-	-	-	-	-	-	-	-
BANs redeemed from appropriations	-	-	-	-	-	-	-	-	-
Operating transfers in (out)	-	-	-	-	-	-	-	-	-
<b>Total Other Sources (Uses)</b>	-	-	-	-	-	-	-	-	-
<b>Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses</b>	-	-	-	-	-	-	-	-	-
<b>Fund Equity - Beginning of Year</b>	-	-	-	121	-	-	-	-	-
<b>Fund Equity (Deficiency) - End of Year</b>	\$ -	\$ -	\$ -	\$ 121	\$ -	\$ -	\$ -	\$ -	\$ -

RAVENA-COEYMANS-SELKIRK CENTRAL SCHOOL DISTRICT  
COMBINING STATEMENT OF REVENUES,  
EXPENDITURES, AND CHANGES IN FUND  
EQUITY (DEFICIENCY) - NON-MAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2020

	Annual Earth Day Grant	Stewarts Holiday Match	2019/20 Improving Teacher Quality State Grants	2019/20 Special Ed - Preschool Grants	2019/20 Special Education - Grants to States	2019/20 Title IV Grant	PHRMA Grant	Community Foundation BFF Fund	2019/20 Section 4201
<b>REVENUES</b>									
Miscellaneous	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Use of Money and Property	-	-	-	-	-	-	-	-	-
Sales	-	-	-	-	-	-	-	-	-
State aid	-	-	-	-	-	-	-	-	57,318
Federal aid	-	-	51,791	45,069	502,778	13,300	-	-	-
<b>Total Revenues</b>	-	-	51,791	45,069	502,778	13,300	-	-	57,318
<b>Expenditures</b>									
General support	-	-	-	-	-	-	-	-	-
Employee Benefits	-	-	-	3,574	84,136	-	-	-	-
Cost of Sales	-	-	-	-	-	-	-	-	-
Instruction	-	-	51,791	41,495	418,942	13,300	-	-	71,180
Pupil transportation	-	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-	-
<b>Total Expenditures</b>	-	-	51,791	45,069	502,778	13,300	-	-	71,180
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	-	-	-	-	-	-	-	-	(13,862)
<b>Other Financing Sources and Uses</b>									
Proceeds from serial bonds	-	-	-	-	-	-	-	-	-
Proceeds from installment purchase debt	-	-	-	-	-	-	-	-	-
BANs redeemed from appropriations	-	-	-	-	-	-	-	-	-
Operating transfers in (out)	-	-	-	-	-	-	-	-	13,862
<b>Total Other Sources (Uses)</b>	-	-	-	-	-	-	-	-	13,862
<b>Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses</b>	-	-	-	-	-	-	-	-	-
<b>Fund Equity - Beginning of Year</b>	-	-	-	-	-	-	-	-	-
<b>Fund Equity (Deficiency) - End of Year</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

RAVENA-COEYMANS-SELKIRK CENTRAL SCHOOL DISTRICT  
COMBINING STATEMENT OF REVENUES,  
EXPENDITURES, AND CHANGES IN FUND  
EQUITY (DEFICIENCY) - NON-MAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2020

	15/16 Section 4408 Summer Handicap	Earth Day Grant	2018/19 Section 4408 Summer Handicap	Records Management Grant	2019/20 Section 4408 Summer Handicap	Community Foundation Grant	Stewarts - Art Classes	Stewarts - Backpacks	Bank of Greene County Grant
<b>REVENUES</b>									
Miscellaneous	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Use of Money and Property	-	-	-	-	-	-	-	-	-
Sales	-	-	-	-	-	-	-	-	-
State aid	-	-	115,245	-	298,040	-	-	-	-
Federal aid	-	-	-	-	-	-	-	-	-
<b>Total Revenues</b>	<b>-</b>	<b>-</b>	<b>115,245</b>	<b>-</b>	<b>298,040</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Expenditures</b>									
General support	-	-	-	-	-	-	-	-	-
Employee Benefits	-	-	-	-	36,183	-	-	-	-
Cost of Sales	-	-	-	-	-	-	-	-	-
Instruction	-	-	-	-	329,289	-	-	-	-
Pupil transportation	-	-	-	-	95,433	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>460,805</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>-</b>	<b>-</b>	<b>115,245</b>	<b>-</b>	<b>(162,865)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Other Financing Sources and Uses</b>									
Proceeds from serial bonds	-	-	-	-	-	-	-	-	-
Proceeds from installment purchase debt	-	-	-	-	-	-	-	-	-
BANs redeemed from appropriations	-	-	-	-	-	-	-	-	-
Operating transfers in (out)	-	-	-	-	112,605	-	-	-	-
<b>Total Other Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>112,605</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses</b>	<b>-</b>	<b>-</b>	<b>115,245</b>	<b>-</b>	<b>(50,260)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Equity - Beginning of Year</b>	<b>178</b>	<b>-</b>	<b>(115,245)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Equity (Deficiency) - End of Year</b>	<b>\$ 178</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (50,260)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

RAVENA-COEYMANS-SELKIRK CENTRAL SCHOOL DISTRICT  
COMBINING STATEMENT OF REVENUES,  
EXPENDITURES, AND CHANGES IN FUND  
EQUITY (DEFICIENCY) - NON-MAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2020

	2019/20 Universal PreK	School Lunch	Smart Schools Bond Act Project	Capital Project 18/19 Buses	Capital Project 12/13 Buses	Capital Project 14/15 Buses	Capital Project 19/20 Buses	Capital Project LaFarge Community Benefit	Capital Project 15/16 Buses
<b>REVENUES</b>									
Miscellaneous	\$ -	\$ 6,309	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 150,000	\$ -
Use of Money and Property	-	195	-	-	-	-	-	2,160	-
Sales	-	167,040	-	-	-	-	-	-	-
State aid	155,847	13,509	-	-	-	-	-	-	-
Federal aid	-	398,561	-	-	-	-	-	-	-
<b>Total Revenues</b>	<b>155,847</b>	<b>583,614</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>152,160</b>	<b>-</b>
<b>Expenditures</b>									
General support	-	361,824	-	-	-	-	-	-	-
Employee Benefits	3,515	149,808	-	-	-	-	-	-	-
Cost of Sales	-	255,204	-	-	-	-	-	-	-
Instruction	169,648	-	-	-	-	-	-	-	-
Pupil transportation	-	-	-	-	-	-	-	-	-
Capital outlay	-	-	363,012	-	-	-	648,803	38,162	-
<b>Total Expenditures</b>	<b>173,163</b>	<b>766,836</b>	<b>363,012</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>648,803</b>	<b>38,162</b>	<b>-</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>(17,316)</b>	<b>(183,222)</b>	<b>(363,012)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(648,803)</b>	<b>113,998</b>	<b>-</b>
<b>Other Financing Sources and Uses</b>									
Proceeds from serial bonds	-	-	-	-	-	-	-	-	-
Proceeds from installment purchase debt	-	-	-	-	-	-	-	-	-
BANs redeemed from appropriations	-	-	-	144,093	-	72,000	-	-	170,842
Operating transfers in (out)	17,316	178,471	-	-	-	-	-	-	-
<b>Total Other Sources (Uses)</b>	<b>17,316</b>	<b>178,471</b>	<b>-</b>	<b>144,093</b>	<b>-</b>	<b>72,000</b>	<b>-</b>	<b>-</b>	<b>170,842</b>
<b>Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses</b>	<b>-</b>	<b>(4,751)</b>	<b>(363,012)</b>	<b>144,093</b>	<b>-</b>	<b>72,000</b>	<b>(648,803)</b>	<b>113,998</b>	<b>170,842</b>
<b>Fund Equity - Beginning of Year</b>	<b>-</b>	<b>4,751</b>	<b>(129,347)</b>	<b>(720,288)</b>	<b>-</b>	<b>(72,000)</b>	<b>-</b>	<b>183,170</b>	<b>(341,494)</b>
<b>Fund Equity (Deficiency) - End of Year</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (492,359)</b>	<b>\$ (576,195)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (648,803)</b>	<b>\$ 297,168</b>	<b>\$ (170,652)</b>

RAVENA-COEYMANS-SELKIRK CENTRAL SCHOOL DISTRICT  
COMBINING STATEMENT OF REVENUES,  
EXPENDITURES, AND CHANGES IN FUND  
EQUITY (DEFICIENCY) - NON-MAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2020

	Capital Project 16/17 Buses	Capital Project 17/18 Buses	Permanent Fund	Total Non-Major Governmental Funds
<b>REVENUES</b>				
Miscellaneous	\$ -	\$ -	\$ -	\$ 169,115
Use of Money and Property	-	-	79	2,434
Sales	-	-	-	167,040
State aid	-	-	-	639,959
Federal aid	-	-	-	1,252,742
<b>Total Revenues</b>	<b>-</b>	<b>-</b>	<b>79</b>	<b>2,231,290</b>
<b>Expenditures</b>				
General support	-	-	-	361,824
Employee Benefits	-	-	-	277,216
Cost of Sales	-	-	-	255,204
Instruction	-	-	-	1,351,394
Pupil transportation	-	-	-	95,433
Capital outlay	-	-	-	1,049,977
<b>Total Expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,391,048</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>-</b>	<b>-</b>	<b>79</b>	<b>(1,159,758)</b>
<b>Other Financing Sources and Uses</b>				
Proceeds from serial bonds	-	-	-	-
Proceeds from installment purchase debt	-	-	-	-
BANs redeemed from appropriations	174,114	141,065	-	702,114
Operating transfers in (out)	-	-	-	322,254
<b>Total Other Sources (Uses)</b>	<b>174,114</b>	<b>141,065</b>	<b>-</b>	<b>1,024,368</b>
<b>Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses</b>	<b>174,114</b>	<b>141,065</b>	<b>79</b>	<b>(135,390)</b>
<b>Fund Equity - Beginning of Year</b>	<b>(518,732)</b>	<b>(559,868)</b>	<b>5,563</b>	<b>(2,263,191)</b>
<b>Fund Equity (Deficiency) - End of Year</b>	<b>\$ (344,618)</b>	<b>\$ (418,803)</b>	<b>\$ 5,642</b>	<b>\$ (2,398,581)</b>

**RAVENA-COEYMANS-SELKIRK CENTRAL SCHOOL DISTRICT  
SUPPLEMENTARY INFORMATION  
SCHEDULE OF CHANGES FROM ADOPTED BUDGET TO FINAL BUDGET  
AND THE REAL PROPERTY TAX LIMIT  
FOR THE YEAR ENDED JUNE 30, 2020**

**CHANGE FROM ADOPTED BUDGET TO FINAL BUDGET**

Adopted Budget	\$ 48,062,317
Add: Prior year's encumbrances	<u>119,350</u>
Original Budget	48,181,667
Budget revisions:	<u>225,758</u>
Final Budget	<u><u>\$ 48,407,425</u></u>

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

2020-21 Voter Approved Expenditure Budget	\$ 48,677,662
Maximum allowed (4% of 2020-21 budget)	\$ 1,947,106

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

Unrestricted fund balance	
Committed fund balance	\$ -
Assigned fund balance	1,985,329
Unassigned fund balance	<u>5,423,107</u>
Total unrestricted fund balance	<u>\$ 7,408,436</u>

Less:

Appropriated fund balance	\$ 1,600,000
Encumbrances included in committed and assigned fund balance	<u>385,329</u>
Total adjustments	<u>\$ 1,985,329</u>

General Fund Fund Balance Subject to Section 1318 of Real Property Tax Law	<u><u>\$ 5,423,107</u></u>
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Actual percentage	11.14%
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**RAVENA-COEYMANS-SELKIRK CENTRAL SCHOOL DISTRICT**  
**SCHEDULE OF PROJECT EXPENDITURES -**  
**CAPITAL PROJECTS FUND**  
**FOR THE YEAR ENDED JUNE 30, 2020**

PROJECT TITLE / NUMBER		Expenditures					Unexpended Balance
		Original Appropriation	Revised Appropriation	Prior Years	Current Year	Total	
District Wide Facility Project - PBC Phase 2	0005-012	\$ 37,818	\$ 78,567	\$ 78,567	\$ -	\$ 78,567	\$ -
District Wide Facility Project - AWB Phase 2	0009-013	94,545	94,545	9,043	-	9,043	85,502
District Wide Facility Project - HS Phase 2	0013-022	13,860,255	13,860,255	12,006,239	1,312,416	13,318,655	541,600
District Wide Facility Project - MS Phase 2	0014-011	4,916,325	4,916,325	4,479,799	121,726	4,601,525	314,800
District Wide Facility Project - Phase 3	Under Review	978,357	2,035,089	187,923	-	187,923	1,847,166
LaFarge Mitigation Funds Project PBC	0005-008	46,510	46,510	30,664	-	30,664	15,846
LaFarge Mitigation Funds Project AWB	0009-009	46,510	46,510	31,408	-	31,408	15,102
LaFarge Mitigation Funds Project HS	0013-018	159,983	159,983	37,900	-	37,900	122,083
LaFarge Mitigation Funds Project MS	0014-006	134,852	134,852	35,101	-	35,101	99,751
LaFarge Mitigation Funds Project Bus Garage	5001-013	54,615	54,615	1,946	-	1,946	52,669
2014/15 Bus Purchase	N/A	360,000	360,000	360,000	-	360,000	-
2015/16 Bus Purchase	N/A	854,210	854,210	854,020	-	854,020	190
2016/17 Bus Purchase	N/A	870,568	870,568	866,959	-	866,959	3,609
2017/18 Bus Purchase	N/A	705,327	705,327	700,933	-	700,933	4,394
2018/19 Bus Purchase	N/A	720,464	720,464	720,288	-	720,288	176
2019/20 Bus Purchase	N/A	648,803	648,803	-	648,803	648,803	-
Smart Schools Bond Act	N/A	600,439	600,439	129,347	363,012	492,359	108,080
LaFarge Community Benefit Agreement	N/A	450,000	450,000	662,034	38,162	700,196	(250,196)
<b>Totals</b>		<b>\$ 25,539,581</b>	<b>\$ 26,637,062</b>	<b>\$ 21,192,171</b>	<b>\$ 2,484,119</b>	<b>\$ 23,676,290</b>	<b>\$ 2,960,772</b>

PROJECT TITLE / NUMBER		Methods of Financing							Fund Equity (Deficiency) June 30, 2020
		Proceeds of Installment Purchase Debt	State Sources	Miscellaneous Local Sources	BANS Redeemed From Appropriations	Capital Reserve	Transfers In	Total	
District Wide Facility Project - PBC Phase 2	0005-012	\$ 37,818	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 37,818	\$ (40,749) *
District Wide Facility Project - AWB Phase 2	0009-013	94,545	-	-	-	-	-	94,545	85,502 *
District Wide Facility Project - HS Phase 2	0013-022	1,762,418	-	212,090	655,000	-	-	2,629,508	(10,689,147) *
District Wide Facility Project - MS Phase 2	0014-011	-	-	306,405	-	-	-	306,405	(4,295,120) *
District Wide Facility Project - Phase 3	Under Review	-	-	543,011	-	-	-	543,011	355,088
LaFarge Mitigation Funds Project PBC	0005-008	-	-	30,664	-	-	-	30,664	-
LaFarge Mitigation Funds Project AWB	0009-009	-	-	31,408	-	-	-	31,408	-
LaFarge Mitigation Funds Project HS	0013-018	-	-	37,900	-	-	-	37,900	-
LaFarge Mitigation Funds Project MS	0014-006	-	-	35,101	-	-	-	35,101	-
LaFarge Mitigation Funds Project Bus Garage	5001-013	-	-	1,946	-	-	-	1,946	- *
2014/15 Bus Purchase	N/A	-	-	-	360,000	-	-	360,000	- *
2015/16 Bus Purchase	N/A	-	-	-	683,368	-	-	683,368	(170,652) *
2016/17 Bus Purchase	N/A	-	-	-	522,341	-	-	522,341	(344,618) *
2017/18 Bus Purchase	N/A	-	-	-	282,130	-	-	282,130	(418,803) *
2018/19 Bus Purchase	N/A	-	-	-	144,093	-	-	144,093	(576,195) *
2019/20 Bus Purchase	N/A	-	-	-	-	-	-	-	(648,803)
Smart Schools Bond Act	N/A	-	-	-	-	-	-	-	(492,359)
LaFarge Community Benefit Agreement	N/A	-	-	997,364	-	-	-	997,364	297,168
<b>Totals</b>		<b>\$ 1,894,781</b>	<b>\$ -</b>	<b>\$ 2,195,889</b>	<b>\$ 2,646,932</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 6,737,602</b>	<b>\$ (16,938,688)</b>

**RAVENA-COEYMANS-SELKIRK CENTRAL SCHOOL DISTRICT**  
**SCHEDULE OF NET INVESTMENT IN CAPITAL ASSETS**  
**JUNE 30, 2020**

<b>Capital Assets, Net</b>		\$ 46,704,216
<b>Add:</b>		
Deferred costs of bond issuance	\$ -	
<b>Deduct:</b>		
Bond anticipation notes	\$ (18,512,439)	
Short-term portion of bonds payable	(940,000)	
Long-term portion of bonds payable	(8,375,000)	
Unamortized bond premium	-	(27,827,439)
<b>Net Investment in Capital Assets</b>		<b>\$ <u>18,876,777</u></b>

**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 President and Members of the Board of Education  
of the Ravena-Coeymans-Selkirk Central School District

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Ravena-Coeymans-Selkirk Central School District (the District), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated October 29, 2020.

**Internal Control Over Financial Reporting**

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

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

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

## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which is described in the accompany schedule of findings and questioned costs as item 2020-001.

## **District's Response to Findings**

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

## **Purpose of this Report**

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

*Marvin and Company, P.C.*

Latham, NY

October 29, 2020

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

To the President and Members  
of the Board of Education of  
Ravena-Coeymans-Selkirk Central School District

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

We have audited the Ravena-Coeymans-Selkirk Central School District's (the District) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2020. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

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

***Auditor's Responsibility***

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

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

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

In our opinion, the Ravena-Coeymans-Selkirk Central School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2020.

## Report on Internal Control Over Compliance

Management of the Ravena-Coeymans-Selkirk Central 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 the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the 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 and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we did identify a certain deficiency in internal control over compliance, described in the accompanying schedule of findings and questioned costs as item 2020-002, that we consider to be a significant deficiency.

The District's response to the internal control over compliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The District's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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.

*Marohn and Company, P.C.*

Latham, NY  
October 29, 2020

**RAVENA-COEYMANS-SELKIRK CENTRAL SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2020**

<u>Federal Grantor/Pass-Through Grantor/ Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass- Through Grantor's Number</u>	<u>Pass- Through To Subrecipient</u>	<u>Total Federal Expenditures</u>
<u>U.S. Department of Education</u>				
Passed Through New York State Education Department: Special Education Cluster				
Special Education – Grants to States	84.027	0032-20-0018	\$	502,778
Special Education – Preschool Grants	84.173	0033-20-0018		<u>45,069</u>
Total Special Education Cluster				<u>547,847</u>
Title I Grants to LEAs	84.010	0021-20-0020		243,243
Improving Teacher Quality State Grants	84.367	0147-20-0020		51,791
Title IV – Student Support and Academic Enrichment Grants	84.424	0204-20-0020		<u>13,300</u>
Total U.S. Department of Education				<u>856,181</u>
<u>U.S. Department of Agriculture</u>				
Passed Through New York State Education Department: Child Nutrition Cluster				
School Breakfast Program	10.553	Not Applicable		57,022
COVID-19 School Breakfast Program	10.553	Not Applicable		41,444
National School Lunch Program	10.555	Not Applicable		185,801
COVID-19 National School Lunch Program	10.555	Not Applicable		65,422
Food Distribution	10.555	Not Applicable		<u>46,872</u>
Total Child Nutrition Cluster				<u>396,561</u>
Total U.S. Department of Agriculture				<u>396,561</u>
Total Expenditures of Federal Awards			\$	<u>1,252,742</u>

See accompanying notes to Schedule of Expenditures of Federal Awards.

**RAVENA-COEYMANS-SELKIRK CENTRAL SCHOOL DISTRICT**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**JUNE 30, 2020**

**1. BASIS OF PRESENTATION**

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

The information presented in the Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). This schedule only presents a selected portion of the operations of the District.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. The amounts reported as federal expenditures were obtained from the federal financial reports for the applicable program and periods. The amounts reported in these reports are prepared from records maintained for each program, which are reconciled with the District's financial reporting system.

The federal expenditures are recognized under the cost principles contained in the Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures are not allowed or limited to reimbursement.

**3. SCOPE OF AUDIT**

The Ravena-Coeymans-Selkirk Central School District is an independent municipal corporation. All federal grant operations of the District are included in the scope of the single audit.

**4. NON-CASH ASSISTANCE**

Nonmonetary assistance is reported in the Schedule at the fair market value of the commodities received and disbursed. For the year ended June 30, 2020, the District received food commodities totaling \$46,872.

**5. INDIRECT COST RATE**

The Ravena-Coeymans-Selkirk Central School District did not elect to use the 10% de minimus cost rate.

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.



**RAVENA-COEYMANS-SELKIRK CENTRAL SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2020**

**Section I: Summary of Auditor's Results**

**Section II: Financial Statement Findings**

**Financial Statements**

Type of auditor's report issued

unmodified

Internal control over financial reporting:

- Material weakness(es) identified?
- Significant deficiency(ies) identified?

\_\_\_\_\_ yes    X no  
\_\_\_\_\_ yes    X none reported

Noncompliance material to financial statements noted?

X yes    \_\_\_\_\_no

**Federal Awards**

Internal control over major programs:

- Material weakness(es) identified?
- Significant deficiency(ies) identified?

\_\_\_\_\_ yes    X no  
X yes    \_\_\_\_\_none reported

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 200.516(a)?

X yes    \_\_\_\_\_no

Identification of major programs:

CFDA Number(s)

Name of Federal Program or Cluster

10.553 and 10.555

Child Nutrition Cluster

Dollar threshold used to distinguish between type A and type B programs:

\$750,000

Auditee qualified as low-risk auditee?

X yes    \_\_\_\_\_no

*Findings related to the financial statements which are required to be reported in accordance with  
Government Auditing Standards:*

Noncompliance Material to the Financial Statements

2020-001      Compliance with New York State Real Property Tax Law

*Statement of Condition:* The unassigned fund equity of the General Fund exceeds 4% of the 2020-21 General Fund budget.

*Criteria:* NYS Real Property Tax Law Section 1318 limits the amount of unassigned fund equity a District can have to no more than 4% of the General Fund budget for the ensuing fiscal year.

*Cause:* The cumulative effect of expenditures being significantly under budget and settlement of tax certiorari claims at less than amounts previously reserved.

**RAVENA-COEYMANS-SELKIRK CENTRAL SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2020**

**Section II: Financial Statement Findings**

Noncompliance Material to the Financial Statements

2020-001      Compliance with New York State Real Property Tax Law

*Effect of Condition:* The District was not in compliance with NYS Real Property Tax Law.

*Context:* As part of audit procedures the compliance the NYS Real Property Tax Law 1318 limits is reviewed.

*Recommendation:* The District should continue to implement the District plan to address and use the excess in future years.

*Management Response:* The District is continuing to work towards compliance with NYS Real Property Tax Law in a manner that both facilitates the instructional program and maintains economic stability within the community. The closure of the schools has increased the undesignated fund balance by five percent. The 2021-22 budget development process will evaluate the most fiscally responsible ways to reduce that number and at the same time mitigate the tax burden on our community. Additionally, The District will continue to review its fund balance policy and fund needed reserves or create new reserves that are necessary.

**Section III: Federal Award Findings and Questioned Costs**

*Findings and questioned costs related to Federal awards which are required to be reported in accordance with 2 CFR 200.516(a):*

Significant Deficiency

2020-002      Child Nutrition Cluster - Eligibility

*Information on Federal Program:* U.S Department of Agriculture, passed through the New York State Education Department, Child Nutrition Cluster, CFDA No. 10.553 and 10.555.

*Criteria:* A child's eligibility for free or reduced-price meals under a Child Nutrition Cluster program may be established by the submission of an annual application or statement which furnishes such information as family income and family size. Local educational agencies (LEAs), institutions, and sponsors determine eligibility by comparing the data reported by the child's household to published income eligibility guidelines. In addition to publishing income eligibility information in the Federal Register, the Food and Nutrition Service agency of the United State Department of Agriculture (FNS) makes it available on the FNS website at <http://www.fns.usda.gov/schoolmeals/income-eligibility-guidelines>. Children from households with incomes at or below 130 percent of the Federal poverty level are eligible to receive meals or milk free under the School Nutrition Programs. Children from households with incomes above 130 percent but at or below 185 percent of Federal poverty level are eligible to receive reduced price meals. Persons from households with incomes exceeding 185 percent of the poverty level pay the full price (7 CFR section 245.2, 245.3, and 245.6; section 9(b)(1) of the NSLA (42 USC 1758 (b)(1)); sections 3(a)(6) and 4(e) of the CNA (42 USC 1772 (a)(6) and 1773(e))).

**RAVENA-COEYMANS-SELKIRK CENTRAL SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2020**

**Section III: Federal Award Findings and Questioned Costs**

Significant Deficiency

2020-002      Child Nutrition Cluster – Eligibility (continued)

*Statement of Condition:* During our testing we noted one application for free or reduced meals that was calculated incorrectly. The District determined the household was ineligible to receive reduced price meals, however, based on the income eligibility guidelines, the household was eligible for reduced price meals.

*Statement of Cause:* The District used the incorrect eligibility guidelines in determining eligibility for the household.

*Statement of Effect:* The District did not provide reduced priced meals to the eligible household.

*Questioned Costs:* None.

*Perspective Information:* One out of one-hundred seven applications tested was incorrectly denied. All applications for free and reduced priced meals, other than those directly certified, were tested.

*Repeat Finding:* No

*Recommendation:* We recommend that the District implement a procedure to compare the free and reduced-price applications to the input of the information into the software to ensure they are in agreement. This review should be documented and performed by someone without responsibility for eligibility determination under this program.

*Views of the Responsible Officials and Planned Corrective Actions:* Several years ago, the District implemented a process where someone independent of the eligibility determination review the calculation, including the calculation of income used in making the determination and document that review. In addition, they also verify the correct determination was entered into the software which is used to compile monthly tallies using in filing claims for reimbursement from NYS and the federal government. The District will implement an additional procedure: The reviewer will meet with the Food Service Director to go over any applications the reviewer determined to be incorrectly calculated. Together they will come to a consensus and the reviewer will ensure the Food Service Director makes any necessary changes within the software. Both parties will sign and date the when the change is made within the software program.

**RAVENA-COEYMANS-SELKIRK CENTRAL SCHOOL DISTRICT  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
FOR THE YEAR ENDED JUNE 30, 2020**

2019-001      Compliance with New York State Real Property Tax law

*Status:* This item is repeated as 2020-001.

2019-002      IDEA Cluster – Procurement

*Status:* Corrective action was taken therefore this finding is not repeated for 2019/2020.