PRELIMINARY OFFICIAL STATEMENT

NEW/RENEWAL ISSUE | **BOND ANTICIPATION NOTES**

In the opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel, based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the Notes is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"). In the further opinion of Bond Counsel, interest on the Notes is not a specific preference item for purposes of the federal alternative minimum tax. Bond Counsel is also of the opinion that interest on the Notes is exempt from personal income taxes imposed by the State of New York or any political subdivision thereof (including The City of New York). Bond Counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of, or the amount, accrual or receipt of interest on, the Notes. See "TAX MATTERS" herein.

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

$1,929,000

WINDSOR CENTRAL SCHOOL DISTRICT

BROOME COUNTY, NEW YORK

GENERAL OBLIGATIONS

$1,929,000 Bond Anticipation Notes, 2020

(the "Notes")

Dated: June 17, 2020 | **Due: June 17, 2021**

The Notes are general obligations of the Windsor Central School District, Broome County, New York (the "School District" or "District"), all the taxable real property within which is subject to the levy of ad valorem taxes to pay the Notes and interest thereon, without limitation as to rate or amount. See "NATURE OF OBLIGATION" and "TAX LEVY LIMITATION LAW" herein.

The Notes are not subject to redemption prior to maturity. At the option of the purchaser(s), the Notes will be issued as registered certificated notes or registered in the name of the purchaser. If such Notes are issued as registered in the name of the purchaser, principal of and interest on the Notes will be payable in Federal Funds. In such case, the Notes will be issued as registered in the name of the purchaser in denominations of $5,000 or multiples thereof, as may be determined by such successful bidder(s), except for one necessary odd denomination which is or includes $9,000.

Alternatively, if the Notes are issued as book-entry-only registered notes, the Notes will be registered in the name of Cede & Co. as nominee of The Depository Trust Company ("DTC"), New York, New York, which will act as the securities depository for the Notes. Noteholders will not receive certificates representing their ownership interest in the notes purchased if the purchaser(s) elects to register the Notes. Such Notes will be issued in denominations of $5,000 or integral multiples thereof, as may be determined by such successful bidder(s) except for one necessary odd denomination which is or includes $9,000. If the Notes are issued as registered notes, payment of the principal of and interest on the Notes to the Beneficial Owner(s) of the Notes will be made by DTC Direct Participants and Indirect Participants in accordance with standing instructions and customary practices, as is now the case with municipal securities held for the accounts of customers registered in the name of the purchaser or registered in "street name". Payment will be the responsibility of such DTC Direct or Indirect Participants and the District, subject to any statutory and regulatory requirements as may be in effect from time to time. See "BOOK-ENTRY-ONLY SYSTEM" herein.

The Notes are offered when, as and if issued and received by the purchaser(s) and subject to the receipt of the approving legal opinion as to the validity of the Notes of Orrick, Herrington & Sutcliffe LLP, Bond Counsel, New York, New York. It is anticipated that the Notes will be available for delivery through the facilities of DTC located in Jersey City, New Jersey, or as may be agreed upon on with the purchaser(s), or about June 17, 2020.

ELECTRONIC BIDS for the Notes must be submitted on Fiscal Advisors Auction website ("Fiscal Advisors Auction") accessible via www.FiscalAdvisorsAuction.com, on May 28, 2020 by no later than 11:00 A.M. ET. Bids may also be submitted by facsimile at (315) 930-2354. No other form of electronic bidding services will be accepted. No phone bids will be accepted. Once the bids are communicated electronically via Fiscal Advisors Auction or via facsimile to the District, each bid will constitute an irrevocable offer to purchase the Notes pursuant to the terms provided in the Notice of Sale for the Notes.

May 21, 2020

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

BROOME COUNTY, NEW YORK

SCHOOL DISTRICT OFFICIALS

2019-2020 BOARD OF EDUCATION

<u>PETER NOWACKI</u>
President

<u>MARGO KIBBLER</u>
Vice President

ALAN COLOSI
KEVIN TRUMAN

CARIN SHAFFER

KATHY SWEZEY
RHEO DEYO

* * * * * * * * *

ADMINISTRATION

<u>DR. JASON ANDREWS</u>
Superintendent of Schools

<u>ANDREW FIORENTINO</u>
Assistant Superintendent for Business & Administrative Services

Coughlin & Gerhart LLP
School District Attorney

<u>FISCAL ADVISORS & MARKETING, INC.</u>
Municipal Advisors

<u>ORRICK, HERRINGTON & SUTCLIFFE LLP</u>
Bond Counsel

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

TABLE OF CONTENTS

PREPARED WITH THE ASSISTANCE OF

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OFFICIAL STATEMENT

of the

WINDSOR CENTRAL SCHOOL DISTRICT
BROOME COUNTY, NEW YORK

Relating To

$1,929,000 Bond Anticipation Notes, 2020

This Official Statement, which includes the cover page and appendices, has been prepared by the Windsor Central School District, Broome County, New York (the "School District" or "District", "County", and "State", respectively) in connection with the sale by the District of $1,929,000 principal amount of Bond Anticipation Notes, 2020 (the "Notes").

The factors affecting the District's financial condition and the Notes are described throughout this Official Statement. Inasmuch as many of these factors, including economic and demographic factors, are complex and may influence the District tax base, revenues, and expenditures, this Official Statement should be read in its entirety, and no one factor should be considered more or less important than any other by reason of its relative position in this Official Statement.

All quotations from and summaries and explanations of provisions of the Constitution and laws of the State and acts and proceedings of the District contained herein do not purport to be complete and are qualified in their entirety by reference to the official compilations thereof, and all references to the Notes and the proceedings of the District relating thereto are qualified in their entirety by reference to the definitive forms of the Notes and such proceedings.

NATURE OF OBLIGATION

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

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

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

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

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

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

> "A pledge of the city's faith and credit is both a commitment to pay and a commitment of the city's revenue generating powers to produce the funds to pay. Hence, an obligation containing a pledge of the City's "faith and credit" is secured by a promise both to pay and to use in good faith the city's general revenue powers to produce sufficient funds to pay the principal and interest of the obligation as it becomes due. That is why both words, "faith" and "credit" are used and they are not tautological. That is what the words say and this is what the courts

> have held they mean… So, too, although the Legislature is given the duty to restrict municipalities in order to prevent abuses in taxation, assessment, and in contracting of indebtedness, it may not constrict the City's power to levy taxes on real estate for the payment of interest on or principal of indebtedness previously contracted… While phrased in permissive language, these provisions, when read together with the requirement of the pledge and faith and credit, express a constitutional imperative: debt obligations must be paid, even if tax limits be exceeded".

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

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

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

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

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

THE NOTES

Description of the Notes

The Notes are general obligations of the District, and will contain a pledge of its faith and credit for the payment of the principal thereof and interest thereon as required by the Constitution and laws of the State of New York (State Constitution, Art. VIII, Section 2: Local Finance Law, Section 100.00). All the taxable real property within the District is subject to the levy of ad valorem taxes to pay the Notes and interest thereon, without limitation as to rate or amount. See "Nature of the Obligation" and "TAX LEVY LIMITATION LAW" herein.

The Notes will be dated June 17, 2020 and will mature June 17, 2021. The Notes are not subject to redemption prior to maturity. Interest will be calculated on a 30-day month and 360-day year basis, payable at maturity.

The Notes will be issued in registered form at the option of the Purchaser either (i) registered certificated form in the name of the purchaser, or (ii) registered in the name of Cede & Co. as nominee of The Depository Trust Company, New York, New York ("DTC") which will act as the securities depository for the Notes. See "BOOK-ENTRY-ONLY SYSTEM" herein.

No Optional Redemption

The Notes are not subject to redemption prior to maturity.

Purpose of Issue

The Notes are being issued pursuant to the Constitution and statutes of the State of New York, including among others, the Local Finance Law and a bond resolution adopted by the School District on May 14, 2019 authorizing serial bonds to finance the reconstruction and improvements to District buildings and facilities at a maximum cost of $15,658,000 and authorizing $10,750,000 bonds. On June 27, 2019 the District issued $950,000 bond anticipation notes for the above mentioned purpose. The proceeds of the Notes, along with $156,000 available funds of the District will partially redeem and renew the $950,000 bond anticipation notes maturing June 26, 2020 and provide $1,135,000 new monies for the above mentioned purpose.

Additionally, on July 25, 2019 the District issued $8,665,000 bond anticipation notes for the above mentioned purpose to mature July 24, 2020. The District anticipates renewing the $8,665,000 bond anticipation notes in full at maturity.

BOOK-ENTRY-ONLY SYSTEM

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

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

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

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

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

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

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

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

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

Source: The Depository Trust Company.

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

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

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

Certificated Notes

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

The Notes will be issued in registered form in denominations of $5,000 or integral multiples thereof except for one necessary odd denomination which is or includes $9,000. Principal of and interest on the Notes will be payable at a principal corporate trust office of a bank or trust company located and authorized to do business in the State of New York to be named as fiscal agent by the District. The Notes will remain not subject to redemption prior to their stated final maturity date.

THE SCHOOL DISTRICT

General Information

The District is located in upstate New York in the eastern portion of the County of Broome. The City of Binghamton is approximately 15 miles west. The District encompasses approximately 119 square miles of land area. Major highways of service to the District include Interstate Route 81, U.S. Route 17 (I-86) and State highways 7 and 79.

The District is mixed in character; primarily commercial and industrial to the north and west near Binghamton and primarily residential and agricultural to the south and east near the Catskills. Professional and commercial services are available to residents in Binghamton. Commercial banking services are provided by First Niagara in Windsor; M&T Bank in Kirkwood; and JPMorgan Chase Bank in Binghamton.

Many of the residents are employed in the more than 350 manufacturing firms in Broome County. Located in the School District are the L3 Communications, Link Simulation & Training, Frito Lay, Putnam Publishing Group, Willow Run Foods, American Pipe & Plastics, Inc. Other firms in the County include International Business Machines Corporation (IBM), manufacturing data-processing equipment and computer circuits; Universal Instruments Corporation, manufacturing printed circuit board assembly machines, component preparation machines, and semi-automatic wire termination machines; the Raymond Corporation, manufacturing narrow-aisle electric fork-lift trucks as well as Impress (recycling), Crowley Foods, and Rockwell Collins. Dick's Sporting Goods opened a 245,000 square foot addition to its facility in Broome County Corporate Park. The projected total boost of employment is projected to be between 400 – 500 full time jobs.

Police protection is afforded residents through local and State agencies. Fire protection is provided by various volunteer fire departments.

Source: District officials.

Population

The current estimated population of the District is 10,802. (Source: 2018 U.S. Census Bureau estimate)

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 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 is necessarily representative of the District, or vice versa.

	Per Capita Income			Median Family Income		
	2000	2006-2010	2014-2018	2000	2006-2010	2014-2018
Towns of:						
Colesville	$ 15,816	$ 18,938	$ 21,740	$ 40,333	$ 55,553	$ 60,313
Kirkwood	19,228	24,661	28,716	45,993	60,313	70,000
Sanford	17,083	20,007	24,809	40,472	43,542	57,434
Windsor	16,346	21,418	28,141	42,958	47,472	77,228
County of						
Broome	22,431	24,314	27,744	54,381	57,545	67,342
State of:						
New York	23,389	30,948	37,470	51,691	67,405	80,419

Note: 2015-2019 American Community Survey estimates are not available as of the date of this Official Statement.

Source: U.S. Census Bureau, 2000 census, 2006-2010 and 2014-2018 American Community Survey data.

Five Largest Employers

The following is a list of the largest employers within Broome County where the District is located:

Employer	Type	Number of Employees
Binghamton University	Education	5,943
United Health Services	Private Hospital	5,428
Lockheed Martin	Technology	2,700
Broome County	Government	2,500
Our Lady of Lourdes Hospital	Private Hospital	2,311

Source: Broome County Industrial Development Agency.

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

	Annual Average							
	2012	2013	2014	2015	2016	2017	2018	2019
Broome County	8.7%	7.8%	6.6%	6.0%	5.4%	5.6%	4.9%	
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
Broome County	5.7%	5.4%	5.6%	N/A	N/A
New York State	4.1%	3.9%	4.4%	N/A	N/A

Note: Unemployment rates for April and May 2020 are unavailable as of the date of this Official Statement.

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

Form of School Government

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

Budgetary Procedures

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

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

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

If the proposed budget is not approved by the required margin, the Board of Education may resubmit the original budget or a revised budget to the voters on the 3rd Tuesday in June, or adopt a contingency budget (which would provide for ordinary contingent expenses, including debt service) that levies a tax levy no greater than that of the prior fiscal year (i.e. a 0% increase in the tax levy).

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

Recent Budget Vote Results

The budget for the 2018-19 fiscal year was adopted by the qualified voters on May 15, 2018 with a vote of 317 to 94. The District's adopted budget for 2018-19 fiscal year remained within the Tax Cap imposed by Chapter 97 of the Laws of 2011.

The budget for the 2019-20 fiscal year was adopted by the qualified voters on May 21, 2019 with a vote of 252 to 107. The District's adopted budget for 2019-20 fiscal year remains within the Tax Cap imposed by Chapter 97 of the Laws of 2011.

Due to the COVID-19 pandemic, the proposed budget for the 2020-21 fiscal year will be voted on by the qualified voters on June 9, 2020. The District's proposed budget for 2020-21 fiscal year remains within the Tax Cap imposed by Chapter 97 of the Laws of 2011.

Investment Policy

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

Consistent with the above statutory limitations, it is the District's current policy to invest in: (1) Savings Accounts, Now Accounts or Money Market Accounts of designated banks, (2) Certificates of Deposit issued by a bank or trust company located and authorized to do business in New York State, (3) Demand Deposit Accounts in a bank or trust company authorized to do business in New York State, (4) Obligations of New York State, (5) Obligations of the United States Government (U.S. Treasury Bills and Notes), (6) Repurchase Agreements involving the purchase and sale of direct obligations of the United States. The District is not authorized to invest in reverse repurchase agreements or similar derivative type investments.

State Aid

The District receives financial assistance from the State. In its adopted budget for the 2019-2020 fiscal year, approximately 56.34% of the revenues of the District are estimated to be received in the form of State aid. If the State should not adopt its budget in a timely manner, in any year, municipalities and school districts in the State, including the District, may be affected by a delay in the payment of State aid.

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

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

COVID-19

The amount of State aid to school districts is dependent in part upon the financial condition of the State. Currently, due the outbreak of COVID-19 the State has 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. 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; however, it is anticipated that the State will experience budgetary restrictions which will require 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 Adopted 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).

It is anticipated that the State Budget Director's powers discussed herein will be activated and across-the-board and targeted reductions to local aid programs will be taken to close a substantial portion of the State fiscal year 2021 budget gap caused by the receipts shortfall. On April 25, 2020 the New York State Division of the Budget announced that the State fiscal year 2021 Enacted State Budget Financial Plan (the "Financial Plan"), projects a $13.3 billion shortfall as a direct consequence of the COVID-19 pandemic. As a result, in the absence of Federal assistance, initial budget control actions are expected to significantly reduce State spending in several areas, including "aid-to-localities," a broad spending category that includes funding for health care, K-12 schools, and higher education as well as support for local governments, public transit systems, and not-for-profits. Reduced receipts are expected to carry through each subsequent year of the four year Financial Plan through State fiscal year 2024. Reductions or delays in the payment of State aid could adversely affect the financial condition of school districts in the State. (See "Stat Aid History" herein).

Potential reductions in Federal aid received by the State.

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

The State's Enacted 2019-2020 Budget continues to allow the Governor to reduce aid to school districts mid-year if receipts from the Federal government are less than what was expected. If federal support is reduced by $850 million or more, the New York State Director of the Budget will develop a plan to make uniform spending reductions by the State. Such plan would take effect automatically unless the State Legislature passes its own plan within 90 days.

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

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

Building aid

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

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

Pursuant to the provisions of Chapter 760 of the Laws of 1963, the District is eligible to receive a Building Aid Estimate from the New York State Department of Education. Since the gross indebtedness of the District is within the debt limit, the District is not required to apply for a Building Aid Estimate. Based on 2019-2020 preliminary building aid ratios, the District expects to receive State building aid of approximately 84.1% of debt service on State Education Department approved expenditures from July 1, 2004 to the present.

The State building aid ratio is calculated each year based upon a formula which reflects Resident Weighted Average Daily Attendance (RWADA) and the full value per pupil compared with the State average. Consequently, the estimated aid will vary over the life of each issue. State building aid is further dependent upon the continued apportionment of funds by the State Legislature.

State aid history

State aid to school districts within the State had declined in some prior years before increasing more recently. However, as discussed herein the COVID-19 outbreak has affected and is expected to continue to affect State aid to the District.

School district fiscal year (2015-2016): The 2015-2016 State budget included a partial reduction in the Gap Elimination Adjustment ("GEA") with $603 million in GEA cuts being restored, and provided an additional $428 million in foundation aid and $268 million in expense base aids which reimbursed school districts for prior year expenses in school construction, transportation, BOCES and special education services.

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

Gap Elimination Adjustment (GEA). The GEA law was first introduced for the 2010-2011 fiscal year (although it existed in 2009-10 and was called "Deficit Reduction Assessment") as a way to help close the State's then $10 billion budget deficit. Under the legislation, a portion of the funding shortfall at the State level was divided among all school districts throughout the State and reflected as a reduction in school district State aid. The GEA was a negative number, money that was deducted from the aid originally due to the District. The total GEA and Deficit Reduction Assessment reduction in school aid for the District amounted to approximately $11,918,773. The District was forced to deliver programs in new and creative ways, while reducing where necessary based on student-driven needs and increasing taxes accordingly. The District did not lose any additional State aid as a result of the GEA in 2016-2017 fiscal year as the Gap Elimination Adjustment was completely eliminated in the 2016-2017 Enacted State Budget.

School district fiscal year (2017-2018): The State 2017-2018 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 includes a total of $27.69 billion for School Aid, a year-to-year funding increase of $956 million or 3.6 percent and will provide additional funding for Foundation Aid of $338.0 million and $409.65 million in reimbursements for expense-based aids. In addition, the 2019-2020 Enacted Budget increases the Community Schools set-aside funding amount by $49.99 million to a total of $250.0 million. This increased funding is targeted to districts with failing schools and/or districts experiencing significant growth in English language learners. The 2019-2020 Enacted Budget increases the minimum community schools funding amount from $75,000 to $100,000. This ensures all high-need districts across the State can apply the funds to a wide-range of activities.

School District Fiscal Year (2020-21): The State's 2020-2021 Enacted Budget includes a year-to-year funding increase for State aid of $95.0 million or .035% percent. Foundation Aid to school districts is frozen at the same level as the 2019-2020 fiscal year; while other aids, calculated according formulas in current law, are responsible for the increase. The State's 2020-2021 Enacted Budget includes $10 million in new funding for grants to school districts for student mental health services. It should be noted that there was an actual year-to-year decrease of State aid implemented through a reduction of each school district's State aid allocation from the 2019-2020 year. The reduction is being referred to as a "Pandemic Adjustment". However, the decrease in State aid is expected to be fully offset by an allocation received by the State of funds from the recently approved federal stimulus bill. Absent the federal stimulus funds, there would have been a $1.127 billion decrease in State aid from the 2019-2020 year. In addition, the State's 2020-2021 Enacted Budget authorizes the State's Budget Director to make periodic adjustments to State Aid, in the event that actual State revenues come in below 99% percent of estimates or if actual disbursements exceed 101% of estimates. See "State Aid" herein for a discussion of this provision set forth in the State's 2020-2021 Enacted Budget.

State Aid Litigation

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

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

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

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

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

State Aid Revenues

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

Fiscal Year	Total State Aid	Total Revenues	Percentage of Total Revenues Consisting of State Aid
2014-2015	$ 18,888,025	$ 34,508,588	54.73%
2015-2016	19,906,230	36,178,045	55.02
2016-2017	20,566,897	37,318,790	55.11
2017-2018	21,201,574	38,495,622	55.08
2018-2019	22,278,344	39,980,375	55.72
2019-2020 (Budgeted)	22,768,241	40,410,150	56.34
2020-2021 (Proposed)	23,420,459	41,358,822	56.63

Source: Audited financial reports for the 2014-2015 fiscal year through and including the 2018-2019 fiscal year, adopted budget of the District for the 2019-2020 fiscal year, and proposed budget of the District for the 2020-2021 fiscal year. This table is not audited.

District Facilities

Name	Grades	Capacity	Year(s) Built/Additions
Windsor High School	9-12	1,600	1974, ‘01
Windsor Middle/Palmer Elementary	PK-8	850	1933, ’52, ‘64
Floyd L. Bell Elementary	PK-5	730	1957, ‘69
C.R. Weeks Elementary	PK-5	760	1959, '63, '69

Source: District officials.

Enrollment Trends

School Year	Actual Enrollment	School Year	Projected Enrollment
2015-2016	1,704	2020-2021	1,700
2016-2017	1,697	2021-2022	1,700
2017-2018	1,727	2022-2023	1,700
2018-2019	1,699	2023-2024	1,700
2019-2020	1,661	2024-2025	1,675

Source: District officials.

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Employees

The District employs a total of 311 full-time and 15 part-time employees with representation by the various bargaining units listed below:

Number of Employees	Bargaining Unit	Contract Expiration Date
8	Windsor Administrators' Association	June 30, 2020[1]
4	Windsor District Office Administrators Association	June 30, 2020[1]
171	Windsor Teachers' Association	June 30, 2020[1]
60	Windsor Custodial and Transportation Staff	June 30, 2020[1]
76	Windsor School Related Professionals	June 30, 2020[1]
1	Unrepresented Administrators	N/A
6	Unrepresented Support Staff	N/A

(1) Currently under negotiation.

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 2019-2020 fiscal years are as follows:

Fiscal Year	ERS	TRS
2014-2015	$ 491,099	$ 1,947,756
2015-2016	388,925	1,596,811
2016-2017	380,737	1,166,969
2017-2018	375,313	1,299,742
2018-2019	389,301	1,373,986
2019-2020 (Budgeted)	396,000	1,242,470

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 to 2020) is shown below:

Year	ERS	TRS
2015-16	18.2%	13.26%
2016-17	15.5	11.72
2017-18	15.3	9.80
2018-19	14.9	10.62
2019-20	14.6	8.86

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 through the approval of the Board of Education on June 18, 2019. The District has funded the reserve in the amount of $260,000.

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 Questar III BOCES, to calculate its actuarial valuation under GASB 75 for the fiscal years ending June 30, 2018 and 2019.

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

Balance beginning at:	June 30, 2017	June 30, 2018
	$ 57,310,429	$ 60,141,069
Changes for the year:		
Service cost	2,546,660	2,769,637
Interest	1,770,017	1,863,781
Differences between expected and actual experience	239,815	-
Changes in benefit terms	-	-
Effect of demographic gains or loses	-	(1,655,390)
Changes in assumptions or other inputs	-	(6,687,861)
Benefit payments	(1,725,852)	(1,581,011)
Net Changes	$ 2,830,640	$ (5,290,844)
Balance ending at:	June 30, 2018	June 30, 2019
	$ 60,141,069	**$ 54,850,225**

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

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

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

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

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

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

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

Other Information

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

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

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

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

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

Financial Statements

The District retains independent Certified Public Accountants. The last audit report covers the period ending June 30, 2019 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 July 1, 2016. The purpose of the audit was to examine District officials' management of the school lunch fund for the period July 1, 2014 through February 23, 2016.

Key Findings:

- District officials have taken actions to reduce the school lunch fund's dependence on the general fund to support operations by becoming a federally funded Summer Food Service Program provider and increased in-house catering.

Key Recommendations:

- There were no recommendations as a result of the audit.

The District provided a complete response to the State Comptroller's office on May 31, 2016. A copy of the complete report and response can be found via the website of the Office of the New York State Comptroller.

There are no other State Comptrollers audits of the District that are currently in progress or pending release.

Note: Reference to website implies no warranty of accuracy of information therein nor incorporation herein by reference.

The State Comptroller's Fiscal Stress Monitoring System

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

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

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

Fiscal Year Ending In	Stress Designation	Fiscal Score
2019	No Designation	10.0%
2018	No Designation	13.3%
2017	No Designation	3.3%

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

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

TAX INFORMATION

Taxable Assessed Valuations

Fiscal Year Ending June 30:	2016	2017	2018	2019	2020
Towns of:					
Colesville	$ 1,716,022	$ 1,715,904	$ 1,736,180	$ 1,729,983	$ 1,736,828
Kirkwood	211,232,205	211,467,948	212,251,574	209,813,233	205,082,923
Sanford	14,251,872	14,323,800	14,360,984	14,351,658	14,300,988
Windsor	245,207,728	254,061,324	263,956,881	272,522,536	274,352,289
Total Assessed Values	$ 472,407,827	$ 481,568,976	$ 492,305,619	$ 498,417,410	$ 495,473,028
State Equalization Rates					
Towns of:					
Colesville	8.20%	8.20%	8.36%	8.11%	7.55%
Kirkwood	76.50%	79.50%	78.00%	71.50%	71.00%
Sanford	58.50%	59.00%	60.00%	58.00%	56.50%
Windsor	69.00%	71.00%	71.50%	69.50%	67.60%
Taxable Full Valuations					
Towns of:					
Colesville	$ 20,927,098	$ 20,925,659	$ 20,767,703	$ 21,331,480	$ 23,004,344
Kirkwood	276,120,529	265,997,419	272,117,403	293,445,081	288,849,187
Sanford	24,362,174	24,277,627	23,934,973	24,744,238	25,311,483
Windsor	355,373,519	357,832,851	369,170,463	392,118,757	405,846,581
Total Taxable Full Valuation	$ 676,783,320	$ 669,033,555	$ 685,990,542	$ 731,639,556	$ 743,011,596

Tax Rate Per $1,000 (Assessed)

Fiscal Year Ending June 30:	2016	2017	2018	2019	2020
Towns of:					
Colesville	$ 244.31	$ 255.27	$ 250.23	$ 250.81	$ 276.75
Kirkwood	26.19	26.33	26.82	28.44	29.42
Sanford	34.25	35.48	34.87	35.07	36.98
Windsor	29.03	29.48	29.26	29.27	30.91

Tax Collection Procedure

Tax payments are due September 5th. There is no penalty charge for the first thirty days after taxes are due, but a 2% penalty is charged from October 5th to October 31st. On November 15th, uncollected taxes are returnable to the County of Broome for collection. The District receives this amount of uncollected taxes from said County prior to the end of the District's fiscal year, thereby assuring 100% tax collection annually.

Tax Levy and Tax Collection Record

Fiscal Year Ending June 30:	2016	2017	2018	2019	2020
Total Tax Levy	$ 13,558,444	$ 14,004,430	$ 14,350,584	$ 14,882,157	$ 15,524,857
Amount Uncollected [1]	801,482	835,611	817,749	907,829	1,050,146
% Uncollected	5.91%	5.97%	5.70%	6.10%	6.76%

[1] The District receives 100% of its tax levy each year. See "Tax Collection Procedures" herein.

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 Real Property Taxes & Tax Items	Percentage of Total Revenues Consisting of Real Property Tax
2014-2015	$ 34,508,588	$ 13,930,816	40.37%
2015-2016	36,178,045	14,231,519	39.34
2016-2017	37,318,790	14,712,141	39.42
2017-2018	38,495,622	15,051,350	39.10
2018-2019	39,980,375	15,463,290	38.68
2019-2020 (Budgeted)	40,410,150	16,106,322	39.86
2020-2021 (Proposed)	41,358,822	16,448,763	39.77

Source: Audited financial reports for the 2014-2015 fiscal year through and including the 2018-2019 fiscal year, adopted budget of the district for the 2019-2020 fiscal year, and proposed budget of the District for the 2020-2021 fiscal year. This table is not audited.

Larger Taxpayers 2019 for 2019-2020 Tax Roll

Name	Type	Taxable Assessed Valuation
Laser Northeast Gathering	Utility	$ 52,825,993
NYSEG	Utility	23,317,687
Millennium Pipeline [1]	Utility	20,945,623
Willow Run Foods	Food Distributor	15,971,900
Bluestone Gas Corp.	Utility	7,354,440
Frito Lay, Inc.	Manufacturing	5,390,000
Kirkwood Warehouse Investors, LLC	Public, Commercial Warehouse	4,760,900
Shop Vac Inc.	Book Publisher	4,638,700
L3 Communications	Manufacturing	4,459,500
Track Drive LLC	Manufacturing	4,021,100

The ten larger taxpayers listed above have an estimated assessed valuation of $143,685,843 which represents 29.00% of the tax base of the District.

The District routinely experiences tax certiorari claims. As of the date of this Official Statement, one of the top ten larger taxpayers have filed a Notice of Petition contesting their full value assessment. Details are footnoted on the following page. The District currently does not have any other pending or outstanding tax certioraris that are believed or known to have a material impact on the District.

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(1) There is a maximum potential tax liability of $ 90,520.92 due to the Millennium Pipeline should they be successful in their contest of their Full Values. Millennium Pipeline has filed a Notice of Petition contesting the Final Special Franchise Full Values that were determined by the NYS Board of Real Property Services (2010, 2011, 2012, and 2013). See following table for specifics:

Fiscal Year Ending	Full Value	Requested Full Value	Potential Adjustment to Full Value
2010	$ 402,721	$ 80,000	$ (322,721)
2011	360,067	80,000	(280,067)
2012	380,057	80,000	(300,057)
2013	399,932	80,000	(319,932)
2014	399,932	80,000	(319,932)
2015	399,932	80,000	(319,932)
2016	399,932	80,000	(319,932)
2017	399,932	80,000	(319,932)
2018	399,932	80,000	(319,932)
2019	399,932	80,000	(319,932)
2020	399,932	80,000	(319,932)

The maximum potential liability of all additional tax certiorari claims, excluding the Millennium claim listed above, is $122,111. The District has an established and funded a Tax Certiorari Reserve in excess of $245,000. The reserve can be drawn upon to safeguard and mitigate financial impact of settlements of outstanding petitions. The Tax Certiorari Reserve is reviewed and adjusted annually. In addition, the District is authorized by the Local Finance Law to borrow to pay any such settlements.

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 $86,300 or less for 2019 benefits and $88,050 or less for 2020 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 $30,000 "full value" exemption on their primary residence.

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

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

The 2020-21 Enacted Budget withholds STAR benefits to taxpayers who are delinquent in the payment of their school taxes and maintains the income limit for the exemption to $250,000, compared with a $500,000 limit for the credit.

The below table lists the basic and enhanced exemption amounts for the 2020-21 District tax roll for the municipalities applicable to the District:

Towns of:	Enhanced Exemption	Basic Exemption	Date Certified
Colesville	$ 5,270	$ 2,270	4/10/2020
Kirkwood	49,560	21,300	4/10/2020
Sanford	39,440	16,950	4/10/2020
Windsor	47,180	20,280	4/10/2020

$2,001,690 of the District's $14,882,157 school tax levy for the 2018-19 fiscal year was exempt by the STAR Program. The District received full reimbursement of such exempt taxes from the State in January 2019.

$1,980,000 of the District's $15,524,857 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.

Additional Tax Information

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

Senior citizens' exemptions are offered to those who qualify.

The total valuation of the District is estimated to be categorized as follows: Residential-70%, Commercial-10% and Agricultural-20%.

The estimated total annual District property tax bill of a $100,000 assessed value residential property located in the District is approximately $2,034.

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, as amended, the "Tax Levy Limitation Law"). The Tax Levy Limitation Law applies to all local governments, including school districts (with the exception of New York City, and the counties comprising New York City and school districts in New York City, Buffalo, Rochester, Syracuse, and Yonkers.)

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

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

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

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

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

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

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

Real Property Tax Rebate. Chapter 59 of the Laws of 2014 ("Chapter 59"), a State budget bill included provisions which provide a refundable personal income tax credit to real property taxpayers in school districts and certain municipal units of government. Real property owners in school districts are eligible for this credit in the 2014 and 2015 taxable years of those property owners. Real property taxpayers in certain other municipal units of government are eligible for this credit in the 2015 and 2016 taxable years of those real property taxpayers. The eligibility of real property taxpayers for the tax credit in each year depends on such jurisdiction's compliance with the provisions of the Tax Levy Limitation Law. School districts budgets must comply in their 2014-2015 and 2015-2016 fiscal years. Other municipal units of government must have their budgets in compliance for their 2015 and 2016 fiscal years. Such budgets must be within the tax cap limits set by the Tax Levy Limitation Law for the real property taxpayers to be eligible for this personal income tax credit. The affected jurisdictions include counties, cities (other than any city with a population of one million or more and its counties), towns, villages, school districts (other than the dependent school districts of New York City, Buffalo, Rochester, Syracuse and Yonkers, the latter four of which are indirectly affected by applicability to their respective city) and independent special districts.

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

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

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

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

An additional real property tax rebate program applicable solely to school districts was enacted by Chapter 20 of the Laws of 2015, signed into law by the Governor on June 26, 2015. The program applies in the years 2016 through 2019 and includes continued tax cap compliance.

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

STATUS OF INDEBTEDNESS

Constitutional Requirements

The New York State Constitution limits the power of the 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 by the Board of Education 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, and notes in anticipation of the bonds.

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

Except on rare occasions the District complies with this estoppel procedure. It is a procedure that is recommended by Bond Counsel, but it is not an absolute legal requirement.

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

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:	2015	2016	2017	2018	2019
Bonds	$ 15,089,785	$ 12,162,229	$ 21,283,614	$ 21,870,000	$ 19,970,000
Bond Anticipation Notes	815,000	13,516,000	15,828,927	1,401,000	2,277,578
Other Debt	0	0	0	0	0
Total Debt Outstanding	$ 15,904,785	$ 25,678,229	$ 37,112,541	$ 23,271,000	$ 22,247,578

Details of Outstanding Indebtedness

The following table sets forth the indebtedness of the District evidenced by bonds and notes as of May 21, 2020.

Type of Indebtedness	Maturity		Amount
Bonds	2020-2033		$ 19,970,000
Bond Anticipation Notes			
Purchase of Buses	May 7, 2021		1,228,062
Capital Project	June 26, 2020		950,000 (1)
Capital Project	July 24, 2020		8,665,000 (2)
		Total Indebtedness	$ 21,297,578

(1) To be partially redeemed and renewed with the proceeds of the Notes and $156,000 available funds of the District.
(2) To be redeemed and renewed with bond anticipation notes anticipated to be issued in July of 2020.

Debt Statement Summary

Summary of Indebtedness, Debt Limit and Net Debt-Contracting Margin as of May 21, 2020:

Full Valuation of Taxable Real Property			$ 743,011,596
Debt Limit 10% thereof			74,301,160
Inclusions:			
Bonds	$ 19,970,000		
Bond Anticipation Notes	10,049,062		
Principal of this Issue	1,929,000		
Total Inclusions		$ 31,948,062	
Exclusions:			
State Building Aid (1)	$ 0		
Total Exclusions		$ 0	
Total Net Indebtedness			$ 31,948,062
Net Debt-Contracting Margin			$ 42,353,098
The percent of debt contracting power exhausted is			43.00%

(1) Based on preliminary 2020-2021 building aid estimates, the District anticipates State Building aid of 85.7% for debt service on State Education Department approved expenditures from July 1, 2004 to the present. The District has no reason to believe that it will not ultimately receive all of the building aid it anticipates, however, no assurance can be given as to when and how much building aid the District will receive in relation to the outstanding bonds.

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

Bonded Debt Service

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

Capital Project Plans

On April 11, 2017, the qualified voters approved a $14,500,000 capital project for the reconstruction of various district facilities. The District plans to use $1,895,000 capital reserve funds and $2,750,000 in appropriated fund balance. The District closed on $950,000 bond anticipation notes on June 27, 2019 for this project. The proceeds of the Notes, along with $156,000 available funds will partially redeem and renew the $950,000 outstanding bond anticipation notes and provide $1,135,000 new monies for the above mentioned project. Additionally, on July 25, 2019 the District issued $8,665,000 bond anticipation notes as the second borrowing for this project. The bond anticipation notes provide $8,665,000 new money for the aforementioned purpose. The District anticipates issuing $8,665,000 bond anticipation notes on July 23, 2020 to fully redeem the $8,665,000 outstanding bond anticipation notes maturing July 24, 2020. Future borrowings will be pursuant to construction cash flow needs.

The District typically issues bond anticipation notes at the end of the fiscal year for the purchase of buses and transportation vehicles, pursuant to various authorizations of the District. On May 7, 2020, the District issued $1,228,062 bond anticipation notes for the purchase of buses. The $1,228,062 bond anticipation notes, along with $461,516 available funds of the District partially redeemed and renewed $1,327,578 bond anticipation notes and provided $362,000 new monies for the purchase of buses.

The District issued Request for Proposals (RFP) to Energy Service Companies (ESCO) to complete an Energy Performance Project. The preliminary study indicated that the approximate size of the project will be $3,950,000. The District will be asking the qualified voters of the District to approve the $3,950,000 project at the 2020-2021 budget vote of the District.

Cash Flow Borrowings

The District has not issued revenue or tax anticipation notes since the 2006-2007 fiscal year and does not expect to issue them in the foreseeable future.

Estimated Overlapping Indebtedness

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

Municipality	Status of Debt as of	Gross Indebtedness (1)	Exclusions (2)	Net Indebtedness	District Share	Applicable Indebtedness
County of:						
Broome	12/31/2018	$ 138,974,947	$ 10,744,947	$ 128,230,000	7.66%	$ 9,822,418
Town of:						
Colesville	12/31/2018	-	-	-	8.44%	-
Kirkwood	12/31/2018	2,552,650	67,650	2,485,000	75.19%	1,868,472
Sanford	12/31/2018	735,000	-	735,000	8.55%	62,843
Windsor	12/31/2017	5,432,138	-	5,432,138	99.55%	5,407,693
Village of:						
Windsor	5/31/2018	-	-	-	100.00%	-
					Total:	$ 17,161,425

(1) Bonds and bond anticipation notes. 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 2019 Comptroller's Special Report for the County and Towns above are 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 and 2019.

Debt Ratios

The following table sets forth certain ratios relating to the District's indebtedness as of May 21, 2020:

	Amount	Per Capita [a]	Percentage of Full Value [b]
Net Indebtedness [c]	$ 31,948,062	$ 2,957.61	4.30%
Net Indebtedness Plus Net Overlapping Indebtedness [d]	49,109,487	4,546.33	6.61

[a] The current estimated population of the District is 10,802. (See "THE SCHOOL DISTRICT – Population" herein.)
[b] The District's full value of taxable real estate for the 2019-20 fiscal year is $743,011,596. (See "TAX INFORMATION – Taxable Assessed Valuations" herein.)
[c] See "Debt Statement Summary" for the calculation of Net Direct Indebtedness, herein.
[d] Estimated net overlapping indebtedness is $17,161,425. (See "Estimated Overlapping Indebtedness" herein.)

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

SPECIAL PROVISIONS AFFECTING REMEDIES UPON DEFAULT

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

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

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

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

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

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

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

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

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

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

MARKET AND RISK FACTORS

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

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

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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 Notes. 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 Notes to be subject, directly or indirectly, to federal income taxation or to be subject to or exempted from state income taxation, or otherwise prevent the beneficial owners of the Notes from realizing the full current benefit of the tax status of such interest. No assurance can be given that pending or future legislation or amendments to the Code, if enacted into law, or any proposed legislation or amendments to the Code, will not adversely affect the value of the Notes, or the tax status of interest on the Notes. See "TAX MATTERS" herein.

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

COVID-19. The amount of State aid to school districts is dependent in part upon the financial condition of the State. Currently, due the outbreak of COVID-19 the State has 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. 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; however, it is anticipated that the State will experience budgetary restrictions which will require 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.

TAX MATTERS

In the opinion of Orrick, Herrington & Sutcliffe LLP ("Bond Counsel"), based upon an analysis of existing laws, regulations, rulings, and court decisions, and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the Notes is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 (the "Code") and is exempt from personal income taxes imposed by the State of New York or any political subdivision thereof (including The City of New York). Bond Counsel is of the further opinion that interest on the Notes is not a specific preference item for purposes of the federal alternative minimum tax. A complete copy of the proposed form of opinion of Bond Counsel is set forth in "APPENDIX – E".

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 Notes. The District has covenanted to comply with certain restrictions designed to insure that interest on the Notes will not be included in federal gross income. Inaccuracy of these representations or failure to comply with these covenants may result in interest on the Notes being included in gross income for federal income tax purposes possibly from the date of original issuance of the Notes. 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 Notes may adversely affect the value of, or the tax status of interest on, the Notes. 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 Notes.

Certain requirements and procedures contained or referred to the in the Arbitrage Certificate, and other relevant documents may be changed and certain actions (including, without limitation, economic defeasance of the Notes) 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 Notes 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 Notes is excluded from gross income for federal income tax purposes and is exempt from personal income taxes imposed by the State of New York or any political subdivision thereof (including The City of New York), the ownership or disposition of, or the amount, accrual or receipt of interest on, the Notes 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, clarification of the Code or court decisions may cause interest on the Notes to be subject, directly or indirectly, to federal income taxation or to be subject to or exempted from state income taxation, or otherwise prevent owners from realizing the full current benefit of the tax status of such interest. Legislative proposals have been made which would limit the exclusion from gross income of interest on obligations like the Notes to some extent for taxpayers who are individuals and whose income is subject to higher marginal income tax rates. Other 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 Notes. The introduction or enactment of any such legislative proposals, clarification of the Code or court decisions may also affect the market price for, or marketability of, the Notes. Prospective purchasers of the Notes should consult their own tax advisors regarding any pending or proposed federal or state tax legislation, regulations or litigation, as to which Bond Counsel expresses no opinion.

LEGAL MATTERS

Legal matters incident to the authorization, issuance and sale of the Notes are subject to the approving legal opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel. Bond Counsel expects to deliver an opinion at the time of issuance of the Notes substantially in the form set forth in "APPENDIX – E" hereto.

LITIGATION

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

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

CONTINUING DISCLOSURE

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

Historical Compliance

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

On March 12, 2012, S&P Global Ratings, a business unit of Standard & Poor's Financial Services LLC ("S&P") assigned an initial 'A+' (stable outlook) long-term rating and school issuer credit rating (ICR) to the District's series 2012 General Obligation ("GO") School District Refunding Bonds and an 'A+' school ICR to the District's existing GO debt that it originally issued solely under the New York State Aid Intercept Program. In addition to S&P's review of the 2012 General Obligation ("GO") School District Refunding Bonds, S&P reviewed the Standard & Poor's underlying rating ("SPUR") originally assigned on the District's outstanding obligations issued on April 21, 2004. After such review, S&P changed the SPUR rating to "A+" from "A" while affirming the stable outlook. The District did not file a material event notice within a timely manner in connection with this. The material event notice was filed July 29, 2015.

MUNICIPAL ADVISOR

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

CUSIP IDENTIFICATION NUMBERS

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

RATING

The Notes are not rated. The purchaser(s) of the Notes may choose to have a rating completed after the sale at the expense of the purchaser(s) pending the approval of the District, including any fees to be incurred by the District, as such rating action may result in a material event notification to be posted to EMMA which is required by the District's Continuing Disclosure Undertakings. (See "APPENDIX – C", attached hereto).

S&P Global Ratings, a business unit of Standard & Poor's Financial Services LLC ("S&P") has assigned its underlying rating of "A+" with a stable outlook to the District's outstanding 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, 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 outstanding bonds may have an adverse effect on the market price of the Notes.

MISCELLANEOUS

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

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

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

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

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

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

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

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

Fiscal Advisors & Marketing, Inc. may place a copy of this Official Statement on its website at www.fiscaladvisors.com. 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: Andrew Fiorentino, Assistant Superintendent for Business & Administrative Services, Windsor Central School District, Administration Offices, 119 NY Route 79, Windsor, New York 13856, Phone: (607) 655-8215, Fax: (607) 655-3553, Email: afiorentino@windsor-csd.org.

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

WINDSOR CENTRAL SCHOOL DISTRICT

Dated: May 21, 2020

PETER NOWACKI
PRESIDENT OF THE BOARD OF EDUCATION AND CHIEF FISCAL OFFICER

GENERAL FUND

Balance Sheets

Fiscal Years Ending June 30:	2015	2016	2017	2018	2019
ASSETS					
Unrestricted Cash	$ 3,058,348	$ 2,269,663	$ 2,650,639	$ 1,209,888	$ 1,579,502
Restricted Cash	3,302,218	4,138,755	2,094,663	2,679,536	2,955,136
State and Federal Aid Receivable	557,290	655,329	977,664	472,148	643,683
Other Receivables	190,780	373,917	389,698	261,726	429,356
Due from Other Funds	248,593	221,718	310,316	628,612	286,975
Due from Other Governments	967,253	943,387	1,279,436	1,185,697	1,534,380
Due from Fiduciary Funds	5,289	47,248	56,520	419,999	2,158
Deferred Expenditures	-	-	9,278	134	-
Other	-	-	-	-	-
TOTAL ASSETS	$ 8,329,771	$ 8,650,017	$ 7,768,214	$ 6,857,740	$ 7,431,190
LIABILITIES AND FUND EQUITY					
Accounts Payable	$ 351,727	$ 366,008	$ 145,730	$ 488,323	$ 234,840
Accrued Liabilities	44,473	115,730	127,526	82,242	97,853
Notes Payable	-	-	-	-	-
Due to Fiduciary Funds	-	-	-	-	-
Due to Other Funds	73,494	6,602	1,518,460	21,043	40,490
Due to Other Governments	-	218	192	106	38
Due to Teachers' Retirement System	2,209,628	1,783,695	1,614,794	1,423,363	1,516,023
Due to Employees' Retirement System	120,932	101,888	103,257	103,014	104,971
Deferred Revenues	104,993	104,993	106,133	43,976	106,133
Compensated Absences	113,719	-	-	-	-
TOTAL LIABILITIES	3,018,966	2,479,134	3,616,092	2,162,067	2,100,348
FUND EQUITY					
Nonspendable	$ -	$ -	$ 9,278	$ 134	$ 134
Restricted	3,302,217	4,138,754	2,094,661	2,679,536	2,955,136
Assigned	611,368	619,293	647,622	656,468	805,660
Unassigned	1,397,220	1,412,836	1,400,561	1,359,535	1,569,912
TOTAL FUND EQUITY	5,310,805	6,170,883	4,152,122	4,695,673	5,330,842
TOTAL LIABILITIES & FUND EQUITY	$ 8,329,771	$ 8,650,017	$ 7,768,214	$ 6,857,740	$ 7,431,190

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:	2014	2015	2016	2017	2018
REVENUES					
Real Property Taxes	$ 10,604,940	$ 11,144,658	$ 11,500,245	$ 11,968,413	$ 12,320,977
Real Property Tax Items	2,544,054	2,786,158	2,731,274	2,743,728	2,730,373
Charges for Services	171,592	99,677	205,428	188,144	183,747
Use of Money & Property	53,361	42,240	49,412	52,775	93,237
Sale of Property and			-		
Compensation for Loss	38,981	22,072	16,994	28,517	41,121
Miscellaneous	1,670,815	1,502,790	1,738,910	1,740,520	1,873,896
Revenues from State Sources	17,920,409	18,888,025	19,906,230	20,566,897	21,201,574
Revenues from Federal Sources	38,687	22,968	29,552	29,796	50,697
Total Revenues	$ 33,042,839	$ 34,508,588	$ 36,178,045	$ 37,318,790	$ 38,495,622
Other Sources:					
Interfund Transfers	-	-	-	114,050	154,434
Total Revenues and Other Sources	33,042,839	34,508,588	36,178,045	37,432,840	38,650,056
EXPENDITURES					
General Support	$ 3,465,910	$ 3,371,805	$ 3,338,748	$ 4,013,203	$ 4,197,013
Instruction	15,866,404	16,715,529	18,357,827	18,791,979	20,017,922
Pupil Transportation	1,508,815	1,427,818	1,531,013	1,508,070	1,639,259
Community Services	26,091	22,818	21,808	23,506	27,517
Employee Benefits	8,382,660	8,632,733	8,236,809	8,375,832	8,618,290
Debt Service	3,592,385	3,588,710	3,693,167	3,196,750	3,360,822
Total Expenditures	$ 32,842,265	$ 33,759,413	$ 35,179,372	$ 35,909,340	$ 37,860,823
Other Uses:					
Interfund Transfers	860,771	152,144	138,594	3,542,260	245,682
Total Expenditures and Other Uses	33,703,036	33,911,557	35,317,966	39,451,600	38,106,505
Excess (Deficit) Revenues Over Expenditures	(660,197)	597,031	860,079	(2,018,760)	543,551
FUND BALANCE					
Fund Balance - Beginning of Year	5,373,973	4,713,776	5,310,805	6,170,883	4,152,122
Prior Period Adjustments (net)	-	(2)	(1)	(1)	-
Fund Balance - End of Year	$ 4,713,776	$ 5,310,805	$ 6,170,883	$ 4,152,122	$ 4,695,673

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:	2019 Adopted Budget	2019 Modified Budget	2019 Actual	2020 Adopted Budget	2021 Proposed Budget
REVENUES					
Real Property Taxes	$ 14,882,157	$ 12,880,467	$ 12,745,581	$ 15,524,857	$ 15,719,708
Real Property Tax Items	701,455	2,703,145	2,717,709	581,465	729,055
Charges for Services	150,000	150,000	245,770	155,000	208,500
Use of Money & Property	76,000	76,000	239,289	173,000	85,000
Sale of Property and Compensation for Loss	-	59,202	82,520	-	-
Miscellaneous	1,035,929	1,050,790	1,542,755	1,162,587	1,141,100
Revenues from State Sources	21,968,576	21,968,576	22,278,344	22,768,241	23,420,459
Revenues from Federal Sources	30,000	30,000	128,407	45,000	55,000
Total Revenues	$ 38,844,117	$ 38,918,180	$ 39,980,375	$ 40,410,150	$ 41,358,822
Other Sources:					
Appropriated Fund Balance	500,000	530,788	-	500,000	500,000
Appropriated Reserves	-	355,405	-	-	-
Interfund Transfers	-	-	1,562	-	65,940
Total Revenues and Other Sources	39,344,117	39,804,373	39,981,937	40,910,150	41,924,762
EXPENDITURES					
General Support	$ 5,823,233	$ 5,412,869	$ 5,097,225	$ 6,103,859	$ 6,071,124
Instruction	18,578,679	19,928,780	19,885,741	19,292,434	19,554,796
Pupil Transportation	1,897,934	1,708,340	1,681,770	1,891,415	1,928,926
Community Services	33,750	28,292	28,292	-	39,250
Employee Benefits	9,553,932	9,248,555	9,176,207	10,142,829	9,833,609
Debt Service	3,306,589	3,310,667	3,310,666	3,479,613	4,347,057
Total Expenditures	$ 39,194,117	$ 39,637,503	$ 39,179,901	$ 40,910,150	$ 41,774,762
Other Uses:					
Interfund Transfers	150,000	166,870	166,866		150,000
Total Expenditures and Other Uses	39,344,117	39,804,373	39,346,767	40,910,150	41,924,762
Excess (Deficit) Revenues Over Expenditures	-	-	635,170	-	-
FUND BALANCE					
Fund Balance - Beginning of Year	-	-	4,695,673	-	-
Prior Period Adjustments (net)	-	-	(1)	-	-
Fund Balance - End of Year	$ -	$ -	$ 5,330,842	$ -	$ -

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

BONDED DEBT SERVICE

Fiscal Year Ending June 30th	Principal	Interest	Total
2020	$ 1,955,000	$ 854,268.75	$ 2,809,268.75
2021	2,030,000	777,668.75	2,807,668.75
2022	2,120,000	697,918.75	2,817,918.75
2023	2,205,000	607,268.75	2,812,268.75
2024	2,300,000	520,268.75	2,820,268.75
2025	1,635,000	421,718.75	2,056,718.75
2026	1,720,000	343,718.75	2,063,718.75
2027	995,000	278,618.75	1,273,618.75
2028	1,015,000	233,918.75	1,248,918.75
2029	1,005,000	187,268.75	1,192,268.75
2030	1,055,000	140,393.75	1,195,393.75
2031	1,090,000	90,443.75	1,180,443.75
2032	820,000	38,843.75	858,843.75
2033	25,000	843.75	25,843.75
TOTALS	$ 19,970,000	$5,193,162.50	$ 25,163,162.50

CURRENT BONDS OUTSTANDING

Fiscal Year Ending June 30th	2012 Capital Project Principal	2012 Capital Project Interest	2012 Capital Project Total	2012 DASNY Bonds Principal	2012 DASNY Bonds Interest	2012 DASNY Bonds Total
2020	$ 565,000	$ 89,700.00	$ 654,700.00	$ 635,000	$ 244,662.50	$ 879,662.50
2021	580,000	72,750.00	652,750.00	665,000	212,912.50	877,912.50
2022	595,000	55,350.00	650,350.00	695,000	179,662.50	874,662.50
2023	615,000	37,500.00	652,500.00	735,000	144,912.50	879,912.50
2024	635,000	19,050.00	654,050.00	770,000	108,162.50	878,162.50
2025	-	-	-	810,000	69,662.50	879,662.50
2026	-	-	-	850,000	29,162.50	879,162.50
2027	-	-	-	75,000	3,662.50	78,662.50
2028	-	-	-	35,000	1,225.00	36,225.00
TOTALS	$ 2,990,000	$ 274,350.00	$ 3,264,350.00	$ 5,270,000	$ 994,025.00	$ 6,264,025.00

Fiscal Year Ending June 30th	2017 A DASNY Bonds - Capital Project Principal	2017 A DASNY Bonds - Capital Project Interest	2017 A DASNY Bonds - Capital Project Total	2017 Reconstruction Principal	2017 Reconstruction Interest	2017 Reconstruction Total
2020	$ 640,000	$ 480,893.75	$ 1,120,893.75	$ 115,000	$ 39,012.50	$ 154,012.50
2021	670,000	455,293.75	1,125,293.75	115,000	36,712.50	151,712.50
2022	715,000	428,493.75	1,143,493.75	115,000	34,412.50	149,412.50
2023	735,000	392,743.75	1,127,743.75	120,000	32,112.50	152,112.50
2024	770,000	363,343.75	1,133,343.75	125,000	29,712.50	154,712.50
2025	700,000	324,843.75	1,024,843.75	125,000	27,212.50	152,212.50
2026	740,000	289,843.75	1,029,843.75	130,000	24,712.50	154,712.50
2027	790,000	252,843.75	1,042,843.75	130,000	22,112.50	152,112.50
2028	850,000	213,343.75	1,063,343.75	130,000	19,350.00	149,350.00
2029	870,000	170,843.75	1,040,843.75	135,000	16,425.00	151,425.00
2030	915,000	127,343.75	1,042,343.75	140,000	13,050.00	153,050.00
2031	945,000	81,593.75	1,026,593.75	145,000	8,850.00	153,850.00
2032	670,000	34,343.75	704,343.75	150,000	4,500.00	154,500.00
2033	25,000	843.75	25,843.75	-	-	-
TOTALS	$ 10,035,000	$ 3,616,612.50	$13,651,612.50	$ 1,675,000	$ 308,175.00	$ 1,983,175.00

MATERIAL EVENT NOTICES

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

(a) principal and interest payment delinquencies

(b) non-payment related defaults, if material

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

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

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

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

(g) modifications to rights of Note holders, if material

(h) note calls, if material and tender offers

(i) defeasances

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

(k) rating changes

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

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

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

(o) incurrence of a “financial obligation” (as defined in the Rule) of the School District, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the School 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 School District, any of which reflect financial difficulties.

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

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

For the purposes of the event identified in paragraph (l) of this section, the event is considered to occur when any of the following occur: The appointment of a receiver, fiscal agent or similar officer for the District in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the District, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the District.

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

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

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

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

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WINDSOR CENTRAL SCHOOL DISTRICT
BROOME COUNTY, NEW YORK

FINANCIAL STATEMENTS
AND OTHER FINANCIAL INFORMATION

JUNE 30, 2019

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

WINDSOR CENTRAL SCHOOL DISTRICT

TABLE OF CONTENTS

VIEIRA & ASSOCIATES
CPAS, P.C.

John B. Burtis, CPA*
Scott M. Hotalen, CPA
*Licensed in Pennsylvania

Cheryl DiStefano, CPA
Patrick J. Price, CPA, CVA

INDEPENDENT AUDITORS' REPORT

Windsor Central School District
215 Main Street
Windsor, NY 13865

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 Windsor Central School District, as of, and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise Windsor Central School District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the requirements of Title 2 U.S. CFR Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.* Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

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Opinion

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 Windsor Central School District, as of June 30, 2019, 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 (GAAP).

Other Matters

Required supplementary information

Accounting principles generally accepted in the United States of America require that the *management's discussion and analysis, schedule of changes in total OPEB liability, schedule of District's contributions-NYSLRS pension plan, schedule of proportionate share of the net pension liability - NYSLRS pension plan, schedule of District's contributions – NYSTRS pension plan, schedule of proportionate share of net pension liability/(asset) – NYSTRS pension plan, and schedule of revenues, expenditures and changes in fund balance -budget (non-GAAP) and actual – General Fund* on pages 6 through 20, and 60 through 66, be presented to supplement the basic financial statements, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Windsor Central School District's financial statements. The change from adopted budget to final budget and the real property tax limit, schedule of project expenditures capital projects funds, combined balance sheet-non-major governmental funds, combined statement of revenues, expenditures and changes in fund balances non-major governmental funds, investment in capital assets, net of related debt and the Schedule of Expenditures of Federal Awards, required by the Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), are presented for purposes of additional analysis and are not a required part of the financial statements.

The change from adopted budget to final budget and the Section 1318 of real property tax limit, project expenditures capital projects funds, combined balance sheet-non-major governmental funds, combined statement of revenues, expenditures and changes in fund balances-non-major governmental, investment in capital assets, net of related debt and the Schedule of Expenditures of Federal Awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements themselves 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 change from adopted budget to final budget and Section 1318 of the real property tax limit, project expenditures capital projects funds, combined balance sheet-non-major

governmental funds, combined statement of revenues, expenditures and changes in fund balances-non-major governmental funds, investment in capital assets, net of debt and the Schedule of Expenditures of Federal Awards are fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards* and the *Uniform Guidance*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 20, 2019 on our consideration of Windsor 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 Windsor Central School District's internal control over financial reporting and compliance.

We have also issued our report date September 20, 2019, on compliance for each major federal program, internal control over compliance, and the schedule of federal awards required by the Uniform Guidance. The purpose of that report is to describe the scope of our testing of internal control and compliance for each major program and the results of our 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 Title 2 U.S. CFR Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* in considering Windsor Central School District's internal control over each major program and compliance.

Vieira & Associates CPAs, P.C.

September 20, 2019
Endicott, New York

WINDSOR CENTRAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2019

The following is a discussion and analysis of the School District's financial performance for the fiscal year ended June 30, 2019. This section is a summary of the School District's financial activities based on currently known facts, decisions, or conditions. It is also based on both the District-wide and fund-based financial statements. The results of the current year are discussed in comparison with the prior year, with an emphasis placed on the current year. The Management's Discussion and Analysis (MD&A) section is only an introduction and should be read in conjunction with the School District's financial statements, which immediately follow this section.

FINANCIAL HIGHLIGHTS

- Total General Fund revenues exceeded expenditures by $635,170 in 2018-2019, compared to revenues exceeding expenditures in the amount of $543,551 in 2017-2018.

- Liabilities and deferred inflows of resources of the School District exceeded its' assets and deferred outflows of resources at June 30, 2018 by $16,825,370 (net deficit) largely due to net other postemployment benefits liability of $54,850,225.

- The General Fund adjusted budgeted expenditures and other financing uses were underspent by $151,946, while actual revenues and other financing sources came in over the adjusted budget by $177,564.

- Capital asset equipment land and building additions during 2018-2019 amounted to $1,728,932. Net depreciation expense totaled $2,182,926.

- Indebtedness of the School District at June 30, 2018 in the amount of $19,970,000 decreased $1,900,000 from June 30, 2018 due to scheduled payments on debt incurred for capital projects.

- Unrestricted fund balance in the General Fund showed an increase in 2018-2019 to $1,569,912 from $1,359,535 in 2017-2018. Total fund balance in the General Fund, including reserves, amounted to $5,330,842 at June 30, 2019, which reflects an increase of $635,169 in General Fund balance from June 30, 2018.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of three parts: MD&A (this section), the basic financial statements and supplementary information, both required and not required. The basic financial statements include two kinds of statements that present different views of the School District.

- The first two statements are District-wide financial statements that provide both short-term and long-term information about the School District's overall financial status.

- The remaining statements are Governmental Fund financial statements that focus on individual parts of the School District, reporting the School District's operations in greater detail than the District-wide financial statements. The Governmental Fund financial statements concentrate on the School District's most significant funds.

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 School District's budget for the year and a Schedule of Changes in OPEB Liabilities related to the School District's unfunded actuarial liability for postemployment benefits.

District-wide Financial Statements

The District-wide financial statements report information about the School District as a whole using accounting methods similar to those used by private-sector companies. The Statement of Net Position includes all of the School District's assets and liabilities. All of the current year's revenues and expenses are accounted for in the Statement of Activities regardless of when cash is received or paid.

The two District-wide financial statements report the School District's net position and how they have changed. Net Position – the difference between the School District's assets and liabilities – is one way to measure the School District's financial heath or position. Over time, increases or decreases in the School District's net position are an indicator of whether its' financial position is improving or deteriorating, respectively.

To assess the School District's overall health, one needs to consider additional nonfinancial factors such as changes in the School District's property tax base and the condition of the school buildings and other facilities.

In the District-wide financial statements, the School District's activities are shown as Governmental Activities. Most of the School District's basic services are included here, such as regular and special education, transportation, and administration. Property taxes and State formula aid finance most of these activities.

Governmental Fund Financial Statements

The Governmental Fund financial statements provide more detailed information about the School District's funds, focusing on its most significant or "Major" funds – not the School District as a whole. Funds are accounting devices the School District uses to keep track of specific sources of funding and spending on particular programs. The School District has two kinds of funds:

- Governmental Funds: Most of the School District's basic services are included in Governmental Funds, which generally focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year end that are available for spending. Consequently, the Governmental Funds statements provide a detailed short-term view that helps one determine whether there are more or fewer financial resources that can be spent in the near future to finance the School District's programs. Because this information does not encompass the additional long-term focus of the District-wide financial statements, additional information following the Governmental Funds statements explains the relationship (or differences) between them.

- Fiduciary Funds: The School District is the trustee, or fiduciary, for the assets that belong to others, such as the Scholarship Fund and the Student Activities Funds. The School 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 School District excludes these activities from the District-wide financial statements because it cannot use these assets to finance its operations.

FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT AS A WHOLE

Our analysis below focuses on the net position (Figure 1) and changes in net position (Figure 2) of the School District's governmental Activities.

Figure 1

Condensed Statement of Net Position	*Governmental Activities & Total School District*		*Total Dollar Change*
	2017-2018	***2018-2019***	***2018-2019***
Current assets and other assets	$ 10,539,047	$ 11,230,151	$ 691,104
Net capital assets	55,160,114	56,262,708	1,102,594
Total assets	**65,699,161**	**67,492,859**	**1,793,698**
Deferred outflows of resources - Pensions	**9,212,021**	**8,405,824**	**(806,197)**
Current liabilities	6,143,843	7,399,612	1,255,769
Noncurrent liabilities	82,740,577	75,722,881	(7,017,696)
Total liabilities	**88,884,420**	**83,122,493**	**(5,761,927)**
Deferred inflows of resources- Pensions	**2,836,611**	**9,601,560**	**6,764,949**
Invested in capital assets, net of debt	34,202,733	35,522,089	1,319,356
Restricted, debt service	0	0	0
Other legal restrictions	3,481,281	3,661,129	179,848
Unrestricted (deficit)	(54,493,863)	(56,008,588)	(1,514,725)
Total net position	**$ (16,809,849)**	**$ (16,825,370)**	**$ (15,521)**

Total assets increased 2.7%. This change stems from an increase to cash and cash equivalents as well as an increase in capital assets, net, due to capital outlay exceeding depreciation expense.

Deferred outflows of resources decreased (8.8%) and deferred inflows of resources increased 238.5%. The change in deferred outflows of resources is the result of changes in actuarial assumptions related to NYSTRS NYSLRS pension plans, as well as changes in actuarial assumptions for the other postemployment benefits (OPEB) plan. The change in deferred inflows of resources is the result of changes in actuarial assumptions and differences between expected and actual experience for the OPEB plan.

Total liabilities decreased by (6.5%). This change stems primarily from a decrease in the School District's OPEB liability.

Total net position (deficit) decreased (.1%). This change stems from an increase in net investment in capital assets and restricted net position. Net investment in capital assets increased due to capital outlay and unspent debt proceeds in excess of debt used to finance those acquisitions.

Our analysis in Figure 2 considers the operations of the School District's activities.

Figure 2

Changes in Net Position	Governmental Activities & Total School District		Total Dollar Change
	2017-2018	2018-2019	2018-2019
REVENUES			
Program revenues:			
Charges for service	$ 464,609	$ 535,678	$ 71,069
Operating grants and contributions	2,222,865	2,550,952	328,087
General revenues:			
Real property taxes	15,051,350	15,463,290	411,940
State and federal sources	21,209,748	22,426,751	1,217,003
Use of money and property	216,981	387,096	170,115
Other general revenues	1,905,823	1,625,691	(280,132)
Total revenues	**41,071,376**	**42,989,458**	**1,918,082**
PROGRAM EXPENSES			
General support	4,308,539	5,083,333	774,794
Instruction	21,339,993	20,938,157	(401,836)
Pupil transportation	1,661,347	1,673,432	12,085
Community service	27,517	28,292	775
Employee benefits	13,202,643	11,150,697	(2,051,946)
Debt service	1,173,059	958,005	(215,054)
School lunch program	952,790	989,407	36,617
Depreciation	2,160,433	2,182,926	22,493
Total expenses	**44,826,320**	**43,004,249**	**(1,822,072)**
CHANGE IN NET POSITION	**(3,754,943)**	**(14,791)**	**3,740,154**

Total revenues for the School District's Governmental Activities increased by $1,918,082 or 4.7% while total expenditures decreased ($1,822,072) or (4.1%).

Property taxes increased $411,940 consistent with the 2018-2019 voter approved budget. State aid showed an increase of $1,217,003.

Figures 3 and 4 show the percentage of sources of revenue for 2018-2019 and 2017-2018.

Figure 3

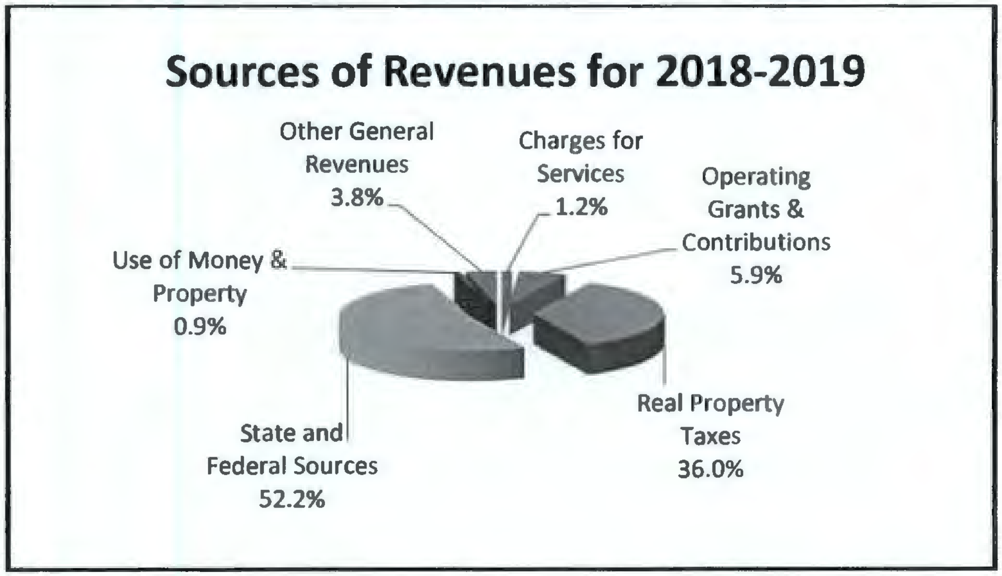
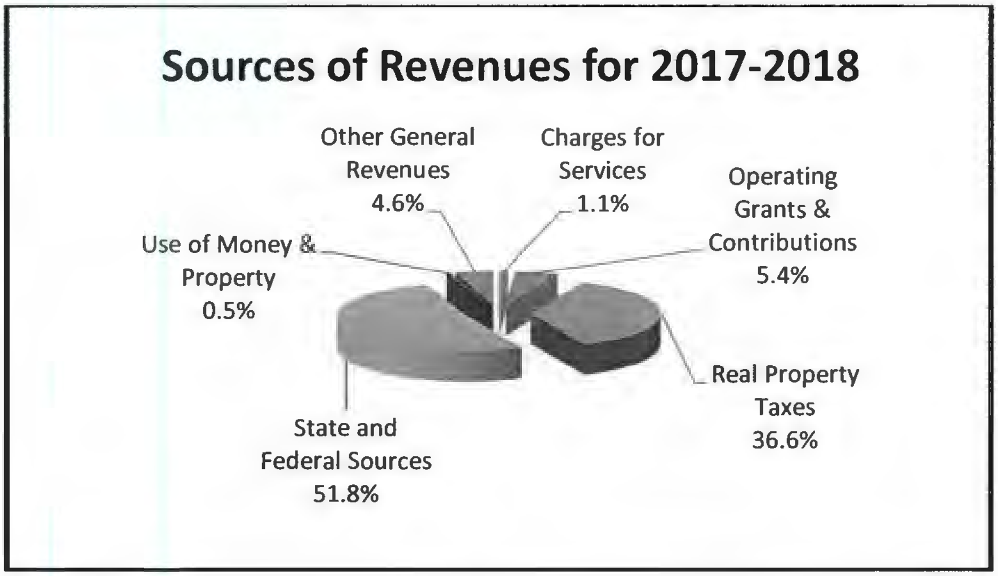


Figure 4



Figures 5 and 6 present the cost for each of the School District's programs for 2018-2019 and 2017-2018.

Figure 5

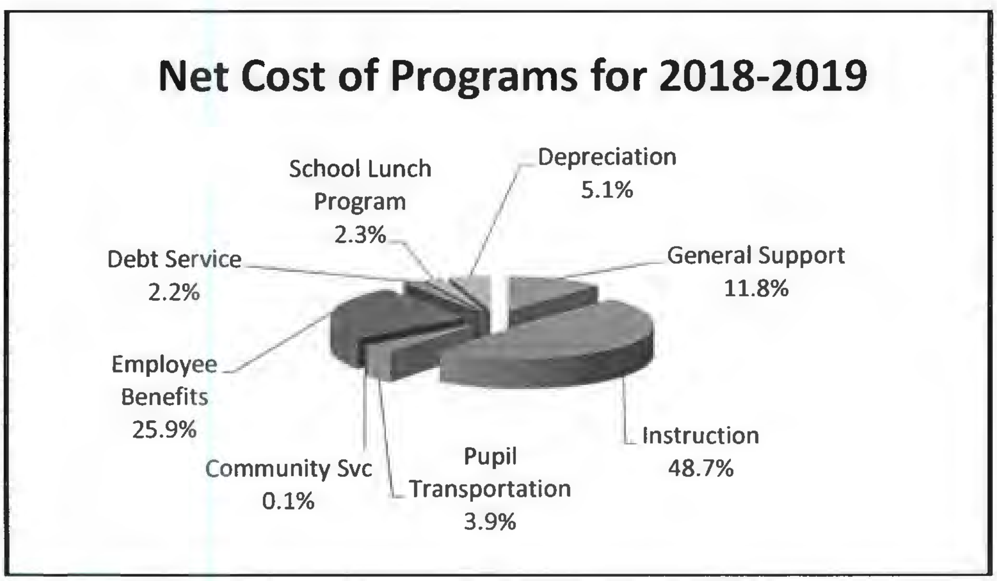
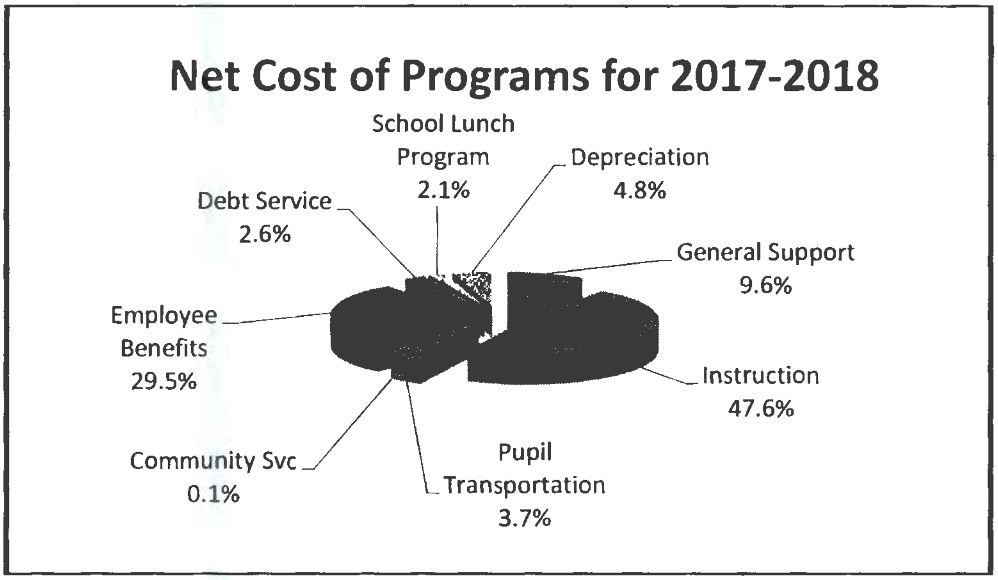


Figure 6



FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT'S FUNDS

Figure 7 shows the changes in fund balances for the year for the School District's funds. As the School District completed the year, its governmental funds, as presented in the Balance Sheet, reported a combined fund balance of $4,224,825 which is below last year's total fund balance of $5,600,752, primarily due to payment of temporary short term borrowing for the ongoing capital projects.

Figure 7

Governmental Fund Balances	***2017-2018***	***2018-2019***	***Total Dollar Change 2018-2019***
General Fund	$ 4,695,673	$ 5,330,842	$ 635,169
Special Aid	0	0	0
School Lunch	167,653	182,628	14,975
Debt Service	633,958	663,176	29,218
Buses	(1,037,460)	(945,000)	92,460
Capital projects	(21,115)	(209,304)	(188,189)
2013-2014 Project	11,092	0	(11,092)
2017 Project	1,150,951	(797,517)	(1,948,468)
Total Fund Balance	5,600,752	4,224,825	(1,375,927)

GENERAL FUND BUDGETARY HIGHLIGHTS

The difference between the original budget and the final amended budget was $460,256 or 1.2% of total general fund expenditures and may be summarized as follows:

$	156,468	June 30, 2018 Encumbrances
	168,937	Tax Refund (Kirkwood Warehouse)
	59,202	Insurance Recovery (Gym Floor & Backstop)
	30,788	Use of Unassigned Fund Balance - Emergency Repairs
	30,000	Retirement Incentives
	14,861	Donations & Grants
$	460,256	

The District's policy for amending the original budget is as follows:

- All transfers require superintendent approval; no transfers require BOE approval.
- Transfers over $1,000 are reported to the BOE.

Figure 8 summarizes the original and final budgets, the actual expenditures (including encumbrances), and variances for the year ending June 30, 2019.

Figure 8

Condensed Budgetary Comparison General Fund - 2018-2019	Original Budget	Revised Budget	Actual w/ Encumbrances	Total Dollar Variance
REVENUES				
Real property taxes	$ 14,882,157	$ 12,880,467	$ 12,745,581	$ (134,886)
Real property tax items	701,455	2,703,145	2,717,709	14,564
State and federal sources	21,998,576	21,998,576	22,406,751	408,175
All other - other financing sources	1,261,929	1,335,992	2,110,334	774,342
Total Revenues and Other Financing Sources	$ 38,844,117	$ 38,918,180	$ 39,980,375	$ 1,062,195
Transfer from other funds	$ 0	$ 0	$ 1,562	$ 1,562
Appropriated Fund Balances	500,000	530,788	0	(530,788)
Reserves	156,468	355,405	0	(355,405)
Budget Grand Total	$ 39,500,585	$ 39,804,373	$ 39,981,937	$ 177,564
EXPENDITURES				
General Support	4,545,141	5,412,869	5,370,294	42,575
Instruction	20,011,976	19,928,780	19,914,111	14,669
Pupil transportation	1,899,198	1,708,340	1,682,085	26,255
Community services	33,750	28,292	28,292	0
Employee benefits	9,553,931	9,248,555	9,180,113	68,442
Debt service	3,306,589	3,310,667	3,310,666	1
Transfers to other funds	150,000	166,870	166,866	4
Total Expenditures, and Other Financing Uses	$ 39,500,585	$ 39,804,373	$ 39,652,427	$ 151,946

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of June 30, 2019, the School District had invested in a broad range of capital assets. Capital assets had a net increase of $1,102,594 over last year as shown in *Figure 9* below. The increase is attributed to completed capital projects.

Figure 9

Capital Assets (Net of Depreciation)	***Government Activities & Total School District***				
	Beg. Balance 7/1/2018	***Additions***	***Retire.***	***Reclass.***	***End. Balance 6/30/2019***
Land	$ 347,500	$ 86,101	$ 0	$ 0	$ 433,601
CIP	6,227,829	2,160,085	0	(597,586)	7,790,328
Buildings	46,151,959	(534,255)	(3,734)	(476)	45,613,494
Equipment	2,432,826	(5,840)	(1,450)	(251)	2,425,285
Totals	**$ 55,160,114**	**$ 1,706,091**	**$ (5,184)**	**$ (598,313)**	**$ 56,262,708**

Capital asset activity for the year ended June 30, 2019 included the following:

$ 86,101	Land
381,526	Buses (3)
12,240	Cafeteria Equipment
7,687	Maintenance & Grounds Equipment
1,160,130	Buildings & Improvements
81,248	Miscellaneous Equipment
$ 1,728,932	Equipment Additions
2,160,085	Construction Additions
$ 3,889,017	Total Additions
(5,184)	Retirements, net
$ (598,313)	Reclassifications, net
(2,182,927)	Depreciation
$ 1,102,593	

Debt Administration

Debt, both short and long-term, considered a liability of Governmental Activities, decreased by ($1,023,422) in 2018-2019, as shown in *Figure 10*, primarily due to scheduled payments for the ongoing capital projects. Total indebtedness represented 30.4% of the constitutional debt limit.

Figure 10

Outstanding Debt	**Governmental Activities & Total School District**		**Total Dollar Change**
	2017-2018	**2018-2019**	**2018 - 2019**
Bond anticipation notes	$ 1,401,000	$ 2,277,578	$ 876,578
Serial bonds	21,870,000	19,970,000	(1,900,000)
Totals	**$ 23,271,000**	**$ 22,247,578**	**$ (1,023,422)**

Additional information on the maturities and terms of the School District's outstanding debt can be found in the notes to these financial statements.

The School District's bond rating is A1, which remains unchanged from prior year.

FACTORS BEARING ON THE DISTRICT'S FUTURE

➤ The ten largest taxpayers have a total taxable assessed valuation of approximately: $153,490,145 ; a decrease of $6,804,707 as compared to the previous fiscal year. See table for more detail.

TOP 10 PROPERTY OWNERS	2017 ASSESSED VALUE	2018 ASSESSED VALUE	2019 ASSESSED VALUE
Laser Northeast Gathering	45,464,592	52,820,029	52,820,029
Millennium Pipeline (Windsor, Kirkwood & Sanford Properties)	20,709,044	25,672,464	25,672,464
NYSEG (Windsor & Kirkwood Properties)	23,907,716	24,471,319	23,400,612
Willow Run Foods	15,971,900	15,971,900	15,971,900
L3 Communications	9,600,000	9,600,000	9,600,000
Bluestone Gas Corp of NY Inc.	7,317,440	7,354,440	7,354,440
Frito Lay Inc.	5,250,000	5,250,000	5,250,000
Kirkwood Warehouse Investors, LLC	10,484,000	10,494,900	4,760,900
Shop Vac Inc. (Formally: The Maple Press Company)	4,638,700	4,638,700	4,638,700
Track Drive LLC	4,021,100	4,021,100	4,021,100
	147,364,492	160,294,852	153,490,145

NOTE: Information obtained from Assessors' Offices of Kirkwood, Windsor, Sandford, Colesville

➤ Total Restricted Fund Balance (Reserves) as of: 6/30/19 include:

Unemployment Insurance Reserve	199,846
Retirement Contribution Reserve	1,520,231
Teacher Retirement Contribution Sub-Reserve	260,000
Employee Benefit Accrued Liability Reserve	98,106
Tax Certiorari Reserve	253,148
Capital Reserve	623,805
Total Estimated Restricted Fund Balance (Reserves)	2,955,136

➤ Five vehicle(s) to transport students were purchased for a total cost of: 382,577.44
The purchases are part of the WCSD's replacement schedule (approved by the board) designed to strategically maintain the fleet of vehicles. The vehicles consist of:

Three Busses Two Chevy Suburban vehicles

The District plans to send the following vehicles to auction to help offset the cost:

Three Busses One Dodge Durango

➤ The District continued to make significant investments in the area of instructional technology by adding the following:

DESCRIPTION	COST
Network/Administrative Technology Equipment (BOCES) Includes network switches, wireless access points, network and website security, controllers	40,759
Instructional Technology (BOCES) Includes Projectors, Chromebooks, Charging Stations, Document Cameras, Laptops, Macbooks, Interactive TV's, TV's, Apple TV's, Docking Stations, Device Accessories/Peripherals, etc.	533,548
Instructional Technology (District) Includes Chromebooks, Graphing Calculators, MacBooks, Interactive TV's, Device Accessories/Peripherals, etc.	22,641
TOTAL	**596,948**

- Staff development continues to be an area of investment.

MAJOR DISTRICT-WIDE PROFESSIONAL DEVELOPMENT ACTIVITIES	COST
District Collaborative Professional Development (i.e. Owego CSD)	4,800
3-Day August Teacher Professional Development Days (staff, fees, presenters, food)	90,294
District-Wide Conferences, Workshops & Trainings throughout the School Year	57,190
Instructional Technology Integration (BOCES)	146,702
Model Schools; School Curriculum Improvement Professional Development	36,520
TOTAL	**335,506**

Costs Include: BOCES management fees, consultant fees, substitute, vender contractual expenses, materials & supplies pertinent to trainings & registrations

- Employer Contribution Rate (ECR)

PAYROLL YEAR	TEACHER RETIREMENT SYSTEM (TRS)	*EMPLOYEE RETIREMENT SYSTEM (ERS) (Blended Rate)
2010-11	8.62%	11.40%
2011-12	11.50%	15.90%
2012-13	11.11%	18.84%
2013-14	16.25%	21.10%
2014-15	17.53%	20.40%
2015-16	13.25%	18.90%
2016-17	11.72%	16.10%
2017-18	9.80%	16.10%
2018-19	10.63%	15.90%
2019-20	8.86%	14.57%

*NOTE: ERS is a blended rate

CONTACTING THE SCHOOL DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide the Windsor Central School District's citizens, taxpayers, customers, investors and creditors with a general overview of the School District's finances and to demonstrate the School District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the District Office of the Windsor Central School District, 1191 NY Route 79, Windsor, New York 13865.

WINDSOR CENTRAL SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2019

ASSETS		2019
Cash		
Unrestricted	$	3,860,708
Restricted		2,955,136
Receivables		
Due from fiduciary funds		2,158
State and Federal aid		920,846
Other		434,387
Due from other governments		1,534,380
Inventories		42,684
Deferred expenditures		-
Proportionate share of net pension asset		1,479,852
Capital assets, net		56,262,708
Total Assets	$	67,492,859
Deferred outflows of resources		
Pensions	$	8,219,301
OPEB		186,523
LIABILITIES		
Payables		
Accounts payable	$	1,381,467
Accrued liabilities		125,484
Due to other governments		621
Due to Teachers' Retirement System		1,516,023
Due to Employees' Retirement System		104,971
Notes payable		
Bond anticipation		2,277,578
Deferred credits		
Unearned revenues		38,468
Long-term liabilities		
Due and payable within one year		
Bonds payable		1,955,000
Due and payable after one year		
Bonds payable		18,015,000
Compensated absences payable		527,969
Other post employment benefits		54,850,225
Unamortized bond premium		1,599,389
Proportionate share of net pension liability - TRS		-
Proportionate share of net pension liability - ERS		730,298
Total Liabilities		83,122,493
Deferred inflows of resources		
Pensions		2,279,642
OPEB		7,215,785
State Aid		106,133
NET POSITION		
Investment in capital assets, net		35,522,089
Restricted		3,661,129
Unrestricted (deficit)		(56,008,588)
Total Net Position	$	(16,825,370)

See independent auditors' report and notes to financial statements

WINDSOR CENTRAL SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2019

	Expenses	Indirect Expenses Allocation	Program Revenues Charges for Services	Program Revenues Operating Grants	Net (Expense) Revenue and Changes in Net Assets 2019
FUNCTIONS/PROGRAMS					
General support	$ (5,083,333)	$ (1,057,583)	$ -	$ -	$ (6,140,916)
Instruction	(20,938,157)	(10,941,514)	245,770	1,659,800	(29,974,101)
Pupil transportation	(1,673,432)	(1,178,358)	-	-	(2,851,790)
Community service	(28,292)	(4,197)	-	-	(32,489)
Employee benefits	(11,150,697)	11,150,697	-	-	-
Debt service	(958,005)	-	-	-	(958,005)
Depreciation	(2,182,926)	2,182,926	-	-	-
School lunch program	(989,407)	(151,971)	289,908	891,152	39,682
Total Functions and Programs	$ (43,004,249)	$ -	$ 535,678	$ 2,550,952	$ (39,917,619)
GENERAL REVENUES					
Real property taxes	$ 12,745,581	$ -	$ -	$ -	$ 12,745,581
Other tax items	2,717,709	-	-	-	2,717,709
Charges for services	245,770	-	(245,770)	-	-
Use of money and property	387,096	-	-	-	387,096
Sale of property and compensation for loss	77,336	-	-	-	77,336
Miscellaneous	1,548,355	-	-	-	1,548,355
State sources	22,914,198	-	-	(615,854)	22,298,344
Federal sources	1,951,389	-	-	(1,904,360)	47,029
Local sources	30,738	-	-	(30,738)	-
Sales - school lunch	289,908	-	(289,908)	-	-
Medicaid reimbursement	81,378	-	-	-	81,378
Total General Revenues	$ 42,989,458	$ -	$ (535,678)	$ (2,550,952)	39,902,828
Change in Net Position					(14,791)
Total Net Position - Beginning of year					(16,809,849)
Prior Period Adjustment					(730)
Total Net Position - End of Year					$ (16,825,370)

See independent auditors' report and notes to financial statements

WINDSOR CENTRAL SCHOOL DISTRICT
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2019

	Major				Total Governmental Funds
	General	Buses	17 Project	Non-Major	2019
ASSETS					
Cash					
Unrestricted	$ 1,579,502	$ 382,578	$ 1,198,220	$ 700,408	$ 3,860,708
Restricted	2,955,136	-	-	-	2,955,136
Receivables					
Due from other funds	286,975	-	-	51,081	338,056
Due from fiduciary funds	2,158	-	-	-	2,158
State and Federal aid	643,683	-	-	277,163	920,846
Due from other governments	1,534,380	-	-	-	1,534,380
Other	429,356	-	-	5,031	434,387
Inventories	-	-	-	42,684	42,684
Deferred expenditures	-	-	-	-	-
Total Assets	$ 7,431,190	$ 382,578	$ 1,198,220	$ 1,076,367	$ 10,088,355
LIABILITIES					
Payables					
Accounts payable	$ 234,840	$ -	$ 1,034,962	$ 111,665	$ 1,381,467
Accrued liabilities	97,853	-	-	2,360	100,213
Due to other funds	40,490	-	10,775	286,791	338,056
Due to other governments	38	-	-	583	621
Due to Teachers' Retirement System	1,516,023	-	-	-	1,516,023
Due to Employees' Retirement System	104,971	-	-	-	104,971
Compensated absences			-	-	-
Notes payable					
Bond anticipation	-	1,327,578	950,000	-	2,277,578
Deferred credits					
Unearned revenues		-	-	38,468	38,468
Total Liabilities	1,994,215	1,327,578	1,995,737	439,867	5,757,397
Deferred Cash Inflows	106,133	-	-	-	106,133
FUND BALANCES					
Non-spendable	134	-	-	42,683	42,817
Restricted	2,955,136	-	-	663,176	3,618,312
Assigned	805,660	382,578	7,786,461	1,314,420	10,289,119
Unrestricted	1,569,912	(1,327,578)	(8,583,978)	(1,383,779)	(9,725,423)
Total Fund Balances	5,330,842	(945,000)	(797,517)	636,500	4,224,825
Total Liabilities and Fund Balances	$ 7,431,190	$ 382,578	$ 1,198,220	$ 1,076,367	$ 10,088,355

See independent auditors' report and notes to financial statements

WINDSOR CENTRAL SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND EQUITY - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2019

	Major				Total
	General	Buses	17 Project	Non-Major	Governmental Funds 2019
REVENUES					
Real property taxes	$ 12,745,581	$ -	$ -	$ -	$ 12,745,581
Other tax items	2,717,709	-	-	-	2,717,709
Charges for services	245,770	-	-	-	245,770
Use of money and property	239,289	-	-	33,490	272,779
Sale of property and compensation for loss	82,520	-	-	-	82,520
Miscellaneous	1,542,755	-	-	5,600	1,548,355
State sources	22,278,344	20,000	-	615,854	22,914,198
Medicaid reimbursement	81,378		-	-	81,378
Federal sources	47,029	-	-	1,844,038	1,891,067
Local sources	-	-	-	30,738	30,738
Surplus food	-	-	-	60,322	60,322
Sales - school lunch	-	-	-	289,908	289,908
Total Revenues	39,980,375	20,000	-	2,879,950	42,880,325
EXPENDITURES					
General support	5,097,225	-	-	-	5,097,225
Instruction	19,885,741	-	-	1,659,013	21,544,754
Pupil transportation	1,681,770	-	-	22,652	1,704,422
Community service	28,292	-	-	-	28,292
Employee benefits	9,176,207	-	-	215,294	9,391,501
Debt service					
Principal	2,356,000	-	-	-	2,356,000
Interest	954,666	-	-	6,030	960,696
Cost of sales	-		-	1,001,647	1,001,647
Capital outlay	-	381,526	2,043,268	202,918	2,627,712
Total Expenditures	39,179,901	381,526	2,043,268	3,107,554	44,712,249
Excess (Deficiency) of Revenues Over Expenditures	800,474	(361,526)	(2,043,268)	(227,604)	(1,831,924)
OTHER FINANCING SOURCES AND USES					
Proceeds from debt	-	-	-	-	-
Operating transfers (out)	(166,866)	(2,013)	-	(1,562)	(170,441)
Operating transfers in	1,562	-	-	168,879	170,441
Redeemed from appropriations	-	456,000	-	-	456,000
Total Other Sources (Uses)	(165,304)	453,987	-	167,317	456,000
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other (Uses)	635,170	92,461	(2,043,268)	(60,287)	(1,375,924)
Fund Balances - Beginning of year	4,695,672	(1,037,461)	1,245,751	696,787	5,600,749
Fund Balances - End of Year	$ 5,330,842	$ (945,000)	$ (797,517)	$ 636,500	$ 4,224,825

See independent auditors' report and notes to financial statements

WINDSOR CENTRAL SCHOOL DISTRICT
RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
JUNE 30, 2019

	Total Governmental Funds	Long-Term Assets, Liabilities	Reclassifications and Eliminations	Statement of Net Assets Totals
ASSETS				
Cash				
Unrestricted	$ 3,860,708	$ -	$ -	$ 3,860,708
Restricted investments	2,955,136	-	-	2,955,136
Receivables				
Due from other funds	338,056	-	(338,056)	-
Due from fiduciary funds	2,158	-	-	2,158
State and Federal aid	920,846	-	-	920,846
Due from other governments	1,534,380	-	-	1,534,380
Other	434,387	-	-	434,387
Inventories	42,684	-	-	42,684
Deferred expenditures	-	-	-	-
Proportionate share of net pension asset	-	1,479,852	-	1,479,852
Capital assets, net of depreciation	-	56,262,708	-	56,262,708
Total Assets	$ 10,088,355	$ 57,742,560	$ (338,056)	$ 67,492,859
Deferred outflows of resources-pensions	-	8,219,301	-	8,219,301
Deferred cash inflows-OPEB		186,523		186,523
LIABILITIES				
Payables				
Accounts payable	$ 1,381,467	$ -	$ -	$ 1,381,467
Accrued liabilities	100,213	25,271	-	125,484
Due to other funds	338,056	-	(338,056)	-
Due to other governments	621	-	-	621
Due to Teachers' Retirement System	1,516,023	-	-	1,516,023
Due to Employees' Retirement System	104,971	-	-	104,971
Notes payable				
Bond anticipation	2,277,578	-	-	2,277,578
Deferred credits				
Unearned revenues	38,468	-	-	38,468
Long-term liabilities				
Compensated absences payable	-	527,969	-	527,969
Other post employment benefits	-	54,850,225	-	54,850,225
Proportionate share of net pension liability - ERS	-	730,298	-	730,298
Bonds Payable	-	21,569,389	-	21,569,389
Total Liabilities	5,757,397	77,703,152	(338,056)	83,122,493
Deferred inflows of resources - Pensions	-	2,279,642	-	2,279,642
- OPEB	-	7,215,785	-	7,215,785
- State Aid	106,133	-	-	106,133
FUND EQUITY\NET ASSETS				
Investment in capital assets, net	-	34,693,319	-	34,693,319
Non-spendable	42,817	-	-	42,817
Restricted	3,618,312	-	-	3,618,312
Unrestricted (deficit)	563,696	(55,743,514)	-	(55,179,818)
Total Net Position	$ 4,224,825	$ (21,050,195)	$ -	$ (16,825,370)

See independent auditors' report and notes to financial statements

WINDSOR CENTRAL SCHOOL DISTRICT
RECONCILIATION OF GOVERNMENTAL FUNDS REVENUES, EXPENDITURES, AND CHANGES IN FUND EQUITY TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2019

	Total Governmental Funds	Long-term Revenue, Expenses	Capital Related	Long-Term Debt Transactions	Statement of Activities Totals
REVENUES					
Real property taxes	$ 12,745,581	$ -	$ -	$ -	$ 12,745,581
Other tax items	2,717,709	-	-	-	2,717,709
Charges for services	245,770	-	-	-	245,770
Use of money and property	272,779	-	-	114,317	387,096
Sale of property and compensation for loss	82,520	-	-	(5,184)	77,336
Miscellaneous	1,548,355	-	-		1,548,355
State sources	22,914,198	-	-	-	22,914,198
Medicaid reimbursement	81,378	-	-	-	81,378
Federal sources	1,891,067	-	-	-	1,891,067
Local sources	30,738	-	-	-	30,738
Surplus food	60,322	-	-	-	60,322
Sales - school lunch	289,908	-	-	-	289,908
Total Revenues	42,880,325	-	-	109,133	42,989,458
EXPENDITURES\EXPENSES					
General support	5,097,225	-	(13,892)	-	5,083,333
Instruction	21,544,754	-	(606,597)	-	20,938,157
Pupil transportation	1,704,422	-	(30,990)	-	1,673,432
Community service	28,292	-	-	-	28,292
Employee benefits	9,391,501	1,759,196	-	-	11,150,697
Debt service					
Principal	2,356,000	-	-	(2,356,000)	-
Interest	960,696	-	-	(2,691)	958,005
Cost of sales	1,001,647	-	(12,240)	-	989,407
Depreciation	-	-	2,182,926	-	2,182,926
Capital outlay	2,627,712	-	(2,627,712)	-	-
Total Expenditures	44,712,249	1,759,196	(1,108,505)	(2,358,691)	43,004,249
Excess (Deficiency) of Revenues Over Expenditures	(1,831,924)	(1,759,196)	1,108,505	2,467,824	(14,791)
OTHER SOURCES AND USES					
Proceeds of debt	456,000	-	-	(456,000)	-
Operating transfers in	170,441	-	-	-	170,441
Operating transfers (out)	(170,441)	-	-	-	(170,441)
Total Other Sources (Uses)	456,000	-	-	(456,000)	-
Net Change for the Year	$ (1,375,924)	$ (1,759,196)	$ 1,108,505	$ 2,011,824	$ (14,791)

See independent auditors' report and notes to financial statements

WINDSOR CENTRAL SCHOOL DISTRICT
STATEMENT OF FIDUCIARY NET POSITION- FIDUCIARY FUNDS
JUNE 30, 2019

	Private Purpose Trusts 2019	Agency 2019
ASSETS		
Cash	$ -	$ 21,368
Restricted cash	72,380	115,237
Accounts receivable	-	-
Total Assets	$ 72,380	$ 136,605
LIABILITIES		
Due to governmental funds	$ -	$ 2,158
Extraclassroom activity balances	-	115,237
Other liabilities	-	19,210
Total Liabilities	-	$ 136,605
Reserved for scholarships	$ 72,380	

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION - FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2019

	Private Purpose Trusts 2019
ADDITIONS	
Gifts and contributions	$ 4,344
Investment earnings	1,342
Total Additions	5,686
Scholarships and awards	4,969
Change in Net Position	717
Net Position - Beginning of year	71,663
Net Position - End of Year	$ 72,380

See independent auditors' report and notes to financial statements

NOTE 1: SUMMARY OF CERTAIN SIGNIFICANT ACCOUNTING POLICIES:

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

A) Reporting entity:

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

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

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

i) Extraclassroom Activity Funds:

The Extraclassroom Activity Funds of the District represent funds of the students of the District. The Board of Education exercises general oversight of these funds. The Extraclassroom Activity Funds are independent of the District with respect to its financial transactions, and the designation of student management. Separate audited general purpose financial statements (cash basis) of the Extraclassroom Activity Funds can be found at the District's business office located at 215 Main Street, Windsor, New York, 13865. The District accounts for assets held as an agent for various student organizations in an agency fund.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

B) Joint venture:

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

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

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

During the year, the District was billed $6,684,875 for BOCES administrative and program costs.

The District's share of BOCES aid amounted to $3,801,105.

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

C) Basis of presentation:

i) District-wide statements:

The Statement of Net Position and the Statement of Activities present financial information about the District's governmental activities. These statements include the financial activities of the overall government in its entirety, except those that are fiduciary. Eliminations have been made to minimize the double counting of internal transactions. Governmental activities generally are financed through taxes, State aid, inter-governmental revenues, and other exchange and nonexchange transactions. Operating grants include operating-specific and discretionary (either operating or capital) grants, while the capital grants column reflects capital-specific grants.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

C) Basis of presentation (continued):

i) District-wide statements (continued):

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

Fund statements:

ii) 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. All remaining governmental funds are aggregated and reported as non-major funds.

The District reports the following major governmental funds:

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

Capital Projects Funds: These funds are used to account for the financial resources used for the acquisition, construction or major repair of capital facilities. For these funds, each capital project is assessed to determine whether it is a major or non-major fund. Those capital projects that are determined to be major are reported in separate columns in the financial statements. Those that are determined to be non-major are reported in the supplemental schedules either separately or in the aggregate.

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

The District reports the following fiduciary funds:

Fiduciary Funds:

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

Fiduciary Funds: (Continued)

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

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

D) Measurement focus and basis of accounting:

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

The fund statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The District considers all revenues reported in the governmental funds to be available if the revenues are collected within 90 days after the end of the fiscal year. Each school district should adopt an availability period for all revenues, except real property taxes, which must have a 60 day availability period.

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

E) Property taxes:

Real property taxes are levied annually by the Board of Education no later than September 1, and become a lien on September 1. Taxes are collected during the period September 1 through October 31.

Uncollected real property taxes are subsequently enforced by the County in which the District is located. The County pays an amount representing uncollected real property taxes transmitted to the County for enforcement to the District no later than the following April 1.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

F) Restricted Resources:

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

G) Interfund transactions

The operations of the District include transactions between funds. These transactions may be temporary in nature, such as with interfund borrowings. The District typically loans resources between funds for the purpose of providing cash flow. These interfund receivables and payables are expected to be repaid within one year. Permanent transfers of funds include the transfer of expenditure and revenues to provide financing or other services.

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

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

Refer to Note 10 for a detailed disclosure by individual fund for interfund receivables, payables, expenditures and revenues activity.

H) Estimates

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

I) Cash (and cash equivalents)/Investments:

The District's cash and cash equivalents consist of cash on hand, demand deposits, and short-term investments with original maturities of three months or less from date of acquisition.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

I) Cash (and cash equivalents)/Investments (Continued):

New York State law governs the District's investment policies. Resources must be deposited in FDIC-insured commercial banks or trust companies located within the State. Permissible investments include obligations of the United States Treasury, United States Agencies, repurchase agreements and obligations of New York State or its localities.

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

Investments are stated at fair value.

J) Accounts receivable:

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

K) Inventories and prepaid items:

Inventories of food in the School Lunch Fund are recorded at cost on a first-in, first-out basis, or in the case of surplus food, at stated value which approximates market. Purchases of inventoriable items in other funds are recorded as expenditures at the time of purchase and are considered immaterial in amount.

Prepaid items represent payments made by the District for which benefits extend beyond year-end. These payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the district-wide and fund financial statements. These items are reported as assets on the statement of net position or balance sheet using the consumption method. A current asset for the prepaid amounts is recorded at the time of purchase and an expense/expenditure is reported in the year the goods or services are consumed.

A reserve for these non-liquid assets (inventories and prepaid items) has been recognized to signify that a portion of fund balance is not available for other subsequent expenditures.

L) Other assets/restricted assets:

Certain proceeds from serial bonds and bond anticipation notes, as well as resources set aside for their repayment are classified as restricted assets in the district-wide financial statements and their use is limited by applicable bond covenants.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

L) Other assets/restricted assets (Continued):

In the district-wide financial statements, bond issuance costs are capitalized and amortized over the life of the debt issue. In the funds statements these same costs are netted against bond proceeds and recognized in the period of issuance.

M) Capital assets:

Capital assets are reported at actual cost for acquisitions subsequent to June 30, 2003. For assets acquired prior to June 30, 2003, estimated historical costs, based on appraisals conducted by independent third-party professionals were used. Donated assets are reported at estimated fair market value at the time received.

Land and construction in process are not depreciated. Capitalization thresholds (the dollar value above which asset acquisitions are added to the capital asset accounts), depreciation methods, and estimated useful lives of capital assets reported in the District-wide statements are as follows:

	Capitalization Threshold	Depreciation Method	Estimated Useful Life
Buildings	$ 5,000	SL	40
Building improvements	5,000	SL	25(VAR)
Site improvements	5,000	SL	25(VAR)
Furniture and equipment	5,000	SL	5-15(VAR)
Infrastructure	5,000	SL	N/A

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 reciprocated as an outflow of resources (expense/expenditures) 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 funding, results from the difference in the carrying value of 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 proportional share of the collective net pension asset or liability and difference during the measurement period between the District's contributions and its proportional share of total contributions to the pension systems not included in pension expense. The third item is the District's contributions to the pension systems (TRS and ERS Systems), subsequent to the measurement date is considered a deferred outflow of resources. The fourth item relates to OPEB reporting in the district wide Statement of Net Position. This represents the effect of the net change in the actual and expected experience.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

N) Deferred outflows and inflows of resources (Continued):

In addition to liabilities, the Statement of Net Position or balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has four items that qualify for reporting in this category. First arises only under a modified accrual basis of accounting and is reported as unavailable revenue – property taxes. 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 proportional share of the collective net position liability (ERS System) and difference during the measurement periods between the District's contributions and its proportional share of total contributions to the pension systems not included in pension expense. The third item is revenues from grants received that have met all other eligibility requirements except those related to time restrictions. The fourth item is related to OPEB reported in the District-Wide Statement of Net Position. This represents the effect of the net changes of assumptions or other inputs.

O) Unearned Revenue:

The District reports unearned revenues on its Statement of Net Position and its Balance Sheet. On the Statement of Net Position, unearned revenue arises when resources are received by the District before it has legal claim to them, as when grant monies are received prior to incurrence of qualifying expenditures. In subsequent periods, when the District has legal claim to resources, the liability for unearned revenue is removed and revenue is recognized.

P) Vested employee benefits:

Compensated absences

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

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

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

P) Vested Benefits (Continued):

Compensated absences (Continued)

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 funds 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.

Other benefits:

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

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

In addition to providing pension benefits, the District provides post-employment health insurance coverage and survivor benefits to retired employees and their survivors in accordance with the provision of various employment contracts in effect at the time of retirement.

Substantially all of the District's employees may become eligible for these benefits if they reach normal retirement age while working for the District. Health care benefits are provided through plans whose premiums are based on the benefits paid during the year. The cost of providing post-retirement benefits is shared between the District and the retired employee. The District recognizes the cost of providing health insurance by recording its share of insurance premiums as an expenditure.

Q) Short-term debt:

The District may issue Revenue Anticipation Notes (RAN) and Tax Anticipation Notes (TAN), in anticipation of the receipt of revenues. These notes are recorded as a liability of the fund that will actually receive the proceeds from the issuance of the notes. The RANs and TANs represent a liability that will be extinguished by the use of expendable, available resources of the fund.

The District may issue budget notes up to an amount not to exceed 5% of the amount of the annual budget during any fiscal year for expenditures for which there is an insufficient or no provision made in the

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

Q) Short-term debt: (Continued)

annual budget. The budget note must be repaid no later than the close of the second fiscal year succeeding the year in which the note was issued.

The District may issue Bond Anticipation Notes (BAN), in anticipation of proceeds from the subsequent sale of bonds. These notes are recorded as current liabilities of the funds that will actually receive the proceeds from the issuance of bonds. State law requires that BANs issued for capital purposes be converted to long-term financing within five years after the original issue date.

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

R) Accrued liabilities and long-term obligations:

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

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

S) Net Position/Fund Balance:

Net Position Flow Assumption:

Sometimes the District will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the district-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied.

The District's policy is to apply outlay first to restricted – net position as then to unrestricted – net position.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

S) Net Position/Fund Balance: (Continued)

Fund Balance Flow Assumption:

Sometimes the District will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied.

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.

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, constructions or improvements of those assets.

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

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

Funds 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; legally or contractually required to be maintained intact. Non-spendable fund balance includes the inventory recorded in the School Lunch Fund of $42,683 as well as prepaid items or the long-term portion of loans receivable recorded in the General Fund.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

S) Net Position/Fund Balance (Continued):

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:

Capital

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 §3651 of the Education Law. This reserve is accounted for in the General Fund.

Employee Benefit Accrued Liability

According to General Municipal Law §6-p, must be used to reserve funds for the payment of accrued employee benefit due 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. The reserve is accounted for in the General Fund.

Retirement Contributions

According to general Municipal Law §6-r, must be used for financing retirement contributions. This reserve must be accounted for separate and apart from all other funds and a detailed report of the operation and condition of the fund must be provided to the Board. This reserve is accounted for in the General Fund. Effective April 1, 2019, a board may adopt a resolution establishing a sub-fund for contributions to the New York State Teachers' Retirement System. During a fiscal year, the Board may authorize payment into the sub-fund of up to 2% of the total covered salaries paid during the preceding fiscal year, with the total amount funded not to exceed 10% of the total covered salaries during the preceding fiscal year. The sub-fund is separately administered, but must comply with all the existing provisions of General Municipal Law §6-r.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

S) Net Position/Fund Balance(Continued)

Funds statements (continued):

Restricted (continued):

Tax Certiorari

According to Education Law §3651.1-a, must be used to establish a reserve fund for tax certiorari and to expend from the fund without voter approval. The monies held in the reserve shall not exceed the amount that might reasonably be deemed necessary to meet anticipated 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.

Unemployment Insurance

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

Restricted balance includes the following:

General Fund	
Capital	$ 623,805
Employee Benefit Accrued Liability	98,106
Retirement Contributions - NYSERS	1,520,231
Retirement Contributions - NYSTRS	260,000
Tax Certiorari	253,148
Unemployment Insurance	199,846
Total General Fund	2,955,136
Capital Fund*	-
Debt Service Fund*	663,176
School Lunch Fund*	-
Special Aid Fund*	-
Total restricted funds	$ 3,618,312

*includes remaining fund balance in these funds not otherwise classified as nonspendable, committed or assigned.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

S) Net Position/Fund Balance (continued):

Funds statements (continued):

Committed – Includes amounts that can only be used for the 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 District has no committed fund balances as of June 30, 2019.

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

Unassigned - Includes all other General Fund amounts that do not meet the definition of the above four classifications and are deemed to be available for general use by the District and could report a surplus or deficit. In funds other than the general fund, the unassigned classification is used to report a deficit fund balance resulting from overspending for specific purposes for which amounts had been restricted or assigned. In accordance with state guidelines, unassigned fund balance in the general fund includes the following reserve:

<u>Reserve for Tax Reduction</u>
Reserve for Tax Reduction (Education Law §1604(36) and §1709(37)) is used for the gradual use of the proceeds of the sale of District real property where such proceeds are not required to be placed in a mandatory reserve for debt service. Specifically, the District is permitted to retain the proceeds of the sale for a period not to exceed ten years, and to use them during that period for tax reduction. The reserve is accounted for in the general fund.

<u>Unassigned Fund Balance</u>
NYS Real Property Law 1318 limits the amount of unexpected surplus funds a school district can retain to no more than 4% of the School District's budget 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.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

T) New Accounting Standards

The District has adopted and implemented the following (all) current Statements of the Governmental Accounting Standards Board (GASB) that are applicable as of June 30, 2019.

GASB Statement No. 83 -Certain Asset Retirement Obligations

GASB Statement No. 88 -Certain Disclosures Related to Debt, Including Direct Borrowing and Direct Placements

U) Future Changes in Accounting Standards

GASB Statement No. 84 -Fiduciary Activities	Effective for the year ending June 30, 2020
GASB Statement No. 87 -Leases	Effective for the year ending June 30, 2021
GASB Statement No. 89 -Accounting for Interest Cost Incurred Before the End of a Construction Period	Effective for the year ending June 30, 2021
GASB Statement No. 91 -Conduct Debt Obligations	Effective for the year ending June 30, 2022

The school district will evaluate the impact each of these pronouncements may have on its financial statements and will implement then as applicable and when material.

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

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

Total fund balances of the District's governmental funds differ from "net position" of governmental activities reported in the Statement of Net Position. This difference primarily results from the additional long-term economic focus of the Statement of Net Position versus the solely current financial resources focus of the governmental fund Balance Sheets, as applied to the reporting of capital assets and long-term liabilities, including pensions.

NOTE 2: EXPLANATION OF CERTAIN DIFFERENCES BETWEEN GOVERNMENTAL FUND STATEMENTS AND DISTRICT-WIDE STATEMENTS (CONTINUED):

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 five broad categories. The amounts shown below represent:

i) 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.

ii) Capital related differences:

Capital related differences include the difference between proceeds from the sale of capital assets reported on governmental fund statements and the gain or loss on the sale of assets as reported 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.

iii) Long-term debt transaction differences:

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

iv) Pension differences:

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

v) OPEB differences:

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

NOTE 3: STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY:

Budgets

The District administration prepares a proposed budget for approval by the Board of Education for the following governmental funds for which legal (appropriated) budgets are adopted:

General Fund

The voters of the District approved the proposed appropriation budget for the General Fund.

Appropriations are adopted at the program line item level.

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

Unanticipated Revenue	$ 74,063
Encumbrances	156,468
Use of Reserves	198,937
Emergency repairs	30,788

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

General Fund is the only fund with a legally approved budget for the fiscal year ended June 30, 2019.

Budgets are established and used for individual capital project funds expenditures as approved by a special referendum of the District's voters. The maximum project amount authorized is based primarily upon the cost of the project, plus any requirements for external borrowings, not annual appropriations. These budgets do not lapse and are carried over to subsequent fiscal years until the completion of the projects.

Encumbrances

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

NOTE 3: STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY: (CONTINUED)

Deficit Fund Balance

The Capital Projects Fund had a deficit fund balance of $1,951,820. This will be funded when the District obtains permanent financing for its current construction project.

NOTE 4: CASH (AND CASH EQUIVALENTS)-CUSTODIAL CREDIT, CONCENTRATION OF CREDIT, INTEREST RATE AND FOREIGN CURRENCY RISKS:

Cash

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. While the District does not have a specific policy for custodial credit risk, New York State statues govern the District's investment policies, as discussed previously in these Notes.

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

A)	Uncollateralized	$ -
B)	Collateralized with securities held by the pledging financial institution, or trust its department or agent, but not in the District's name.	$ 5,684,499

Restricted cash represents cash and cash equivalents where use is limited by legal requirements. These assets represent amounts required by statute to be reserved for various purposes. Restricted cash as of year-end includes $2,955,136 within the governmental funds and $187,617 in the fiduciary funds.

NOTE 5: RECEIVABLES:

Receivables at year-end for individual major funds and non-major funds, including the applicable allowances for uncollectible accounts, are as follows:

Description	General	Buses	17 Project	Non-Major	Total
Accounts Receivable	$ 429,356	$ -	$ -	$ 5,031	$ 434,387
Due from State and Federal	643,683	-	-	277,163	920,846
Due from Other Governments	1,534,380	-	-	-	1,534,380
Total	$ 2,607,419	$ -	$ -	$ 282,194	$ 2,889,613

District management has deemed the amounts to be fully collectible.

NOTE 6: CAPITAL ASSETS:

Capital asset balances and activities for the year ended June 30, 2019 were as follows:

	Beginning Balance	Additions	Retirements	Adjustments	Ending Balance
Governmental Activities:					
Capital assets that are not depreciated:					
Land	$ 347,500	$ 86,101	$ -	$ -	$ 433,601
Construction in progress	6,227,829	2,160,085	-	(597,586)	7,790,328
Total non-depreciable historical cost	6,575,329	2,246,186	-	(597,586)	8,223,929
Capital assets that are depreciated:					
Buildings	$ 74,248,453	$ 1,160,130	$ (20,245)	$ 177	$ 75,388,515
Furniture and equipment	7,383,183	482,701	(335,050)	-	7,530,834
Total depreciable historical cost	81,631,636	1,642,831	(355,295)	177	82,919,349
Total non-depreciable and depreciable costs	88,206,965	3,889,017	(355,295)	(597,409)	91,143,278
Less accumulated depreciation:					
Buildings	$ (28,096,494)	$ (1,694,385)	$ 16,511	$ (653)	$ (29,775,021)
Furniture and equipment	(4,950,357)	(488,541)	333,600	(251)	(5,105,549)
Total accumulated depreciation	(33,046,851)	(2,182,926)	350,111	(904)	(34,880,570)
Total depreciable historical cost, net	$ 48,584,785	$ (540,095)	$ (5,184)	$ (727)	$ 48,038,779
Total Capital Assets	$ 55,160,114	$ 1,706,091	$ (5,184)	$ (598,313)	$ 56,262,708

Depreciation expense was charged to governmental functions as follows:

General Support	$ (66,440)
Instruction	(1,659,618)
Pupil Transportation	(454,344)
Cost of Goods Sold	(2,525)
	$ (2,182,927)

NOTE 7: SHORT-TERM DEBT:

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

Maturity	Interest Rate	Beginning Balance	Issued	Redeemed	Ending Balance
5/10/2019	2.75%	$ 1,401,000	$ -	$ (1,401,000)	$ -
5/8/2020	1.87%	-	1,327,578	-	1,327,578
6/26/2020	3.00%	-	950,000	-	950,000
		$ 1,401,000	$ 2,277,578	$ (1,401,000)	$ 2,277,578

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

Interest paid	38,527
Plus interest accrued in current year	4,383
Less interest accured in prior year	(5,382)
Total interest on short-term debt	$ 37,528

NOTE 8: LONG-TERM DEBT OBLIGATIONS:

Long term liability balances and activity for the year are summarized below:

	Beginning Balance	Issued	Redeemed	Ending Balance	Amounts Due Within One Year
Governmental Activities:					
Bonds and notes payable	$ 21,870,000	$ -	$ (1,900,000)	$ 19,970,000	$ 1,955,000
Unamortized bond premium	1,713,706	-	(114,317)	1,599,389	
Total bonds and notes payable	23,583,706	-	(2,014,317)	21,569,389	1,955,000
Other Liabilities:					
Compensated absences	$ 490,758	$ 37,211	$ -	$ 527,969	$ -
Other postemployment benefits payable*	60,141,069	-	(5,290,844)	54,850,225	-
Net pension liability - TRS	-	-	-	-	
Net pension liability - ERS	315,044	415,254	-	730,298	
Total other liabilities	60,946,871	452,465	(5,290,844)	56,108,492	-
Total long-term liabilities	84,530,577	452,465	(7,305,161)	77,677,881	1,955,000

The general Fund has typically been used to liquidate long-term liabilities such as compensated absences.

NOTE 8: LONG-TERM DEBT OBLIGATIONS (CONTINUED):

The following is a summary of the maturity of long-term indebtedness:

Description of issue	Issue Date	Final Maturity	Interest Rate	Outstanding at Year End
Serial Bonds				
Reconstruction and Renovations Bonds	6/15/2012	6/15/2024	2.0-3.0%	$ 2,990,000
Capital Improvements Bonds	12/21/2012	12/30/2026	2.44%	5,270,000
2017A Series	6/8/2017	7/25/2033	3.0-5.0%	10,035,000
2017 Series	8/17/2017	6/15/2032	2.0-5.0%	1,675,000
				$ 19,970,000

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

Fiscal year ended:	Principal	Interest	Total
June 30, 2020	$ 1,955,000	$ 854,269	$ 2,809,269
2021	2,030,000	777,669	2,807,669
2022	2,120,000	697,919	2,817,919
2023	2,205,000	607,269	2,812,269
2024	2,300,000	520,269	2,820,269
2025-2029	6,370,000	1,465,244	7,835,244
2030-2033	2,990,000	270,525	3,260,525
	$ 19,970,000	$ 5,193,164	$ 25,163,164

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

Interest paid	$ 922,169
Less: interest accrued in the prior year	(22,580)
Plus: interest accrued in the current year	20,888
Total expense	$ 920,477

NOTE 9: PENSION PLANS:

General information:

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

Provisions and administration:

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

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

Funding policies:

The Systems are noncontributory for the employee, except for those who joined the Systems after July 27, 1976, who contribute 3% of their salary for the first ten years of membership, and employees who joined on or after January 1, 2010 who generally contribute 3.0% to 3.5% of their salary for their entire length of service. In addition, employee contribution rates under ERS tier VI vary based on a sliding scale. For TRS, contribution rates are established annually by the New York State Teachers' Retirement Board pursuant to Article 11 of the Education Law. For ERS, the Comptroller annually certifies the actuarially determined rates expressly used in computing the employers' contributions for the ERS' fiscal year ended March 31. The District paid 100% of the required contributions as billed by the TRS and ERS for the current year and each of the two preceding years.

NOTE 9: PENSION PLANS (CONTINUED):

Funding policies: (Continued)

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

	NYSTRS	NYSERS
2019 - 2019	$1,306,393	$ 427,340

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

Since 1989, the NYSERS billings have been based on Chapter 62 of the Laws of 1989 of the State of New York. This legislation requires participating employers to make payments on a current basis, while amortizing existing unpaid amounts relating to the System's fiscal years ending March 31, 1988 and 1989 over a 17-year period, with an 8.75% interest factor added. Local governments were given the option to prepay this liability, which the District exercised. There was no unpaid liability at the end of the year.

PENSION, LIABILITIES, PENSION EXPENSE, AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS

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

	ERS	**TRS**
Actuarial valuation date	31-Mar-18	30-Jun-17
Net pension liability/(asset)	$730,298	($1,479,852)
District's portion of the Plan's total Net pension liability/(asset)	0.0103072%	0.081838%

For the year ended June 30, 2019, the District's recognized pension expense of $ 427,339 for ERS and the actuarial value $1,306,393 for TRS. At June 30, 2019 the District's reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

NOTE 9: PENSION PLANS (CONTINUED):

PENSION, LIABILITIES, PENSION EXPENSE, AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS (CONTINUED)

	Deferred Outflows of Resources		Deferred Inflows of Resources	
	ERS	TRS	ERS	TRS
Differences between expected and actual experience	$ 143,811	$ 1,105,882	$ 49,024	$ 200,318
Changes in assumptions	183,567	5,173,054	-	-
Net difference between projected and actual earnings on pension plan investments	-	-	187,435	1,642,749
Changes in proportion and differences between the District's contributions and proportionate share of contributions	79,630	4,350	16,163	183,953
District's contributions subsequent to the Measurement date	104,971	1,424,036	-	-
Total	$ 511,979	$ 7,707,322	$ 252,622	$ 2,027,020

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, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

	ERS	TRS
Year ended:		
2019	$ -	$ 1,446,203
2020	171,203	969,975
2021	(125,403)	69,104
2022	(517)	966,489
2023	109,104	660237
2024	-	-
Thereafter	-	144,258

NOTE 9: PENSION PLANS (CONTINUED):

PENSION, LIABILITIES, PENSION EXPENSE, AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS (CONTINUED)

ACTUARIAL ASSUMPTIONS

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

Significant actuarial assumptions used in the valuations were as follows:

	ERS	TRS
Measurement date	March 31, 2019	June 30, 2019
Actuarial valuation date	April 1, 2019	June 30, 2017
Interest rate	7.0%	7.25%
Salary scale	4.2%	1.90%-4.72%
Decrement tables	April 1, 2010 - March 31, 2015 System's Experience	July 1, 2009 – June 30, 2014 System's Experience
Inflation rate	2.5%	2.25%

For ERS, annuitant mortality rates based on April 1, 2010 – March 31, 2015 System's experience with adjustments for mortality improvements based on the Society of Actuaries' Scale MP-2014. For TRS, annuitant mortality rates are based on plan member experience with adjustments for mortality improvements based on Society of Actuaries Scale MP2014, applied on a generational basis.

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, 2017 valuation are based on the results of an actuarial experience study for the period July 1, 2009 – June 30, 2014.

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

NOTE 9: PENSION PLANS (CONTINUED):

PENSION, LIABILITIES, PENSION EXPENSE, AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS (CONTINUED)

ACTUARIAL ASSUMPTIONS (CONTINUED)

	ERS	TRS
Measurement date	March 31, 2019	June 30, 2019

ERS Asset Type		TRS Asset Type	
Domestic equity	4.55%	Domestic equity	5.8%
International equity	6.35	International equity	7.3
Private equity	7.5	Global equities	6.7
Real estate	5.55	Real estate equities	4.9
Absolute return strategies	3.75	Private equities	8.9
Opportunistic portfolio	5.68	Domestic fixed income	1.3
Real assets	5.29	Global fixed income securities	0.9
Bonds and mortgages	1.31	Private debt	6.8
Cash	(0.25)	Real estate debt	2.8
Inflation-indexed bonds	1.25	High-yield fixed income	3.5
		Short-term	0.3

DISCOUNT RATE

The discount rate used to calculate the total pension liability was 7.0% for ERS and 7.25% for TRS. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based upon the assumptions, the Systems' fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

SENSITIVITY OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY TO THE DISCOUNT RATE ASSUMPTION

The following presents the District's proportionate share of the net liability calculated using the discount rate of 7.0% for ERS and 7.25% for TRS, as well as what the District's proportionate share of the net pension (asset)/liability would be if it were calculated using a discount rate that is 1-percentage point lower (6.0% of ERS and 6.25% for TRS) or 1-pecentage point higher (8.0% for ERS and 8.25% for TRS) than the current rate:

NOTE 9: PENSION PLANS (CONTINUED):

PENSION, LIABILITIES, PENSION EXPENSE, AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS (CONTINUED)

ERS	1% Decrease (6.0%)	Current Discount (7.0%)	1% Increase (8.0%)
Employer's proportionate share of the net pension liability/(asset)	$ 3,192,981	$ 730,298	$ (1,338,530)

TRS	1% Decrease (6.25%)	Current Discount (7.25%)	1% Increase (8.25%)
Employer's proportionate share of the net pension liability/(asset)	$ 10,166,826	$ (1,479,852)	$ (11,236,532)

PENSION PLAN FIDUCIARY POSITION

The components of the current-year net pension liability of the employers as of the respective valuation dates were as follows:

(Dollars in Thousands)

	ERS	TRS
Valuation date	March 31, 2019	June 30, 2019
Employers' total pension liability/(asset)	$ 189,803,429	$ 118,107,253
Plan Net Position	182,718,124	119,915,517
Employers' total pension liability	7,085,305	(1,808,264)
Ratio of plan net position to the Employers' total pension liability	96.27%	101.53%

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, 2019 represent the projected employer contribution for the period of April 1, 2019 through June 30, 2019 based on paid ERS wages multiplied by the employer's contribution rate, by tier. Accrued retirement contributions as of June 30, 2019 amounted to $104,971.

NOTE 9: PENSION PLANS (CONTINUED):

PENSION, LIABILITIES, PENSION EXPENSE, AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS (CONTINUED)

PAYABLES TO THE PENSION PLAN (CONTINUED)

For TRS, employer contributions for the fiscal year ended June 30, 2019 are paid to the System in September, October and November, 2019 through a state aid intercept. Accrued retirement contributions as of June 30, 2019 represent employee and employer contributions for the fiscal year ended June 30, 2019 based on 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, 2019 amounted to $1,516,023.

NOTE 10: INTERFUND BALANCES AND ACTIVITY:

	Interfund		Interfund	
	Receivable	Payable	Revenues	Expenditures
General Fund	$ 289,133	$ 40,490	$ 1,562	$ 166,866
Special Aid Funds	-	157,356	21,865	-
School Lunch Fund	40,490	-	45,000	-
Capital Funds	-	140,210	100,000	3,575
Debt Service	10,591	-	2,014	-
Total government activities	340,214	338,056	170,441	170,441
Fiduciary Agency Fund	-	2,158	-	-
Totals	$ 340,214	$ 340,214	$ 170,441	$ 170,441

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

The District typically transfers from the General Fund to the Special Aid Fund, to fund the local share of the Section 4408, Summer School Handicapped Program

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

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

NOTE 11: POST-EMPLOYMENT (HEALTH INSURANCE) BENEFITS/PRIOR PERIOD ADJUSTMENT:

A) General information about the OPEB Plan

Plan description – The District's defined benefit OPEB plan, provides OPEB for permanent full-time general and public safety 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, 2019, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	241
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	262

B) Total OPEB Liability

The District's total OPEB liability of $54,850,225 was measured as of June 30, 2019 and was determined by an actuarial valuation as of that date.

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	2.6 percent
Salary increases	2.6 percent, average, including inflation
Discount rate	3.50 percent
Healthcare cost trend rates	6.10 percent, decreasing 4.10 percent per year over 57 years

NOTE 11: POST-EMPLOYMENT (HEALTH INSURANCE) BENEFITS/PRIOR PERIOD ADJUSTMENT (CONTINUED):

B) Total OPEB Liability (Continued)

The discount rate was based on the Bond Buyer General Obligation 20-Bond Municipal Index as of June 30, 2019.

Mortality rates were based on the RP-2014 Adjusted to Total Dataset Mortality Table generationally projected using Scale MP-2019. This assumption includes a margin for future improvements in longevity.

The actuarial assumptions used in the June 30, 2017 valuation were tables used by the New York State Teachers' Retirement System and the 2019 Annual report to the Comptroller on Actuarial Assumptions for New York State and Local Retirement System.

C) Changes in the total OPEB Liability

Balance at June 30, 2018	$ 60,141,069
Changes for the Year	
Service Cost	$ 2,769,637
Interest	1,863,781
Changes of benefit terms	-
Effect of demographic gains or losses	(1,655,390)
Changes in assumptions	(6,687,861)
Benefit payments	(1,581,011)
Net change in total OPEB liability	(5,290,844)
Net OPEB obligation - end of year	$ 54,850,225

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 (2.5 percent) or 1 percentage point higher (4.5 percent) than the current discount rate:

	1% Decrease	Discount Rate	1% Increase
Total OPEB liability	$ 64,589,561	$ 54,850,225	$ 47,102,004

NOTE 11: POST-EMPLOYMENT (HEALTH INSURANCE) BENEFITS/PRIOR PERIOD ADJUSTMENT (CONTINUED):

C) Changes in the total OPEB Liability (Continued)

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 (6.5 percent) or 1 percentage point higher (8.5 present) than the current healthcare cost trend rate:

	1% Decrease (5.1% Decreasing To 3.1%)	Healthcare Cost Trend Rates (6.1% Deceasing to 4.1%)	1% Increase (7.1% Decreasing to 5.1%)
Total OPEB liability	$ 46,468,873	$ 54,850,225	$ 66,635,110

D) OPEB Expense and Deferred Outflows of resources and Deferred Inflows of Resources related to OPEB

For the year ended June 30, 2019, the District recognized OPEB expense of $3,532,598. At June 30, 2019, 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
Balances as of June 30, 2018	$ 213,169	$ -
Differences between expeted and actual experience		(1,431,689)
Changes in assumptions		(5,784,096)
Recognition of liability gains and losses	(26,646)	-
Total	$ 186,523	$ (7,215,785)

NOTE 11: POST-EMPLOYMENT (HEALTH INSURANCE) BENEFITS/PRIOR PERIOD ADJUSTMENT (CONTINUED):

D) OPEB Expense and Deferred Outflows of resources and Deferred Inflows of Resources related to OPEB(Continued):

Amounts currently 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
2020	$ (1,100,820)
2021	(1,100,820)
2022	(1,100,820)
2023	(1,100,820)
2024	(1,100,820)
Thereafter	(1,525,162)

NOTE 12: RISK MANAGEMENT:

General

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

Consortiums and self-insured plans

The District participates in the Broome-Tioga, Delaware Health Insurance, a non-consortium-risk-retained public entity risk pool for its employee health and accident insurance coverage. The pool is operated for the benefit of sixteen individual governmental units located within the pool's geographic area, and is considered a self-sustaining risk pool that will provide coverage for its members up to $1,000,000 per insured event. The pool obtains independent coverage for insured events in excess of the $1,000,000 limit, and the District has essentially transferred all related risk to the pool.

NOTE 13: FUND BALANCES:

Portions of fund balances are reserved and not available for current expenses or expenditures, as reported in the Governmental Funds Balance Sheet.

NOTE 14: CONTINGENCIES AND COMMITMENTS:

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

The District does not accrue a liability for accumulating, non-vesting sick leave, since payment is based on an uncontrollable future event (sickness). In accordance with the provisions of GASB #16, the value for accumulating, non-vesting sick leave is considered a contingent liability.

NOTE 14: CONTINGENCIES AND COMMITMENTS (Continued)

The District reports $3,804,581 for accumulating, non-vesting sick and leave time.

The District has signed commitments for future construction projects of $8,299,378.

NOTE 15: DONOR-RESTRICTED ENDOWMENTS:

The District authorizes expenditures from donor-restricted endowments in compliance with the wishes expressed by the donor, which varies among the unique endowments administered by the District.

NOTE 16: PRIOR PERIOD ADJUSTMENT

A prior period adjustment of $730 was made to adjust depreciation for reclassified capital items and to adjust for rounding.

NOTE 17: TAX ABATEMENTS

The County of Broome, entered into a property tax abatement program for the purpose of economic development. The School District property tax revenue was reduced by $369,713. The District received payment in lieu of tax (PILOT) payments totaling $681,719.

NOTE 18: SUBSEQUENT EVENTS

Date of District Evaluation

The District's administration has evaluated subsequent events through September 20, 2019, the date on which the financial statements were available to be issued, for possible disclosure and recognition in the financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF CHANGES IN TOTAL
OPEB LIABILITY,
SCHEDULE OF DISTRICT'S CONTRIBUTIONS-NYSLRS,
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY-NYSLRS,
SCHEDULE OF DISTRICT'S CONTRIBUTIONS-NYSTRS,
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY-NYSTRS,
THE SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE BUDGET
(NON-GAAP BASIS) AND ACTUAL GENERAL FUND

AND

SUPPLEMENTARY INFORMATION

WINDSOR CENTRAL SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY

JUNE 30, 2019

	2018	2019
Total OPEB liability		
Service cost	$ 2,546,660	$ 2,769,637
Interest	1,770,017	1,863,781
Changes of benefit terms	-	-
Difference between expected and actual experience	239,815	(1,655,390)
Changes of assumptions	-	(6,687,861)
Benefit payments	(1,725,852)	(1,581,011)
Net change in total OPEB liability	2,830,640	(5,290,844)
Total OPEB liability - beginning	57,310,429	60,141,069
Total OPEB liability - ending	$ 60,141,069	$ 54,850,225
Covered payroll	$ 16,050,383	$ 13,179,838
Total OPEB liability as a % of covered payroll	374.70%	416.17%

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

Note: See paragraph on supplemental schedules included in independent auditors' report

WINDSOR CENTRAL SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF DISTRICT'S CONTRIBUTIONS
NYSLRS PENSION PLAN
LAST 10 FISCAL YEARS
FOR THE YEAR ENDED JUNE 30, 2019

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Contractually required contribution	$ 341,910	$ 462,156	$ 528,998	$ 436,297	$ 536,838	$ 491,098	$ 454,157	$ 418,771	$ 419,163	$ 493,758
Contributions in relation to the contractual required contribution	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Contribution deficiency (excess)	-	-	-	-	-	-	-	-	-	-
District's covered - employee payroll	2,963,429	2,885,337	2,774,847	2,624,748	2,712,272	2,659,826	2,614,909	2,708,030	2,762,786	2,817,228
Contributions as a percentage of covered -employee payroll	11.54%	16.02%	19.06%	16.62%	19.79%	18.46%	17.37%	15.46%	15.17%	17.53%

See paragraph on supplemental schedules included in indepdendent auditors' report

WINDSOR CENTRAL SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
NYSLRS PENSION PLAN
LAST FIVE FISCAL YEARS
FOR THE YEAR ENDED JUNE 30, 2019

	2015	2016	2017	2018	2019
District's proportion of the net pension liability (asset)	0.010504%	0.009956%	0.010162%	0.0097614%	0.0103072%
District's proportionate share of the net pension liability (asset)	$ 354,860	$ 1,598,034	$ 954,849	$ 315,044	$ 730,298
District's covered - employee payroll	2,659,826	2,614,909	2,708,030	2,762,786	2,817,228
District's proportionate share of the net pension liability (asset) as a percentage of its covered - employee payroll	13.34%	61.11%	35.26%	11.40%	25.92%
Plan fiduciary net position as a percentage of the total pension liability (asset)	97.90%	90.60%	94.70%	98.24%	96.27%

See paragraph on supplemental schedules included in indepdendent auditors' report

WINDSOR CENTRAL SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF DISTRICT'S CONTRIBUTIONS
NYSTRS PENSION PLAN
LAST 10 FISCAL YEARS
FOR THE YEAR ENDED JUNE 30, 2019

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Contractually required contribution	$ 824,948	$ 708,356	$ 989,894	$1,248,414	$1,322,546	$1,856,001	$2,074,312	$1,755,848	$1,496,378	$1,306,393
Contributions in relation to the contractuall required contribution	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Contribution deficiency (excess)	-	-	-	-	-	-	-	-	-	-
District's covered - employee payroll	11,599,206	11,673,000	11,425,668	11,405,578	11,736,313	12,215,232	12,957,302	13,183,663	13,527,009	13,409,009
Contributions as a percentage of covered -employee payroll	7.11%	6.07%	8.66%	10.95%	11.27%	15.19%	16.01%	13.32%	11.06%	9.74%

See paragraph on supplemental schedules included in indepdendent auditors' report

WINDSOR CENTRAL SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
NYSTRS PENSION PLAN
LAST FIVE FISCAL YEARS
FOR THE YEAR ENDED JUNE 30, 2019

	2015	2016	2017	2018	2019
District's proportion of the net pension liability (asset)	0.077321%	0.078774%	0.080656%	0.080570%	0.081838%
District's proportionate share of the net pension liability (asset)	$ (8,613,097)	$ (8,182,110)	$ 863,856	$ (612,414)	(1,479,852)
District's covered - employee payroll	12,215,232	12,957,302	13,183,663	13,527,009	13,409,009
District's proportionate share of the net pension liability (asset) as a percentage of its covered - employee payroll	-70.51%	-63.15%	6.55%	-4.53%	-11.04%
Plan fiduciary net position as a percentage of the total pension liability (asset)	110.46%	111.48%	99.01%	100.66%	101.53%

See paragraph on supplemental schedules included in indepdendent auditors' report

WINDSOR CENTRAL SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON-GAAP BASIS) AND ACTUAL - GENERAL FUND
JUNE 30, 2019

	Original Budget	Final Budget	Actual (Budgetary Basis)	Final Budget Variance With Budgetary Actual
REVENUES				
Local Sources				
Real property taxes	$ 14,882,157	$ 12,880,467	$ 12,745,581	$ (134,886)
Other tax items	701,455	2,703,145	2,717,709	14,564
Charges for services	150,000	150,000	245,770	95,770
Use of money and property	76,000	76,000	239,289	163,289
Sale of property and compensation for loss	-	59,202	82,520	23,318
Miscellaneous	1,035,929	1,050,790	1,542,755	491,965
Total Local Sources	16,845,541	16,919,604	17,573,624	654,020
State sources	21,968,576	21,968,576	22,278,344	309,768
Federal sources	30,000	30,000	128,407	98,407
Total Revenues	38,844,117	38,918,180	39,980,375	1,062,195
OTHER FINANCING SOURCES				
Transfers from other funds			1,562	1,562
Appropriated fund balance	500,000	530,788	-	(530,788)
Appropriated reserves	156,468	355,405	-	(355,405)
Total Revenues and Other Financing Sources	$ 39,500,585	$ 39,804,373	$ 39,981,937	$ 177,564

Budget basis of accounting:
Budgets are adopted on the modified accrual basis of accounting consistent with accounting principles generally accepted in the United States of America.

Continued on next page

WINDSOR CENTRAL SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON-GAAP BASIS) AND ACTUAL - GENERAL FUND (CONTINUED)
JUNE 30, 2019

	Original Budget	Final Budget	Actual (Budgetary Basis)	Year-end Encumbrances	Final Budget Variance With Budgetary Actual And Encumbrances
EXPENDITURES					
General Support					
Board of education	$ 33,997	$ 35,839	$ 35,110	$ 1	$ 728
Central administration	246,306	290,200	289,665	29	506
Finance	667,381	692,253	689,361	492	2,400
Staff	275,364	286,633	281,848	2,360	2,425
Central services	2,916,784	3,540,890	3,234,200	270,187	36,503
Special items	405,309	567,054	567,041	-	13
Total General Support	4,545,141	5,412,869	5,097,225	273,069	42,575
Instruction					
Instruction, administration and improvement	1,411,052	1,292,309	1,289,602	1,459	1,248
Teaching - regular school	11,756,574	12,059,093	12,032,355	20,707	6,031
Programs for children with handicapping conditions	4,345,178	4,321,059	4,311,507	4,181	5,371
Teaching - special school	67,750	114,213	114,052	-	161
Instructional media	419,984	273,121	272,896	-	225
Pupil services	2,011,438	1,868,985	1,865,329	2,023	1,633
Total Instruction	20,011,976	19,928,780	19,885,741	28,370	14,669
Pupil transportation	1,899,198	1,708,340	1,681,770	315	26,255
Community services	33,750	28,292	28,292	-	-
Employee benefits	9,553,931	9,248,555	9,176,207	3,906	68,442
Debt service	3,306,589	3,310,667	3,310,666	-	1
Total Expenditures	39,350,585	39,637,503	39,179,901	305,660	151,942
OTHER FINANCING USES					
Transfers (to) other funds	150,000	166,870	166,866	-	4
Total Expenditures and Other Uses	$ 39,500,585	$ 39,804,373	39,346,767	$ 305,660	$ 151,946
Net Change in Fund Balances			635,170		
Fund balance - Beginning			4,695,672		
Fund balance - Ending			$ 5,330,842		

See paragraph on supplemental schedules included in independent auditors' report

WINDSOR CENTRAL SCHOOL DISTRICT
SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGE FROM ORIGINAL BUDGET TO REVISED BUDGET
AND SECTION 1318 OF REAL PROPERTY TAX LIMIT CALCULATION
JUNE 30, 2019

CHANGE FROM ADOPTED BUDGET TO REVISED BUDGET

Adopted budget	$ 39,344,117
Add: Prior year's encumbrances	156,468
Original budget	39,500,585
Unanticipated revenues	74,063
Use of tax certiorari reserve	168,937
Use of employee benefit accrued liability reserve	30,000
Budget increase for emergency repairs	30,788
Final budget	$ 39,804,373

SECTION 1318 OF REAL PROPERTY TAX LIMIT CALCULATION

2019 - 2020 voter - approved budget		$ 40,910,150
Maximum allowed		1,636,406
Unrestricted fund balance		
Assigned fund balance	805,660	
Unassigned fund balance	1,569,912	
	2,375,572	
Less:		
Appropriated fund balance	500,000	
Encumbrances included in assigned fund balance	305,660	
Total adjustments	805,660	
General Fund Fund Balance Subject to Section 1318 of Real Property Tax Law		$ 1,569,912
Actual percentage		3.84%

See paragraph on supplemental schedules included in independent auditors' report

PROJECT TITLE	Origin Budg	Interfund Revenue	Total	Transfer to Debt Service Fund	Fund Balance June 30, 2019
Major Capital Projects					
1. 2017 CP High School 03-17-01-06-0-010-016	$ 8,559	3,400,000	$ 3,400,000	$ -	$ 889,989
2017 CP Middle School 03-17-01-06-0-003-012	2,172	-	-	-	(237,896)
2017 CP Bell 03-17-01-06-0-004-013	1,607	-	-	-	(430,031)
2017 CP Weeks 03-17-01-06-0-006-013	1,409	-	-	-	(403,257)
2017 CP High School 03-17-01-06-0-010-018		-	-	-	(454,386)
2017 CP Bus Garage 03-17-01-06-5-015-004	402	-	-	-	(161,935)
2. 2017 Buses 03-17-01-06-2-222-002	2,322	476,000	1,377,927	2,013	$ (945,000)
Total major projects	$ 16,472	3,876,000	$ 4,777,927	$ 2,013	$ (1,742,516)
Non-Major Capital Projects					
1. 2013-2014 CP Middle School 03-17-01-06-0-003-010	$ 6,860	2,399,595	$ 7,140,180	$ 1	$ 373,629
2013-2014 CP Bell 03-17-01-06-0-004-010	391	-	381,075	-	(1,379)
2013-2014 CP Bell Phase III 03-17-01-06-0-004-011	103	2,000	100,807	-	8,122
2013-2014 CP Weeks 03-17-01-06-0-006-011	621	-	615,794	-	(1,379)
2013-2014 CP High School Phase I 03-17-01-06-0-010-011	7,252		6,931,381	-	(362,692)
2013-2014 CP High School Phase II 03-17-01-06-0-010-015	79	-	275,171	-	(8,120)
2013-2014 CP District Office 03-17-01-06-0-007-002	4	-	5,655	-	(1,379)
2013-2014 CP Maintenance/Storage 03-17-01-06-3-025-001	374	-	367,965	-	(1,379)
2013-2014 CP Maintenance/Storage Old BG 03-17-01-06-5-001-005	8	-	4,255	-	(1,379)
2013-2014 Bus Garage 03-17-01-06-5-015-003	286	-	158,826	-	(1,380)
2013-2014 HS Storage 03-17-01-06-7-018-002		-	-	-	(1,332)
2013-2014 Concession 03-17-01-06-7-024-001		-	-	-	(1,332)
2. 2018-19 $100K Project 03-17-01-06-0-010-014	100	100,000	100,000	-	-
3. FEMA Project 03-17-01-06-0-003-009	545	-	208,221	-	16,471
4. Smart '17 -Middle School 03-17-01-06-0-003-011		-	-	-	(5,044)
5. Smart '17 -Bell 03-17-01-06-0-004-012		-	-	-	(9,344)
6. Smart '17 Weeks 03-17-01-06-0-006-012		-	-	-	(9,344)
7. Smart '17 High School 03-17-01-06-0-010-017	95	-	-	-	(198,943)
8. Land Purchase 03-17-01-06-9-999-999	113	93,000	93,000	-	(3,101)
Total non-major projects	853	193,000	401,221	1	(209,305)
Total major and non-major projects	$ 17,326	4,069,000	$ 5,179,148	$ 2,014	$ (1,951,821)

WINDSOR CENTRAL SCHOOL DISTRICT
SUPPLEMENTARY INFORMATION
COMBINED BALANCE SHEET - NON-MAJOR GOVERNMENTAL FUNDS
JUNE 30, 2019

	Food Service	Capital Projects	Special Aid	Debt Service	Total Non-Major Funds
ASSETS					
Cash					
Unrestricted	$ 38,107	$ -	$ 9,716	$ 652,585	$ 700,408
Receivables					
Due from other funds	40,490	-	-	10,591	51,081
State and Federal aid	71,895	-	205,268	-	277,163
Other	5,031	-	-	-	5,031
Inventories	42,684	-	-	-	42,684
Total Assets	$ 198,207	$ -	$ 214,984	$ 663,176	$ 1,076,367
LIABILITIES					
Payables					
Accounts payable	$ 4,357	$ 79,869	$ 27,439	$ -	$ 111,665
Accrued liabilities	2,068	-	292	-	2,360
Due to other funds	-	129,435	157,356	-	286,791
Due to other governments	583	-	-	-	583
Notes payable					
Bond anticipation	-	-	-	-	-
Deferred credits					
Unearned revenues	8,571	-	29,897	-	38,468
Total Liabilities	15,579	209,304	214,984	-	439,867
FUND BALANCES					
Non-spendable	42,683	-	-	-	42,683
Restricted	-	-	-	663,176	663,176
Assigned	139,945	230,359	33,601	-	403,905
Unrestricted	-	(439,663)	(33,601)	-	(473,264)
Total Fund Balances	182,628	(209,304)	-	663,176	636,500
Total Liabilities and Fund Balances	$ 198,207	$ -	$ 214,984	$ 663,176	$ 1,076,367

See paragraph on supplemental schedules included in independent auditors' report

WINDSOR CENTRAL SCHOOL DISTRICT
SUPPLEMENTARY INFORMATION
COMBINED STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - NON-MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2019

	Food Service	Capital Projects	Special Aid	Debt Service	Total Non-Major Funds
REVENUES					
Use of money and property	$ 256	$ -	$ -	$ 33,234	$ 33,490
Miscellaneous	5,600	-	-	-	5,600
State sources	101,692	-	514,162	-	615,854
Federal sources	729,138	-	1,114,900	-	1,844,038
Local sources	-	-	30,738	-	30,738
Surplus food	60,322	-	-	-	60,322
Sales - school lunch	289,908	-	-	-	289,908
Total Revenues	1,186,916	-	1,659,800	33,234	2,879,950
EXPENDITURES					
General support	-	-	-	-	-
Instruction	-	-	1,659,013	-	1,659,013
Pupil transportation	-	-	22,652	-	22,652
Community service	-	-	-	-	-
Employee benefits	215,294	-		-	215,294
Debt service					
Principal	-	-	-	-	-
Interest	-	-	-	6,030	6,030
Cost of sales	1,001,647	-	-	-	1,001,647
Capital outlay	-	202,918	-	-	202,918
Total Expenditures	1,216,941	202,918	1,681,665	6,030	3,107,554
Excess (Deficiency) of Revenues	(30,025)	(202,918)	(21,865)	27,204	(227,604)
OTHER FINANCING SOURCES AND USES					
Proceeds from long-term debt	-	-	-	-	-
Operating transfers in	45,000	100,000	21,865	2,014	168,879
Operating transfers (out)	-	(1,562)	-	-	(1,562)
Redeemed from appropriations	-	-	-		-
Total Other Sources (Uses)	45,000	98,438	21,865	2,014	167,317
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other (Uses)	14,975	(104,480)	-	29,218	(60,287)
Fund Balances - Beginning of year	167,653	(104,824)	-	633,958	696,787
Fund Balances - End of Year	$ 182,628	$ (209,304)	$ -	$ 663,176	$ 636,500

See paragraph on supplemental schedules in independent auditors' report

WINDSOR CENTRAL SCHOOL DISTRICT
SUPPLEMENTARY INFORMATION
INVESTMENT IN CAPITAL ASSETS, NET OF RELATED DEBT
FOR THE YEAR ENDED JUNE 30, 2019

Capital Assets, net		$ 56,262,708
Deduct:		
Bond Anticipation Notes	2,277,578	
Premium on bonds payable	(6,030)	
Short-term portion of bonds payable	1,955,000	
Long-term portion of bonds payable	18,015,000	
Less: unspent bond proceeds	(1,500,929)	20,740,619
Investment in capital assets, net of related debt		$ 35,522,089

See paragraph on supplemental schedules in independent auditors' report

WINDSOR CENTRAL SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2019

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
U.S. DEPARTMENT OF AGRICULTURE			
Passed Through NYS Education Department:			
Child Nutrition Cluster:			
Non-Cash Assistance (Food Distribution)			
National School Lunch Program	10.555		$ 60,322
Non-cash assistance subtotal			60,322
Cash Assistance			
School Breakfast Program	10.553		254,779
National School Lunch Program	10.555		411,282
Summer Food Service Program for Children	10.559		46,935
Cash assistance subtotal			712,996
Total Child Nutrition Cluster			773,318
Child Nutrition Discretionary Grants Limited Availability	10.579	0005-18-0055	16,142
Total Passed Through NYS Education Department			789,460
Total U.S. Department of Agriculture			$ 789,460

See notes to Schedule of Expenditures of Federal Awards

WINDSOR CENTRAL SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2019

U.S. DEPARTMENT OF EDUCATION			
Passed Through NYS Education Department:			
Special Education Cluster			
Special Education - Grants to States (IDEA Part B)	84.027A	0032-19-0068	$ 441,801
Special Education - Preschool Grants (IDEA Preschool)	84.173A	0033-19-0068	26,494
Total Special Education Cluster			468,295
Title I, Part A Cluster			
Title I Grants to Local Educational Agencies	84.010A	0021-19-0200	381,076
Total Title I, Part A Cluster			381,076
Improving Teacher Quality State Grants	84.367A	0147-19-0200	57,798
Student Support and Academic Enrichment Grants	84.424A	0196-19-1933	198,667
Student Support and Academic Enrichment Grants	84.424A	0204-19-0200	9,064
Total other grants			265,529
Total Passed Through NYS Education Department			1,114,900
U.S. DEPARTMENT OF HOMELAND SECURITY			
Passed through NYS Division of Homeland Security and Emergency Services			
Disaster Grants - Public Assistance	97.036	4031-DR-NY	47,028
Total Department of Homeland Security			47,028
Total Expenditures of Federal Awards			$ 1,951,388

See notes to Schedule of Expenditures of Federal Awards

NOTE 1: SUMMARY OF CERTAIN SIGNIFICANT ACCOUNTING POLICIES:

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

Indirect costs may be included in the reported expenditures, to the extent that they are included in the federal financial reports used as the source for the data presented. Certain of the District's federal award programs have been charged with indirect costs, based upon an established rate applied to overall expenditures. There is no other indirect cost allocation plan in effect.

Matching costs (the District's share of certain program costs) are not included in the reported expenditures.

The basis of accounting varies by federal program consistent with the underlying regulations pertaining to each program.

The amounts reported as federal expenditures were obtained from the federal financial reports for the applicable program periods. The amounts reported in these reports are prepared from records maintained for each program, which are reconciled with the District's financial reporting system.

NOTE 2: SUBRECIPIENTS:

No amounts were provided to subrecipients.

NOTE 3: OTHER DISCLOSURES:

No insurance is carried specifically to cover equipment purchased with federal funds. Any equipment purchased with federal funds has only a nominal value, and is covered by the District's casualty insurance policies.

There were no loans or loan guarantees outstanding at year-end.

WINDSOR CENTRAL SCHOOL DISTRICT

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2019

Section I - Summary of Independent Auditors' Results

Financial Statements
Type of auditors' report issued on whether
The financial statements were prepared in
accordance with GAAP: unmodified

	Yes	No	
Internal Control over Financial Reporting			
Material weakness identified?	____	X	
Significant deficiencies identified?	____	X	none reported
Noncompliance material to financial statements noted?	____	X	
Federal Awards			
Internal control over major programs:			
Material weakness identified?	____	X	
Significant deficiencies identified?	____	X	none reported

Type of auditors' report issued on compliance
for major programs: unmodified

	Yes	No
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	____	X

Identification of major programs:

CFDA Numbers	Name of Federal Program or Cluster
	Special Education Cluster
84.027	Special Education -Grants to States (IDEA Part B)
84.173A	Special Education - Preschool Grants (IDEA Preschool)

Dollar threshold used to distinguish between Type A and Type B programs: $750,000

	Yes	No
Auditee qualified as low-risk auditee?	X	____

Section II - Financial Statement Findings: No matters were reported.

Section III - Federal Award Findings and Questioned Costs: No matters were reported.

VIEIRA & ASSOCIATES
CPAS, P.C.

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Scott M. Hotalen, CPA
*Licensed in Pennsylvania

Cheryl DiStefano, CPA
Patrick J. Price, CPA, CVA

Board of Education
Windsor Central School District
215 Main Street
Windsor, NY 13865

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

INDEPENDENT AUDITORS' REPORT

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in **Government Auditing Standards** issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Windsor Central School District as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise Windsor Central School District's basic financial statements, and have issued our report thereon dated September 20, 2019.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Windsor 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 Windsor Central School District's internal control. Accordingly, we do not express an opinion on the effectiveness of the Windsor 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 a material misstatement in the entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

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Website: www.vapc.us

Compliance and other Matters

As part of obtaining reasonable assurance about whether Windsor 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 no instances of noncompliance that are required to be reported under **Government Auditing Standards.**

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.

Vieira & Associates CPAs, P.C.

September 20, 2019
Endicott, New York

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*Licensed in Pennsylvania

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Report on Compliance for Each Major Program; Report on Internal Control over Compliance; and Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

Independent Auditors' Report

Report on Compliance for Each Major Federal Program

We have audited Windsor Central School District's compliance with the types of compliance requirements described in the **OMB Compliance Supplement** that could have a direct and material effect on each of Windsor Central School District's major federal programs for the year ended June 30, 2019. Windsor Central School District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditors' Responsibility

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

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

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Opinion on Each Major Federal Program

In our opinion, Windsor Central School District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2019.

Report on Internal Control Over Compliance

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

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

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

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

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Windsor Central School District as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise Windsor Central School District's basic financial statements and have issued our report thereon dated September 20, 2019, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures, including comparing and reconciling 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 schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Vieira & Associates CPAs, P.C.

September 20, 2019
Endicott, New York

FORM OF BOND COUNSEL'S OPINION

June 17, 2020

Windsor Central School District,
County of Broome,
State of New York

Re: Windsor Central School District, Broome County, New York
$1,929,000 Bond Anticipation Notes, 2020

Ladies and Gentlemen:

We have been requested to render our opinion as to the validity of an issue of $1,929,000 Bond Anticipation Notes, 2020 (the "Obligations"), of the Windsor Central School District, County of Broome, State of New York (the "Obligor"), dated June 17, 2020 in the denomination of $_________, bearing interest at the rate of _______________% per annum, payable at maturity, and maturing June 17, 2021.

We have examined:

(1) the Constitution and statutes of the State of New York;

(2) the Internal Revenue Code of 1986, including particularly Sections 103 and 141 through 150 thereof, and the applicable regulations of the United States Treasury Department promulgated thereunder (collectively, the "Code");

(3) an arbitrage certificate executed on behalf of the Obligor which includes, among other things, covenants, relating to compliance with the Code, with the owners of the Obligations that the Obligor will, among other things, (i) take all actions on its part necessary to cause interest on the Obligations not to be includable in the gross income of the owners thereof for Federal income tax purposes, including, without limitation, restricting, to the extent necessary, the yield on investments made with the proceeds of the Obligations and investment earnings thereon, making required payments to the Federal government, if any, and maintaining books and records in a specified manner, where appropriate, and (ii) refrain from taking any action which would cause interest on the Obligations to be includable in the gross income of the owners thereof for Federal income tax purposes, including, without limitation, refraining from spending the proceeds of the Obligations and investment earnings thereon on certain specified purposes (the "Arbitrage Certificate"); and

(4) a certificate executed on behalf of the Obligor which includes, among other things, a statement that compliance with such covenants is not prohibited by, or violative of, any provision of local or special law, regulation or resolution applicable to the Obligor.

We also have examined a certified copy of proceedings of the finance board of the Obligor and other proofs authorizing and relating to the issuance of the Obligations, including the form of the Obligations. In rendering the opinions expressed herein we have assumed (i) the accuracy and truthfulness of all public records, documents and proceedings, including factual information, expectations and statements contained therein, examined by us which have been executed or certified by public officials acting within the scope of their official capacities, and have not verified the accuracy or truthfulness thereof, and (ii) compliance by the Obligor with the covenants contained in the Arbitrage Certificate. We also have assumed the genuineness of the signatures appearing upon such public records, documents and proceedings and the certifications thereof.

In our opinion:

(a) The Obligations have been authorized and issued in accordance with the Constitution and statutes of the State of New York and constitute valid and legally binding general obligations of the Obligor, all the taxable real property within which is subject to the levy of ad valorem taxes to pay the Obligations and interest thereon, without limitation as to rate or amount; provided, however, that the enforceability (but not the validity) of the Obligations: (i) may be limited by any applicable bankruptcy, insolvency or other law now existing or hereafter enacted by said State or the Federal government affecting the enforcement of creditors' rights, and (ii) may be subject to the exercise of judicial discretion in appropriate cases.

(b) The Obligor has the power to comply with its covenants with respect to compliance with the Code as such covenants relate to the Obligations; provided, however, that the enforceability (but not the validity) of such covenants may be limited by any applicable bankruptcy, insolvency or other law now existing or hereafter enacted by said State or the Federal government affecting the enforcement of creditors' rights.

(c) Interest on the Obligations is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, and is exempt from personal income taxes imposed by the State of New York and any political subdivision thereof (including The City of New York). Interest on the Obligations 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 amount, accrual or receipt of interest on, the Obligations.

Certain agreements, 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 Obligations) may be taken or omitted under the circumstances and subject to the terms and conditions set forth in such documents.

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. Accordingly, this opinion is not intended to, and may not, be relied upon in connection with any such actions, events or matters. Our engagement with respect to the Obligations 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 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 Obligations to be included in gross income for federal income tax purposes. We call attention to the fact that the rights and obligations under the Obligations and the Arbitrage 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 municipal corporations such as the Obligor in the State of New York. We express no opinion with respect to any indemnification, contribution, penalty, choice of law, choice of forum, choice of venue, or waiver provisions contained in the foregoing documents.

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

Very truly yours,

Orrick, Herrington & Sutcliffe LLP