This Preliminary Official Statement and the information contained herein are subject to completion or amendment. These securities may not be sold, nor may offers to buy be accepted, prior to the time the Official Statement is delivered in final form. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

PRELIMINARY OFFICIAL STATEMENT DATED MARCH 3, 2021

NEW ISSUE — **SERIAL BONDS**

S&P GLOBAL RATINGS: "A+" STABLE OUTLOOK — **See "BOND RATING" herein**

In the opinion of Trespasz & Marquardt, LLP, Bond Counsel to the District, based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming, among other matters, compliance by the District with certain covenants, interest on the Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended. In the further opinion of Bond Counsel, interest on the Bonds is not a specific preference item for purposes of the federal individual alternative minimum tax . Bond Counsel is also of the opinion that interest on the Bonds is excluded from adjusted gross income for purposes of personal income taxes imposed by the State of New York and the City of New York. Bond Counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of, or the accrual of interest on the Bonds. See "TAX MATTERS" herein.

The Bonds will be "qualified tax-exempt obligations" under Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

$4,405,000*

WILLSBORO CENTRAL SCHOOL DISTRICT

ESSEX COUNTY, NEW YORK

GENERAL OBLIGATIONS

CUSIP BASE: 971365

$4,405,000* School District Refunding (Serial) Bonds, 2021

(herein after referred to as the "Bonds")

Dated: Date of Delivery — **Due: June 15, 2021-2029**

MATURITIES*

Year	Amount*	Rate	Yield	CSP	Year	Amount*	Rate	Yield	CSP	Year	Amount*	Rate	Yield	CSP
2021	$ 5,000				2024	$ 515,000				2027	$ 580,000**			
2022	470,000				2025	530,000				2028	610,000**			
2023	495,000				2026	560,000				2029	640,000**			

The Bonds are general obligations of the Willsboro Central School District, Essex County, New York (the "School District" or "District"), all of the taxable real property within which is subject to the levy of ad valorem taxes to pay the Bonds and interest thereon without limitation as to rate or amount. See "THE BONDS - Nature of the Obligation" and "TAX LEVY LIMITATION LAW" herein.

The Bonds are not subject to redemption prior to maturity.

The Bonds will be issued as registered bonds and, when issued, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), which will act as securities depository for the Bonds. Individual purchases will be made in book-entry form only, in the principal amount of $5,000 each or integral multiples thereof. Purchasers will not receive certificates representing their ownership interest in the Bonds. (See "BOOK-ENTRY-ONLY SYSTEM").

Interest on the Bonds will be payable semi-annually on June 15 and December 15 in each year until maturity commencing June 15, 2021. Principal and interest will be paid by the District to DTC, which will in turn remit such principal and interest to its participants, for subsequent distribution to the beneficial owners of the Bonds, as described herein.

The Bonds are offered when, as and if issued and received by the Underwriter and subject to the receipt of the approving legal opinion as to the validity of the Bonds by Trespasz & Marquardt, LLP, Syracuse, New York, Bond Counsel. Certain legal matters will be passed on for the Underwriter by its counsel Barclay Damon LLP, Albany, New York. It is anticipated that the Bonds will be available for delivery through the facilities of DTC located in Jersey City, New Jersey, on or about March 30, 2021.

This Preliminary Official Statement is in a form "deemed final" by the District for the purpose of Securities and Exchange Commission Rule 15c2-12 (the "Rule"). For a description of the District's agreement to provide continuing disclosure as described in the Rule, see "APPENDIX – C, CONTINUING DISCLOSURE UNDERTAKING" herein.

ROOSEVELT & CROSS INCORPORATED

March ___, 2021

* Preliminary, subject to change.

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WILLSBORO CENTRAL SCHOOL DISTRICT
ESSEX COUNTY, NEW YORK
SCHOOL DISTRICT OFFICIALS

2020-2021 BOARD OF EDUCATION

PHYLLIS KLEIN
President

KASEY YOUNG
Vice President

HEATHER SHEEHAN
EMILY PHILLIPS
KRISSY LEERKES

* * * * * *

JUSTIN GARDNER
Superintendent of Schools

ALLISON SUCHARZEWSKI
School District Treasurer

BRANDY PIERCE-NOLETTE
School District Clerk

FISCAL ADVISORS & MARKETING, INC.
Municipal Advisor

TRESPASZ & MARQUARDT, LLP
BOND COUNSEL

No person has been authorized by Willsboro 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 Bonds 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 Willsboro Central School District.

The Underwriter has provided the following sentence for inclusion in this Official Statement. "The Underwriter has reviewed the information in this Official Statement in accordance with, and as a part of its responsibilities under the federal securities law as applied to the facts and circumstances of this transaction, but the Underwriter does not guaranty the accuracy or completeness of such information."

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITER MAY OVER ALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKETS. SUCH STABILIZATION, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

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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

PRELIMINARY OFFICIAL STATEMENT

OF THE

WILLSBORO CENTRAL SCHOOL DISTRICT
ESSEX COUNTY, NEW YORK

RELATING TO

$4,405,000* School District Refunding (Serial) Bonds, 2021

This Preliminary Official Statement, which includes the cover page, has been prepared by the Willsboro Central School District, Essex County, New York (the "School District" or "District", "County", and "State", respectively) in connection with the sale by the School District of $4,405,000* principal amount of School District Refunding (Serial) Bonds, 2021 (herein referred to as the "Bonds").

The factors affecting the School District's financial condition and the Bonds 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 Bonds and the proceedings of the District relating thereto are qualified in their entirety by reference to the definitive forms of the Bonds and such proceedings.

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

THE BONDS

Description of the Bonds

The Bonds 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 Bonds as required by the Constitution and laws of the State of New York (State Constitution, Art. VIII, Section 2; Local Finance Law, Section 100.00). All the taxable real property within the District is subject to the levy of ad valorem taxes to pay the Bonds and interest thereon, without limitation as to rate or amount. (See "THE BONDS – Nature of the Obligation" and "TAX LEVY LIMITATION LAW" herein.).

The Bonds will be dated the date of delivery and will mature in the principal amounts as set forth on the cover page. The Bonds are not subject to redemption prior to maturity. The "Record Date" of the Bonds will be the last business day of the calendar month preceding each such interest payment date.

The Bonds will be issued as registered bonds and, when issued, will be registered in the name of Cede & Co., as nominee of DTC, which will act as securities depository for the Bonds. Individual purchases will be made in book-entry only form, in the principal amount of $5,000 or integral multiples thereof. Purchasers will not receive certificates representing their ownership interest in the Bonds. Interest on the Bonds will be payable semi-annually on June 15 and December 15 in each year until maturity commencing June 15, 2021. Principal and interest will be paid by the District to DTC, which will in turn remit such principal and interest to its Participants, for subsequent distribution to the Beneficial Owners of the Bonds, as described herein.

No Optional Redemption

The Bonds are <u>not</u> subject to redemption prior to maturity.

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* Preliminary, subject to change.

Nature of the Obligation

Each of the Bonds 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 Bonds 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, subject to applicable statutory limitations.

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

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

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

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

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

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

Constitution of the State does also provide that the fiscal officer of any county, city, town, village, or school district may be required to set apart and apply such first revenues at the suit of any holder of any such obligations.

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

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

BOOK-ENTRY-ONLY SYSTEM

The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the Bonds. The Bonds 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 bond certificate will be issued for each maturity and amount and will be deposited with DTC.

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

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("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 Bonds 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 Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds 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 Bonds 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 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds 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 Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Principal and interest payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the District on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC nor its nominee or the District, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest 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 Bonds 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 BONDS (1) PAYMENTS OF PRINCIPAL OF OR INTEREST ON THE BONDS; (2) CONFIRMATIONS OF THEIR OWNERSHIP INTERESTS IN THE BONDS; OR (3) OTHER NOTICES SENT TO DTC OR CEDE & CO., ITS PARTNERSHIP NOMINEE, AS THE REGISTERED OWNER OF THE BONDS, OR THAT THEY WILL DO SO ON A TIMELY BASIS, OR THAT DTC, DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS WILL SERVE AND ACT IN THE MANNER DESCRIBED IN THIS OFFICIAL STATEMENT.

THE DISTRICT WILL NOT HAVE ANY RESPONSIBILITY OR OBLIGATIONS TO DTC, THE DIRECT PARTICIPANTS, THE INDIRECT PARTICIPANTS OF DTC OR THE BENEFICIAL OWNERS WITH RESPECT TO (1) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS OF DTC; (2) THE PAYMENT BY DTC OR ANY DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS OF DTC OF ANY AMOUNT DUE TO ANY BENEFICIAL OWNER IN RESPECT OF THE PRINCIPAL AMOUNT OF OR INTEREST ON THE BONDS; (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 BONDS.

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.
Source: The Depository Trust Company.

Certificated Bonds

DTC may discontinue providing its services with respect to the Bonds 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 transfers through DTC at any time. In the event that such book-entry-only system is discontinued, the following provisions will apply: the Bonds will be issued in fully registered form in denominations of $5,000 each or any integral multiple thereof. Principal of the Bonds when due will be payable upon presentation at the office of a bank or trust company located and authorized to do business in the State as a fiscal agent bank to be named by the District upon termination of the book-entry-only system. Interest on the Bonds will be payable semi-annually on June 15 and December 15 in each year until maturity commencing June 15, 2021. Such interest will be payable by check drawn on the fiscal agent and mailed to the registered owner on each interest payment date at the address as shown on the registration books of the fiscal agent as of the last business day of the calendar month preceding each such interest payment date. Bonds may be transferred or exchanged at no cost to the registered owner at any time prior to maturity at the office of the fiscal agent for Bonds of the same or any other authorized denomination or denominations in the same aggregate principal amount upon the terms set forth in the Refunding Bond Certificate of the President of the Board of Education authorizing the sale of the Bonds and fixing the details thereof and in accordance with the Local Finance Law. The fiscal agent shall not be obligated to make any such transfer or exchange of Bonds between the last business day of the calendar month preceding an interest payment date and such interest payment date.

AUTHORIZATION AND PLAN OF REFUNDING

Authorization and Purpose

The Bonds are being issued pursuant to the Constitution and statutes of the State, including particularly section 90.10 of the Local Finance Law, a refunding bond resolution adopted by the Board of Education on January 12, 2021 (the "Refunding Bond Resolution") and other proceedings and determinations related thereto. The Refunding Bond Resolution authorizes the refunding of all or a portion of the outstanding principal balance of the School District (Serial) Bonds, 2011, dated April 19, 2011, originally issued by the School District in the aggregate principal amount of $9,715,000 ("Refunded Bonds") and authorizes issuance of the Bonds to provide the funds necessary to effect the refunding of the Refunded Bonds.

The Refunded Bonds were authorized by the Board of Education pursuant to a bond resolution adopted to provide funds for the following purposes and amounts:

$9,715,000 School District (Serial) Bonds, 2011 – Dated April 19, 2011

Purpose	Amount Originally Issued
Refunding of 2002 Bonds	$ 9,715,000

The Refunding Financial Plan

The Bonds are being issued to effect the refunding of the Refunded Bonds pursuant to the District's refunding financial plan (the "Refunding Financial Plan"). The Refunding Financial Plan provides that the proceeds of the Bonds (after payment of the underwriting fee and other costs of issuance related to the Bonds) are to be applied to purchase a portfolio of U.S. Treasury securities (the "Government Obligations") with any remaining amount to be held un-invested in cash. The Government Obligations and un-invested cash are to be placed in an irrevocable escrow fund (the "Escrow Deposit Fund") with Manufacturers and Traders Trust Company, (the "Escrow Holder"), pursuant to the terms of an escrow contract (the "Escrow Contract") by and between the District and the Escrow Holder. The Refunding Financial Plan further provides that the Government Obligations will mature in amounts and bear interest sufficient, together with any un-invested cash, to fund the interest payments on the Refunded Bonds on the dates such payments are due and to pay the redemption price of the Refunded Bonds (being equal to 100% of the principal amount thereof) on June 15, 2021 (the "Redemption Date"). The Refunding Financial Plan calls for the Escrow Holder, pursuant to the Refunding Bond Resolution and the Escrow Contract, to call the Refunded Bonds for redemption on the Redemption Date. The owners of the Refunded Bonds will have a first lien on all of the cash and Government Obligations necessary for the refunding in the Escrow Deposit Fund into which are required to be deposited all investment income on and maturing principal of the Government Obligations, together with the un-invested cash deposit, until the Refunded Bonds have been paid, whereupon the Escrow Contract, given certain conditions precedent, shall terminate.

The District is expected to realize, as a result of the issuance of the Bonds, and in accordance with the Refunding Financial Plan, cumulative dollar and present value debt service savings.

Under the Refunding Financial Plan, the Refunded Bonds will continue to be general obligations of the District and will continue to be payable from District sources legally available therefore until they are redeemed on June 15, 2021. However, inasmuch as the Government Obligations and cash held in the Escrow Deposit Fund will have been verified to be sufficient to meet all scheduled payments of interest on, and the redemption price of, the Refunded Bonds, it is not anticipated that such District sources of payment will be used. (See "Verification of Mathematical Computations" herein.)

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The list of Refunded Bond maturities herein set forth below, may be changed by the District in its sole discretion due to market or other factors considered relevant by the District at the time of pricing of the Bonds and no assurance can be given that any particular maturity thereof will be refunded.

$9,715,000 School District Refunding (Serial) Bonds, 2011 – Dated April 19, 2011
CUSIP BASE: 971365

Due June 15th	Principal Amount	Interest Rate	Redemption Date	Redemption Price	CSP
2022	$ 540,000	4.000%	6/15/2021	100.00%	DT5
2023	560,000	4.000	6/15/2021	100.00	DU2
2024	585,000	4.125	6/15/2021	100.00	DV0
2025	605,000	4.250	6/15/2021	100.00	DW8
2026	635,000	4.375	6/15/2021	100.00	DX6
2027	660,000	4.500	6/15/2021	100.00	DY4
2028	690,000	4.500	6/15/2021	100.00	DZ1
2029	720,000	4.500	6/15/2021	100.00	EA5
	$ 4,995,000				

The proceeds of the Refunded Bonds have been expended.

Verification of Mathematical Computations

Causey Demgen & Moore PC, a firm of independent public accountants, will deliver to the District, on or before the date of delivery of the Bonds, its report indicating that it has verified, in accordance with standards established by the American Institute of Certified Public Accountants, the information and assertions provided by the District and its representatives. Included in the scope of its engagement will be a verification of the mathematical accuracy of (a) the mathematical computations of the adequacy of the cash and the maturing principal of and interest on, the Government Obligations used to fund the Escrow Deposit Fund to be established by the Escrow Holder to pay, when due, the interest on, and the redemption price of, the Refunded Bonds; and (b) the mathematical computations supporting the conclusion of Bond Counsel that the Bonds are not "arbitrage bonds" under the Code and the regulations promulgated thereunder.

The verification performed by Causey Demgen & Moore PC will be solely based upon data, information and documents provided to Causey Demgen & Moore PC by the District and its representatives. Causey Demgen & Moore PC reports of its verification will state Causey Demgen & Moore PC has no obligation to update the report because of events occurring, or data or information coming to their attention, subsequent to the date of the report.

Sources and Uses of Bond Proceeds

Proceeds of the Bonds are to be applied as follows:

Sources:	Par Amount of the Bonds		$
	Original Issue Premium/(Discount)		
		Total	$
Uses:	Deposit to Escrow Fund		$
	Underwriter's Discount		
	Costs of Issuance and Contingency		
		Total	$

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THE SCHOOL DISTRICT

General Information

The Willsboro Central School District is located in upstate New York, 22 miles south of the City of Plattsburgh and 15 miles southwest of the City of Burlington, Vermont. Major highways accessible to the District include Interstate #87, (the New York State Northway), New York State Routes #9 and #22 and United States Highway Route #9.

The School District is approximately 20 square miles in land area and contains portions of the Towns of Chesterfield, Essex, Lewis, Westport and Willsboro.

The School District community has a blend of residential, commercial and rural characteristics. In close proximity to the School District are several major shopping centers and the downtown district of the City of Burlington, Vermont.

Electricity and gas are provided by New York State Electric & Gas / SMEC. Fire protection is supplied by various volunteer units. Police protection is furnished by local, County and State agencies.

The Willsboro-Essex Committee was formed as an ad-hoc group by the Willsboro Development Corp. to study conditions and to make recommendations to spur economic development and job creation in the two towns.

Source: District officials

Population

The current estimated population of the District is 2,430. (Source: 2019 U.S. Census Bureau.)

Selected Wealth and Income Indicators

Per capita income statistics are not available for the District as such. The smallest areas for which such statistics are available, which includes the District, are the Towns and the County listed below. The figures set below with respect to such Towns and County is included for information only. It should not be inferred from the inclusion of such data in the Official Statement that the Towns or the County are necessarily representative of the District, or vice versa.

	Per Capita Income			Median Family Income		
	2000	2006-2010	2015-2019	2000	2006-2010	2015-2019
Towns of:						
Chesterfield	$ 18,421	$ 26,486	$ 36,380	$ 43,015	$ 52,056	$ 80,096
Essex	20,087	30,711	33,163	40,104	65,729	71,389
Lewis	17,030	24,041	31,134	37,778	48,000	60,278
Westport	22,063	23,243	37,846	49,917	57,813	76,875
Willsboro	20,209	25,501	39,553	40,272	49,063	68,722
County of:						
Essex	18,194	24,390	37,459	41,927	55,781	68,490
State of:						
New York	23,389	30,948	39,326	51,691	67,405	84,385

Note: 2016-2020 American Community Survey estimates are unavailable as of the date of this Official Statement.

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

Largest Employers

Some of the larger employers within the District and the estimated number of persons employed by each are as follows:

Employer	Business	Approximate # of Employees
Imerys	Commercial	69
Champlain Valley Senior Community	Assisted Living Facility	65
Willsboro Central School District	Education	59
General Composite	Commercial	25
Commonwealth Home Fashions	Retail	10
Bargoose	Textiles	12
Champlain Milling	Milling	6

Source: District officials.

Unemployment Rate Statistics

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

	Annual Average							
	2012	2013	2014	2015	2016	2017	2018	2019
Essex County	9.6%	8.3%	6.9%	6.0%	5.3%	5.5%	4.9%	4.7%
New York State	8.5%	7.7%	6.3%	5.3%	4.9%	4.7%	4.1%	4.0%

	2020 Monthly Figures											
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
Essex County	6.0%	5.8%	6.2%	17.1%	11.6%	10.3%	10.5%	7.5%	4.6%	5.1%	5.1%	5.9%
New York State	4.1%	3.9%	4.2%	15.1%	14.2%	15.5%	16.0%	12.5%	9.3%	9.2%	9.0%	8.1%

Note: Unemployment rates for the months of January 2021 and February 2021 are unavailable as of the date of this Official Statement. Due to the COVID-19 pandemic, unemployment rates for April 2020 through December 2020 were substantially higher than the previous period. Unemployment rates are expected to remain at the increased level for the foreseeable future.

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

Form of School Government

The Board of Education, which is the policy-making body of the School District, consists of five members with overlapping three year terms so that as nearly as possible an equal number is elected to the Board each year. Each Board member must be a qualified voter of the School District and no Board member may hold certain other School District offices or position while serving on the Board of Education. The President and the Vice President are selected by the Board members.

Investment Policy

Pursuant to the statutes of the State of New York, the School District is permitted to invest only in the following investments: (1) special time deposits or certificates of deposits in a bank or trust company located and authorized to do business in the State of New York; (2) obligations of the United States of America; (3) obligations guaranteed by agencies of the United States of America where the payment of principal and interest is guaranteed by the United States of America; (4) obligations of the State of New York; (5) with the approval of the New York State Comptroller, tax anticipation notes and revenue anticipation notes issued by any New York municipality or district corporation, other than the School District; (6) obligations of a New York public corporation which are made lawful investments by the School District pursuant to another provision of law; (7) certain certificates of participation issued on behalf of political subdivisions of the State of New York; and, (8) in the case of School District moneys held in certain reserve funds established pursuant to law, obligations issued by the School 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 School District's current policy to invest in: (1) savings accounts or money market accounts of designated banks; (2) certificates of deposit issued by a bank or trust company located in and authorized to do business in New York State; (3) demand deposit accounts in a bank or trust company located in and authorized to do business in New York State; Obligations of New York State; Obligations of the United States Government (U.S. Treasury Bills and Notes); (4) repurchase agreements involving the purchase and sale of direct obligations of the United States; (5) all funds except Reserve Funds may be invested in revenue anticipation notes or tax anticipation notes of other school districts and municipalities, with the approval of the State Comptroller; and (6) only reserve funds may be invested in obligations of the School District.

Budgetary Procedures

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

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

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

If the proposed budget is not approved by the required margin, the Board of Education may resubmit the original budget or a revised budget to the voters on the 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 Votes

The budget for the 2019-20 fiscal year was adopted by the qualified voters on May 21, 2019 by a vote of 234 to 167. The District's budget for the 2019-20 fiscal year will remain within the Tax Cap imposed by Chapter 97 of the Laws of 2011. The budget called for a total tax levy increase of 4.03% which is below the District tax levy limit of 4.97%.

The budget for the 2020-21 fiscal year was approved by the qualified voters on June 16, 2020 with a vote of 533 to 221. The District's budget for 2020-21 will remain within the Tax Cap imposed by Chapter 97 of the Laws of 2011. The budget calls for a total tax levy increase of 2.86%, which is equal to the District tax levy limit of 2.86%.

State Aid

The District receives appropriations from the State of State aid for operating, building and other purposes at various times throughout its fiscal year, pursuant to formulas and payment schedules set forth by statute. While the State has a constitutional duty to maintain and support a system of free common schools that provides a "sound basic education" to children of the State, there can be no assurance that the State appropriation for State aid to school districts will be continued in future years, either pursuant to existing formulas or in any form whatsoever. State aid appropriated and apportioned to the School Districts can be paid only if the State has such monies available for such payment. In its adopted budget for the 2020-21 fiscal year, approximately 28.8% 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 amount of State aid to school districts is dependent in part upon the financial condition of the State. Due the outbreak of COVID-19 the State has declared a state of emergency and the Governor has taken and continues to take steps designed to mitigate the spread and impacts of COVID-19, including closing schools and non-essential businesses. The outbreak of COVID-19 and the dramatic steps taken by the State to address it have and are expected to continue to negatively impact the State's economy and financial condition. The full impact of COVID-19 upon the State is not expected to be known for some time; however, it is anticipated that the State will be required to take certain gap-closing actions. Such actions may include, but are not limited to: reductions in State agency operations and/or delays or reductions in payments to local governments or other recipients of State aid including school districts in the State. If this were to occur, reductions in the payment of State aid could adversely affect the financial condition of school districts in the State, including the District.

The State's 2020-2021 Enacted Budget authorizes the State's Budget Director to make periodic adjustments to nearly all State spending, including State Aid, in the event that actual State revenues come in below 99% percent of estimates or if actual disbursements exceed 101% of estimates. Specifically, the legislation provides that the State Budget Director will determine whether the State's 2020-2021 budget is balanced during three "measurement periods": April 1 to April 30, May 1 to June 30, and July 1 to Dec. 31. According to the legislation, if "a General Fund imbalance has occurred during any Measurement Period," the State's Budget Director will be empowered to "adjust or reduce any general fund and/or state special revenue fund appropriation … and related cash disbursement by any amount needed to maintain a balanced budget," and "such adjustments or reductions shall be done uniformly across the board to the extent practicably or by specific appropriations as needed." The legislation further provides that prior to making any adjustments or reductions, the State's Budget Director must notify the Legislature in writing and the Legislature has 10 days following receipt of such notice to prepare and approve its own plan. If the Legislature fails to approve its own plan, the Budget Director's reductions take effect automatically. (See "*State Aid History*" herein).

On October 30, 2020, the New York State Division of Budget (the "DOB") released its Fiscal Year 2021 Mid-Year State Budget Financial Plan Update (the "Financial Plan"), which projects a $14.9 billion General Fund revenue decline and a 15.3% All Funds tax receipts decline from the Budget forecast released in February, creating a total loss of nearly $63 billion through fiscal year 2024 as a direct consequence of the COVID-19 pandemic. The budget gaps for future years are now projected at $8.7 billion in fiscal year 2022, $9.7 billion in fiscal year 2023, and $9.4 billion in fiscal year 2024. The Financial Plan estimates and projections for each year, including fiscal year 2021, reflect $8 billion in local aid reductions that are expected to be executed pursuant to the budget reduction authority granted to the Budget Director in the Enacted Budget (the "Reduction Authority"). Substantially all such outyear savings are dependent on the Legislature approving the continuation of the Reduction Authority or specific gap-closing actions, or both, in future years. If the U.S. Congress approves substantial new recovery aid to the states and localities, the level of State-planned reductions may be reduced. 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 2020, pursuant to the withholding authority granted by State legislation enacted in connection with the adoption of the Enacted Budget. It has also imposed a rigorous process for reviewing all planned payments for local aid, agency operations, and capital projects. Through the end of September 2020, DOB estimates that approximately $2.4 billion in local aid payments were not made as budgeted. All or a portion of these budgeted payments may not be made during fiscal year 2021, depending on the size and timing of new Federal aid, if any. Consistent with the Enacted Budget Financial Plan, the State has implemented a hiring freeze and controls on non-personal service and capital commitments and expenditures. It has also deferred, through December 30, 2020, the general salary increases that were scheduled to take effect on April 1, 2020. State agencies have been directed to reduce operating expenditures by 10 percent from the levels authorized in the Enacted Budget Financial Plan.

Source: NYS Dept. Of Education, State Aid Website. This source pertains only to the October 30, 2020 updates detailed in the paragraph above. Reference to website implies no warranty of accuracy of information therein, and the website is not incorporated herein by reference.

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

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

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

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, the District is authorized by the Local Finance Law to provide operating funds by borrowing in anticipation of the receipt of uncollected State aid. In the event a mid-year reduction in State aid, a deficiency note may be issued in a restricted amount.

Potential reductions in 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.

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

Building aid

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

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

Pursuant to the provisions of Chapter 760 of the Laws of 1963, the District is eligible to receive a Building Aid Estimate from the New York State Department of Education. Since the gross indebtedness of the District is within the debt limit, the District is not required to apply for a Building Aid Estimate. Based on 2021-2022 preliminary building aid ratios, the District expects to receive State building aid of approximately 52.0% 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

Following a State budgetary crisis in 2009, State aid to school districts in the State decreased for a number of years with increases established in more recent years. However, as discussed below the COVID-19 outbreak has affected and is expected to continue to affect State aid to the District.

School district fiscal year (2016-2017): The 2016-17 State budget included a school aid increase of $991 million over 2015-16, $863 million of which consists of traditional operating aid. In addition to full-funding of expense based aids ($408 million), the budget also includes 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 received $0 in State aid (in the form of Foundation aid) to be used on community schools activities. The District is not a part of the Community Schools Grant Initiative (CSGI).

School district fiscal year (2017-2018): The State 2017-2018 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 2017-2018 and 2018-2019 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 included a total of $27.69 billion for School Aid, a year-to-year funding increase of $956 million or 3.6 percent and provided 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 increased 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 increased 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 extraordinary challenges from the COVID-19 health crisis creating at least a $10 billion loss in revenue to the State, the State's Enacted 2020-2021 Budget includes a total of $27.9 billion State aid, which is essentially the same amount of State aid to school districts included in the State's 2019-2020 Enacted Budget. The State's Enacted 2020-2021 Budget includes a "pandemic adjustment" for each school district, a reduction in State funding that will match how much school districts expect to receive from the federal CARES stimulus program. In addition, the State's Enacted 2020-2021 Budget authorizes the State Budget Director to make uniform reductions to appropriations (including the appropriations for State aid to school districts) if the State's Enacted 2020-2021 Budget becomes unbalanced because revenues fall below projections or expenditures rise above projections during a given period. The proposed reductions would be shared with the Legislature which would then have 10 days to prepare and adopt their own plan. If the Legislature does not do so, the Budget Director's proposed reductions would go into effect automatically.

State Aid Litigation

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

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

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

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

State Aid Revenues

The following table illustrates the percentage of total revenues of the District for each of the below completed fiscal years and budgeted new figures comprised of State aid.

Fiscal Year	Total Revenues	Total State Aid	Percentage of Total Revenues Consisting of State Aid
2015-2016	$ 7,576,274	$ 2,281,824	30.12%
2016-2017	7,592,548	2,285,812	30.10
2017-2018	7,833,227	2,409,757	30.76
2018-2019	7,961,167	2,414,141	30.32
2019-2020	8,349,160	2,511,818	30.08
2020-2021 (Budgeted)	8,414,379	2,421,210	28.77

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

District Facilities

Name	Grades	Capacity	Year(s) Built/Additions
Willsboro Central School	Pre-K-12	1,556	2001

Source: District officials.

Enrollment Trends

School Year	Actual Enrollment	School Year	Projected Enrollment
2016-2017	256	2021-2022	265
2017-2018	266	2022-2023	270
2018-2019	258	2023-2024	270
2019-2020	255	2024-2025	255
2020-2021	252	2025-2026	252

Source: District officials.

Employees

The District employs a total of approximately 53 full-time and 1 part-time employees with representation by various unions as follows:

Number	Union Representation	Contract Expiration Date
36	Willsboro Teachers' Association	June 30, 2021 (1)
12	CSEA	June 30, 2024
6	Administrative Contracts	June 30, 2021

(1) Negotiations are expected to commence April 2021.

Source: District officials.

Status and Financing of Employee Pension Benefits

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

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

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

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

The District is required to contribute at an actuarially determined rate. The actual contributions for the last five years and budgeted figures for the 2020-2021 fiscal years are as follows:

Fiscal Year	ERS	TRS
2015-2016	$ 112,806	$ 454,891
2016-2017	92,075	350,428
2017-2018	96,101	320,811
2018-2019	99,239	281,085
2019-2020	98,088	286,552
2020-2021 (Budgeted)	103,000	253,457

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 (2016-17 to 2020-21) is shown below:

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

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

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

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

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

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

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

The State's 2019-2020 Enacted Budget, which was signed into law as Chapter 59 of the Laws of 2019, includes a provision that will allow school districts in the State to establish a reserve fund for the purpose of funding the cost of TRS contributions, as a sub-fund of retirement contribution reserve funds presently authorized for amounts payable to the ERS by a school district. School districts will be permitted to pay into such reserve fund during any particular fiscal year, an amount not to exceed two percent of the total compensation or salaries of all district-employed teachers who are members of the TRS paid during the immediately preceding fiscal year; provided that the balance of such fund may not exceed ten percent of the total compensation or salaries of all district-employed teachers who are members of the TRS paid during the immediately preceding fiscal year. The District established a TRS reserve fund on May 20, 2020 and has not funded it yet.

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

The District contracted with Armory Associates LLC, an actuarial firm, 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	June 30, 2019
	$ 19,792,729	$ 19,811,031
Changes for the year:		
Service cost	603,635	541,194
Interest	726,088	777,873
Differences between expected and actual experience	-	3,444,671
Changes in benefit terms	-	180,170
Changes in assumptions or other inputs	(856,921)	(74,935)
Benefit payments	(454,500)	(504,280)
Net Changes	$ 18,302	$ 4,364,693
Balance ending at:	June 30, 2019	June 30, 2020
	$ 19,811,031	**$ 24,175,724**

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.

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

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 Bonds 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 Bonds 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". 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.

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 June 10, 2016. The purpose of the audit was to assess the District's financial condition for the period July 1, 2012 through October 31, 2015.

Key Findings:

- The District overestimated appropriations in the adopted budgets by more than 10 percent over the past three years.
- The District has accumulated fund balance that exceeds the statutory limit by nearly 12 percentage points.
- District officials did not develop a multiyear financial plan.

Key Recommendations:

- Adopt budgets that include realistic estimates for appropriations.
- Ensure that the District's unrestricted fund balance is in compliance with statutory limits and reduce the amount of unrestricted fund balance in a manner than benefits District residents.
- Develop a multiyear financial plan and monitor and update it on an ongoing basis.

The District provided a complete response to the State Comptroller's office on May 2, 2016. A copy of the complete report and response can be found via the website of the Office of the New York State Comptroller.

As of the date of this Official Statement, there are no State Comptroller audits of the District 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 five fiscal years of the District are as follows:

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

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

Note: Reference to website implies no warranty of accuracy of information therein. Information for the fiscal year ending 2021 is unavailable as of the date of this Official Statement.

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TAX INFORMATION

Taxable Assessed Valuations

Fiscal Year Ending June 30:	2017	2018	2019	2020	2021
Towns of:					
Chesterfield	$ 201,656	$ 201,101	$ 201,079	$ 202,417	$ 202,570
Essex	119,846,104	120,240,299	121,047,470	124,084,409	123,882,448
Lewis	419,592	420,769	422,052	424,420	427,492
Westport	3,516,855	3,506,375	3,529,062	3,709,507	3,662,628
Willsboro	307,219,166	317,675,057	319,337,546	321,273,899 (1)	334,223,710
Total Assessed Values	$ 431,203,373	$ 442,043,601	$ 444,537,209	$ 449,694,652	$ 462,398,848
State Equalization Rates					
Towns of:					
Chesterfield	100.00%	100.00%	100.00%	100.00%	100.00%
Essex	100.00%	100.00%	100.00%	100.00%	100.00%
Lewis	100.00%	100.00%	100.00%	100.00%	100.00%
Westport	100.00%	100.00%	100.00%	100.00%	100.00%
Willsboro	100.00%	100.00%	100.00%	100.00%	100.00%
Total Taxable Full Valuation	$ 431,203,373	$ 442,043,601	$ 444,537,209	$ 449,694,652	$ 462,398,848

(1) Town of Willsboro assessed valuation after $54,000 assessment correction.

Tax Rate Per $1,000 (Assessed)

Fiscal Year Ending June 30:	2017	2018	2019	2020	2021
Towns of:					
Chesterfield	$ 11.92	$ 11.63	$ 11.82	$ 12.15	$ 12.16
Essex	11.92	11.63	11.82	12.15	12.16
Lewis	11.92	11.63	11.82	12.15	12.16
Westport	11.92	11.63	11.82	12.15	12.16
Willsboro	11.92	11.63	11.82	12.15	12.16

Tax Levy and Tax Collection Record

Fiscal Year Ending June 30:	2017	2018	2019	2020	2021
Total Tax Levy	$ 5,141,119	$ 5,141,119	$ 5,254,570	$ 5,465,851 (1)	$ 5,622,693
Amount Uncollected (2)	361,999	362,863	329,476	380,294	419,520
% Uncollected	7.04%	7.06%	6.27%	6.96%	7.46%

(1) Total Tax Levy less $301.35 tax adjustment and $388.95 enhanced STAR correction.
(2) See "Tax Collection Procedure" herein.

Tax Collection Procedure

Tax payments are due September 1st. There is no penalty charge for the first thirty days after taxes are due, but a 2% penalty is charged from October 1st to October 31st. A 3% penalty is charged from November 1st through November 9th. On or about November 9th, uncollected taxes are returnable to the County of Essex for collection. The School District receives this amount from said County prior to the end of the School District's fiscal year, thereby assuring 100% tax collection annually. Tax sales are held annually by the County.

Real Property Tax Revenues

The following table illustrates the percentage of total revenues of the District for each of the below completed fiscal years and budgeted figures comprised of Real Property Taxes.

Fiscal Year	Total Revenues	Total Property Tax Levy	Percentage of Total Revenues Consisting of Real Property Tax
2015-2016	$ 7,576,274	$ 5,159,883	68.11%
2016-2017	7,592,548	5,162,788	68.00
2017-2018	7,833,227	5,160,136	65.87
2018-2019	7,961,167	5,271,620	66.22
2019-2020	8,349,160	5,479,978	65.64
2020-2021 (Budgeted)	8,414,379	5,639,693	67.02

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

Larger Taxpayers - 2020-2021 Tax Roll

Name	Type	Estimated Full Valuation
NYCO	Mining	$ 8,031,400
NY State Electric and Gas	Utility	6,078,430
Heurich, Gary F	Residential	3,360,400
Braidlea Farms	Vacant Land/Estate	2,982,107
D&H Railway	Railroad	2,376,908
Sunset Farm Ltd	Agricultural	2,375,366
Boquette Farm Partners	Agricultural	2,261,000
CVSC LLC	Aged Home	2,240,000
State of New York	State-owned Forest Lands	2,074,100
Eagle Eye Partners, LLC	Residential/Vac Ag.	1,860,000

The ten larger taxpayers listed above have a total estimated full valuation of $33,639,711, which represents 7.27% of the tax base of the District.

The District has tax certiorari claims pending. The District currently has an $18,888.65 Tax Certiorari Reserve in place to cover such contingencies. The District will evaluate if increasing the Tax Certiorari Reserve at the end of the 2020-2021 fiscal year if the claims are still pending. At this time, the individual tax certiorari claims, if decided adversely to the District, are not anticipated to have a material adverse impact on the District's finances. However, if the claims are decided adversely to the District in the aggregate, the potential claims may have a material impact on the District. The pending tax certiorari claims that potentially may have a material impact on the District are as follows**:**

Name of Entity	Potential Total Impact	
Dennin	$ 9,328.29	
Eton Centers	709.40	
Telecommunications	14,761.30	(1)
Phillips	1,055.47	
AT&T Communications	724.60	
Total	$ 26,579.06	

(1) The potential total impact shown is the worst case scenario if all of the assessed property in the claim is located within District boundaries within the towns of Essex & Willsboro only. The towns of Chesterfield & Westport were not included in the calculation as the likelihood that the properties reside within the small school boundaries of each town is small.

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 undisclosed retirement annuities ("STAR Adjusted Gross Income") of $88,050 or less for 2020 benefits and $90,550 or less for 2021 benefits, increased annually according to a Cost-of-Living adjustment, are eligible for an "enhanced" exemption. 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 "basic" exemption on their primary residence.

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

The 2020-21 State 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:

Towns of	Enhanced Exemption	Basic Exemption	Date Certified
Chesterfield	$ 69,800	$ 30,000	4/10/2020
Essex	69,800	30,000	4/10/2020
Lewis	69,800	30,000	4/10/2020
Westport	69,800	30,000	4/10/2020
Willsboro	69,800	30,000	4/10/2020

$289,108 of the District's $5,465,851 school tax levy for the 2019-20 fiscal year was exempt by the STAR Program. The District received full reimbursement of such exempt taxes from the State in January, 2020.

$280,760 of the District's $5,622,693 school tax levy for the 2020-21 fiscal year was exempted by the STAR Program. The District received full reimbursement of such exempt taxes from the State by January, 2021.

Additional Tax Information

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

Veterans' and senior citizens' exemptions are offered to those who qualify. The Board of Education approved Level D of the Alternative Veteran's Exemption.

Total assessed valuation of the School District is estimated to be categorized as follows: Residential – 86.3% and Other – 13.7%.

The estimated total annual property tax bill of a $50,000 market value residential property located in the District is approximately $1,025.76 including County, Town, School District and Fire District taxes.

TAX LEVY LIMITATION LAW

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

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

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

Chapter 97 restricts, among other things, the amount of real property taxes that may be levied by or on behalf of a school district in a particular year. As part of the Enacted 2019-20 State budget legislation, the Tax Levy Limitation Law was made permanent. Pursuant to the Tax Levy Limitation Law, the tax levy of a school district cannot increase by more than the lesser of (i) two percent (2%) or (ii) the annual increase in the CPI, over the amount of the prior year's tax levy. Certain adjustments are permitted for taxable real property full valuation increases due to changes in physical or quantity growth in the real property base as defined in Section 1220 of the Real Property Tax Law. A school district can exceed the tax levy limitation for the coming fiscal year only if the voters of such school district first approve a tax levy by at least 60% affirmative vote of those voting to override such limitation for such coming fiscal year only. Tax levies that do not exceed the limitation will only require approval by at least 50% of those voting. In the event that the voters reject a tax levy and the district does not go out for a second vote, or if a second vote is likewise defeated, Chapter 97 provides that the tax levy for the new fiscal year may not exceed the tax levy for the prior fiscal year.

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

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

There is also an exception for school districts for "Capital Local Expenditures" subject to voter approval where required by law. This term is defined in a manner that does not include certain items for which a school district may issue debt, including the payment of judgments or settled claims, including tax certiorari payments, and cashflow borrowings, including tax anticipation notes, revenue anticipation notes, budget notes and deficiency notes. "Capital Local Expenditures", are defined as "the taxes associated with budgeted expenditures resulting from the financing, refinancing, acquisition, design, construction, reconstruction, rehabilitation, improvement, furnishing and equipping of or otherwise providing for school district capital facilities or school district capital equipment, including debt service and lease expenditures, and transportation capital debt service, subject to the approval of the qualified voters where required by law". The portion of the tax levy necessary to support "Capital Local Expenditures" is defined as the "Capital Tax Levy", and is an exclusion from the tax levy limitation, applicable to the Bonds. The State Commissioner of Taxation and Finance has promulgated a regulation that will allow school districts, beginning in the 2020-21 school year, to adjust the exclusion to reflect a school district's share of capital expenditures related to projects funded through a board of cooperative educational services ("BOCES").

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

STATUS OF INDEBTEDNESS

Constitutional Requirements

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

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

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

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

Statutory Procedure

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

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 in anticipation of the bonds. No down payment is required in connection with the issuance of District obligations.

Debt Limit. The District has the power to contract indebtedness for any District purpose authorized by the Legislature of the State of New York provided the aggregate principal amount thereof shall not exceed 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 assessed valuation of taxable real estate for the last completed assessment roll and applying thereto the ratio (equalization rate) which such assessed valuation bears to the full valuation; such ratio is determined by the State Office of Real Property Services. The Legislature prescribes the manner by which such ratio shall be determined.

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

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

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

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

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

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

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

Debt Outstanding End of Fiscal Year

Fiscal Years Ending June 30th:	2016	2017	2018	2019	2020
Bonds	$ 7,340,000	$ 6,915,000	$ 6,465,000	$ 6,000,000	$ 6,071,580
Bond Anticipation Notes	105,136	195,549	223,636	159,136	94,000
Other Debt	0	0	0	1,500,716 (1)	1,470,000
Total Debt Outstanding	$ 7,445,136	$ 7,110,549	$ 6,688,636	$ 7,659,852	$ 7,635,580

(1) Represents an Energy Performance contract which are not counted against the District's debt limit. See "Lease Obligations" herein.

Details of Outstanding Indebtedness

The following table sets forth the indebtedness of the District evidenced by bonds and notes as of March 3, 2021:

Type of Indebtedness	Maturity	Amount
Bonds	2021-2032	$ 6,071,580
Bond Anticipation Notes		
Purchase of School Buses	July 29, 2021	184,446 (1)
	Total Indebtedness	$ 6,256,026

(1) To be redeemed at maturity with available funds of the District and/or bond anticipation notes.

Debt Statement Summary

Summary of Indebtedness, Debt Limit and Net Debt-Contracting Margin as of March 3, 2021:

Full Valuation of Taxable Real Property			$ 462,398,848
Debt Limit 10% thereof			46,239,885
Inclusions:			
Bonds	$ 6,071,580		
Bond Anticipation Notes	184,446		
Principal of this Issue	4,405,000 *		
Total Inclusions		$ 10,661,026	
Exclusions:			
Building Aid (1)	$ 0		
Total Exclusions		$ 0	
Total Net Indebtedness			$ 10,661,026
Net Debt-Contracting Margin			$ 35,578,859
The percent of debt contracting power exhausted is			23.06%

(1) Based on preliminary 2021-2022 building aid estimates, the District anticipates State Building aid of 52.0% 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.

$4,995,000* of the serial bonds listed above are expected to be refunded with the proceeds of the Bonds.

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

Bonded Debt Service

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

Cash Flow Borrowings

The District has not found it necessary to issues revenue anticipation notes or tax anticipation notes in the past, and does not anticipate the need to issue them in the foreseeable future.

Capital Project Plans

The District is contemplating a future capital project which will build a new bus garage that is solely for District use.

The District annually issues for the purchase of buses. On July 29, 2020, the District issued $184,446 bond anticipation notes, the proceeds of the which, along with $38,000 available funds of the District, partially redeemed and renewed $94,000 bond anticipation notes that matured July 30, 2020 and provided $128,446 new monies for the aforementioned purpose.

The District is contemplating incorporating a Capital Outlay project into the 2021-2022 budget and subsequent years.

There are presently no other capital projects authorized and unissued by the district, nor are any contemplated.

* Preliminary, subject to change.

Lease Obligation

The District entered into an Energy Performance Contract ("EPC") on August 16, 2018 with Siemens Financial Services in the amount of $1,500,719. The EPC will be used to fund various improvement projects of the District over a 15 year period at an interest rate of 3.5893%. The following is a schedule of future payments:

Fiscal Year Ending	Principal	Interest
2021	$ 80,000	$ 52,762.71
2022	90,000	49,891.27
2023	90,000	46,660.90
2024-2028	500,000	182,336.44
2029-2034	710,000	91,886.08
Total Lease Payments	$ 1,470,000	$423,537.40

Source: 2020 Audited Financial Statements of the District attached hereto as "APPENDIX - D".

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 year of the municipalities.

Municipality	Status of Debt as of	Gross Indebtedness (1)	Exclusions (2)	Net Indebtedness	District Share	Applicable Indebtedness
County of:						
Essex	12/31/2018	$ 32,015,000	$ -	$ 32,015,000	6.45%	$ 2,064,968
Town of:						
Chesterfield	12/31/2018	-	-	-	0.08%	-
Essex	12/31/2018	1,341,943	1,233,943	108,000	93.45%	100,926
Lewis	12/31/2018	63,987	63,987	-	0.24%	-
Westport	12/31/2018	3,581,302	1,513,388	2,067,914	1.52%	31,432
Willsboro	12/31/2018	2,463,474	720,000	1,743,474	99.65%	1,737,372
					Total:	$ 3,934,698

(1) Bonds and bond anticipation notes as of close of 2018 fiscal year. Not adjusted to include subsequent bond sales, if any.
(2) Water and sewer debt and appropriations. Pursuant to the Local Finance Law, this indebtedness is excluded from the constitutional debt limit.

Note: The 2018 Comptroller's Special Report is currently unavailable as of the date of this Official Statement.

Source: Comptroller's Special Report on Municipal Affairs for Local Finance Years Ended in 2018.

Debt Ratios

The following table sets forth certain ratios relating to the District's Net Indebtedness as of March 3, 2021:

	Amount	Per Capita (a)	Percentage of Full Value (b)
Net Indebtedness (c)	$ 10,661,026	$ 4,387.25	2.31%
Net Indebtedness Plus Net Overlapping Indebtedness (d)	14,595,724	6,006.47	3.16

(a) The current population of the District is estimated to be 2,430. (See "THE SCHOOL DISTRICT - Population" herein.)
(b) The District's full value of taxable real estate for the 2020-2021 fiscal year is $462,398,848. (See "TAX INFORMATION – Taxable Assessed Valuations" herein.)
(c) See "Debt Statement Summary" for the calculation of Net Indebtedness, herein.
(d) The District's applicable share of Net Overlapping Indebtedness is estimated to be $3,934,698. (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 Bonds, 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 Bonds. 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 Bond 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 Bonds in the event of a default in the payment of the principal of and interest on the Bonds.

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. See “THE BONDS – Nature of the Obligation” herein.

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 Bonds. The following is a discussion of certain events that could affect the risk of investing in the Bonds. 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 Bonds 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 Bonds. 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 Bonds, could be adversely affected.

The District relies in part on State aid to fund its operations. There can be no assurance that the State appropriation for State aid to school districts will be continued in future years, either pursuant to existing formulas or in any form whatsoever. State aid appropriated and apportioned to the District can be paid only if the State has such monies available therefore. The availability of such monies and the timeliness of such payment may also be affected by a delay in the adoption of the State budget, the State’s ability to borrow 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 impact to the State’s economy and financial condition due to the novel coronavirus (“COVID-19”) outbreak and other circumstances, including State fiscal stress. 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. In any event, State aid appropriated and apportioned to the District can be paid only if the State has such monies available therefore. Should the District fail to receive State aid expected from the State in the amounts or at the times expected, occasioned by a delay in the payment of such monies or by a reduction in State aid, the District is authorized by the Local Finance Law to provide operating funds by borrowing on account of the uncollected State aid. (See also "THE SCHOOL DISTRICT - State Aid").

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 Bonds. See “TAX LEVY LIMITATION LAW” herein.

Future legislative proposals, if enacted into law, or clarification of the Code or court decisions may cause interest on the Bonds 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 Bonds 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 Bonds, or the tax status of interest on the Bonds. See “TAX MATTERS” herein.

COVID 19

An outbreak of disease or similar public health threat, such as the COVID-19 outbreak, or fear of such an event, could have an adverse impact on the District's financial condition and operating results by potentially delaying the receipt of real property taxes or resulting in a delay or reduction by the State in the payment of State aid. Currently, the spread of COVID-19, a respiratory disease caused by a new strain of coronavirus, has spread globally, including to the United States, and has been declared a pandemic by the World Health Organization. The outbreak of the disease has affected travel, commerce and financial markets globally and is widely expected to affect economic growth worldwide. The current outbreak has caused the Federal government to declare a national state of emergency. The State has also declared a state of emergency and the Governor has taken steps designed to mitigate the spread and impacts of COVID-19, including closing schools and non-essential businesses. School and non-essential businesses have reopened and are operating under strict State guidelines. There is no assurance that the State will not order schools and non-essential businesses to close in the future. The outbreak of COVID-19 and the dramatic steps taken by the State to address it are expected to negatively impact the State's economy and financial condition. The full impact of COVID-19 upon the State is not expected to be known for some time. Similarly, the degree of the impact to the District's operations and finances is extremely difficult to predict due to the dynamic nature of the COVID-19 outbreak, including uncertainties relating to its (i) duration, and (ii) severity, as well as with regard to what actions may be taken by governmental and other health care authorities, including the State, to contain or mitigate its impact. The continued spread of the outbreak could have a material adverse effect on the State and municipalities and school districts located in the State, including the District. The District is monitoring the situation and will take such proactive measures as may be required to maintain its operations and meet its obligations. (See "State Aid" and "State Aid History" herein).

Cybersecurity

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

TAX MATTERS

In the opinion of Trespasz & Marquardt, LLP ("Bond Counsel"), based upon an analysis of existing laws, regulations, rulings, and court decisions, and assuming, among other matters, compliance with certain covenants, interest on the Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code") and is excluded from adjusted gross income for purposes of personal income taxes imposed by the State of New York and the City of New York. Bond Counsel is of the further opinion that interest on the Bonds is not a specific preference item for purposes of the federal individual alternative minimum tax. Complete copy of the proposed form of opinion of Bond Counsel is set forth in "APPENDIX – E" attached hereto.

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

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

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

Future legislative proposals, if enacted into law, or clarification of the Code or court decisions may cause interest on the Bonds to be subject, directly or indirectly, to federal income taxation or to be subject to or exempted from state income taxation, or otherwise prevent Beneficial Owners from realizing the full current benefit of the tax status of such interest. Proposals have been made that could significantly reduce the benefit of, or otherwise affect, the exclusion from gross income of interest on obligations like the Bonds. The introduction or enactment of any such legislative proposals, clarification of the Code or court decisions may also affect, perhaps significantly, the market price for, or marketability of, the Bonds. Prospective purchasers of the Bonds should consult their own tax advisors regarding any pending or proposed federal or state tax legislation, regulations or litigation, and regarding the impact of future legislation, regulations or litigation, as to which Bond Counsel expresses no opinion.

LEGAL MATTERS

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

Certain legal matters will be passed upon for the underwriter by its counsel, Barclay Damon LLP, Albany, New York.

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 Bonds or the levy and collection of taxes or assessments to pay same, or in any way contesting or affecting the validity of the Bonds or any proceedings or authority of the District taken with respect to the authorization, issuance or sale of the Bonds or contesting the corporate existence or boundaries of the District.

CONTINUING DISCLOSURE

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

Historical Compliance

The District is, in all material respects, in compliance with all prior undertakings pursuant to Rule 15c2-12 for the past five years.

MUNICIPAL ADVISOR

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

UNDERWRITING

The Bonds are being purchased by Roosevelt & Cross Incorporated (the "Underwriter") for reoffering to the public. The purchase contract for the Bonds provides that the Underwriter will purchase all of the Bonds, if any are purchased, at a purchase price equal to $______________ (being the par amount of the Bonds plus an original issue premium of $____________, less an underwriter's discount for the transaction of $___________). The Underwriter is initially offering the Bonds to the public at the public offering yields indicated on the cover page but the Underwriter may offer and sell the Bonds to certain dealers, institutional investors and others (including sales for deposit into investment trusts, certain of which may be sponsored or managed by the Underwriter) at yields higher than the public offering yields stated on the cover page and the public offering yields may be changed from time to time by the Underwriter.

BOND RATING

S&P Global Ratings, a business unit of Standard & Poor's Financial Services LLC ("S&P") has assigned their underlying rating of "A+" with a stable outlook to the Bonds. No application was made to any other rating agency for the purpose of obtaining an additional rating on the Bonds. The rating reflects only the view of S&P and any desired explanation of the significance of such rating should be obtained from S&P Global, Public Finance Ratings, 55 Water Street, 38th Floor, New York, New York 10041, Phone: (212) 438-2118.

Generally, rating agencies base their ratings on the information and materials furnished to it and on investigations, studies and assumptions by the respective rating agency. There is no assurance that a 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 Bonds may have an adverse effect on the market price of the outstanding bonds or the Bonds.

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 Bonds.

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 Bonds.

Trespasz & Marquardt, LLP, Syracuse, New York, Bond Counsel Bond Counsel to the Issuer, and Barclay Damon LLP, Albany, New York counsel to the underwriter express no opinion 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 Bonds, 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 Bonds, 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 Bonds by the District and may not be reproduced or used in whole or in part for any other purpose.

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

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

The District's contact information is as follows: Allison Sucharzewski, District Treasurer Willsboro Central School District, 29 School Lane, Willsboro, New York 12996, Phone: (518) 963-4456 x208, Fax: (518) 963-7577, Email: asucharzewski@willsborocsd.org.

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

WILLSBORO CENTRAL SCHOOL DISTRICT

Dated: March __, 2021

PHYLLIS KLEIN
PRESIDENT OF THE BOARD OF EDUCATION AND
CHIEF FISCAL OFFICER

GENERAL FUND

Balance Sheets

Fiscal Years Ending June 30:	2016	2017	2018	2019	2020
ASSETS					
Unrestricted Cash	$ 2,506,670	$ 2,634,071	$ 2,578,589	$ 2,585,259	$ 1,695,620
Restricted Cash	1,257,808	1,234,565	1,186,355	1,166,469	1,164,524
Due From Other Funds	47,079	56,775	62,561	45,781	363,771
State & Federal Aid Receivables	76,629	59,782	51,517	58,943	107,975
Due From Other Governments	58,295	64,597	111,948	136,460	191,091
Prepaid Expenses	4,965	5,456	-	-	-
Deposit, Electric Reserve	-	-	5,524	5,601	5,613
TOTAL ASSETS	$ 3,951,446	$ 4,055,246	$ 3,996,494	$ 3,998,513	$ 3,528,594
LIABILITIES AND FUND EQUITY					
Accounts Payable	$ 11,935	$ 22,933	$ 16,919	$ 33,094	$ 64,473
Due to Other Funds	-	-	-	-	-
Due to Employees' Retirement System	350,428	24,441	25,568	24,925	16,503
Due to Teachers' Retirement System	23,011	320,811	281,085	295,577	251,101
Other Liabilities	-	-	-	-	-
TOTAL LIABILITIES	385,374	368,185	323,572	353,596	332,077
FUND EQUITY					
Nonspendable	$ -	$ -	$ -	$ -	$ -
Restricted	1,257,808	1,234,565	1,186,355	1,166,469	1,164,524
Assigned	956,855	858,525	1,128,086	1,557,022	1,264,073
Unassigned	1,351,409	1,593,971	1,358,481	921,426	767,920
TOTAL FUND EQUITY	3,566,072	3,687,061	3,672,922	3,644,917	3,196,517
TOTAL LIABILITIES and FUND EQUITY	$ 3,951,446	$ 4,055,246	$ 3,996,494	$ 3,998,513	$ 3,528,594

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

GENERAL FUND

Revenues, Expenditures and Changes in Fund Balance

Fiscal Years Ending June 30:	2015	2016	2017	2018	2019
REVENUES					
Real Property Taxes	$ 5,063,329	$ 5,159,883	$ 5,162,788	$ 5,160,136	$ 5,271,620
Real Property Tax Items	-	-	-	-	-
Charges for Services	2,118	4,311	-	-	-
Other Tax Items	-	-	18,373	128,153	83,772
Use of Money & Property	8,958	8,923	7,556	7,361	7,343
Sale of Property and Compensation	39,000	-	-	1,822	8,893
Miscellaneous	58,848	106,019	100,310	103,032	126,047
Revenues from State Sources	2,290,188	2,281,824	2,285,812	2,409,757	2,414,141
Revenues from Federal Sources	3,147	15,314	17,709	22,966	49,351
Total Revenues	$ 7,465,588	$ 7,576,274	$ 7,592,548	$ 7,833,227	$ 7,961,167
Other Sources:					
Interfund Transfers	-	-	-	-	214,883
Total Revenues and Other Sources	$ 7,465,588	$ 7,576,274	$ 7,592,548	$ 7,833,227	$ 8,176,050
EXPENDITURES					
General Support	$ 1,019,201	$ 933,624	$ 998,817	$ 1,071,709	$ 1,019,143
Instruction	3,365,907	3,359,171	3,482,409	3,656,591	3,789,468
Pupil Transportation	264,014	255,708	242,389	260,367	246,262
Community Services	-	-	-	-	-
Employee Benefits	2,030,334	1,961,135	1,932,029	2,011,560	2,295,104
Debt Service	760,175	780,820	779,963	813,305	822,248
Total Expenditures	$ 7,439,631	$ 7,290,458	$ 7,435,607	$ 7,813,532	$ 8,172,225
Other Uses:					
Interfund Transfers	65,535	25,116	35,952	33,834	31,830
Total Expenditures and Other Uses	$ 7,505,166	$ 7,315,574	$ 7,471,559	$ 7,847,366	$ 8,204,055
Excess (Deficit) Revenues Over Expenditures	(39,578)	260,700	120,989	(14,139)	(28,005)
FUND BALANCE					
Fund Balance - Beginning of Year	3,344,950	3,305,372	3,566,072	3,687,061	3,672,922
Prior Period Adjustments (net)	-	-	-	-	-
Fund Balance - End of Year	$ 3,305,372	$ 3,566,072	$ 3,687,061	$ 3,672,922	$ 3,644,917

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

GENERAL FUND

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

Fiscal Years Ending June 30:	2020 Adopted Budget	2020 Final Budget	2020 Actual	2021 Adopted Budget
REVENUES				
Real Property Taxes	$ 5,483,541	$ 5,483,541	$ 5,479,978	$ 5,639,693
Real Property Tax Items	-	-	-	-
Other Tax Items	-	-	-	-
Charges for Services	62,000	62,000	123,879	180,186
Use of Money & Property	7,000	7,000	33,456	30,000
Sale of Property and Compensation	-	-	-	-
Miscellaneous	91,000	149,400	145,670	113,290
Revenues from State Sources	2,525,904	2,525,904	2,511,818	2,421,210
Revenues from Federal Sources	15,000	15,000	54,359	30,000
Total Revenues	$ 8,184,445	$ 8,242,845	$ 8,349,160	$ 8,414,379
Other Sources:				
Interfund Transfers	-	-	-	-
Appropriated Fund Balance	-	44,047	-	-
Total Revenues and Other Sources	$ 8,184,445	$ 8,286,892	$ 8,349,160	$ 8,414,379
EXPENDITURES				
General Support	$ 1,101,307	$ 1,132,933	$ 1,009,176	$ 1,114,249
Instruction	4,481,727	4,620,929	4,194,001	4,492,497
Pupil Transportation	304,590	304,590	229,171	304,371
Community Services	-	-	-	-
Employee Benefits	2,842,193	2,754,206	2,378,004	2,678,506
Debt Service	952,603	952,603	952,602	1,051,867
Total Expenditures	$ 9,682,420	$ 9,765,261	$ 8,762,954	$ 9,641,490
Other Uses:				
Interfund Transfers	15,000	34,606	34,606	15,000
Total Expenditures and Other Uses	$ 9,697,420	$ 9,799,867	$ 8,797,560	$ 9,656,490
Excess (Deficit) Revenues Over Expenditures	(1,512,975)	(1,512,975)	(448,400)	(1,242,111)
FUND BALANCE				
Fund Balance - Beginning of Year	-	-	3,644,917	1,242,111
Prior Period Adjustments (net)	-	-	-	-
Fund Balance - End of Year	$ (1,512,975)	$ (1,512,975)	$ 3,196,517	$ -

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

BONDED DEBT SERVICE

Fiscal Year Ending June 30th	PRIOR TO REFUNDING BONDS Principal	Interest	Total	REFUNDED BONDS DEBT SERVICE	REFUNDING BONDS Principal	Interest	Total	TOTAL NEW DEBT SERVICE
2021	$ 551,580	$ 252,841.11	$ 804,421.11	$ -	$ -	$ -	$ -	$ -
2022	580,000	226,656.25	806,656.25	-	-	-	-	-
2023	600,000	204,156.25	804,156.25	-	-	-	-	-
2024	630,000	180,856.25	810,856.25	-	-	-	-	-
2025	650,000	155,712.50	805,712.50	-	-	-	-	-
2026	680,000	128,987.50	808,987.50	-	-	-	-	-
2027	710,000	100,193.75	810,193.75	-	-	-	-	-
2028	740,000	69,368.75	809,368.75	-	-	-	-	-
2029	770,000	37,193.75	807,193.75	-	-	-	-	-
2030	50,000	3,668.75	53,668.75	-	-	-	-	-
2031	55,000	2,543.75	57,543.75	-	-	-	-	-
2032	55,000	1,306.25	56,306.25	-	-	-	-	-
TOTALS	$ 6,071,580	$1,363,484.86	$ 7,435,064.86	$ -	$ -	$ -	$ -	$ -

CONTINUING DISCLOSURE UNDERTAKING

In accordance with the requirements of Rule 15c2-12 as the same may be amended or officially interpreted from time to time (the "Rule"), promulgated by the Securities and Exchange Commission (the "Commission"), the District has agreed to provide, or cause to be provided,

(i) to the Electronic Municipal Market Access ("EMMA") system of the Municipal Securities Rulemaking Board ("MSRB") or any other entity designated or authorized by the Commission to receive reports pursuant to the Rule, during each fiscal year in which the Bonds are outstanding, (i) certain annual financial information and operating data for the preceding fiscal year in a form generally consistent with the information contained or cross-referenced in the final Official Statement dated March 9, 2021 of the District relating to the Bonds under the headings "THE SCHOOL DISTRICT", "TAX INFORMATION", "STATUS OF INDEBTEDNESS", "LITIGATION" and all Appendices (other than Appendix C & E and other than any appendix related to bond insurance) by the end of the sixth month following the end of each succeeding fiscal year, commencing with the fiscal year ending June 30, 2021, and (ii) a copy of the audited financial statement, if any, (prepared in accordance with accounting principles generally accepted in the United States of America in effect at the time of the audit) for the preceding fiscal year, commencing with the fiscal year ending June 30, 2021; such audit, if any, will be so provided on or prior to the later of either the end of the sixth month of each such succeeding fiscal year or, if an audited financial statement is not available at that time, within sixty days following receipt by the District of its audited financial statement for the preceding fiscal year, but, in any event, not later than the last business day of each such succeeding fiscal year; and provided further, in the event that the audited financial statement for any fiscal year is not available by the end of the sixth month following the end of any such succeeding fiscal year, unaudited financial statements in the form provided to the State, if available, will be provided no later than said date; provided however, that provision of unaudited financial statements in any year shall be further conditioned upon a determination by the District of whether such provision is compliant with the requirements of federal securities laws including Rule 10b-5 of the Securities Exchange Act of 1934 and Rule 17(a)(2) of the Securities Act of 1933;

(ii) in a timely manner not in excess of ten (10) business days after the occurrence of the event, notice of the occurrence of any of the following events with respect to the Bonds, to EMMA or any other entity designated or authorized by the Commission to receive reports pursuant to the Rule:

(a) principal and interest payment delinquencies

(b) non-payment related defaults, if material

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

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

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

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

(g) modifications to rights of Bondholders, if material

(h) Bond calls, if material and tender offers

(i) defeasances

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

(k) rating changes

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

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

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

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

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

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

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

For the purposes of the event identified in (ii) (l) of this section, the event is considered to occur when any of the following occur: The appointment of a receiver, fiscal agent or similar officer for 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.

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

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

(iii) in a timely manner to EMMA or any other entity designated or authorized by the Commission to receive reports pursuant to the Rule, notice of its failure to provide the aforedescribed annual financial information and operating data and such audited financial statement, if any, on or before the date specified.

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

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

A Continuing Disclosure Undertaking Certificate to this effect shall be provided to the purchaser at closing.

WILLSBORO CENTRAL SCHOOL DISTRICT

ESSEX COUNTY, NEW YORK

AUDITED FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDING

JUNE 30, 2020

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

Contents

BOULRICE & WOOD CPAS, P.C.

Certified Public Accountants

MICHAEL L. BOULRICE, CPA *STEPHEN P. WOOD, CPA*

INDEPENDENT AUDITOR'S REPORT

To the Board of Education
Willsboro Central School District
Willsboro, New York

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Willsboro Central School District, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the basic financial statements as listed in the table of contents. The prior year summarized comparative information has been derived from the District's 2019 financial statements, and in our report dated September 18, 2019, we expressed unmodified opinions on the respective financial statements of the governmental activities, each major fund, and the aggregate remaining fund information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

206 West Bay Plaza ● Plattsburgh, NY 12901 ● Phone 518-561-3790 ● Fax 518-561-4044

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 Willsboro 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

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis (pages 4 through 12), budgetary comparison information (pages 54 & 55), Schedule of Changes in the District's Total OPEB Liability and Related Ratios (page 58) and Schedules of District's Proportionate Share of the Net Pension Liability – ERS and TRS, and Schedules of the District's Contributions – ERS and TRS (pages 59-62) 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 inquires, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Willsboro Central School District's basic financial statements as a whole. The Schedule of Change from Adopted Budget to Final Budget and the Real Property Tax Limit, Schedule of Project Expenditures – Capital Projects Fund, and Net Investment in Capital Assets, are presented for purposes of additional analysis and are not a required part of the financial statements. The Schedule of Change from Adopted Budget to Final Budget and the Real Property Tax Limit, Schedule of Project Expenditures – Capital Projects Fund and Net Investment in Capital Assets, are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 25, 2020 on our consideration of the Willsboro Central School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the 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 Willsboro Central School District's internal control over financial reporting and compliance.

Boulrice & Wood CPAs, PC

Boulrice & Wood, CPA's PC
September 25, 2020

The following is Management's Discussion and Analysis (MD&A) of the Willsboro Central School District's financial performance for the fiscal year ended June 30, 2020. The MD&A is a summary of the District's financial activities based on currently known facts, decisions, or conditions. It is also based on both the government-wide and fund-based financial statements.

This section is only an introduction and should be read in conjunction with the District's financial statements, which immediately follow this section.

FINANCIAL HIGHLIGHTS FOR 2019-2020

- Net position for the general fund decreased $448,400.
- Net position for the cafeteria fund increased $47,095.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of the MD&A, a series of financial statements, and required supplementary information. The district-wide statements are organized so the reader can understand Willsboro Central Rural District as a financial whole, an entire operating entity. The statements then proceed to provide an increased focus on individual parts of the District in more detail than the district-wide statements. The fund financial statements concentrate on the District's most significant funds with all other non-major funds listed in total in one column. The financial statements also include notes that explain some of the information in the statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the financial statements with a comparison of the District's budget for the year.

DISTRICT-WIDE FINANCIAL STATEMENTS

The district-wide financial statements are designed to be similar to corporate statements in that all governmental and business type activities are consolidated. The Statement of Net Position combines governmental fund's current financial resources with capital assets and long-term obligations.

NET POSITION

GOVERNMENTAL ACTIVITIES

	June 30, 2020	June 30, 2019
Current and Other Assets	**$ 3,968,074**	$ 4,342,177
Capital Assets	**9,342,745**	9,677,361
Total Assets	**13,310,819**	14,019,538
Deferred Outflow of Resources		
Unamortized Defeasance Loss	**104,210**	115,789
Other Post Employment Benefits	**3,501,785**	504,280
Pensions	**1,714,256**	1,721,568
Total Assets and Deferred Outflow of Resources	**$ 18,631,070**	$ 16,361,175
Long-Term Liabilities	**$ 32,332,440**	$ 27,611,007
Other Liabilities	**433,919**	586,821
Total Liabilities	**32,766,359**	28,197,828
Deferred Inflow of Resources		
Other Post Employment Benefits	**2,046,071**	2,774,151
Pensions	**585,276**	439,285
Total Deferred Inflow of Resources	**2,631,347**	3,213,436
Net Assets		
Net Invested in Capital Assets	**$ 2,372,955**	$ 2,137,563
Restricted	**1,164,524**	1,166,469
Unrestricted	**(20,304,115)**	(18,354,121)
Total Net Assets	**(16,766,636)**	(15,050,089)
Total Liabilities, Deferred Inflow of Resources and Net Assets	**$ 18,631,070**	$ 16,361,175

The Statement of Net Position includes all of the District's assets and liabilities. The largest portion of the District's assets is the investment in capital assets (land, building, equipment), less the outstanding balance of bonds used to acquire, construct, and improve the assets. These assets are used to provide educational services to students; therefore, they are not available for future spending. Although the investment in capital assets is reported net of related debt, the resources necessary to repay this debt must be provided from the general fund budget. These assets are not to be liquidated to pay any of the debt. Investment in capital assets increased 11.0% from 2018-2019 to 2019-2020. This is primarily from the payment of outstanding debt and depreciation.

An additional portion of the District's net position represents resources that are subject to external restrictions on how they may be used. The restricted net position amount is restricted for capital and various reserves.

- A capital reserve is established to pay the cost of any object or purpose for which bonds may be used.

The unrestricted net position decreased by $1,949,994 largely due to GASB 75 "Accounting for other Post-Employment Benefits".

Net position is the difference between the District's assets and liabilities, which is one way to measure financial health or position. There are three categories of net position: net investment in capital assets, restricted assets, and unrestricted assets.

CHANGES IN NET POSITION
(STATEMENT OF ACTIVITIES)

Revenues:	**June 30, 2020**	June 30, 2019
Program Revenues:		
Charges for services	**$ 11,866**	$ 49,836
Operating grants	**490,228**	319,385
Total program revenues	**502,094**	369,221
General Revenues:		
Property Taxes	**5,479,978**	5,271,620
State Aid	**2,511,818**	2,414,141
Federal Aid	**54,359**	49,351
Use of Money and Property	**33,463**	7,403
Charges for services	**123,879**	83,772
Compensation for loss	**-**	8,893
Miscellaneous	**154,706**	156,831
Total general revenues	**8,358,203**	7,992,011
Total Revenues:	**8,860,297**	8,361,232
Expenses:		
General Government Support	**1,076,626**	1,086,290
Instruction	**4,828,397**	4,291,843
Pupil Transportation	**280,832**	298,521
Employee Benefits	**3,425,781**	2,311,877
Debt Service – Interest	**338,477**	347,401
Cost of Sales – food	**65,151**	62,480
Capital Outlay - BOCES Project	**561,580**	-
Total Expenses:	**10,576,844**	8,398,412
Increase (Decrease) in Net Position:	**$ (1,716,547)**	$ (37,180)

The Statement of Activities is similar to an income statement, in that it reports revenues, expenses, and changes in net position. The greatest amount of revenues comes from one source, property taxes, totaling $5,479,978. The District is susceptible to fluctuations in the New York State budget. Less money means a higher property tax rate and an unknown New York State budget further complicates the District's planning process. The largest expense categories are instruction to students, $4,842,018 and employee benefits, $3,425,781. The District has a decrease in net position of $1,716,547.

The total increase in expenses was 25.94%. However, the largest percentage increase was to Employee benefits, which was 48.18%.

All of the District's programs and services are reported in the district-wide financial statements as governmental activities. Most of the District's services are included here, such as regular and special education, support services, operation and maintenance of school, pupil transportation, extracurricular activities and administration. Property taxes and State formula aid finance most of these activities.

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. The governmental fund financial statements are presented on a modified accrual basis; whereas, the governmental activities in the district-wide statements are presented on an accrual basis of accounting. The District has two kinds of funds, governmental and fiduciary.

Governmental Funds. Most of the District's activities are reported in governmental funds, which focus on how cash flows in and out of the funds and the balances left at year end are available for future spending. Consequently, the governmental fund statements provide a detailed short-term view that helps determine whether there are financial resources that can be spent to finance the District's programs. Any differences between governmental activities (reported in the Statement of Net position and the Statement of Activities) and governmental funds are reconciled in the financial statements.

General Fund. The total fund balance decreased 12.3% from 2018-2019 to 2019-2020.

Cafeteria Fund (listed under Special Revenue). The fund balance is currently $50,676, $47,095 above the prior year. This fund experienced a increase of $10,781 in employee benefits. The cost of food and supplies increased by $2,671. Sales decreased due to COVID-19. The District transferred $15,000 into the Cafeteria Fund.

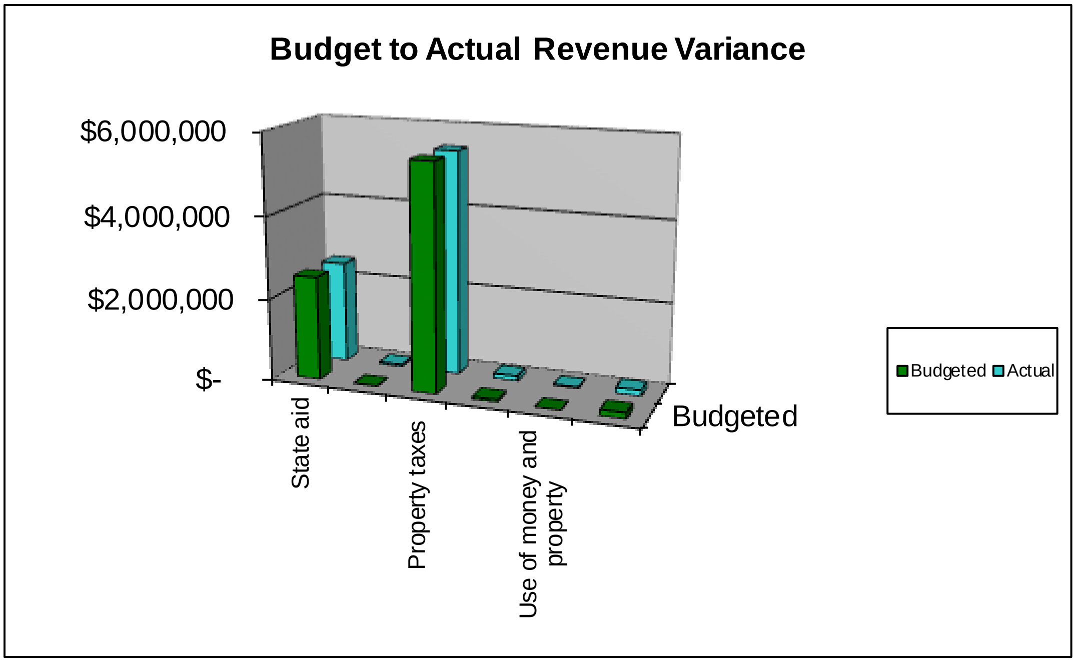
Fiduciary Funds. The District is the trustee, or fiduciary, for assets that belong to others, such as the scholarship fund and the student activities funds. The District is responsible for ensuring that the assets reported in these funds are used only for their intended purposes and by those to whom the assets belong. The District excludes these activities from the district-wide financial statements because it cannot use these assets to finance its operations.

GENERAL FUND BUDGETARY HIGHLIGHTS

The District's general fund budget is prepared according to New York State law. During the 2019-2020 school year the original budget increased $102,447. The increase was from prior year encumbrances in the amount of $44,047 and grants in the amount of $58,400.

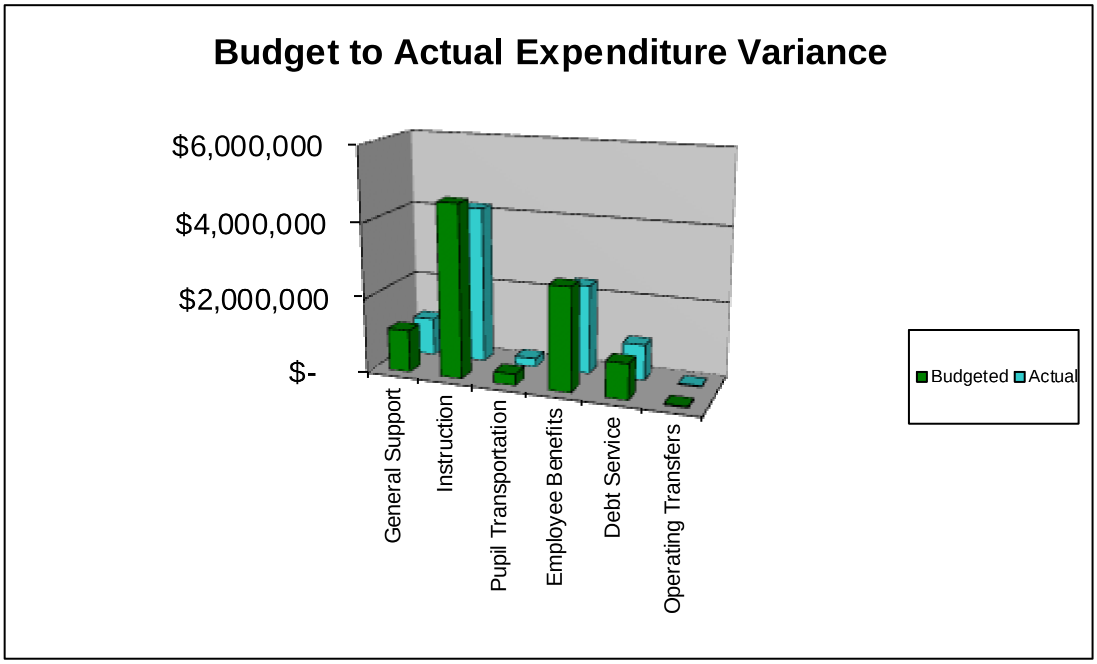
The budget increased from 2018-2019 to 2019-2020, $9,259,356 to $9,697,420.

General fund actual revenues exceeded the budget by $106,315. The largest portion of the excess came from charges for services $61,879.



	Budgeted	Actual	Variance
State aid	$ 2,525,904	$ 2,511,818	$ (14,086)
Federal sources	15,000	54,359	39,359
Property taxes	5,483,541	5,479,978	(3,563)
Charges for services	62,000	123,879	61,879
Use of money and property	7,000	33,456	26,456
Miscellaneous	149,400	145,670	(3,730)
	$ 8,242,845	$ 8,349,160	$ 106,315

General fund actual expenditures were less than budgeted by $1,002,307.



	Budgeted	Actual	Variance
General Support	$ 1,132,933	$ 1,009,176	$ (123,757)
Instruction	4,620,929	4,194,001	(426,928)
Pupil Transportation	304,590	229,171	(75,419)
Employee Benefits	2,754,206	2,378,004	(376,202)
Debt Service	952,603	952,602	(1)
Operating Transfers	34,606	34,606	-
	$ 9,799,867	$ 8,797,560	$ (1,002,307)

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

The District's capital assets as of June 30, 2020, are as follows:

	2020	2019
Non-Depreciable Assets:		
Land	$ 236,016	$ 236,016
Construction work in progress	40,054	-
Depreciable Assets:		
Building and Improvements	8,804,461	9,141,332
Furniture, Machinery, and Equipment	262,214	300,013
TOTAL	$ 9,342,745	$ 9,677,361

Debt

The District's total outstanding debt, as of June 30, 2020, was $7,541,580 with $631,580 due within one year.

OUTSTANDING DEBT

	Beginning	Ending
Serial bonds	$ 6,000,000	$ 6,071,580
Energy Performance Contract	1,500,719	1,470,000
	$ 7,500,719	$ 7,541,580

According to Local Finance Law, Section 104.00, a school district may issue debt up to ten percent (10%) of its full valuation of real property subject to taxation. The legal debt limit is $46,239,885, which is significantly greater than the outstanding debt.

FACTORS BEARING ON THE DISTRICT'S FUTURE

At the time these financial statements were prepared and audited, the District faces the following existing circumstances that could significantly affect its financial health in the future:

- The State's financial health and the impact this condition will have on state aid.
- Recent District trend of decreasing enrollment.
- Escalating cost of health insurance premiums.
- Anticipated decline in the local economic development within our district.

CONTACTING THE SCHOOL DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide the District's citizens, taxpayers, customers, investors, and creditors with a general overview of the District's finances and to demonstrate the accountability for the money it receives. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Business Manager, Willsboro Central School District, 29 School Lane, Willsboro, New York 12996.

WILLSBORO CENTRAL SCHOOL DISTRICT **EXHIBIT 1**

STATEMENTS OF NET POSITION
JUNE 30, 2020 and 2019

ASSETS		**2020**		2019
Cash:				
Unrestricted	**$**	**1,754,390**	$	2,599,347
Restricted		**1,168,842**		1,170,787
Receivables:				
Accounts receivable		**-**		30,706
State and federal aid		**270,916**		92,035
Due from other governments		**191,091**		136,460
Due from fiduciary funds		**152,886**		7
Inventories		**4,363**		2,434
Deposit, electric reserve		**5,613**		5,601
Capital assets, net of accumulated depreciation		**9,342,745**		9,677,361
Net pension asset-proportionate share		**419,973**		304,800
Total Assets		**13,310,819**		14,019,538
DEFERRED OUTFLOWS OF RESOURCES				
Unamortized defeasance loss		**104,210**		115,789
Other post employment benefits		**3,501,785**		504,280
Pensions		**1,714,256**		1,721,568
Total Deferred Outflows of Resources		**5,320,251**		2,341,637
Total Assets and Deferred Outflows of Resources	**$**	**18,631,070**	$	16,361,175
LIABILITIES				
Payables:				
Accounts payable	**$**	**67,698**	$	106,891
Bond anticipation notes		**94,000**		159,136
Due to other governments		**23**		292
Due to teacher's retirement system		**251,101**		295,577
Due to employee's retirement system		**16,503**		24,925
Unearned revenue		**4,594**		-
Long-term liabilities				
Due and payable within one year:				
Bonds payable and long-term debt, current		**631,580**		520,719
Due and payable after one year				
Bonds payable and long-term debt, non-current		**6,910,000**		6,980,000
Compensated absences payable		**145,473**		167,917
Other post employment benefits		**24,175,724**		19,811,031
Net pension liability- proportionate share		**469,663**		131,340
Total Liabilities		**32,766,359**		28,197,828
DEFERRED INFLOWS OF RESOURCES				
Other post employment benefits		**2,046,071**		2,774,151
Pensions		**585,276**		439,285
Total Deferred Inflows of Resources		**2,631,347**		3,213,436
NET POSITION				
Net investment in capital assets		**2,372,955**		2,137,563
Restricted		**1,164,524**		1,166,469
Unrestricted		**(20,304,115)**		(18,354,121)
Total Net Position		**(16,766,636)**		(15,050,089)
Total Liabilities, Deferred Inflows and Net Position	**$**	**18,631,070**	$	16,361,175

See Notes to the Financial Statements.

STATEMENT OF ACTIVITIES
Years Ended June 30, 2020 and 2019

FUNCTIONS/ PROGRAMS	EXPENSES	PROGRAM REVENUES: CHARGES FOR SERVICES	PROGRAM REVENUES: OPERATING GRANTS	2020 NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION	2019 NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION
General support	$ (1,076,626)	$ -	$ -	**$ (1,076,626)**	$ (1,086,290)
Instruction	(4,828,397)	-	299,557	**(4,528,840)**	(4,055,633)
Pupil transportation	(280,832)	-	-	**(280,832)**	(298,521)
Employee benefits	(3,425,781)	-	-	**(3,425,781)**	(2,311,877)
Debt service	(338,477)	-	-	**(338,477)**	(347,401)
School lunch program	(65,151)	11,866	190,671	**137,386**	70,531
Capital outlay - BOCES project	(561,580)	-	-	**(561,580)**	-
Total Functions and Programs	$ (10,576,844)	$ 11,866	$ 490,228	**(10,074,750)**	(8,029,191)
GENERAL REVENUES					
Real property taxes				**5,479,978**	5,271,620
Charges for Services				**123,879**	83,772
Use of money and property				**33,463**	7,403
Sale of property and compensation for loss				**-**	8,893
Miscellaneous				**154,706**	156,831
State sources				**2,511,818**	2,414,141
Federal sources				**54,359**	49,351
Total General Revenues				**8,358,203**	7,992,011
Change in Net Position				**(1,716,547)**	(37,180)
Total Net Position - Beginning of Year				**(15,050,089)**	(15,012,909)
Total Net Position - End of Year				**$ (16,766,636)**	$ (15,050,089)

See Notes to the Financial Statements.

WILLSBORO CENTRAL SCHOOL DISTRICT

EXHIBIT 3

BALANCE SHEET-GOVERNMENTAL FUNDS
June 30, 2020 and 2019

	GENERAL FUND	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS	2020 TOTAL	2019 TOTAL
ASSETS						
Unrestricted cash	$ 1,695,620	$ 58,770	$ -	$ -	**$ 1,754,390**	$ 2,599,347
Restricted cash	1,164,524	-	-	4,318	**1,168,842**	1,170,787
Accounts receivable	-	-	-	-	**-**	30,706
Due from other funds	363,771	-	-	-	**363,771**	45,781
State and federal aid receivable	107,975	162,941	-	-	**270,916**	92,035
Due from other governments	191,091	-	-	-	**191,091**	136,460
Inventories	-	4,363	-	-	**4,363**	2,434
Deposit, electric reserve	5,613	-	-	-	**5,613**	5,601
Total Assets	$ 3,528,594	$ 226,074	$ -	$ 4,318	**$ 3,758,986**	$ 4,083,151
LIABILITIES						
Accounts payable	$ 64,473	$ -	$ -	$ -	**$ 64,473**	$ 63,817
Bond anticipation notes payable	-	-	-	94,000	**94,000**	159,136
Due to other governments	-	23	-	-	**23**	292
Due to other funds	-	170,781	-	40,104	**210,885**	45,774
Due to teachers' retirement system	251,101	-	-	-	**251,101**	295,577
Due to employees' retirement system	16,503	-	-	-	**16,503**	24,925
Unearned revenue	-	4,594	-	-	**4,594**	-
Total Liabilities	332,077	175,398	-	134,104	**641,579**	589,521
FUND BALANCES						
Nonspendable:						
Inventory	-	4,363	-	-	**4,363**	2,434
Restricted						
Capital reserve	481,674	-	-	-	**481,674**	478,317
Tax certiorari	18,880	-	-	-	**18,880**	28,781
Unemployment Insurance	15,083	-	-	-	**15,083**	14,977
Employee benefits & accrued liabilities	523,934	-	-	-	**523,934**	520,288
Retirement reserve - ERS	124,953	-	-	-	**124,953**	124,106
Assigned						
School lunch	-	46,313	-	-	**46,313**	1,147
Appropriated fund balance	1,242,112	-	-	-	**1,242,112**	1,512,975
Encumbrances (Note 10)	21,961	-	-	-	**21,961**	44,047
Unassigned	767,920	-	-	(129,786)	**638,134**	766,558
Total Fund Balances	3,196,517	50,676	-	(129,786)	**3,117,407**	3,493,630
Total Liabilities, Fund Balances and Deferred Inflows of Resources	$ 3,528,594	$ 226,074	$ -	$ 4,318	**$ 3,758,986**	$ 4,083,151

See Notes to the Financial Statements.

WILLSBORO CENTRAL SCHOOL DISTRICT

EXHIBIT 4

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
Years Ended June 30, 2020 and 2019

	GENERAL	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS	**2020 TOTAL**	2019 TOTAL
REVENUES						
Real property taxes	$ 5,479,978	$ -	$ -	$ -	**$ 5,479,978**	$ 5,271,620
Charges for services	123,879	-	-	-	**123,879**	83,772
Use of money and property	33,456	7	-	-	**33,463**	7,403
Sale of property and compensation for loss	-	-	-	-	**-**	8,893
Miscellaneous	145,670	9,036	-	-	**154,706**	156,831
State sources	2,511,818	122,121	-	-	**2,633,939**	2,466,083
Federal sources	54,359	368,107	-	-	**422,466**	316,794
Sales	-	11,866	-	-	**11,866**	49,836
Total Revenues	8,349,160	511,137	-	-	**8,860,297**	8,361,232
EXPENDITURES						
General support	1,009,176	82,321	-	-	**1,091,497**	1,080,249
Instruction	4,194,001	286,436	-	-	**4,480,437**	4,014,029
Pupil transportation	229,171	10,080	-	-	**239,251**	254,659
Employee benefits	2,378,004	54,660	-	-	**2,432,664**	2,339,269
Debt service	952,602	-	-	-	**952,602**	822,248
Cost of sales	-	65,151	-	-	**65,151**	62,480
Capital outlay	-	-	-	601,634	**601,634**	1,531,420
Total Expenditures	8,762,954	498,648	-	601,634	**9,863,236**	10,104,354
Excess (Deficit) of Revenues over Expenditures	(413,794)	12,489	-	(601,634)	**(1,002,939)**	(1,743,122)
OTHER SOURCES AND USES						
Proceeds of Debt (energy performance contract)	-	-	-	-	**-**	1,500,719
BAN's redeemed from appropriations	-	-	-	65,136	**65,136**	64,500
Bond proceeds	-	-	-	561,580	**561,580**	-
Operating transfers in	-	34,606	-	-	**34,606**	246,713
Operating transfers (out)	(34,606)	-	-	-	**(34,606)**	(246,713)
Total Other Sources and Uses	(34,606)	34,606	-	626,716	**626,716**	1,565,219
Excess (Deficiency) Revenues and Other Sources over Expenditures and Other Uses	(448,400)	47,095	-	25,082	**(376,223)**	(177,903)
Fund Balances, Beginning of Year	3,644,917	3,581	-	(154,868)	**3,493,630**	3,671,533
Fund Balances, End of Year	$ 3,196,517	$ 50,676	$ -	$ (129,786)	**$ 3,117,407**	$ 3,493,630

See Notes to the Financial Statements.

WILLSBORO CENTRAL SCHOOL DISTRICT **EXHIBIT 5**

STATEMENT OF FIDUCIARY NET POSITION
June 30, 2020 and 2019

	PRIVATE PURPOSE TRUST	AGENCY	2020 TOTAL	2019 TOTAL
ASSETS				
Cash	$ 42,372	$ 212,723	**$ 255,095**	$ 110,553
Total Assets	$ 42,372	$ 212,723	**$ 255,095**	$ 110,553
LIABILITIES				
Extra classroom activity balance	$ -	$ 44,802	**$ 44,802**	$ 50,272
Due to other funds	-	152,886	**152,886**	7
Other liabilities	-	15,035	**15,035**	13,915
Total Liabilities	-	212,723	**212,723**	64,194
NET POSITION				
Reserved for scholarships	42,372	-	**42,372**	46,359
Total Liabilities and Net Position	$ 42,372	$ 212,723	**$ 255,095**	$ 110,553

See Notes to the Financial Statements.

WILLSBORO CENTRAL SCHOOL DISTRICT **EXHIBIT 6**

STATEMENTS OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
Years Ended June 30, 2020 and 2019

	2020	2019
	Private Purpose Trust	Private Purpose Trust
ADDITIONS		
Gifts and contributions	**$ -**	$ -
Investment earnings	**113**	130
Total Additions	**113**	130
Deductions		
Scholarships and awards	**4,100**	4,175
Total Deductions	**4,100**	4,175
Changes in Net Position	**(3,987)**	(4,045)
Net Position, Beginning of Year	**46,359**	50,404
Net Position, End of Year	**$ 42,372**	$ 46,359

See Notes to the Financial Statements.

WILLSBORO CENTRAL SCHOOL DISTRICT **EXHIBIT 7**

RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
June 30, 2020

	TOTAL GOVERNMENT FUNDS	LONG-TERM ASSETS, LIABILITIES	RECLASSIFICATION AND ELIMINATIONS	STATEMENT OF NET POSITION TOTALS
ASSETS				
Unrestricted cash	$ 1,754,390	$ -	$ -	$ 1,754,390
Restricted cash	1,168,842	-	-	1,168,842
Due from other funds	363,771	-	(210,885)	152,886
State and federal aid receivable	270,916	-	-	270,916
Due from other governments	191,091	-	-	191,091
Inventories	4,363	-	-	4,363
Deposit, electric reserve	5,613	-	-	5,613
Fixed assets	-	9,342,745	-	9,342,745
Net pension asset- proportionate share	-	419,973	-	419,973
Total Assets	3,758,986	9,762,718	(210,885)	13,310,819
DEFERRED OUTFLOW OF RESOURCES				
Unamortized defeasance loss	-	104,210	-	104,210
Other post employment benefits	-	3,501,785	-	3,501,785
Pensions	-	1,714,256	-	1,714,256
Total Deferred Outflows of Resources	-	5,320,251	-	5,320,251
Total Assets and Deferred Outflow of	$ 3,758,986	$ 15,082,969	$ (210,885)	$ 18,631,070
LIABILITIES				
Accounts payable	$ 64,473	$ 3,225	$ -	$ 67,698
Bond anticipation notes payable	94,000	-	-	94,000
Due to other funds	210,885	-	(210,885)	-
Due to other governments	23	-	-	23
Due to teacher's retirement system	251,101	-	-	251,101
Due to employee's retirement system	16,503	-	-	16,503
Unearned revenue	4,594	-	-	4,594
Bonds payable and other long-term debt	-	7,541,580	-	7,541,580
Compensated absences	-	145,473	-	145,473
Other post employment benefits	-	24,175,724	-	24,175,724
Net pension liability- proportionate share	-	469,663	-	469,663
Total Liabilities	641,579	32,335,665	(210,885)	32,766,359
DEFERRED INFLOWS OF RESOURCES				
Other post employment benefits	-	2,046,071	-	2,046,071
Pensions	-	585,276	-	585,276
Total deferred Inflow of Resources	-	2,631,347	-	2,631,347
FUND BALANCE/NET POSITION				
Total Fund Balance/Net Position	3,117,407	(19,884,043)	-	(16,766,636)
Total Liabilities, Deferred Inflows of Resources and Fund Balance	$ 3,758,986	$ 15,082,969	$ (210,885)	$ 18,631,070

See Notes to the Financial Statements.

WILLSBORO CENTRAL SCHOOL DISTRICT

EXHIBIT 8

RECONCILIATION OF GOVERNMENTAL FUNDS-REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE TO STATEMENT OF ACTIVITIES
Year Ended June 30, 2020

	TOTAL GOVERNMENT FUNDS	LONG-TERM REVENUE EXPENSES	CAPITAL RELATED ITEMS	LONG-TERM DEBT TRANSACTION	RECLASSIFICATION AND ELIMINATIONS	STATEMENT OF ACTIVITIES TOTALS
REVENUES						
Real property taxes	$ 5,479,978	$ -	$ -	$ -	$ -	$ 5,479,978
Charges for services	123,879	-	-	-	-	123,879
Use of money and property	33,463	-	-	-	-	33,463
Miscellaneous	154,706	-	-	-	-	154,706
State sources	2,633,939	-	-	-	-	2,633,939
Federal sources	422,466	-	-	-	-	422,466
Sales	11,866	-	-	-	-	11,866
Total Revenues	8,860,297	-	-	-	-	8,860,297
EXPENDITURES						
General support	1,091,497	-	(14,871)	-	-	1,076,626
Instruction	4,480,437	-	347,960	-	-	4,828,397
Pupil transportation	239,251	-	41,581	-	-	280,832
Employee benefits	2,432,664	993,117	-	-	-	3,425,781
Debt service	952,602	-	-	(548,989)	(65,136)	338,477
Cost of sales	65,151	-	-	-	-	65,151
Capital outlay	601,634	-	(40,054)	-	-	561,580
Total Expenditures	9,863,236	993,117	334,616	(548,989)	(65,136)	10,576,844
Excess (Deficit) of Revenues over Expenditures	(1,002,939)	(993,117)	(334,616)	548,989	65,136	(1,716,547)
OTHER SOURCES AND USES						
Bond proceeds	561,580	-	-	-	(561,580)	-
BAN's redeemed from appropriations	65,136	-	-	-	(65,136)	-
Operating transfers in	34,606	-	-	-	(34,606)	-
Operating transfers out	(34,606)	-	-	-	34,606	-
Total Other Sources and Uses	626,716	-	-	-	(626,716)	-
Net Change for the Year	$ (376,223)	$ (993,117)	$ (334,616)	$ 548,989	$ (561,580)	$ (1,716,547)

See Notes to the Financial Statements.

Note 1. Summary of Significant Accounting Policies

A. Reporting entity

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

Extraclassroom Activity Funds

The Extraclassroom Activity Funds of the Willsboro Central School District represent funds of the students of the District. The Board of Education exercises general oversight of these funds. The Extraclassroom Activity Funds are independent of the District with respect to its financial transactions and the designation of student management. The cash and investment balances are reported in the Trust and Agency Funds of the District.

B. Basis of presentation

1. District-Wide Statements

The Statement of Net Position and the Statement of Activities present financial information about the District's governmental activities. These statements include the financial activities of the overall government in its entirety, except those that are fiduciary. Eliminations have been made to minimize the double counting of internal transactions. Governmental activities generally are financed through taxes, State aid, intergovernmental revenues, and other exchange and non-exchange transactions.

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

Note 1. Summary of Significant Accounting Policies (continued)

2. Fund Functional Statements

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

The District reports the following major governmental funds:

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

Special Revenue Funds - special revenue funds are used to account for the proceeds of specific revenue sources (other than expendable trusts, or major capital projects) that are legally restricted to expenditure for specified purposes. Special revenue funds include the following funds:

- School Lunch Fund - used to account for transactions for the School lunch and milk programs.

- Special Aid Fund - used to account for special operating projects or programs supported in whole, or in part, with federal funds or state grants.

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

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

Fiduciary Fund - the fiduciary funds consist of private purpose trust and agency funds and are used to account for and report assets held by the District in a trustee capacity or as an agent for individuals, private organizations, other governments and/or funds. Private purpose trust funds include scholarship funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Assets are held by the District as agent for various student groups or extra classroom activity funds and for payroll or employees withholding. 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.

Note 1. Summary of Significant Accounting Policies (continued)

C. Measurement Focus and Basis of Accounting

The District-wide and fiduciary fund financial statements are reported using economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash transaction takes place. Non-exchange 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 a modified accrual basis, revenue from property taxes is recognized by estimating how much will be collected during the ensuing fiscal year. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

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

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

a. Prepaids and inventory-type items are recognized at the time of purchase.

b. Principal and interest on indebtedness are not recognized as an expenditure until due.

c. Compensated absences, such as vacation and sick leave, which vests or accumulates, are charged as an expenditure when paid.

d. Pension costs are recognized as an expenditure when billed by the state.

e. The School recognizes the cost of providing post retirement health insurance coverage and survivor benefits by recording its share of insurance premiums as expenditures in the year paid.

D. Inventories

Inventories of food and supplies in the School Lunch Fund are recorded at cost on a first-in, first-out basis or, in the case of surplus food, at stated value, which approximates market. Purchases of supplies in other funds are recorded as expenditures at the time of purchase, and year-end inventory balances are not maintained.

Note 1. Summary of Significant Accounting Policies (continued)

E. Capital assets

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

	Capitalization Threshold	Depreciation Method	Estimated Useful Life
Buildings	$2,500	Straight Line	15-50 Years
Land Improvements	$2,500	Straight Line	15-30 Years
Equipment	$2,500	Straight Line	5-25 Years
Licensed vehicles	$2,500	Straight Line	8-10 Years

F. Deferred revenue - planned balance

Statute provides the authority for the School District to levy taxes to be utilized to finance expenditures within the first 60 days of the succeeding fiscal year. Consequently, such amounts are recognized as revenue in the subsequent fiscal year rather than when measurable and available.

G. Retirement plan

The District provides retirement benefits for all of its regular full-time and some of its part time employees through contributions to the New York State Teachers' Retirement System and the New York State Employees' Retirement System. These systems provide various plans and options, some of which require employee contributions.

H. General long-term debt

Bonds, capital notes and bond anticipation notes issued for capital projects are recognized when issued.

Note 1. Summary of Significant Accounting Policies (continued)

I. Budgetary Procedures and Budgetary Accounting

1) General

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

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

2) Encumbrances

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

J. Equity Classifications:

District- wide statements:

In the district-wide statements there are three classes of net position:

Net investment in capital assets – consists of net capital assets (cost less accumulated depreciation) reduced by outstanding balances of related debt obligations from the acquisition, construction or improvements of those assets.

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

Unrestricted net position – reports all other net position amounts that do not meet the definition of the above two classifications and are deemed to be available for general use by the District.

Note 1. Summary of Significant Accounting Policies (continued)

When an expense is incurred for purposes for which both restricted and unrestricted net position are available, the District's policy concerning which to apply first varies with the intended use, and with associated legal requirements, many of which are described elsewhere in these notes.

Fund statements:

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

Non-spendable fund balance – Includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. Non-spendable fund balance includes the inventory recorded in the School Lunch Fund of $4,363.

Restricted – includes amounts with constraints placed on the use of resources either externally imposed by creditors, grantors, contributors or laws or regulations of other governments; or imposed by law through constitutional provisions or enabling legislation. The School District has established the following restricted fund balances:

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

<u>Retirement Contributions</u>
According to General Municipal Law §6-r, must be used for financing retirement contributions. The reserve must be accounted for separate and apart from all other funds and a detailed report of the operation and condition of the fund must be provided to the Board.

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

Note 1. Summary of Significant Accounting Policies (continued)

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

Capital Reserve
Capital Reserve (Education Law §3651) is 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 §3561 of the Education Law. This reserve is accounted for in the General Fund.

Committed – Includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the school district's highest level of decision making authority, i.e., the Board of Education. The School District has no committed fund balances as of June 30, 2020.

Assigned – Includes amounts that are constrained by the school district's intent to be used for specific purposes, but are neither restricted nor committed. All encumbrances of the General fund are classified as Assigned Fund Balance in the General Fund. Encumbrances reported in the General Fund amounted to $21,961.

Unassigned – Includes all other General Fund net position amounts that do not meet the definition of the above four classifications and are deemed to be available for general use by the School District.

Note 1. Summary of Significant Accounting Policies (continued)

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

Order of Use of Fund Balance:

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

K. Reclassifications: Certain amounts in the 2019 financial statements may have been reclassified to conform to the 2020 presentation.

L. Events Occurring After Reporting Date: The District has evaluated events and transactions that occurred between June 30, 2020 and September 25, 2020, which is the date the financial statements were available to be issued, for possible disclosure and recognition in the financial statement.

M. Estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported revenues and expenses during the reporting period. Actual results could differ from those estimates. Estimates and assumptions are made in a variety of areas, including computation of encumbrances, compensated absences, potential contingent liabilities and useful lives of long-lived assets.

Note 1. Summary of Significant Accounting Policies (continued)

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

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has two items that qualify for reporting in this category. The first item is related to pensions reported in the district-wide Statement of Net positon. This represents the effect of the net change in the District's proportion of the collective net pension liability (ERS System) and difference during the measurement periods between the District's contributions and its proportion share of total contributions to the pension systems not included in the pension expense. The second item is related to OPEB reported in the district-wide Statement of Net Position. This represents differences between expected and actual experience and changes in assumptions or other inputs.

O. New Accounting Standards:

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

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

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

A. Total fund balances of governmental funds vs. net position of governmental activities:

   Total fund balances of the District's governmental funds differ from "net position" of governmental activities reported in the Statement of Net Position. This difference primarily results from the additional long-term economic focus of the Statement of Net Position versus the solely current financial resources focus of the governmental fund Balance Sheets.

   The costs of building and acquiring capital assets (land, buildings and equipment) financed from the governmental funds are reported as expenditures in the year they are incurred, and the assets do not appear on the Balance Sheet. However, the Statement of Net Position includes those capital assets among the assets of the District as a whole, with their original costs capitalized and depreciation expensed annually over their useful lives.

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

Explanation of Differences Between Governmental Fund Balances and District Wide Net Assets

Ending fund balance reported on Balance Sheet - Governmental Funds (Exhibit 3)	$	3,117,407
Capital assets net of related depreciation		9,342,745
Net pension asset		419,973
Deferred outflows:		
Deferred interest from bond refunding, net		104,210
Pensions - TRS		1,366,474
Pensions - ERS		347,782
Other post employment benefits		3,501,785

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

Liabilities, long term			
	Bonds payable		(7,541,580)
	Accrued interest		(3,225)
	Other post employment benefits		(24,175,724)
	Compensated absences		(145,473)
	Net pension liability		(469,663)
Deferred inflows:	Pensions - TRS		(570,478)
	Pensions - ERS		(14,798)
	Other post employment benefits		(2,046,071)
Ending net position reported on Statement of Net Position (Exhibit 1)		$	(16,766,636)

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

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

1. Long-Term Revenue Differences

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

2. Capital Related Differences

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

3. Long-Term Debt Transaction Differences

Long-term debt transaction differences occur because both interest and principal

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

payments are recorded as expenditures in the governmental fund statements, whereas interest payments are recorded in the Statement of Activities as incurred, and principal payments are recorded as a reduction of liabilities in the Statement of Net position.

4. Other Post-Employment Benefits Differences

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

5. Pension differences

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

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

Revenues:		
Total revenues and other funding sources of governmental funds (Exhibit 4)	$	8,860,297
No current year changes		-
Total revenues of governmental activities in the Statement of Activities (Exhibit 2)	$	8,860,297
Expenditures:		
Total expenditures reported in governmental funds (Exhibit 4)	$	9,863,236
In the Statement of Activities, certain operating expenses (compensated absences) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid). Compensated absences used during the year exceeded the amount earned.		(22,444)

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

When the purchase or construction of capital assets is financed through governmental funds, the resources expended for those assets are reported as expenditures in the years they are incurred. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation expense exceeded capital expenditures in the current year. (Exhibit 8)		334,616
Repayment of bond principal and principal of other long-term debt is an expenditure in the governmental funds, but reduces long-term liabilities in the Statement of Net Position, and does not effect the Statement of Activities, (Exhibit 8)		(520,719)
Repayment of bond anticipation notes is an expenditure in the General fund and other sources of income in the Capital Project's Fund. A reclassifying entry reduces both expenditures and other sources of income in the Statement of Activities. (Exhibit 8)		(65,136)
Decrease in accrued interest		(39,849)
OPEB differences occur as a result of changes in the Ditstict's total OPEB liability and differences between the District's contributions and OPEB expense.		639,108
During the year ended June 30, 2011 the District refunded some of its existing debt. The difference between the amount of the new bond proceeds of $9,715,000 and the outstanding bonds retired of $9,495,000 is $220,000 and will be amortized as an adjustment of interest expense in the statement of activities over the average remaining life of the refunded debt (18 years), beginning in the fiscal year ended 6/30/11. Current year amortization amounted to		11,579
(Increases) decreases in proportionate share of net pension asset/liability reported in the Statement of Activities do not provide for, or require, the use of current financial resources and therefore are not reported as revenues or expenditures in governmental funds.		
Teachers' Retirement System		285,896
Employees' Retirement System		90,557
Total expenses of governmental activities in the Statement of Activities (Exhibit 2)	$	10,576,844
Other Sources and Uses		
Total other sources and uses in governmental funds (Exhibit 4)	$	626,716
Proceeds from long term debt are other sources of income in the Capital Projects Fund, but are removed from the Statement of Activities and shown as a long term liability on the Statement of Net Position		(561,580)
Repayment of bond anticipation notes is an expenditure in the General fund and other sources of income in the Capital Project's Fund. A reclassifying entry reduces both expenditures and other sources of income in the Statement of Activities. (Exhibit 8)		(65,136)
Total other sources and uses in the Statement of Activities (Exhibit 2)	$	-

Note 3. Cash and Investments

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

Investments also may be made in obligations of the United States of America or in obligations of New York State or, with the approval of the state comptroller, in certain obligations of municipalities, school districts or district corporations other than the one investing the money.

The district may make a variety of short-term investments that include the purchase of United States Treasury bills, United States Treasury certificates of indebtedness or United States Treasury notes and bonds. In addition, it may invest in negotiable certificates of deposit.

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

Restricted cash represents cash and cash equivalents where use is limited by legal requirements. These assets represent amounts required by statute to be reserved for various purposes. Restricted cash was $1,168,842 at June 30, 2020.

Note 4. Interfund Balances and Activity

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

Fund Type	Interfund Receivable	Interfund Payable	Interfund Revenues	Interfund Expenditures
General	$ 363,771	$ -	$ -	$ 34,606
School Lunch	-	43,969	15,000	-
Special Aid	-	126,812	19,606	-
Capital Fund	-	40,104	-	-
Trust & Agency	-	152,886	-	-
Total	$ 363,771	$ 363,771	$ 34,606	$ 34,606

Interfund receivables and payables, other than between governmental activities and fiduciary funds, are eliminated on the Statement of Net position.

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

Note 4. Interfund Balances and Activity (continued)

The District typically transfers funds from the General Fund to the School Lunch Fund to supplement its operations.

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

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

Note 5. Capital Assets

A summary of changes in capital assets follows:

Capital Assets	6/30/2019 Balance	Additions	Retirements/ Reclassifications	6/30/2020 Balance
Capital assets that are not depreciated:				
Land	$ 236,016	$ -	$ -	**$ 236,016**
Construction work in process	-	40,054	-	**40,054**
Total non-depreciable historical cost	236,016	40,054	-	**276,070**
Capital assets that are depreciated:				
Buildings	13,906,747	-	-	**13,906,747**
Furniture and equipment	1,126,196	20,703	(67,000)	**1,079,899**
Total depreciable historical cost	15,032,943	20,703	(67,000)	**14,986,646**
Less accumulated depreciation:				
Buildings	4,765,415	336,871	-	**5,102,286**
Furniture and equipment	826,183	58,502	(67,000)	**817,685**
Total accumulated depreciation	5,591,598	395,373	(67,000)	**5,919,971**
Total depreciable historical cost, net	9,441,345	1,203,703	-	**9,066,675**
Total Net Assets	$ 9,677,361	$ 1,243,757	$ -	**$ 9,342,745**

Depreciation was charged to governmental functions as follows:

	6/30/2020
General Support	$ 5,832
Instructions	347,960
Pupil Transportation	41,581
	$ 395,373

Note 6. Compensated Absences

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

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

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

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

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

Note 7. Indebtedness

Short-Term Debt:

Description of Issue	Issue Date	Maturity	Interest Rate	Outstanding 6/30/2020
Bond Anticipation Note	7/30/2019	7/30/2020	2.49%	$ 94,000

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

	Balance 6/30/2019	Additions	Deletions	Balance 6/30/2020
Bond Anticipation Notes	$ 159,136	$ -	$ (65,136)	$ 94,000

Interest expense paid on short-term debt for the year ended June 30, 2020 is $3,612.

Long-Term Debt:

a. Long-Term Debt Interest

Interest expense paid was $363,135 for the year ended June 30, 2020. Amortization of deferred interest from bond refunding was $11,579. Accrued interest on the energy performance contract and bonds was reduced by $39,849 resulting in net interest expense of $334,865.

Note 7. Indebtedness (continued)

b. Changes

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

	Balance 6/30/2019	Additions	Deletions	**Balance 6/30/2020**
Bonds:				
Serial Bonds 2011	$ 6,000,000	$ 561,580	$ 490,000	**$ 6,071,580**
Other Liabilities:				
Lease-purchase Obligations	1,500,719	-	30,719	**1,470,000**
Compensated Absences	167,917	-	22,444	**145,473**
Other post employment benefits	19,811,031	4,364,693	-	**24,175,724**
	21,479,667	4,364,693	22,444	**25,791,197**
Grand Total Long-term Debt	$ 27,479,667	$ 4,926,273	$ 512,444	**$ 31,862,777**

c. Maturity

The following is a summary of maturity of indebtedness:

Description of Issue	Issue Date	Final Maturity	Interest Rate	Outstanding 6/30/2020
Serial Bond 2011	4/19/2011	6/15/2029	4.0% - 5.0%	$ 5,510,000
Serial Bond 2011	5/26/2020	5/15/2032	2.25%-2.375%	561,580
				$ 6,071,580

The following is a summary of maturing debt service requirements:

Fiscal Year Ending June 30:	Principal	Interest	Total
2021	$ 551,580	$ 252,841	$ 804,421
2022	580,000	226,656	806,656
2023	600,000	204,156	804,156
2024	630,000	180,856	810,856
2025	650,000	155,713	805,713
2026-2030	2,950,000	339,413	3,289,413
2031-2035	110,000	3,850	113,850
	$ 6,071,580	$ 1,363,485	$ 7,435,065

In prior years, the District defeased certain general obligation bonds by placing the proceeds in an irrevocable trust to provide for all future debt service payments on the old bonds.

Note 7. Indebtedness (continued)

Accordingly the trust account assets and the liability for the defeased bonds are not included in the District's financial statements.

Lease-purchase obligations are as follows:

Description of Issue	Issue Date	Maturity Date	Interest Rate	**Outstanding at 6/30/20**
Energy performance contract	8/16/2018	6/15/2034	3.59%	**$ 1,470,000**

Fiscal Year Ending June 30:		
2021		$ 132,763
2022		139,891
2023		136,661
2024		138,431
2025		135,021
2026-2030		675,905
2031-2035		534,866
	Total minimum lease payments	1,893,538
	Less amount representing interest	(423,538)
	Present value of minimum lease payments	1,470,000
	Less current portion	(80,000)
	Long-term portion	$ 1,390,000

Note 8. Pension Plans

General Information

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

Teachers' Retirement System (TRS)
The System is governed by a 10 member Board of Trustees. TRS provides benefits to plan members and beneficiaries as authorized by the Education Law and the New York State Retirement and Social Security Law (NYSRSSL). Membership is mandatory and automatic for all full-time teachers, teaching assistants, guidance counselors and administrators employed in New York Public Schools and BOCES who elected to participate in TRS. Once a public employer elects to participate in the System, the election is irrevocable. The New York State Constitution provides that pension

Note 8. Pensions (continued)

membership is a contractual relationship and plan benefits cannot be diminished or impaired. Benefits can be changed for future members only by enactment of State statute. Additional information regarding the System may be obtained by writing to the New York State Teachers' Retirement System, 10 Corporate Woods Drive, Albany, NY 12211-2395 or by referring to the NYSSTR Comprehensive Annual Financial report which can be found on the System's website at www.nystrs.org.

Employees' Retirement System (ERS)

The System provides retirement benefits as well as death and disability benefits. The net position of the System is held in the New York State Common Retirement Fund (the Fund), which was established to hold all net assets and record changes in plan net position allocated to the System. The Comptroller of the State of New York serves as the trustee of the Fund and is the administrative head of the System. NYSRSSL govern obligations of employers and employees to contribute, and benefits to employees. Once a public employer elects to participate in the System, the election is irrevocable. The New York State Constitution provides that pension membership is a contractual relationship and plan benefits cannot be diminished or impaired. Benefits can be changed for future members only by enactment of State statute. The District also participated in the Public Employees' Group Life Insurance Plan (GLIP), which provides death benefits in the form of life insurance. The System is included in the State's financial report as a pension trust fund. That report, including information with regard to benefits provided, may be found at www.osc.state.ny.us/retire/publications/index.php or obtained by writing to the New York State and Local Retirement System, 110 State Street, Albany, NY 12244.

Funding Policies

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

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

	ERS	TRS
2020	$ 98,088	$ 295,577
2019	$ 99,239	$ 281,085
2018	$ 96,101	$ 320,811

Note 8. Pensions (continued)

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

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

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

	ERS	TRS
Measurement Date	3/31/2020	6/30/2019
Net Pension asset/(liability)	$ (469,663)	$ 419,973
District's portion of the Plan's total net pension asset/(liability)	-0.0017736%	0.016165%
Change in proportion since the prior measurement date	$ (338,323)	$ 115,173

For the year ended June 30, 2020, the District's recognized pension expense of $180,223 for ERS and $525,642 for TRS. At June 30, 2020 the District's reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources

	Deferred Outflows of Resources		Deferred Inflows of Resources	
	ERS	TRS	ERS	TRS
Differences between expected and actual experience	$ 27,642	$ 284,606	$ -	$ 31,230
Changes of assumptions	9,457	793,384	8,166	193,450
Net difference between projected and actual earnings on pension plan investments	240,772	-	-	336,796
Changes in proportion and differences between the Districts' contributions and proportionate share of contributions	53,408	49,062	6,632	9,002
District's contributions subsequent to the measurement date	16,503	239,422	-	-
Total	$ 347,782	$ 1,366,474	$ 14,798	$ 570,478

Note 8. Pensions (continued)

District contributions subsequent to the measurement date which will be recognized as a reduction of the net pension liability in the year ended June 30, 2021. Other amounts reported as deferred outflows or resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year ended:	ERS	TRS
2020	$ -	$ 196,275
2021	62,391	18,330
2022	82,587	195,587
2023	96,760	130,785
2024	74,743	21,667
Thereafter	-	(6,070)
Total	$ 316,481	$ 556,574

Actuarial Assumptions

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

Significant actuarial assumptions used in the valuations were as follows:

	ERS	TRS
Measurement date	3/31/2020	6/30/2019
Actuarial valuation date	4/1/2019	6/30/2018
Interest rate	6.8%	7.10%
Salary scale	4.2%	1.90%-4.72%
Decrement tables	April1, 2010- March 31, 2015 System's Experience	July 1, 2009- June 30,2014 System Experience
Inflation rate	2.5%	2.20%

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' Scale MP-2018. For TRS, annuitant mortality rates are based on plan member experience with adjustments for mortality improvements based on Society of Actuaries' Scale MP-2018.

Note 8. Pensions (continued)

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 July1, 2009 – June 30, 2014.

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

	ERS	TRS
Measurement Date	3/31/2020	6/30/2019
Asset Type:	%	%
Domestic equity	4.05	6.30
International equity	6.15	7.80
Private equity	6.75	9.90
Real estate	4.95	4.60
Absolute return strategies	3.25	-
Domestic fixed income securities	-	1.30
Mortgages and bonds	0.75	-
Opportunistic portfolio	4.65	-
Real assets	5.95	-
Cash	-	0.30
Inflation-indexed bonds	0.50	-
Private debt	-	6.50
Global equities	-	7.20
Global bonds	-	0.90
High-yield bonds	-	3.60
Real estate debt	-	2.90

Discount Rate

The discount rate used to calculate the total pension 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 form plan members will be made at the current contribution rates and that contributions from employers will be made at statutorily required rates, actuarially. Based upon the assumptions, the Systems' fiduciary net positon 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

Note 8. Pensions (continued)

applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the proportionate share for the net pension liability to the discount rate assumption

The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 6.8% for ERS and 7.10% for TRS, as well as what the Districts' proportionate share of the net pension asset/(liability) would be if it were calculated using a discount rate that is 1% lower (5.8% for ERS and 6.10% for TRS) or 1% higher (7.8% for ERS and 8.10% for TRS) than the current rate:

ERS	1% Decrease 5.8%	Current Assumption 6.8%	1% Increase 7.8%
Employer's proportionate share of the net pension asset / (liability)	$ (861,964)	$ (469,663)	$ (108,352)

TRS	1% Decrease 6.10%	Current Assumption 7.10%	1% Increase 8.10%
Employer's proportionate share of the net pension asset / (liability)	$ (1,895,713)	$ 419,973	$ 2,362,571

Pension plan fiduciary net position

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

	(Dollars in Thousands)		
	ERS	TRS	Total
Valuation date	3/31/2020	6/30/2019	
Employers' total pension asset/(liability)	$ (194,596,261)	$ (119,879,473,882)	$ (120,074,070,143)
Plan Net Position	168,115,682	122,477,480,654	122,645,596,336
Employers' net pension asset/(liability)	$ (26,480,579)	$ 2,598,006,772	$ 2,571,526,193
Ratio of plan net position to the Employers' total pension asset/ (liability)	-86.39%	102.17%	102.14%

Note 8. Pensions (continued)

Payables to the pension plan

For ERS, employer contributions are paid annually based on the System's fiscal year which ends on March 31st. Accrued retirement contributions as of June 30, 2020 represent the projected employer contribution for the period of April 1, 2020 through June 30, 2020 based on paid ERS wages multiplied by the employers' contribution rate, by tier. Accrued retirement contributions as of June 30, 2020 amounted to $16,503.

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 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 $251,101.

Note 9. Post-Employment (Health Insurance) Benefits

The District provides post-employment (health insurance, etc.) coverage to retired employees in accordance with the provisions of various employment contracts. The benefit levels, employee contributions and employer contributions are governed by the District's contractual agreements. Post-employment benefits aggregating $798,136 for 54 employees were charged to expenses/ expenditures in the Governmental Funds in the current year.

A. General Information about the OPEB Plan

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

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

Employees Covered by Benefit Terms – At June 30, 2020, the following employees were covered by the benefit terms:

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

Inactive employees or beneficiaries currently receiving benefit payments	54
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	59
	113

B. Total OPEB Liability

The District's total OPEB liability of $24,175,724 was measured as of July 1, 2019, and was determined by an actuarial valuation as of July 1, 2019.

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

Inflation	2.4 percent
Salary Increases	3.5 percent
Discount Rate	3.50 percent
Healthcare Cost Trend Rates	7.0 percent for 2020, decreasing annually to an ultimate rate of 3.94 percent for 2079 and later years

The discount rate was based on Bond Buyer Weekly 20-Bond GO Index.

Mortality rates were based on the RPH-2014 Mortality Table, as appropriate, with generational mortality adjusted to 2006 using scale MP-2014.

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

C. Changes in the Total OPEB Liability

Balance at June 30, 2019	$ 19,811,031
Changes for the Year-	
Service Cost	541,194
Interest	777,873
Changes of benefit terms	180,170
Differences between expected and actual experience	3,444,671
Changes in assumptions or other inputs	(74,935)
Benefit payments	(504,280)
Net Changes	4,364,693
Balance at June 30, 2020	$ 24,175,724

Changes of assumptions and other inputs reflect a change in the discount rate from 3.87% percent in 2019 to 3.50% percent in 2020.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate – The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.50 percent) or 1 percentage point higher (4.50 percent) than the current discount rate:

	1% Decrease 2.50%	Discount Rate 3.50%	1% Increase 4.50%
Total OPEB Liability	$ 28,169,553	$ 24,175,724	$ 20,957,466

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

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Total OPEB Liability	$ 20,703,177	$ 24,175,724	$ 28,568,574

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

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

For the year ended June 30, 2020, the District recognized OPEB expense of $1,429,131. At June 30, 2020, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 2,711,762	$ 67,955
Changes of assumptions or other inputs	-	1,978,116
Contributions subsequent to the measurement date	790,023	-
Total	$ 3,501,785	$ 2,046,071

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

Fiscal Year Ending June 30,	Amount
2021	$ (70,106)
2022	(70,106)
2023	355,573
2024	450,330
	$ 665,691

Note 10. Assigned Fund Balance – Encumbrances

General Fund	2020	2019
Central Services	$ 5,919	$ 27,777
Teaching	12,825	8,652
Instructional Media	250	265
Pupil Services	2,594	7,353
Pupil Transportation	373	-
	$ 21,961	$ 44,047

Note 11. Commitments and Contingencies

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

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

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

From time to time the Willsboro Central School District is involved in tax certiorari proceedings from residents petitioning to have their assessed taxable values lowered. At June 30, 2020, the District is aware of certain petitions for tax certiorari proceedings amounting to $24,799. A reserve for tax certiorari is established for $18,880.

The Willsboro Central School District has received grants, which are subject to audit by

Note 11. Commitments and Contingencies (continued)

agencies of the State and federal governments. Such audits may result in disallowances and a request for a return of funds. Based on prior years' experience, the District's administration believes disallowances, if any, will be immaterial.

Occasionally, the District may be involved in certain lawsuits arising out of the ordinary course of business. While the outcome of lawsuits and other proceedings against the District cannot be predicted with certainty, the District does not expect that these matters will have a material adverse effect on its financial position.

Note 12. Joint Venture

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

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

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

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

During the year ended June 30, 2020, the Willsboro Central School District was billed $1,078,248 for BOCES administrative program costs. Participating school districts issue debt on behalf of BOCES. During the year ended June 30, 2020, the Willsboro Central School District issued serial bonds on behalf of BOCES. Per a joint agreement signed March 1, 2019, the District is responsible for their share of the current BOCES capital project amounting to $561,580. The balance was paid with proceeds from bond financing on May 26, 2020. General-purpose financial statements for the Clinton-Essex-Warren-Washington BOCES are available from BOCES administrative office at P.O. Box 485, Plattsburgh, New York. The District's share of BOCES income amounted to $127,580. BOCES also refunded the District $23,472 for excess expenses billed in prior years.

Note 13. Tax Abatements

The County of Essex, enter into various property tax abatement programs for the purpose of economic development. The School District property tax revenue was reduced $17,365. The District received Payment in Lieu of Tax (PILOT) payment totaling $0.

Note 14. Prior Period Information

Comparative prior period information has been presented in summary form. This information was derived from the Districts June 30, 2019 financial statements, and in our report dated September 18, 2019 we expressed an unmodified opinion.

Note 15. Stewardship, Compliance and Accountability

The District's unassigned general fund balance was in excess of the New York State Real Property Tax Law Section 1318 limit, which restricts it to an amount not greater than 4% of the District's budget for the upcoming school year. The unassigned fund balance at June 30, 2020 was $767,920 which represents 7.95% of next year's budget. The excess amounted to $381,661.

At June 30, 2020 the Capital Projects fund had a negative fund balance of $129,786. The District anticipates replenishing the negative fund balance through budgetary appropriation.

Note 16. COVID-19

On March 11, 2020, the World Health Organization declared the novel strain of coronavirus (COVID-19) a global pandemic and recommended containment and mitigation measures worldwide. Because of the pandemic, the District will be offering a mix of in-person and remote learning in the 2020-20121 school year. The District cannot reasonably estimate the length or severity of the pandemic, or the extent to which the disruption may materially impact its financial position, results of operations, or cash flows for fiscal 2021 and beyond.

Beginning with payments received subsequent to June 30, 2020, New York State began withholding 20% from all payments due the District until further notice. At this time, it is unclear whether the 20% reduction is just delayed or permanent.

WILLSBORO CENTRAL SCHOOL DISTRICT

COMBINING BALANCE SHEET - SPECIAL REVENUE FUNDS
June 30, 2020 and 2019

	Special Aid	School Lunch	**2020 Total**	2019 Total
ASSETS				
Unrestricted cash	$ 1,218	$ 57,552	**$ 58,770**	$ 14,088
Accounts receivable	-	-	**-**	5
State and federal aid receivable	130,188	32,753	**162,941**	33,092
Inventories	-	4,363	**4,363**	2,434
Total assets	$ 131,406	$ 94,668	**$ 226,074**	$ 49,619
LIABILITIES AND FUND BALANCE				
Liabilities:				
Accounts payable	$ -	$ -	**$ -**	$ 22
Due to other funds	126,812	43,969	**170,781**	45,724
Due to other governments	-	23	**23**	292
Unearned revenue	4,594	-	**4,594**	-
Total liabilities	131,406	43,992	**175,398**	46,038
Fund Balance:				
Nonspendable				
Inventory	-	4,363	**4,363**	2,434
Assigned				
School lunch	-	46,313	**46,313**	1,147
Total fund balance	-	50,676	**50,676**	3,581
Total liabilities and fund balance	$ 131,406	$ 94,668	**$ 226,074**	$ 49,619

See Independent Auditor’s Report.

WILLSBORO CENTRAL SCHOOL DISTRICT

COMBINING STATEMENT OF REVENUES AND EXPENDITURES - SPECIAL REVENUE FUNDS
Years Ended June 30, 2020 and 2019

	Special Aid	School Lunch	**2020 Total**	2019 Total
REVENUES				
State sources	$ 117,181	$ 4,940	**$ 122,121**	$ 51,942
Federal sources	182,376	185,731	**368,107**	267,443
Interest	-	7	**7**	5
Miscellaneous	-	9,036	**9,036**	83
Sales	-	11,866	**11,866**	49,836
Total revenues	299,557	211,580	**511,137**	369,309
EXPENDITURES				
General support	13,621	68,700	**82,321**	61,106
Instruction	286,436	-	**286,436**	224,561
Pupil transportation	10,080	-	**10,080**	8,397
Employee Benefits	9,026	45,634	**54,660**	44,165
Cost of sales	-	65,151	**65,151**	62,480
Total expenditures	319,163	179,485	**498,648**	400,709
OTHER SOURCES				
Operating Transfers In	19,606	15,000	**34,606**	31,830
Total Other Sources	19,606	15,000	**34,606**	31,830
Excess (deficit) of revenues and other sources over expenditures	$ -	$ 47,095	**$ 47,095**	$ 430

See Independent Auditor's Report.

WILLSBORO CENTRAL SCHOOL DISTRICT

SCHEDULE OF CHANGE FROM ADOPTED BUDGET TO FINAL BUDGET AND THE REAL PROPERTY TAX LIMIT
Year Ended June 30, 2020

CHANGE FROM ADOPTED BUDGET TO FINAL BUDGET

Adopted budget		$ 9,697,420
Additions:		
Encumbrances - fiscal year 2019	44,047	
Grants	58,400	
Total additions		102,447
Final budget		$ 9,799,867

SECTION 1318 OF REAL PROPERTY TAX LAW LIMIT CALCULATION

2020-2021 expenditure budget		$ 9,656,491
Maximum allowed (4% of 2020-21 budget)		
General Fund Fund Balance Subject to Section 1318 of Real Property Tax Law:		
Unrestricted fund balance:		
Committed fund balance	$ -	
Assigned fund balance	1,264,073	
Unassigned fund balance	767,920	
Total unrestricted fund balance	2,031,993	
Less:		
Appropriated fund balance	1,242,112	
Insurance recovery reserve	-	
Tax reduction reserve	-	
Encumbrances included in assigned fund balance	21,961	
Total adjustments	1,264,073	
General Fund Fund Balance Subject to Section 1318 of Real Property Tax Law:		$ 767,920
Actual percentage		7.95%

See Independent Auditor's Report.

WILLSBORO CENTRAL SCHOOL DISTRICT

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND
Year Ended June 30, 2020

	Adopted Budget	Final Budget	Actual (Budgetary Basis)	Final Budget Variance with Budgetary Actual
Revenues:				
Local sources:				
Real property tax items	$ 5,483,541	$ 5,483,541	$ 5,479,978	$ (3,563)
Charges for services	62,000	62,000	123,879	61,879
Use of money and property	7,000	7,000	33,456	26,456
Miscellaneous	91,000	149,400	145,670	(3,730)
State sources	2,525,904	2,525,904	2,511,818	(14,086)
Federal sources	15,000	15,000	54,359	39,359
Total revenues	8,184,445	8,242,845	8,349,160	106,315
Other financing sources:				
Appropriated reserves	-	44,047	-	-
	-	44,047	-	-
Total revenues and appropriated fund balance	$ 8,184,445	$ 8,286,892	8,349,160	$ 106,315

See Independent Auditor's Report.

	Adopted Budget	Final Budget	Actual (Budgetary Basis)	Year-end Encumbrances	Final Budget Variance with Budgetary Actual and Encumbrances
Expenditures:					
General support:					
Board of education	$ 2,950	$ 4,150	$ 4,029	$ -	$ 121
Central administration	226,602	231,701	231,701	-	-
Finance	163,268	163,644	163,251	-	393
Staff	44,236	40,761	33,834	-	6,927
Central services	496,469	524,895	409,945	5,919	109,031
Special items	167,782	167,782	166,416	-	1,366
Total General Support	1,101,307	1,132,933	1,009,176	5,919	117,838
Instructional:					
Administration and improvement	13,500	31,458	26,120	-	5,338
Teaching - regular school	2,503,178	2,528,021	2,321,924	12,744	193,353
Special education programs	1,519,090	1,581,040	1,445,535	81	135,424
Instructional media	138,764	165,862	125,636	250	39,976
Pupil service	307,195	314,548	274,786	2,594	37,168
Total Instructional	4,481,727	4,620,929	4,194,001	15,669	411,259
Pupil transportation	304,590	304,590	229,171	373	75,046
Employee Benefits	2,842,193	2,754,206	2,378,004	-	376,202
Debt service	952,603	952,603	952,602	-	1
Total expenditures	9,682,420	9,765,261	8,762,954	21,961	980,346
Other Financing Uses:					
Interfund transfer	15,000	34,606	34,606	-	-
Total expenditures and other uses	9,697,420	9,799,867	8,797,560	$ 21,961	$ 980,346
Net change in fund balance	(1,512,975)	(1,512,975)	(448,400)		
Fund balance - beginning	3,644,917	3,644,917	3,644,917		
Fund balance - ending	$ 2,131,942	$ 2,131,942	$ 3,196,517		

See Independent Auditor's Report.

WILLSBORO CENTRAL SCHOOL DISTRICT

SCHEDULE OF PROJECT EXPENDITURES - CAPITAL PROJECTS FUND
Year Ended June 30, 2020

Project Title	Original Appropriation	Revised Appropriation	Prior Years	Current Year	Total	(Overexpended) Unexpended Balance	Methods of Financing: Proceeds of Obligations	Methods of Financing: State Aid	Methods of Financing: Local Sources	Methods of Financing: Total	Fund Balance June 30, 2020
Buses 6/30/15	$ 130,513	$ 130,513	$ 130,513	$ -	$ 130,513	$ -	$ -	$ -	$ 130,513	$ 130,513	$ -
Buses 6/30/17	116,312	116,312	116,312	-	116,312	-	-	-	69,413	69,413	(46,899)
Buses 6/30/18	77,500	77,500	73,333	-	73,333	-	-	-	30,500	30,500	(42,833)
Smart School	88,502	88,502	-	40,054	40,054	-	-	-	-	-	(40,054)
BOCES	561,580	561,580	-	561,580	561,580	-	561,580	-	-	561,580	-
Total Buses	$ 974,407	$ 974,407	$ 320,158	$ 601,634	$ 921,792	$ -	$ 561,580	$ -	$ 230,426	$ 792,006	$ (129,786)

See Independent Auditor's Report.

WILLSBORO CENTRAL SCHOOL DISTRICT

NET INVESTMENT IN CAPITAL ASSETS
Year Ended June 30, 2020

Capital Assets, Net		$ 9,342,745
Add:		
	Deferred interest from bond refunding, net	104,210
Deduct:		
	Bond anticipation notes	(94,000)
	Short-term portion of bonds payable and long-term debt	(631,580)
	Long-term portion of bonds payable and long-term debt	(6,910,000)
	Less: bonds payable used for BOCES project	561,580
	Net investment in capital assets	$ 2,372,955

See Independent Auditor’s Report.

WILSBORO CENTRAL SCHOOL DISTRICT

SCHEDULE OF CHANGES IN THE DISTRICT'S TOTAL OPEB LIABILITY AND RELATED RATIOS
Year Ended June 30, 2020

	2020	2019	2018
Measurement Date	July 1, 2019	July 1, 2018	July 1, 2017
Service Cost	$ 541,194	$ 603,635	$ 721,435
Interest	777,873	726,088	653,711
Changes in benefit terms	180,170	-	(257,648)
Differences between expected and actual experience	3,444,671	-	(155,828)
Changes of assumption or other inputs	(74,935)	(856,921)	(3,174,469)
Benefit payments	(504,280)	(454,500)	(420,498)
Net change in total OPEB liability	4,364,693	18,302	(2,633,297)
Total OPEB liability - beginning	19,811,031	19,792,729	22,426,026
Total OPEB liability - Ending	$ 24,175,724	$ 19,811,031	$ 19,792,729
Covered payroll	$ 3,393,978	$ 3,608,249	$ 3,547,308
Total OPEB liability as a percentage of covered payroll	712%	549%	558%

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

See Independent Auditor’s Report.

WILLSBORO CENTRAL SCHOOL DISTRICT

SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
Year Ended June 30, 2020

NYSERS Pension Plan
Last 10 Fiscal Years*

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
District's proportion of the net pension liability (asset)	0.0017736%	0.0018537%	0.0018766%	0.0018136%	0.0020480%	0.0022604%				
District's proportionate share of the net pension liability (asset)	$ 469,663	$ 131,340	$ 60,567	$ 170,413	$ 328,715	$ 76,361				
District's covered- employee payroll	$ 621,719	$ 669,007	$ 688,772	$ 663,661	$ 589,064	$ 597,581				
Districts proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	75.54%	19.63%	8.79%	25.68%	55.80%	12.78%				
Plan fiduciary net position as a percentage of the total pension liability	86.39%	96.27%	98.24%	94.70%	90.70%	97.90%				

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

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

See Independent Auditor’s Report.

WILLSBORO CENTRAL SCHOOL DISTRICT

SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS
Year Ended June 30, 2020

NYSERS Pension Plan
Last 10 Fiscal Years

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Contractually required contribution	$ 98,088	$ 99,239	$ 96,101	$ 92,075	$ 112,806	$ 113,828	$ 127,701	$ 113,237	$ 91,353	$ 66,103
Contributions in relation to the contractually required contribution	$ 98,088	$ 99,239	$ 96,101	$ 92,075	$ 112,806	$ 113,828	$ 127,701	$ 113,237	$ 91,353	$ 66,103
Contribution deficiency (excess)	-	-	-	-	-	-	-	-	-	-
Districts covered-employee payroll	$ 621,719	$ 669,007	$ 688,772	$ 663,661	$ 589,064	$ 597,581				
Contributions as a percentage of covered employee payroll	15.78%	14.83%	13.95%	13.87%	19.15%	19.05%				

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

See Independent Auditor’s Report.

WILLSBORO CENTRAL SCHOOL DISTRICT

SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
Year Ended June 30, 2020

NYSTRS Pension Plan
Last 10 Fiscal Years*

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
District's proportion of the net pension liability (asset)	-0.016165%	-0.016856%	-0.016860%	0.016683%	-0.016880%	-0.016803%	-0.016602%			
District's proportionate share of the net pension liability (asset)	$ (419,973)	$ (304,800)	$ (128,151)	$ 178,680	$ (1,753,281)	$ (1,871,733)	$ (109,281)			
District's covered- employee payroll	$ 2,806,596	$ 2,699,072	$ 2,743,360	$ 2,671,721	$ 2,574,327	$ 2,482,043				
Districts proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	-14.96%	-11.29%	-4.67%	6.69%	-68.11%	-75.41%				
Plan fiduciary net position as a percentage of the total pension liability (asset)	-102.17%	-101.53%	-100.66%	99.01%	-110.46%	-111.48%				

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

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

See Independent Auditor's Report.

WILLSBORO CENTRAL SCHOOL DISTRICT

SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS
Year Ended June 30, 2020

NYSTRS Pension Plan
Last 10 Fiscal Years

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Contractually required contribution	$ 286,552	$ 269,073	$ 313,126	$ 341,356	$ 444,488	$ 403,332	$ 287,926	$ 292,542	$ -	$ -
Contributions in relation to the contractually required contribution	$ 286,552	$ 269,073	$ 313,126	$ 341,356	$ 444,488	$ 403,332	$ 287,926	$ 292,542	$ -	$ -
Contribution deficiency (excess)	-	-	-	-	-	-	-	-	-	-
Districts covered-employee payroll	$ 2,806,596	$ 2,699,072	$ 2,743,360	$ 2,671,721	$ 2,574,327	$ 2,482,043				
Contributions as a percentage of covered employee payroll	10.21%	9.97%	11.41%	12.78%	17.27%					

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

See Independent Auditor’s Report.

BOULRICE & WOOD CPAS, P.C.
Certified Public Accountants

MICHAEL L. BOULRICE, CPA   STEPHEN P. WOOD, CPA

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

To the Board of Education
Willsboro Central School District
Willsboro, New York

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of Willsboro Central School District as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise Willsboro Central School District's basic financial statements and have issued our report thereon dated September 25, 2020.

Internal Control Over Financial Reporting

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

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

Our consideration of the internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our

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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. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and responses that we consider to be significant deficiencies, as item 20-001.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Willsboro Central School District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under Government *Auditing Standards* and which are described in the accompanying schedule of findings and responses as item 20-001.

District's Response to Findings

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

Purpose of this Report

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

Boulrice & Wood CPAs, PC

Boulrice & Wood, CPA'S PC
September 25, 2020

WILLSBORO CENTRAL SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND RESPONSES
JUNE 30, 2020

FINANCIAL STATEMENTS

Significant Deficiency

20-001 Excess Fund Balance

Condition: The District's unassigned general fund balance was 7.95% of next year's budget.

Effect: The District's unassigned general fund balance was 3.95%, or $381,661, over the amount allowable by law.

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

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

Corrective Action: Willsboro Central School District has taken a conservative approach to spending as State Aid funding remains uncertain. The Board of Education plans to use its fund balance in future budgets to provide stability to taxpayers in a fiscally responsible manner.

BOULRICE & WOOD CPAS, P.C.

Certified Public Accountants

MICHAEL L. BOULRICE, CPA *STEPHEN P. WOOD, CPA*

INDEPENDENT AUDITOR'S REPORT

To the School Board
Willsboro Central School District
Willsboro, New York

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

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the cash basis of accounting described in Note 1; this includes determining that the cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to error or fraud.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and minimum program procedures established by the New York State Department of Education. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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

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

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

Opinion

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

Basis of Accounting

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

Boulrice & Wood CPAs, PC

Boulrice & Wood, CPA's PC
September 25, 2020

WILLSBORO CENTRAL SCHOOL DISTRICT
EXTRACLASSROOM ACTIVITY FUNDS

BALANCE SHEETS
June 30, 2020 and 2019

	2020	2019
ASSETS		
Cash	**$ 44,802**	$ 50,272
Total Assets	**$ 44,802**	$ 50,272
FUND BALANCE		
Extraclassroom Activity	**$ 44,802**	$ 50,272
Total Fund Balance	**$ 44,802**	$ 50,272

See Notes to the Financial Statements – Extraclassroom Activity Fund

WILLSBORO CENTRAL SCHOOL DISTRICT
EXTRACLASSROOM ACTIVITY FUNDS

STATEMENTS OF CASH RECEIPTS, DISBURSEMENTS AND ENDING BALANCES - CASH BASIS
Year Ended June 30, 2020

Activity	Balance June 30, 2019	Receipts	Disbursements	**Balance June 30, 2020**
Class of 2019	$ 44	$ -	$ 44	**$ -**
Class of 2020	7,957	27,769	35,926	**(200)**
Class of 2021	9,578	2,316	-	**11,894**
Class of 2022	4,274	6,606	4,045	**6,835**
Class of 2023	-	5,220	3,879	**1,341**
Band Boosters	1,206	-	304	**902**
Drama Club	6,239	7,403	8,077	**5,565**
Student Council	6,305	144	3,388	**3,061**
French Club	1,251	-	56	**1,195**
Key Club	532	368	387	**513**
CFES	3,875	233	545	**3,563**
JNHS	803	-	270	**533**
NHS	3,867	1,062	600	**4,329**
Spanish Club	2,288	1,740	2,127	**1,901**
STEP Club	300	-	-	**300**
Yearbook	1,526	3,075	1,781	**2,820**
Interest Income	227	23	-	**250**
	$ 50,272	$ 55,959	$ 61,429	**$ 44,802**

See Notes to the Financial Statements – Extraclassroom Activity Fund

WILLSBORO CENTRAL SCHOOL DISTRICT

EXTRACLASSROOM ACTIVITY FUNDS
NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies

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

Basis of Presentation: The Extraclassroom Activity Funds of the Willsboro Central School District represent funds of the students of the District. The Board of Education exercises general oversight of these funds. The Extraclassroom Activity Funds are independent of the School with respect to its financial transactions and the designation of student management.

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

FORM OF OPINION OF BOND COUNSEL

March 30, 2021

Willsboro Central School District
29 School Lane
Willsboro New York 12996

Re: Willsboro Central School District
$4,405,000* School District (Serial) Bonds, 2021 CUSIP No: 971365

Ladies and Gentlemen:

We have examined a record of proceedings relating to the issuance of $4,405,000* School District Refunding (Serial) Bonds, 2021 (the "Bonds"), of the Willsboro Central School District, County of Essex, State of New York (the "District"). The Bonds are dated March 30, 2021 and are being issued pursuant to the Constitution and laws of the State of New York, including the Education Law and Local Finance Law, a resolution of the District in respect of the School District Refunding (Serial) Bonds, 2021, and a Certificate of Determination dated on or before March 30, 2021 of the President of the Board of Education relative to the form and terms of the Bonds.

In our opinion, the Bonds are valid and legally binding general obligations of the District for which the District has validly pledged its faith and credit and, unless paid from other sources, all taxable real property within the District is subject to levy of ad valorem real estate taxes to pay the Bonds and interest thereon without limitation of rate or amount. The enforceability of rights or remedies with respect to the Bonds may be limited by bankruptcy, insolvency, or other laws affecting creditors' rights or remedies heretofore or hereinafter enacted.

The Internal Revenue Code of 1986, as amended (the "Code"), establishes certain requirements that must be met subsequent to the issuance and delivery of the Bonds in order that interest on the Bonds be and remain excluded from gross income under Section 103 of the Code. The President of the Board of Education of the District, in executing the Arbitrage and Use of Proceeds Certificate, has certified to the effect that the District will comply with the provisions and procedures set forth therein and that it will do and perform all acts and things necessary or desirable to assure that interest on the Bonds is excluded from gross income under Section 103 of the Code. We have examined such Arbitrage and Use of Proceeds Certificate of the District delivered concurrently with the delivery of the Bonds, and, in our opinion, such certificate contains provisions and procedures under which such requirements can be met.

In our opinion, interest on the Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Code, and is excluded from adjusted gross income for purposes of New York State and New York City personal income taxes. Interest on the Bonds is not a specific preference item for purposes of the federal alternative minimum tax. We express no opinion regarding other tax consequences related to the ownership or disposition of, or the accrual or receipt of interest on, the Bonds.

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

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* Preliminary, subject to change.

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

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

Very truly yours,

TRESPASZ & MARQUARDT, LLP