OFFICIAL STATEMENT

NEW ISSUE | **SERIAL BONDS**

See “BOND RATING” herein

S&P Insured Rating “AA” (Stable Outlook)
S&P Underlying Rating: “A+” (Stable Outlook)

In the opinion of Timothy R. McGill Esq. Fairport, New York, Bond Counsel, under existing law (1) interest on the Bonds is excluded from gross income of the owners thereof for federal income tax purposes and is not a specific preference item for purposes of the federal alternative minimum tax. No opinion is expressed regarding other federal tax consequences arising with respect to the Bonds. Interest on the Bonds is exempt from personal income taxes imposed by the State of New York or any political subdivision thereof (including The City of New York). See the caption "TAX MATTERS" herein.

The Bonds will be designated "qualified tax-exempt obligations" pursuant to Section 265(b)(3) of the Code.

$1,730,000
STAMFORD CENTRAL SCHOOL DISTRICT
DELAWARE COUNTY, NEW YORK

$1,730,000 School District (Serial) Bonds, 2020
(referred to herein as the “Bonds”)

Dated: December 23, 2020 | **Due: June 15, 2022-2036**

MATURITIES
CUSIP BASE #: 852703

Year	Amount	Rate	Yield	CSP	Year	Amount	Rate	Yield	CSP	Year	Amount	Rate	Yield	CSP
2022	$ 105,000	1.000%	0.3500	HK6	2027	$ 110,000	1.125%	0.7000	HQ3	2032*	$ 120,000	1.250%	1.2500	HV2
2023	105,000	1.000%	0.4000	HL4	2028	110,000	1.125%	0.8000	HR1	2033*	125,000	1.500%	1.3500	HW0
2024	105,000	1.000%	0.4500	HM2	2029*	115,000	1.125%	0.9000	HS9	2034*	125,000	2.000%	1.4000	HX8
2025	105,000	1.000%	0.5000	HN0	2030*	120,000	1.125%	1.0000	HT7	2035*	125,000	2.000%	1.5000	HY6
2026	110,000	1.100%	0.6000	HP5	2031*	120,000	1.125%	1.1250	HU4	2036*	130,000	2.000%	1.6000	HZ3

* The Bonds maturing in the years 2029-2036 are subject to redemption prior to maturity. See “DESCRIPTION OF THE BONDS – Optional Redemption” herein.

The scheduled payment of principal of and interest on the Bonds when due will be guaranteed under an insurance policy to be issued concurrently with the delivery of the Bonds by **ASSURED GUARANTY MUNICIPAL CORP.**

ASSURED GUARANTY MUNICIPAL

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

The Bonds will be issued as registered bonds and, when issued, will be registered in the name of Cede & Co., as nominee of the Depository Trust Company (“DTC”), which will act as securities depository for the Bonds. Individual purchases will be made in book-entry form only, in the principal amount of $5,000 each or integral multiples thereof. Purchasers will not receive certificates representing their ownership interest in the Bonds. Interest on Bonds will be payable on June 15, 2021, December 15, 2021 and semi-annually thereafter on June 15 and December 15 in each year until maturity (or early redemption). Principal and interest will be paid by the District to DTC, which in turn remit such principal and interest to its participants, for subsequent distribution to the beneficial owners of the Bonds, as described herein. See “BOOK-ENTRY-ONLY-SYSTEM” herein. The Bonds may not be converted into coupon bonds or be registered to bearer.

The Bonds are offered when, as and if issued and received by the purchaser and subject to the receipt of an unqualified legal opinion as to the validity of the Bonds of Timothy R. McGill Bond Counsel, Fairport, New York. It is anticipated that the Bonds will be available for delivery through the facilities of DTC in Jersey City, New Jersey, or as otherwise may be agree upon with the purchaser, on or about December 23, 2020.

December 9, 2020

The School District is unable to identify and state herein all of the direct or indirect effects, if any, of the COVID-19 pandemic on the School District or on the fair market value, at any time, of the Bonds.

THE REVISED COVER SUPPLEMENTS THE OFFICIAL STATEMENT OF THE DISTRICT DATED NOVEMBER 30, 2020 RELATING TO THE OBLIGATIONS THEREOF DESCRIBED THEREIN AND HEREIN BY INCLUDING CERTAIN INFORMATION OMITTED FROM SUCH OFFICIAL STATEMENT IN ACCORDANCE WITH SECURITIES AND EXCHANGE COMMISION RULE 15c2-12. OTHER THAN AS SET FORTH ON THE REVISED COVER, THE REVISION OF THE “BOND RATING” SECTION, REVISION OF THE ”MISCELLANEOUS” SECTION, THE TABLE OF CONTENTS, THE DATED DATE ON PAGE 41, AND THE INCLUSION OF APPENDIX E, THERE HAVE BEEN NO REVISIONS TO SAID OFFICIAL STATEMENT.

ROOSEVELT & CROSS, INC. AND ASSOCIATES

STAMFORD CENTRAL SCHOOL DISTRICT
DELAWARE AND SCHOHARIE COUNTIES, NEW YORK

School District Officials

2020-21 BOARD OF EDUCATION

Ellen Hager - President
Darby Hartwell - Vice President

James Eklund
Catherine Snyder
Ed Stammel

Dr. Glen A. Huot – Superintendent of Schools
Donna Bright – Manager/Treasurer
Laurel Hatch – School District Clerk

School District Attorney

Hogan, Sarzynski, Lynch, Surowka & DeWind, LLP

BOND COUNSEL

Timothy R. McGill, Esq.

MUNICIPAL ADVISOR

R. G. Timbs, Inc.

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

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PREPARED WITH THE ASSISTANCE OF:

R. G. Timbs, Inc

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OFFICIAL STATEMENT

of the

STAMFORD CENTRAL SCHOOL DISTRICT
DELAWARE COUNTY, NEW YORK
Relating To
$1,730,000 School District (Serial) Bonds, 2020

This Official Statement, which includes the cover page, has been prepared by the Stamford Central School District, Delaware County, New York (the "District) in connection with the sale by the District of $1,730,000 aggregate principal amount of School District (Serial) Bonds, 2020 (herein referred to as the "Bonds").

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

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

Nature of the Obligation

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

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

The Bonds will be general obligations of the District and will contain a pledge of the faith and credit of the District for the payment of the principal thereof and the interest thereon as required by the Constitution and laws of the State. For the payment of such principal and interest, the District has power and statutory authorization to levy ad valorem taxes on all real property within the District subject to such taxation by the District, 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 Bonds and is required to raise real estate taxes, and without specification, other revenues, if such levy is necessary to repay such indebtedness. While the Tax Levy Limitation Law imposes a statutory limitation on the District's power to increase its annual tax levy, with the amount of such increase limited by the formulas set forth in the Tax Levy Limitation Law, it also provides the procedural method to surmount that limitation. See "TAX LEVY LIMITATION LAW" herein.

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

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

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

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

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

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

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

Description of the Bonds

The Bonds are general obligations of the District, and will contain a pledge of its faith and credit for the payment of the principal of and interest on the Bonds as required by the Constitution and laws of the State of New York (State Constitution, Art. VIII, Section 2; Local Finance Law, Section 100.00). All the taxable real property within the District is subject to the levy of ad valorem taxes to pay the Bonds and interest thereon, without limitation as to rate or amount.

The Bonds will be dated December 23, 2020 and mature in the principal amounts and on the dates as set forth on the cover page. The Bonds are subject to redemption prior to maturity as described herein under the heading "Optional Redemption" hereunder. The "Record Date" of the Bonds will be the last business day of the calendar month preceding each such interest payment date.

The Bonds will be issues as registered bonds and, when issued will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York, which will act as Securities Depository for the Bonds. Individual purchases will be made in book-entry only form, in the principal amount of $5,000 or integral multiples thereof. Purchasers will not receive certificates representing their ownership interest in the Bonds. Principal and Interest will be paid by the District to the Securities Depository, which will in turn remit such principal and interest to its Participants for subsequent distribution to the Beneficial Owners of the Bonds, as described herein. The Bonds bear interest from December 23, 2020, with interest thereon payable on June 15, 2021 and semi-annually thereafter on December 15 and June 15.

Optional Redemption

The Bonds maturing on or before June 15, 2028 will not be subject to redemption prior to maturity. The Bonds maturing on or after June 15, 2029 will be subject to redemption prior to maturity as a whole or in part (selected at random if less than all of a maturity is to be redeemed) at the option of the District on June 15, 2028 or any date thereafter at par (100%), plus accrued interest to the date of redemption.

If less than all of the Bonds of any maturity are to be redeemed, the particular Bonds of such maturity to be redeemed shall be selected by the District at random (by lot or in any other customary manner of selection as determined by the President of the Board of Education). Notice of such call for redemption shall be given by mailing such notice to the registered owners of the Bonds not more than sixty (60) days nor less than thirty (30) days prior to such date. Notice of redemption having been given as aforesaid, the Bonds so called for redemption shall, on the date for redemption set forth in such call for redemption, become due and payable, together with interest to such redemption date, and interest shall cease to be paid thereon after such redemption date.

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Purpose and Authorization

The Bonds are issued pursuant to the Constitution and statutes of the State of New York, including among other things, the Education Law and Local Finance Law, and pursuant to a bond resolution that was adopted by the Board of Education of the District on June 1, 2020 authorizing the issuance of $1,730,000 serial bonds of the District to finance the reconstruction of District buildings and facilities. This will be the first borrowing against the authorization.

Book-Entry Only System

The Depository Trust Company ("DTC"), New York, NY, will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC.

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, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com and www.dtc.org.

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

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

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

Principal and interest payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the District, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC or the District, subject to any statutory or regulatory requirements as may be in effect from time to time. Principal and interest payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the District, disbursement of such payments to Direct Participants will be the responsibility of

DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

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

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

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

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

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

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

Certificated Bonds

In the event the book-entry-only system is discontinued the following provisions will apply: The Bonds will be issued registered form in denominations of $5,000 each or integral multiples thereof for any single maturity. Principal of the Bonds when due will be payable upon presentation at the office of a bank or trust company located and authorized to do business in the State of New York to be named as fiscal agent by the District upon termination of the book-entry-only system. Interest on the Bonds will remain payable on June 15, 2021, December 15, 2021 and semi-annually thereafter on June 15 and December 15, in each year to maturity. Interest on the Bonds will be payable by check or draft mailed by the fiscal agent to the registered owners of the Bonds, as shown on the registration books of the District maintained by the fiscal agent as of the close of business on the Record Date, being the last day of business day of the calendar month preceding each interest payment date. Bonds may be transferred or exchanged at no cost to the registered owner for Bonds of the same maturity or any other authorized denomination or denominations in the same aggregate principal amount in the manner described on the Bonds and as referenced in certain proceedings of the District referred to therein.

THE SCHOOL DISTRICT

General Information

The School District covers approximately 50 square miles in the Towns of Harpersfield, Kortright, Roxbury and Stamford in Delaware County and the Towns of Gilboa and Jefferson in Schoharie County, New York. The school building is located in the Village of Stamford.

The School District is served by New York State Routes 23 and 10. Bus Service and limited air transportation are available in Oneonta. Larger commercial air transportation is available in Albany, which is located approximately 60 miles northeast of the School District.

The Village of Stamford operates a public water system, while the surrounding area is supplied by private systems. Public utilities which service the area include New York State Electric & Gas Corporation and Verizon New York Inc. Police protection is provided by the Delaware County Sheriff's Department and the New York State Police. Fire protection and ambulance service are provided by volunteer units.

The School District provides public education for grades PreK-12. Opportunities for higher education are available at Oneonta College, as well as in the Albany area.

Commercial services are available in the Village of Stamford. Banking services are provided by Wayne Bank.

District Population

The 2018 population of the District is estimated to be 2,526. (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 include the District are the Towns and Counties listed below. The Figures set below with respect to such Towns, Counties and State are included for information only. It should not be inferred from the inclusion of such data in this Official Statement that the Towns, Counties or State are 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:						
Harpersfield	18,863	21,844	$27,413	37,446	57,917	59,313
Kortright	15,107	20,090	29,967	37,784	50,096	69,125
Roxbury	20,177	24,002	32,349	40,721	63,233	61,613
Stamford	17,546	21,255	24,608	42,941	53,102	53,893
Gilboa	18,561	27,275	33,814	38,214	61,719	71,719
Jefferson	19,569	24,956	27,627	43,269	49,934	60,139
Village Of:						
Stamford	18,012	18,293	22,730	38,864	43,894	53,618
County Of:						
Delaware	17,357	22,928	26,629	39,695	53,590	61,863
Schoharie	17,778	25,105	28,712	43,118	61,828	67,979
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 Survey data.

District Facilities

Name	Grades	Year Built	Current Maximum Capacity	Date of Last Addition or Alteration
Building No. 2	N/A	1961	0	2009
Main School Building	K-12	1936	850	2017

Source: District Officials

District Employees

The School District employs 76 full-time employees and 2 part-time employees. The number of members, the collective bargaining units which represent them and their current contract expiration dates are as follows:

Bargaining Unit	Employees	Expiration Date
Stamford Teacher's Association	32	6/30/2021
Stamford Central School District Staff Association	31	6/30/2021

Historical and Projected Enrollment

Fiscal Year	Actual	Fiscal Year	Projected
2016-17	307	2021-22	275
2017-18	307	2022-23	275
2018-19	283	2023-24	275
2019-20	285	2024-25	275
2020-21	275	2025-26	275

Source: District Officials

Employee Pension Benefits

All non-teaching and non-certified administrative employees of the District eligible for pension or retirement benefits under the Retirement and Social Security Law of the State of New York are members of the New York and Local Employees' Retirement -System ("ERS"). Teachers and certified administrators are members of the New York State Teachers' Retirement System ("TRS"). Payments to TRS are deducted from the School District's State aid payments. Both the ERS and the TRS (together, the "Retirement Systems") are non-contributory with respect to members hired prior to July 27, 1976. Other than those in Tier V and Tier VI, all members hired on or after July 27, 1976 with less than 10 years of service must contribute 3% of their gross annual salary toward the cost of retirement programs.

On December 10, 2009, pension reform legislation was signed into law that created a new Tier V pension level. 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 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.

Members of the TRS have a separate Tier V benefit structure that will achieve equivalent savings as other civilian public employees. It includes:

• Raising the minimum age an individual can retire without penalty from 55 to 57 years.

• Contributing 3.5% of their annual wages to pension costs rather than 3% and continuing this increased contribution so long as they accumulate additional pension credits.

• Increasing the 2% multiplier threshold for final pension calculations from 20 to 25 years.

In accordance with constitutional requirements, Tier V applies only to public employees hired after December 31, 2009 and before April 2, 2012.

On March 16, 2012, legislation was signed into law that created a new Tier VI pension program. The Tier VI plan only applies to those employees hired on or after April 1, 2012. The new pension tier has progressive contribution rates between 3% to 6% of salary; it increases the retirement age for new employees from 62 to 63 and includes provisions allowing early retirement with penalties. Under previous tiers, there was no limit to the number of public employers a public employee worked for from which retirement benefits could be calculated. Tier VI permits only two salaries to be included in the calculation. The pension multiplier for Tier VI is 1.75% for the first 20 years of service and 2% thereafter; Vesting will occur after 10 years of service. The final average salary is based on a five-year average instead of the previous Tiers' three-year average. Pension eligible overtime for civilian and non-uniformed employees will be capped at $15,000, indexed for inflation. For uniformed employees outside of New York City, the cap is set at 15% of base pay. The number of sick and leave days that can be applied toward retirement service credit is reduced from 200 to 100. The legislation includes an optional defined contribution plan for new non-union employees with annual salaries of $75,000 or more. The State is required to fund any pension enhancements on an ongoing basis. This is a potential future cost savings for local governments.

The District is required to contribute at an actuarially determined rate. The actual contribution for the last five years and the budgeted figures for the 2020-21 fiscal years are as follows:

Fiscal Year	ERS	TRS
2015-2016	$118,740	$377,454
2016-2017	112,780	320,818
2017-2018	121,411	299,024
2018-2019	115,424	231,649
2019-2020	117,466	253,941
2020-2021 (Budgeted)	136,961	243,860

Source: District records

Retirement Incentive Program – 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 does not currently 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 (2017 to 2021) is show below:

Fiscal Year	ERS	TRS
2016-2017	15.5	11.72
2017-2018	15.3	9.80
2018-2019	14.9	10.62
2019-2020	14.6	8.86
2020-2021	14.6	9.53

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

Chapter 57 of the Laws of 2010 (Part TT) amended the Retirement and Social Security Law to authorize participating employers, if they so elect, to amortize an eligible portion of their annual required contributions to ERS when employer contribution rates rise above certain levels. The option to amortize the eligible portion began with the annual contribution due February 1, 2011. The amortizable portion of an annual required contribution is based on a "graded" rate by the State Comptroller in accordance with formulas provided in Chapter 57. Amortized contributions are to be paid in equal annual installments over a ten-year period; but may be prepaid at any time. Interest is to be charged on the unpaid amortized portion at a rate to be determined by 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 12.5% for TRS. The pension contribution rates under this program would reduce near-term payments for employers; but will require higher than normal contributions in later years.

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

The State's 2019-2020 Enacted Budget will allow school districts in the State to establish a reserve fund for the purpose of funding/offsetting the cost of TRS contributions. School districts may pay into such 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. As of the date of this Official Statement, the District has established a TRS Reserve, but it is not yet funded.

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

Other Post-Employment Benefits

The District provides post-retirement healthcare benefits to various categories of former employees. These costs may be expected to rise substantially in the future. School districts and Boards of Cooperative Educational Services, unlike other municipal units of government in the State, have been prohibited from reducing retiree health benefits 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 - refers to "other post-employment benefits," meaning other than pension benefits. OPEB consists 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 - requires municipalities and school districts to account for OPEB liabilities much like they already account for pension liabilities, generally adopting the actuarial methodologies used for pensions, with adjustments for the different characteristics of OPEB and the fact that most municipalities and school districts have not set aside any funds against this liability. However, GASB 75 also addresses certain circumstances in which a non-employer entity provides financial support for OPEB of employees of another entity and requires: (a) explanations of how and why the OPEB liability changed from year to year (b) amortization and reporting of deferred inflows and outflows due to assumption changes, (c) use of a discount rate that takes into account resources of an OPEB plan and how they will be invested to maximize coverage of the liability (d) a single actual cost method and (e) immediate recognition of OPEB expense and effects of changes to benefit terms.

Under GASB 75, a total OPEB liability is determined for each municipality or school district. A net change in the total OPEB Liability is calculated as the sum of changes for the year including service cost, interest, difference between expected and actual experience, changes in benefit terms, changes in assumptions or other inputs, less the benefit payments made by the School District for the year.

Based on the most recent actuarial valuation dated June 30, 2020 and financial data as of June 30, 2020, the School District's beginning year total OPEB liability was $20,032,441, the net change for the year was $11,459,386 resulting in a total OPEB liability of $31,491,827 for a fiscal year ending June 30, 2020. The aforementioned liability is recognized and disclosed in accordance with GASB 75 standards in the School District's June 30, 2020 financial statements.

The total OPEB liability is required to be determined through an actuarial valuation every two years, at a minimum. However, OPEB plans with fewer than 100 members may use an alternative measurement method in place of an actuarial valuation. Additional information about GASB 75 and other accounting rules applicable to municipalities and school districts may be obtained from GASB.

There is no authority in current State law to establish a trust account or reserve fund for this liability. While State Comptroller Thomas P. DiNapoli proposed a bill in April of 2015 that would create an optional investment pool to help local governments fund their OPEB liabilities, such legislation has not advanced past the committee stage.

The School District's total OPEB liability is expected to increase. As is the case with most municipalities, this is being handled by the School District on a "pay-as-you-go" basis. Substantial future increases could have a material adverse impact upon the School District's finances and could force the School District to reduce services, raise taxes or both.

Major Employers

Name	Nature of Business	Estimated Number of Employees
Robinson Terrace	Senior Living/Nursing Home	256
Stamford Central School District	Education	88
Audiosears, Inc.	Electronics Manufacturer	50
Catskill Craftsmen, Inc.	Wood Furniture Manufacturer	50
Wayne Bank	Banking	10

Source: District Officials

Unemployment Rate Statistics

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

Year	Delaware County Unemployment Rate	Schoharie County Unemployment Rate	New York State Unemployment Rate	U.S. Unemployment Rate
2015	6.0%	5.8%	5.3%	5.3%
2016	5.5%	5.4%	4.9%	4.9%
2017	5.5%	5.5%	4.7%	4.4%
2018	4.8%	4.8%	4.1%	3.9%
2019	4.7%	4.7%	4.0%	3.7%

2020-21 Monthly Figures

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Delaware County	5.6%	5.4%	5.5%	12.5%	9.0%	9.1%	10.2%	7.6%	4.8%	N/A	N/A	N/A
Schoharie County	6.1%	5.9%	5.8%	11.8%	8.6%	9.2%	10.7%	7.7%	4.7%	N/A	N/A	N/A
New York State	4.1%	3.9%	4.2%	15.1%	14.2%	15.5%	16.0%	12.5%	9.4%	N/A	N/A	N/A

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

Investment Policy

Pursuant to the statutes of the State of New York, the School District is permitted to invest only in the following investments: (1) special time deposit accounts in, certificates of deposit issued by or a deposit placement program (as provided by statute) with 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) obligations issued pursuant to Local Finance Law Sections 24.00 (tax anticipation notes) or 25.00 (revenue anticipation notes) with approval of the State Comptroller, by any municipality, school district or district corporation other than the School District; and (6) in the case of the School District moneys held in certain reserve funds established pursuant to law, obligations issued by the School District. These statutes further require that all bank deposits, in excess of the amount insured under the Federal Deposit Insurance Act, be secured by a pledge of eligible securities, an eligible letter of credit or an eligible surety bond, as each such term is defined in the law, or satisfy the statutory requirements of the deposit placement program.

Consistent with the above statutory limitations, it is the School District's current policy to invest in: (1) certificates of deposit or time deposit accounts that are fully secured as required by statute, (2) obligations of the United States of America or (3) obligations guaranteed by agencies of the United States of America where the payment of principal and interest is guaranteed by the United States of America. In the case of obligations of the United States government, the School District may purchase such obligations pursuant to a written repurchase agreement that requires the purchased securities to be delivered to a third-party custodian.

Form of School Government

Subject to the provisions of the State Constitution, the School District operates pursuant to the Education Law, the Local Finance Law, other laws generally applicable to the School District, and any special laws applicable to the School District. Under such laws, there is no authority for the School District to have a charter or adopt local laws.

The legislative power of the School District is vested in the Board of Education (the "Board"). Each year an election is held within the School District to elect one or more members to the Board. The Board consists of five members with overlapping three-year terms. Therefore, as nearly as practicable, an equal number of members is elected to the Board each year.

During the first week in July of each year the Board meets for the purpose of reorganization. At that time an election is held within the Board to elect a President and Vice President and to appoint other School District officials.

Pursuant to the Local Finance Law, the President of the Board is the chief fiscal officer of the School District. However, certain of the financial management functions of the School District are the responsibility of the Superintendent and Business Manager.

Budgetary Procedures

Pursuant to the Education Law, the Board of Education of the School District annually prepares, a budget for the ensuing fiscal year. A public hearing on such budget is held not less than seven and not more than fourteen days prior to the vote. The Board of Education causes notice of such public hearing to be published four times beginning seven weeks prior to the vote. After the public hearing, but not less than six days prior to the budget vote, the School District must mail a school budget notice to all qualified voters which contains the total budgeted 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 budget 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 School District residents are eligible to participate.

Pursuant to Chapter 97 of the Laws of 2011 of the State of New York ("Chapter 97"), beginning with the 2012-13 fiscal year, if the proposed budget requires a tax levy increase that does not exceed the lesser of 2% (plus certain adjustments, if applicable) or the rate of inflation (the " Tax Cap"), then a majority vote is required for approval. If the proposed budget requires a tax levy increase that exceeds the Tax Cap, the budget proposition must include special language and a 60% vote is required for approval. Any separate proposition that would cause the School District to exceed the School District Tax Cap also must receive at least 60% voter approval.

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

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

Initially, the budget for the 2018-19 fiscal year was defeated by the voters on May 15, 2018 by a vote of 91 to 91. A re-vote took place June 19, 2018 and the budget was adopted by a vote of 115 to 58. The School District's 2018-19 budget remained within the School District 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 by a vote of 125 to 39. The School District's 2019-20 Budget remained within the School District Tax Cap imposed by Chapter 97 of the laws of 2011.

The budget for the 2020-21 fiscal year was adopted by the qualified voters on June 9, 2020 by a vote of 141 to 88. The School District's 2020-21 Budget remained within the School District Tax Cap imposed by Chapter 97 of the laws of 2011.

The State's 2018-19 Enacted Budget includes a school building-based budget approval review process. Beginning with the 2018-19 school year, any school district with at least four schools that receives at least 50% percent of its total revenue through State aid will be required to annually report its budgeted support for individual schools within the school district. The report must follow a format, to be developed by the State Division of Budget ("DOB") in consultation with SED. In 2019-20, this requirement will expand to all school districts with at least four schools, regardless of State aid. In 2020-21, the requirement will apply to all school districts in the State. This report will be due to the State by the beginning of the school year, and the State will have 30 days to respond. While DOB or SED will not formally approve a school district's school-based budget, DOB and SED will have authority to determine whether the information was provided in a timely and sufficient manner. The reporting must include demographic data, per pupil funding, source of funds and uniform decision rules regarding allocation of centralized spending to individual schools from all funding sources. Should either DOB or SED determine that a school district did not meet this requirement, the school district's State aid increase can be withheld for the applicable year until compliance is determined by DOB and SED. If either DOB or. SED determines that a school district has not properly complied, the school district will have 30 days to "cure" the problem. In the event the problem is not cured in 30 days, the city comptroller or chief financial officer, and in the event a school district located outside a city, the chief financial officer in the municipality where the school district is most located, will be authorized, at his or her discretion, to gather information and submit on behalf of the school district. Under this newly enacted legislation, the School District will be required to annually report its budgeted support for individual schools beginning with the 2020-21 fiscal year.

State Aid

The School District receives financial assistance from the State. In its adopted budget for the 2020-21 fiscal year, approximately 56.12% of the revenues of the School District are estimated to be received in the form of State aid. If the State should not adopt its budget in a timely manner, in any year, municipalities and school districts in the State, including the District, may be affected by a delay in the payment of State aid.

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

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

Potential Reductions in Federal Aid Received by the State - The State receives a substantial amount of Federal aid for education. Many of the policies that drive this Federal aid are subject to change under the current presidential administration and Congress. However, the State's current financial projections concerning Federal aid, and the assumptions on which they are based, are subject to revision as more information becomes available about the 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 may arise. 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 the potential fiscal impact of policies that may be processed 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 2020-2021 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.

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

State Aid History - The State's 2015-16 Budget contained a school aid increase of $1.4 billion that is tied to changes in the teacher evaluation and tenure process. School districts must obtain approval of their revised teacher evaluation plans by November 15, 2015 in order to receive their allotted increase in State aid.

The 2016-2017 State Budget included a school aid increase of $991 million over 2015-2016, $863 million of which consisted of traditional operating aid. In addition to full-funding of expense based aids ($408 million), the Enacted 20162017 State Budget included a $266 million increase in Foundation Aid and an $189 million restoration to the Gap Elimination Adjustment (the "GEA"). The majority of the remaining increase ($100 million) related to Community Schools Aid, a newly adopted aid category, to support school districts that wish to create community schools. Such funds may only be used for certain purposes such as providing health, mental health and nutritional services to students and their families.

The State's 2017-18 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's 2017-18 Budget continued to link school aid increases for 2017-18 and 2018-19 to teacher and principal evaluation plans approved by September 1 of the current year in compliance with Education Law Section 3012-d.

The State's 2018-19 Enacted Budget included nearly $1 billion in additional education funding, representing a 3.9% increase over 2017-18. Approximately $859 million of that increase was comprised of traditional public school aid, including increased Foundation Aid and full-funding of expense-based aids. Formula-based school aid was $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 now totals 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 2018-19 Enacted Budget guaranteed that all school districts received an increase in Foundation Aid over their 2017-18 levels. $50 million of the Foundation Aid increase "set aside" for certain school districts to fund community schools. The State's 2018-19 Enacted Budget fully funded all expense-based aid for 2018-19, including building, transportation, BOCES and special education aid. These categories serve as State reimbursements for school district expenses made in the prior year, based on school district specific aid ratios. A total of $240 million was approved for increases in all expense-based aids in 2018-19. The State 2018-2019 Enacted Budget continued to allow the Governor to reduce aid to school districts mid-year if receipts from the Federal government are less than what was expected.

The State's 2019-20 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 million. This increased funding is targeted to districts with failing schools and/or districts experiencing significant growth in English language learners. The 2019-20 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.

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

On August 20, 2020, The State Education Department released a notice based on the August 13, 2020 New York State Division of Budget's (the "DOB") Fiscal Year 2021 Quarterly State Budget Financial Plan Update, which states that, in the absence of Federal action since enactment of the Fiscal Year 2021 budget, DOB began withholding 20 percent of most local aid payments in June, and that all or a portion of these withholds may be converted to permanent reductions, depending on the size and timing of new Federal aid, if any. In July, DOB began approving General Support for Public Schools (GSPS) payments to school districts (including 3609-a General Aid, 3609-b Excess Cost

Aid, and 3609-d BOCES Aid payments) at 80% of the otherwise scheduled amounts. DOB's Updated Financial Plan includes $8.2 billion in recurring local aid reductions, and states that the earliest DOB expects to transmit a detailed aid-to-localities reduction plan to the Legislature is late in the second quarter of the State's Fiscal Year 2021, and that, in the absence of unrestricted Federal aid, DOB will continue to withhold a range of payments through the second quarter of FY 2021.

Source: NYS Dept. Of Education, State Aid Website. This source pertains only to the August 2020 updates detailed in the paragraph above.

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

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

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

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

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

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.

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

Fiscal Year	Total Revenues	Total State Aid	Percentage of Total Revenues Consisting of State Aid
2015-2016	$9,505,609	$5,318,077	55.95%
2016-2017	9,405,642	5,313,251	56.49
2017-2018	9,342,084	5,255,288	56.25
2018-2019	9,795,743	5,522,909	56.38
2019-2020	9,687,642	5,412,243	55.87
2020-2021 (Budgeted)	9,845,062	5,524,564	56.12

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

Fiscal Stress Monitoring

The New York State Comptroller has developed a Fiscal Stress Monitoring System ("FSMS") to provide independent information to District officials, taxpayers and policy makers regarding the various levels of fiscal stress under which the State's diverse school districts are operating.

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

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

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

Note: See the official website of the New York State Comptroller for more information on FSMS. Reference to websites implies no warranty of accuracy of information therein.

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 Stamford Central School District on July 1, 2016. The purpose of this audit was to evaluate the District’s financial management practices for the period July 1, 2014 through January 20, 2016

Key Findings:

- Over the five-year period ending June 30, 2015, the District’s unrestricted fund balance exceeded the 4 percent legal limit.
- None of the appropriated fund balance for the 2011-12 through 2015-16 fiscal years was used to finance operations.
- Restricted fund balances were significantly overfunded.

Key Recommendations:

- Develop a plan to reduce the amount of unrestricted fund balance in a manner than benefits District residents.
- Discontinue the practice of adopting budgets with the appropriation of unexpended surplus funds that will not be used.
- Review all reserve balances and transfer excess funds to unrestricted fund balance, where allowed by law, or other reserves in compliance with statutory directives.

A copy of the complete report and the District’s response can be found by visiting the Audits of Local Governments section of the Office of the State Comptroller website:

http://www.osc.state.ny.us/localgov/audits/schools/2016/stamford.htm

There are no State Comptroller’s audits of the District that are currently in progress or pending release.

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

Other Information

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

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

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

Other than "Estimated Calculation of Overlapping Indebtedness", this Official Statement does not include the financial data of any other political subdivisions of the State having power to levy taxes within the District.

Financial Statements

The District retains an independent Certified Public Accountant, whose most recent report covers the period ended June 30, 2020 and may be found attached hereto as Appendix B.

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

Tax Information

Assessed and Full Valuations

	2017	2018	2019	2020	2021
Assessed Valuations:					
Harpersfield	$ 26,452,368	$ 26,477,174	$ 26,561,866	$ 27,755,287	$ 27,842,739
Kortright	16,404,790	16,309,807	16,120,215	16,316,942	16,503,002
Roxbury	2,357,209	2,366,922	2,384,573	2,422,412	2,558,824
Stamford	12,035,575	11,980,399	12,325,412	12,613,059	12,721,177
Gilboa	614,395	615,676	617,629	620,265	624,569
Jefferson	10,770,231	10,734,458	10,696,450	10,738,766	10,818,990
Total	$ 68,634,568	$ 68,484,436	$ 68,706,145	$ 70,466,731	$ 71,069,301
Equalization Rates:					
Harpersfield	28.50%	28.50%	28.50%	27.85%	27.50%
Kortright	100.00%	100.00%	100.00%	100.00%	100.00%
Roxbury	100.00%	100.00%	100.00%	100.00%	100.00%
Stamford	26.40%	26.40%	26.00%	26.40%	25.60%
Gilboa	1.92%	2.30%	2.26%	2.16%	2.11%
Jefferson	60.00%	58.00%	56.00%	53.00%	53.00%
Full Valuations:					
Harpersfield	$ 92,815,326	$ 92,902,365	$ 93,199,530	$ 99,659,917	$ 101,246,324
Kortright	16,404,790	16,309,807	16,120,215	16,316,942	16,503,002
Roxbury	2,357,209	2,366,922	2,384,573	2,422,412	2,558,824
Stamford	45,589,299	45,380,299	47,405,431	47,776,739	49,692,098
Gilboa	31,999,740	26,768,522	27,328,717	28,715,972	29,600,427
Jefferson	17,950,385	18,507,686	19,100,804	20,261,823	20,413,189
Total	$ 207,116,749	$ 202,235,601	$ 205,539,269	$ 215,153,805	$ 220,013,863

Tax Rate per $1,000 Assessed Value

Fiscal Year Ending June 30:

	2017	2018	2019	2020	2021
Harpersfield	$ 59.33	$ 60.88	$ 61.27	$ 61.65	$ 63.01
Kortright	16.91	17.35	17.46	17.17	17.33
Roxbury	16.91	17.35	17.46	17.17	17.33
Stamford	64.05	65.72	67.16	65.03	67.69
Gilboa	880.73	754.35	772.63	794.82	821.25
Jefferson	28.18	29.91	31.18	32.39	32.70

Tax Collection Procedure

School taxes are due September 1. If paid by September 30, no penalty is imposed. There is a 2% penalty if paid by the end of October. On November 15, a list of all unpaid taxes is given to the Counties for re-levy on County/Town tax rolls. The School District is reimbursed by the Counties for all unpaid taxes the first week of April in each year and is thus assured of 100% collection of its annual levy.

Tax Collection Record

Fiscal Year Ended June 30:	2017	2018	2019	2020	2021*
General Fund Tax Levy	$3,457,494	$3,509,043	$3,588,998	$3,693,803	$3,812,483
Library Tax Levy	45,000	45,000	45,000	45,000	45,000
Less STAR Reimbursement	477,366	472,309	464,029	440,744	418,422
Adjustments	(2,016)	(3)			
Total Taxes to be Collected	3,023,112	3,081,731	3,169,969	3,298,059	3,439,062
Taxes Collected Prior to Return to County	2,660,881	2,720,699	2,739,707	2,881,733	3,086,799
Returned to County	$362,231	$361,033	$430,262	$416,326	$352,263
% Collected Prior to Return	88.02%	88.28%	86.43%	87.38%	89.76%

Note: * Collection information is as of November 12, 2020

Real Property Tax Revenues

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

Fiscal Year	Total Revenues	Total Real Property Taxes	Percentage of Total Revenues Consisting of Real Property Taxes
2015-2016	9,505,609	2,973,336	31.28
2016-2017	9,405,642	2,978,139	31.66
2017-2018	9,342,084	3,036,219	32.50
2018-2019	9,795,743	3,122,343	31.87
2019-2020	9,687,642	3,253,059	33.57
2020-21 (Budgeted)	9,845,062	3,812,483	38.72

Source: Audited financial statements for the 2015-16 fiscal year through 2019-20 fiscal year and the adopted budget of the District for the 2020-2021 fiscal year. This table is not audited

Major Taxpayers 2020

For 2020-21 Tax Roll

Name	Type	Full Value
NYSEG	Utility	$5,838,700
Eklund Farm Machinery, Inc.	Agriculture	4,458,026
28652 State Highway 23, LLC	Health Facilities	3,233,100
One Buntline Drive, LLC	Assisted Living	2,475,000
SW-ANGLE Assoc. LLC	Real Estate	2,341,800
City of New York	State Land	1,802,721
Alto Costa Farms	Agriculture	1,432,200
NYS Electric & Gas Corp.	Utility	1,316,408
Catskill Craftsman Inc.	Manufacturer-Furniture	1,246,000
Hager Hill, LLC	Agriculture	1,054,500
Total		$25,198,455

1. The above taxpayers represent 11.45 % of the School District's 2020-21 Full value of $220,013,863

As of the date of this Continuing Disclosure Statement, the District does not currently have any pending or outstanding tax certioraris that are known to have a material impact on the District.

General Fund Operations

District finances are operated primarily through its General Fund. All taxes and most other revenues are paid into this fund and all current operating expenditures are made from it. (A statement of such revenues and expenditures for the five-year period ending June 30, 2020 is contained in the Appendices). As reflected in the Appendices, the District derives the bulk of its annual revenues from a tax on real property and from State aid. Capital improvements are generally financed by the issuance of bonds and bond anticipation notes.

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 receive full reimbursement from the State for real property taxes exempted pursuant to the STAR program.

Homeowners over 65 years of age with household adjusted gross incomes, less the taxable amount of total distributions from individual retirement accounts and individual retirement annuities ("STAR Adjusted Gross Income") of $88,050 or less in 2020, increased annually according to a cost of living adjustment, are eligible for a "full value" exemption of the first $68,700 for the 2019-20 school year (adjusted annually). Other homeowners with household STAR Adjusted Gross income not in excess of $250,000 ($500,000 in the case of a STAR credit, as discussed below) are eligible for a $30,000 "full value" exemption on their primary residence.

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

The 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.

Real Property Tax Rebate

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 was 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 was additionally contingent upon adoption by the school district or municipal unit of a state approved "government efficiency plan" which demonstrated "three year savings and efficiencies of at least one per cent per year from shared services, cooperation agreements and/or mergers or efficiencies".

Municipalities, school districts and independent special districts must have provided 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 did not directly further restrict the taxing power of the affected municipalities, school districts and special districts, they did 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 and was signed into law by the Governor on June 26, 2015. The program began in 2016 and was fully phased in 2019.

Tax Levy Limitation Law

On June 24, 2011, Chapter 97 of the Laws of 2011 was signed into law by the Governor. The Tax Levy Limit Law modifies current law by imposing a limit on the amount of real property taxes that a school district may levy. The Law affected school district tax levies for the school district fiscal year beginning July 1, 2012.

Prior to the enactment of the Law, there was no statutory limitation on the amount of real property taxes that a school district could levy 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").

The Tax Levy Limit Law requires that a school district hereafter submit its proposed tax levy (not its proposed budget) to the voters each year, and imposes a limitation on the amount of tax levy growth from one fiscal year to the next. Such limitation is the lesser of (i) 2% or (ii) the annual percentage increase in the CPI, as described in the Law. Tax levies that do not exceed such limit will require approval by at least 50% of the voters. Approval by at least 60% of the voters will be required for a tax levy in excess of the limit. In the event the voters reject the tax levy, the school district's tax levy for the ensuing fiscal year may not exceed the amount of the tax levy for the prior fiscal year, without any stated exceptions.

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

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

On February 20, 2013, the New York State United Teachers ("NYSUT") and several individuals filed a lawsuit in State Supreme Court 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 State Supreme Court dismissed each of NYSUT's causes of action but granted NYSUT's motion to amend the complaint. After the ruling, NYSUT amended its complaint to include a challenge to the Real Property Tax Rebate, also on Federal and State constitutional grounds. On March 16, 2015, all causes of action contained in the amended complaint were dismissed. On May 5, 2016, the dismissal was upheld by the New York Supreme Court, Appellate Division, Third Judicial Department to dismiss the complaint. An additional appeal by NYSUT was dismissed on October 20, 2016 by the Court of Appeals, New York's highest court, on the grounds that no substantial constitutional question was directly involved, and thereafter, leave to appeal was denied on January 14, 2017 by the Court of Appeals.

STATUS OF INDEBTEDNESS

Constitutional Requirements

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

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

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

Payment and Maturity. Except for certain short-term indebtedness contracted in anticipation of taxes or to be paid within three fiscal year periods, indebtedness shall be paid in annual installments commencing no later than two years after the date such indebtedness shall have been contracted and ending no later than the expiration of the period of probable usefulness of the object or purpose as determined by statute; unless substantially level or declining annual debt service is utilized, no installment maybe 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.

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.

STATUS OF INDEBTEDNESS

Debt Outstanding End of Fiscal Year

Fiscal Year Ending June 30:	2016	2017	2018	2019	2020
Serial Bonds	$ 2,610,000	$ 2,365,000	$ 2,484,000	$ 2,210,000	$ 1,935,000
Total Debt Outstanding	$ 2,610,000	$ 2,365,000	$ 2,484,000	$ 2,210,000	$ 1,935,000

Status of Outstanding Bond Issues

Year of Issue:	2016		2017	
Amount Issued:	$2,170,000		$364,000	
Purpose/Instrument:	Construction/Refunding Serial Bond		Construction/Serial Bond	
Fiscal Year Ending June 30:	Principal	Interest	Principal	Interest
2021	265,000	63,225	20,000	10,669
2022	270,000	57,925	20,000	10,044
2023	280,000	44,425	20,000	9,419
2024	295,000	30,425	20,000	8,769
2025	50,000	15,675	25,000	8,119
2026	50,000	14,425	25,000	7,306
2027	50,000	13,050	25,000	6,494
2028	55,000	11,550	25,000	5,681
2029	55,000	9,900	25,000	4,869
2030	60,000	8,181	25,000	4,056
2031	55,000	6,231	25,000	3,244
2032	60,000	4,375	25,000	2,419
2033	65,000	2,275	30,000	1,575
2034	-	-	15,000	525
Totals:	$ 1,610,000	$ 281,663	$ 325,000	$ 83,188

Total Annual Bond Principal and Interest Due

Fiscal Year Ending June 30:	Principal	Interest	Total Debt Service	%Paid
2021	285,000	73,894	358,894	15.61%
2022	290,000	67,969	357,969	31.17%
2023	300,000	53,844	353,844	46.56%
2024	315,000	39,194	354,194	61.96%
2025	75,000	23,794	98,794	66.25%
2026	75,000	21,731	96,731	70.46%
2027	75,000	19,544	94,544	74.57%
2028	80,000	17,231	97,231	78.80%
2029	80,000	14,769	94,769	82.92%
2030	85,000	12,238	97,238	87.15%
2031	80,000	9,475	89,475	91.04%
2032	85,000	6,794	91,794	95.03%
2033	95,000	3,850	98,850	99.32%
2034	15,000	525	15,525	100.00%
Totals:	$ 1,935,000	$ 364,850	$ 2,299,850	

Schedule of Principal Payments – Outstanding and Proposed Bonds

Fiscal Year Ending June 30:	Prior Issues	This issue	Total Maturing Principal	Year-End Outstanding Principal
2021	285,000	0	285,000	3,380,000
2022	290,000	95,000	385,000	2,995,000
2023	300,000	95,000	395,000	2,600,000
2024	315,000	100,000	415,000	2,185,000
2025	75,000	100,000	175,000	2,010,000
2026	75,000	105,000	180,000	1,830,000
2027	75,000	110,000	185,000	1,645,000
2028	80,000	110,000	190,000	1,455,000
2029	80,000	115,000	195,000	1,260,000
2030	85,000	120,000	205,000	1,055,000
2031	80,000	120,000	200,000	855,000
2032	85,000	125,000	210,000	645,000
2033	95,000	130,000	225,000	420,000
2034	15,000	130,000	145,000	275,000
2035		135,000	135,000	140,000
2036		140,000	140,000	0
Totals:	$1,935,000	$1,730,000	$3,665,000	

Status of Short-Term Indebtedness

The District does not currently have any outstanding short-term indebtedness.

Cash Flow Borrowings

The School District, historically, does not issue Tax Anticipation Notes or Revenue Anticipation Notes.

Capital Project Plans

On May 21, 2019, the District Voters approved a $2,500,000 Capital project consisting of replacement of the front facade. Construction began in April of 2020 and is estimated to be complete by December of 2021.

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

School Bus Borrowings

The District does not borrow funds for the purchase of buses. The District budgets to pay cash for their bus purchases.

Building Aid Estimate

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. The District has not applied for such estimate; but anticipates that aid may be received on its outstanding indebtedness at their Building Aid Ratio of 76.3%.

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.

A fundamental reform of building aid was enacted as Chapter 383 of the Laws of 2001. The provisions legislated, among other things, a new "assumed amortization" payout schedule for future State building aid payments based on an annual "average interest rate" and mandatory periods of probable usefulness with respect to the allocation of building aid. The School District has no reason to believe that it will not ultimately receive all of the building aid it anticipates, however, no assurance can be given as to when and how much building aid the School District will receive in relation to its outstanding debt. See "State Aid" herein.

Debt Statement Summary

As of November 30, 2020

Town	Taxable Assessed Valuation	State Equalization Rate	Taxable Full Valuation
Harpersfield	$ 27,842,739	27.50%	$ 101,246,324
Kortright	16,503,002	100.00%	16,503,002
Roxbury	2,558,824	100.00%	2,558,824
Stamford	12,721,177	25.60%	49,692,098
Gilboa	624,569	2.11%	29,600,427
Jefferson	10,818,990	53.00%	20,413,189
			$ 220,013,863
Debt Limit: 10% of Full Valuation			$ 22,001,386
Inclusions:			
Serial Bonds			$ 1,935,000
Total Inclusions:			$ 1,935,000
Exclusions:			
Building Aid Estimate [1]			$0
Total Exclusions:			$0
Total Net Indebtedness Before Giving Effect to This Issue:			$ 1,935,000
New Monies This Issue:			1,730,000
Total Net Indebtedness			$ 3,665,000
Net Debt Contracting Margin			$ 18,336,386
Percentage of Debt-Contracting Power Exhausted			16.66%

Notes:

1. Pursuant to the provisions of Chapter 760 of the Laws of New York State of 1963, the School District receives aid on existing building debt. Since the Gross Indebtedness of the School District is within the debt limit, the School District is not required to apply for a Building Aid Estimate and therefore is not permitted to deduct Estimated Building Aid

Estimated Overlapping Indebtedness

Overlapping Unit	Applicable Equalized Value	Percent	Gross Indebtedness [1]	Exclusions	Net Indebtedness	Estimated Applicable Overlapping Indebtedness
Delaware County	$ 170,000,247 $ 5,796,610,390	2.93%	$ 7,470,000	N/A	$ 7,470,000	$ 219,077
Schoharie County	$ 50,013,615 $ 2,233,830,894	2.24%	$ 43,975,000	N/A	$ 43,975,000	$ 984,564
Town of Harpersfield	$ 101,246,324 $ 143,213,365	70.70%	$ 140,000	N/A	$ 140,000	$ 98,975
Town of Kortright	$ 16,503,002 $ 159,309,763	10.36%	$ 196,380	N/A	$ 196,380	$ 20,343
Town of Roxbury	$ 2,558,824 $ 431,557,418	0.59%	$ 1,012,944	N/A	$ 1,012,944	$ 6,006
Town of Stamford	$ 49,692,098 $ 178,867,338	27.78%	$ -	N/A	$ -	$ -
Town of Gilboa	$ 29,600,427 $ 342,536,903	8.64%	$ -	N/A	$ -	$ -
Town of Jefferson	$ 20,413,189 $ 137,074,316	14.89%	$ 125,333	N/A	$ - $ 125,333	$ 18,665
Village of Stamford	$ 62,274,328 $ 62,274,328	100.00%	$ 3,100,580	N/A	$ 3,100,580	$ 3,100,580
Total						$ 4,448,209

Source: Comptroller's Special Report on Municipal Affairs for Local Fiscal Years Ended in 2019

Notes: Bonds and Bond Anticipation notes as of 2019 fiscal year. Not adjusted to include subsequent bond and note sales

N/A Information not available from source document

Debt Ratios

The following table sets forth certain ratios relating to the District's indebtedness as of November 30, 2020:

	Amount	Per Capita [a]	Percentage of Full Value [b]
Net Indebtedness	$ 3,665,000	$ 1,450.91	1.666%
Net Indebtedness Plus Net Overlapping Indebtedness	$ 8,113,209	$ 3,211.88	3.688%

(a) The District's estimated population is 2,526 (Source: 2018 U.S. Census Bureau estimate)
(b) The District's full valuation of taxable real estate for 2020-21 is $220,013,863

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

SPECIAL PROVISIONS AFFECTING REMEDIES UPON DEFAULT

In the event of a default in the payment of the principal of and/or interest on the Bonds, the State Comptroller is required to withhold, under certain conditions prescribed by Section 99-b of the State Finance Law, state aid and assistance to the District and to apply the amount thereof so withheld to the payment of such defaulted principal and/or interest, which requirement constitutes a covenant by the State with the holders from time to time of the Bonds. The covenant between the State of New York and the purchasers and the holders and owners from time to time of the notes and bonds issued by the school districts in the State for the 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, the State Comptroller shall promptly forward to each paying agent an amount in the proportion that the amount of such bonds in default payable to such paying agent bears to the total amount of the principal and interest then in default on such bonds of such school district. The State Comptroller shall promptly notify the chief fiscal officer of such school district of any payment or payments made to any paying agent or agents of defaulted bonds pursuant to said Section 99-b.

General Municipal Law Contract Creditors' Provision. Each Bond when duly issued and paid for will constitute a contract between the District and the holder thereof. Under current law, provision is made for contract creditors of the District to enforces 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 judgement or accrued claim against it on an amount adjudged due to a creditor shall not exceed nine per centrum per annum from the date due to the date of payment. This provision might be construed to have application to the holders of the Bonds in the event of a default in the payment of the principal of and interest on the Bonds.

Execution/Attachment of Municipal Property. As a general rule, property and funds of a municipal corporation serving the public welfare and interest have not been judicially subjected to execution or attachment to satisfy a judgement, although judicial mandates have been issued to officials to appropriate and pay judgements our of certain funds or the District may not be enforced to levy and execution against property owned by the District.

Authority to File for Municipal Bankruptcy. The Federal Bankruptcy Code allows public bodies, such a 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 or 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 VII, Section 2, the following provision relating to the annual appropriation of monies for the payment of due principal of an 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.

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 continuations 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 School has never defaulted in the payment of the principal of and interest on any indebtedness.

MARKET AND RISK FACTORS

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

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

The District relies in part on State aid to fund its operations. There can be no assurance that the State appropriations for State aid to school districts will be continued in futures 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 timelines of such payments may also be affected by a delay in the adoption of the State budget and other circumstances, including state fiscal stress. In any event, State aid appropriated and apportioned to the District can be paid only if the State has such monies available therefore.

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 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.

The enactment of the Tax Levy Limitation Law, which imposes a tax levy limitation upon municipalities, school districts and fire districts in the State, including the District could have an impact upon the market price of the Bonds.

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

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

CONTINUING DISCLOSURE COMPLIANCE

In order to assist the purchases 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 a Continuing Disclosure Undertaking, a description of which is attached hereto as "Appendix D".

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.

TAX MATTERS

In the opinion of Timothy R. McGill, Esq., Fairport, New York, Bond Counsel under existing law, interest on the Bonds is excluded from gross income of the owners thereof for Federal income tax purposes and is not a specific preference item for purposes of the federal alternative minimum tax. Interest on the Bonds is exempt from personal income taxes imposed by the State of New York or any political subdivision thereof (including the City of New York).

In rendering the foregoing opinions, Bond Counsel noted that exclusion of the interest on the Bonds from gross income for Federal income tax purposes is dependent, among other things, on compliance with the applicable requirements of the Code that must be met subsequent to the issuance and delivery of the Bonds for interest thereon to be and remain excluded from gross income for Federal income tax purposes. Non-compliance with such requirements could cause the interest on the Bonds to be included in gross income retroactive to the date of issuance of the Bonds. Those requirements include, but are not limited to, provisions that prescribe yield and other limits within which the proceeds of the Bonds are to be invested and require, under certain circumstances, that certain investment earnings on the foregoing to be rebated on a periodic basis to the Treasury Department of the United States of America. The District will covenant in the Tax Certificates as to Arbitrage and Use of Proceeds and Instructions as to Compliance with Provisions of Section 103(a) of the Code, that, to maintain the Code, and for no other purpose, the District shall comply with each applicable provision of the Code.

The Tax Increase Prevention and Reconciliation Act of 2005, enacted on May 17, 2006, contains a provision under which interest paid on tax-exempt obligations will be subject to information reporting in a manner similar to interest paid on taxable obligations. Although the new reporting requirement does not, in and of itself, affect the excludability of such interest from gross income for federal income tax purposes, the reporting requirement causes the payment of interest on the Bonds to be subject to backup withholding if such interest is paid to registered owners who either (a) fail to provide certain identifying information (such as the registered owner's taxpayer identification number) in the required manner or (b) have been identified by the IRS as having failed to report all interest and dividends required to be shown on their income tax returns. Amounts withheld under the backup withholding rules from a payment to beneficial owner would be allowed as a refund or a credit against such beneficial owner's federal income tax liability provided the required information is furnished to the IRS.

Bond Counsel also has advised that (1) with respect to certain insurance companies, the Code reduces the deduction for loss reserves for a portion of the sum of certain items, including interest on the Bonds; (2) interest on the Bonds earned by certain foreign corporations doing business in the United States could be subject to a branch profits tax imposed by the Code; (3) passive investment income, including interest on the Bonds, may be subject to Federal income taxation under the Code for certain Subchapter S corporations that have certain earnings and profits; (4) the Code requires recipients of certain Social Security and certain Railroad Retirement benefits to take into account, in the determining the taxability of such benefits, receipts or accruals of interest on the Bonds; and (5) under the Code, receipt of investment income, including interest on the Bonds, may disqualify the recipient thereof from obtaining the earned income tax credit.

A Bondholder's federal, state and local tax liability may otherwise be affected by the ownership of disposition of the Bonds. The nature and extent of these other consequences will depend upon the Bondholder's other item of income or deduction. Bond Counsel has expressed no option regarding any such tax consequences. Each purchaser of the Bonds should consult its tax advisor regarding the impact of the foregoing and other provisions of the Code on its individual tax position.

The Bonds will be designated "qualified tax-exempt obligations" pursuant to Section 265(b)(3) of the Code.

The opinion of Bond Counsel set forth above with respect to the Federal income tax treatment of interest paid on the Bonds is based upon the current provisions of the Code. Tax legislation, administrative actions taken by tax authorities and court decisions, whether at the federal or state level, may adversely affect the tax-exempt status of interest on the Bonds under federal or state law and could affect the market price for, or the marketability of, the Bonds. Prospective purchasers of the Bonds should consult their own tax advisers regarding the foregoing matters. Bond Counsel has not undertaken to advise.

LEGAL MATTERS

The legality of the authorization and issuance of the Bonds will be covered by the unqualified legal opinions of Timothy R. McGill Esq., Fairport, New York, Bond Counsel, each to the effect that the Bonds as the case may be, are valid and legally binding obligations of the District, that all the taxable real property therein will be subject to the levy of ad valorem taxes to pay the Bonds and the interest thereon without limitations as to rate or amount, the interest on the Bonds is excluded from gross income for federal income tax purposes and is not a specific preference item for purposes of the federal alternative minimum tax impose on individuals and that interest on the Bonds is exempt from personal income taxes imposed by New York State or any political subdivision thereof, including The City of New York. The opinion set forth in the preceding sentence is subject to the condition that the District comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be, or continue to be, excluded from gross income for federal income tax purposes. The District will covenant to comply with all such requirements. Failure to comply with all such requirements may cause interest of the Bonds to be included in gross income for federal income tax purposes retroactive to the date of issuance of the Bonds. Such opinion will state that (a) the rights of the owners of the Bonds and the enforceability of the Bonds may be limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally and by equitable principles, whether considered at law or in equity; (b) Bond Counsel expresses no opinion as to the accuracy, adequacy, or completeness of the Official Statement relating to the Bonds; and (c) such opinion is given as of its dated date and that Bond Counsel assumes no obligation to update or supplement their opinion to reflect any facts or circumstance that may thereafter come to their attention or any changes in law that may occur thereafter. In particular, no opinion is expressed, or may be inferred, with respect to the direct or indirect effect of the COVID-19 pandemic and the federal, state and local government and private industry responses thereto (i) on the financial condition of the School District, or (ii) on the market price and fair market value of the Notes at initial issuance or at any time thereafter.

The proposed form of such opinion is attached hereto as Appendix C.

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 its financial condition.

CYBERSECURITY

The District, like many other public and private entities, relies on technology to conduct its operations. As a recipient and provider of personal, private, or sensitive information, the District faces multiple cyber threats including, but not limited to hacking, viruses, malware and other attacks on computer and other sensitive digital networks and systems. To mitigate the risk of business operations impact and/or damage from cyber incidents or cyber-attacks, the District invests in various forms of cybersecurity and operation controls; however, no assurances can be given that such security and operational control measures will be completely successful to guard again cyber threats and attacks. The results of any such attack could impact business operations and/or damage District digital networks and systems and the costs of remedying any such damage could be substantial.

COVID —19

COVID-19. The outbreak of COVID-19 has affected education, travel, commerce and financial markets globally and is widely expected to affect economic growth worldwide. Pursuant to Executive Order, the District suspended on-site instruction effective March 16, 2020, which suspension was extended for the balance of the academic year.
The District commenced the first semester of the 2020-2021 school year with grades Pre-K through 8 attending in person, while grades 9-12 began the year remotely, returning to in-person instruction as of October 2020. The District continues to monitor and follow the guidelines as set forth by the Department of Health, CDC, and Executive Orders issued by Governor Andrew Cuomo.

Executive Order 202.68 issued by Governor Cuomo implemented a Cluster Action Initiative to address COVID-19 hotspots. Zones are designated as Red, Orange, or Yellow based on the rate of positivity for a 10 day period. Schools in a Red and Orange zones are required to close for at least two weeks, while schools in Yellow zones are required to conduct testing on 20% of the student and teacher population at least once per week. At this time the District has not been designated as a hotspot; but will follow the guidelines set forth under Executive order 202.68 as may become necessary.

The amount of State aid to the District is dependent in part upon the financial condition of the State. With no assurance of direct Federal aid and in awareness that collections from taxes and other receipts are likely to fall materially below the level needed to fund authorized disbursements, the State's 2020 Enacted Budget grants the Budget Director the authority to reduce aid to-localities appropriations and disbursements by any amount needed to achieve a balanced budget, as estimated by the New York State Division of the Budget. In addition, the Budget Director is authorized to withhold and reduce specific local aid payments during the fiscal year. (See "State Aid" herein for a description of the impact of COVID-19 on State Aid).

The degree of the impact of COVID-19 on the operations and finances of the District is extremely difficult to predict due to the dynamic nature of the COVID-19 outbreak, including uncertainties relating to its (i) duration, (ii) severity and (iii) ultimate geographic spread, as well as with regard to what actions may be taken by governmental authorities to contain or mitigate its impact. There can be no assurances that the spread of COVID-19 will not result in a delay and/or reduction in State aid paid to the District. Any delay or reduction in State aid payments to the District would have a negative impact on the District's finances and operations.

The District is monitoring the situation and will take such proactive measures as may be required to maintain its operations and meet its obligations. (See "State Aid" herein).

BOND RATING

S&P Global Ratings, a business unit of Standard & Poor's Financial Services LLC ("S&P") assigned a bond rating of "AA (stable outlook)", based upon the issuance by Assured Guaranty Municipal Corp. ("AGM") of its standard form of Municipal Bond Insurance Policy with respect to the Bonds at the time of delivery of the Bonds. (See "APPENDIX – E, BOND INSURANCE AND SPECIMEN POLICY" herein.)

S&P has assigned their underlying rating of "A+" with a stable outlook to the Bonds. No application was made to any other rating agency for the purpose of obtaining an additional rating on the Bonds. A rating reflects only the view of the rating agency assigning such rating. 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, ratings 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 Bonds.

MUNICIPAL ADVISOR

R.G. Timbs, Inc. 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 Bonds and has reviewed and commented on certain legal documents, including this Official Statement. The advice on the plan of financing and the structuring of the Bonds was based on materials provided by the District and other sources of information believed to be reliable. The Municipal Advisor has not audited, authenticated, or otherwise verified the information provided by the District or the information set forth in this Official Statement or any other information available to the District with respect to the appropriateness, accuracy, or completeness of disclosure of such information and no guarantee, warranty, or other representation is made by the Municipal Advisor respecting the accuracy and completeness of or any other matter related to such information and this Official Statement.

MISCELLANEOUS

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

Statements in the Official Statement and the documents included by specific reference, that are not historical facts are “forward-looking statements”, within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, and as defined in the Private Securities Litigation Reform Act of 1995, which involve a number of risks and uncertainties , and 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 document or oral presentation, the words “anticipate”, “ believe”, “intend”, “plan”, “foresee”, “likely”, “estimate”, “expect”, “objective”, “projection”, “forecast”, “goal”, “will”, or “should”, or similar words or phrases 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 representations of fact, and no representation is made that any of the statements will be realized. Neither this Official Statement nor any statement which may have been made verbally or in writing is to be construed as a contract with the holder of the Bonds.

Timothy R. McGill Esq., Fairport, New York, Bond Counsel to the District, expresses no opinion as to the accuracy or completeness of information in any document prepared by or on behalf of the District for use in connection with the offer and sale of the Bonds, including but not limited to, the financial or statistical information in this Official Statement.

AGM makes no representation regarding the Bonds or the advisability of investing in the Bonds. In addition, AGM has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Official Statement or any information or disclosure contained herein, or omitted herefrom, other than with respect to the accuracy of the information regarding AGM supplied by AGM and presented under the heading “BOND INSURANCE”.

References herein to the Constitution of the Sate and various State and federal laws are only brief outlines of certain provisions thereof and do purport to summarize or describe all of such provisions.

Concurrently with the delivery of the Bonds, the District will furnish a certificate to the effect that as of the date of the Official Statement, the Official Statement did not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements herein, in the light of the circumstance under which they were made, not misleading, subject to limitation as to information in the Official Statement obtained from sources other than the District, as to which no representation can be made.

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

R.G. Timbs, Inc. may place a copy of this Official Statement on its website at www.RGTimbsInc.net. 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. R.G. Timbs, 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 R.G. Timbs, Inc. assumes any liability or responsibility for errors or omissions on such website. Further, R.G. Timbs, 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

The District's contact information is as follows: Glen Huot, Superintendent, Phone (607) 652-7301 x 141, email: ghuot@stamfordcs.org.

Stamford Central School District

Dated: December 9, 2020
Stamford, New York

Ellen Hager
President of The Board of Education
and Chief Fiscal Officer

APPENDIX A

Financial Information

General Fund – Statement of Revenues, Expenditures and Fund Balance

Fiscal Year Ending June 30:	2016	2017	2018	2019	2020	Budget 2021	
Beginning Fund Balance - July 1	$4,166,474	$4,826,616	$5,272,091	$5,670,862	$5,941,421	$6,965,632	E
Revenues:							
Real Property Taxes	$2,973,336	$2,978,139	$3,036,219	$3,122,343	$3,253,059	$3,812,483	
Other Tax Items	507,416	506,668	502,279	494,808	470,224	28,895	
Charges for Services	385,713	312,737	305,197	332,948	194,987	121,252	
Use of Money & Property	15,715	22,468	24,334	25,863	29,383	22,100	
Sale of Property/Comp. for Loss	26,051	570	5,221	365	800	0	
Miscellaneous	201,613	193,178	196,920	277,081	313,691	160,000	
State Aid	5,318,077	5,313,251	5,255,288	5,522,909	5,412,243	5,524,564	
Federal Aid	0	0	0	0	0	132,833	
Interfund Transfer	77,688	78,631	16,626	19,426	13,255	42,935	
Total Revenues	$9,505,609	$9,405,642	$9,342,084	$9,795,743	$9,687,642	$9,845,062	
Expenditures:							
General Support	$1,391,509	$1,367,309	$1,299,690	$1,332,878	$1,317,773	$1,554,410	
Instruction	3,681,680	3,550,641	3,924,848	3,943,701	3,828,226	4,603,111	
Transportation	552,636	601,509	612,075	501,193	451,415	553,204	
Community Services	54,916	57,173	52,059	58,996	6,560	7,000	
Employee Benefits	2,721,981	2,705,162	2,606,292	2,454,527	2,616,206	2,918,802	
Debt Service	339,790	336,148	335,459	359,289	354,619	410,794	
Interfund Transfer	102,955	342,225	112,890	874,600	88,632	126,552	
Total Expenditures	$8,845,467	$8,960,167	$8,943,313	$9,525,184	$8,663,431	$10,173,873	
Adjustments	0	0	0	0	0	0	
Year End Fund Balance	$4,826,616	$5,272,091	$5,670,862	$5,941,421	$6,965,632	$6,636,821	E
Excess (Deficit) Revenues Over Expenditures	$660,142	$445,475	$398,771	$270,559	$1,024,211	($328,811)	1

Source: Audited Annual Financial Reports and Annual Budget. This table is NOT audited.

Note:

1. Appropriated Fund Balance is planned to be used.

E. Estimated

General Fund – Comparative Balance Sheet

Fiscal Year Ending June 30:	2016	2017	2018	2019	2020
Assets:					
Unrestricted Cash	$1,681,076	$1,667,668	$1,742,518	$1,653,538	$2,925,617
Restricted Cash	3,965,621	4,422,225	4,934,562	5,049,065	4,999,553
Other Receivables	23,664	6,537	3,982	19,524	1,830
Due from Other Funds	167,985	182,340	86,437	36,908	30,304
Due from State & Federal	103,178	145,043	102,730	107,441	97,006
Due from Other Governments	411,755	322,974	273,893	378,632	271,975
Total Assets	$6,353,279	$6,746,787	$7,144,122	$7,245,108	$8,326,285
Liabilities:					
Accounts Payable	$0	$0	$0	$0	$8,539
Accrued Liabilities	1,169,015	1,143,970	1,124,878	1,021,781	1,078,348
Due to Other Funds	0	3,494	87,829	0	13,105
Due to Other Governments	3,974	0	0	0	0
Due Retirement System	353,674	327,232	260,553	281,906	260,661
Unearned Revenues	0	0	0	0	0
Total Liabilities:	$1,526,663	$1,474,696	$1,473,260	$1,303,687	$1,360,653
Fund Balances:					
Restricted	$3,965,621	$4,422,226	$4,934,562	$5,049,065	$4,999,553
Assigned:					
Encumbrances	48,834	89,528	51,635	0	330,227
Appropriated Fund Balance	435,261	385,618	295,059	489,256	1,244,775
Unassigned	376,900	374,719	389,606	403,100	391,077
Total Fund Balance	$4,826,616	$5,272,091	$5,670,862	$5,941,421	$6,965,632
Total Liabilities and Fund Balance	$6,353,279	$6,746,787	$7,144,122	$7,245,108	$8,326,285

Source: Audited Annual Financial Reports and Annual Budget. This table is NOT audited.

<u>APPENDIX B</u>

Audited Financial Statements

For The Fiscal Year Ended June 30, 2020

Note: Such Financial Reports and opinions were prepared as of the date thereof and have not been reviewed and/or updated by the District's Auditors in connection with the preparation and dissemination of this official statement. Consent of the Auditors for inclusion of the Audited Financial Reports in this Official Statement has neither been requested nor obtained

STAMFORD
CENTRAL SCHOOL DISTRICT

FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION

Year Ended June 30, 2020

STAMFORD CENTRAL SCHOOL DISTRICT

TABLE OF CONTENTS

RAYMOND G. PREUSSER, CPA, P.C.
Certified Public Accountants
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Claverack, New York 12513

Telephone: (518) 851-6650
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INDEPENDENT AUDITOR'S REPORT

To the Board of Education of the
Stamford Central School District:

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

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

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information and the schedule of changes in the total OPEB liability, the District's proportionate share of the net pension asset/liability, and District contributions on pages M1-M9 and 49-53 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Government 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 an opinion on the financial statements that collectively comprise the Stamford Central School District's basic financial statements as a whole. The other supplementary information is presented for purposes of additional analysis and is not a required part of the financial statements, but is supplementary information required by the New York State Education Department. The other supplementary information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 7, 2020 on our consideration of the Stamford 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 Stamford Central School District's internal control over financial reporting and compliance.

Raymond G. Preusser, CPA, P.C.

Claverack, New York
October 7, 2020

STAMFORD CENTRAL SCHOOL DISTRICT
Management's Discussion and Analysis (MD&A)
June 30, 2020

INTRODUCTION

The Stamford Central School District offers readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2020. Please review it in conjunction with the District's financial statements and the accompanying notes to the financial statements.

FINANCIAL HIGHLIGHTS

- Net position decreased from ($4,071,967) to ($6,004,341) in the districtwide financial statements due to the increase in the OPEB obligation.

- As of the close of this fiscal year, the District's governmental funds reported combined fund balances of $8,517,840 an increase of $948,080 in comparison with the prior year.

- The District appropriated $1,244,775 of the fund balance for subsequent year's expenditures. The District also maintained capital reserves, and reserves for tax certiorari, repairs, unemployment insurance, employee benefits, workers' compensation, retirement contributions and insurance.

OVERVIEW OF THE FINANCIAL STATEMENTS

This Management's Discussion and Analysis narrative (required supplemental information) is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements are comprised of three components:

1. Districtwide Financial Statements
2. Fund Financial Statements
3. Notes to the Financial Statements

In addition to these statements, this report also includes required supplemental information and other supplemental information.

Our auditor has provided assurance in the independent auditor's report that the Basic Financial Statements are fairly stated. A different degree of assurance is being provided by the auditor regarding the supplemental information identified below. A user of this report should read the independent auditor's report carefully to ascertain the level of assurance being provided for each part in the financial statements.

Financial Statements

Required Supplemental Information (Part A)
Management's Discussion & Analysis (MD&A)

Basic Financial Statements

Districtwide Financial Statements	↔	Fund Financial Statements

Notes to the Basic Financial Statements

Required Supplemental Information (Part B)

General Fund Budget to Actual Schedule

Changes in the Total OPEB Liability

District's Proportionate Share of the Net Pension Asset/Liability

District Contributions

Supplemental Information

General Fund Budget & Fund Balance Information

Capital Project Funds Schedule of Project Expenditures

Schedule of Net Investment in Capital Assets

DISTRICTWIDE FINANCIAL STATEMENTS

The district wide financial statements are designed to provide readers with a broad overview of the District's finances in a manner similar to a private-sector business.

The statement of net position presents information on all of the District's assets and liabilities, with the difference between the two reported as net position. Over time, increases and decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The statement of activities presents information showing how the District's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g. certain federal/state grants earned but not yet received, unused vacation/sick leave, and proceeds from Revenue Anticipation Notes and related interest).

All of the District's services are reported in the districtwide financial statements as *governmental activities*, including general support, instruction, pupil transportation, community services, and school lunch. Property taxes, state/federal aid, and investment earnings finance most of these activities. Additionally, all capital and debt financing activities are reported here.

DISTRICTWIDE FINANCIAL ANALYSIS

Stamford Central School District's Net Position
June 30, 2020 and 2019

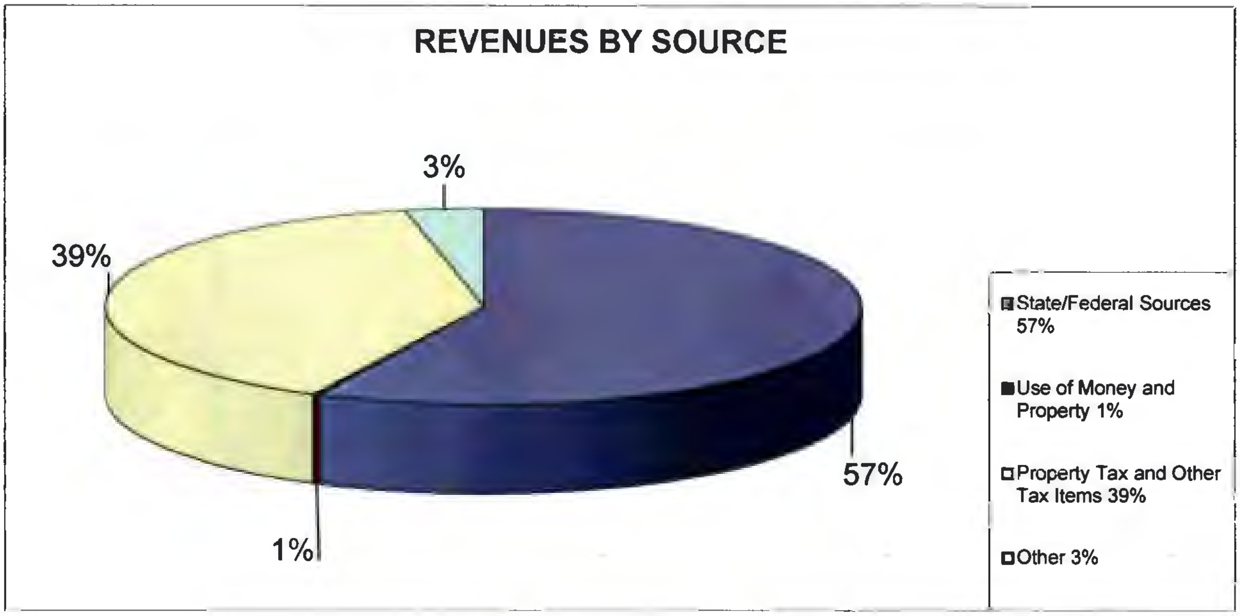
	Governmental Activities		
	2020	2019	Variance Increase (Decrease)
Current Assets	$ 9,871,048	$ 8,880,757	$ 990,291
Capital Assets	9,085,069	9,370,240	(285,171)
Net Pension Asset	343,250	236,421	106,829
Total Assets	19,299,367	18,487,418	811,949
Deferred Outflows of Resources	11,980,906	2,433,065	9,547,841
Total Assets and Outflows of Resources	31,280,273	20,920,483	10,359,790
Current Liabilities	1,356,287	1,314,314	41,973
Long-Term Obligations	2,114,248	2,375,174	(260,926)
OPEB Obligations	31,491,827	20,032,441	11,459,386
Net Pension Liability	672,919	186,557	486,362
Total Liabilities	35,635,281	23,908,486	11,726,795
Deferred Inflows of Resources	1,648,333	1,083,964	564,369
Total Liabilities and Inflows of Resources	37,283,614	24,992,450	12,291,164
Net Position:			
Investment in capital assets, net of related debt	7,150,069	7,160,240	(10,171)
Restricted	7,454,750	5,706,203	1,748,547
Unrestricted (deficit)	(20,609,160)	(16,938,410)	(3,670,750)
Total Net Position	$ (6,004,341)	$ (4,071,967)	$ (1,932,374)

Stamford Central School District's
Changes in Net Position
For the Years Ended June 30, 2020 and 2019

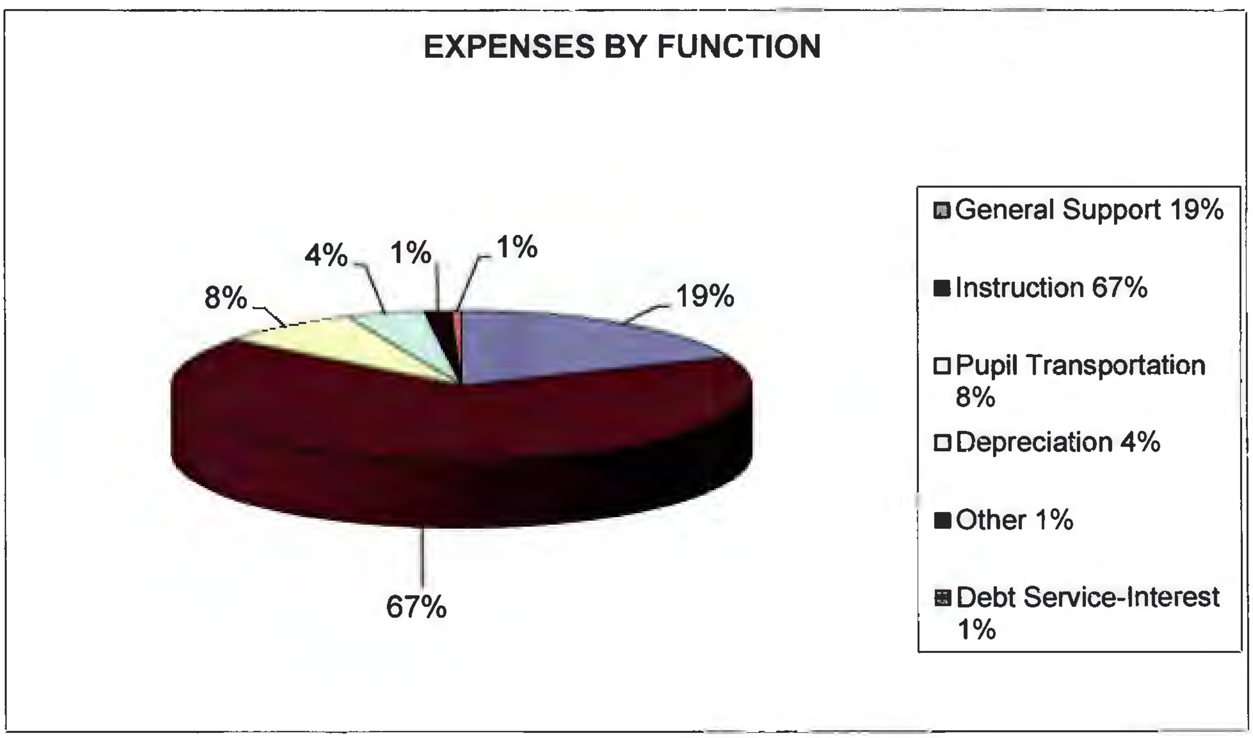
	Governmental Activities		
	2020	2019	Variance Increase (Decrease)
Revenues:			
Program Revenues:			
Charges for Services	$ 220,311	$ 373,138	$ (152,827)
Operating Grants and Contributions	838,281	850,681	(12,400)
Total Program Revenues	$ 1,058,592	$ 1,223,819	$ (165,227)
General Revenues:			
Real Property Taxes	$ 3,253,059	$ 3,122,343	$ 130,716
Other Tax Items	470,224	494,808	(24,584)
Use of Money and Property	31,361	27,726	3,635
Sale of Property and Compensation for Loss	800	365	435
Miscellaneous	313,691	277,081	36,610
State Sources	5,412,243	5,522,909	(110,666)
Total General Revenues	9,481,378	9,445,232	36,146
Expenses (Net of Program Revenues):			
Instruction	7,649,266	6,275,831	1,373,435
Support Services:			
General Support	2,130,682	1,858,235	272,447
Pupil Transportation	903,346	762,698	140,648
Community Service	111,094	129,781	(18,687)
Debt Service-Interest	60,076	65,748	(5,672)
Depreciation-Unallocated	497,550	483,343	14,207
School Lunch	61,738	72,709	(10,971)
Total Expenses	11,413,752	9,648,345	1,765,407
Change in Net Position	$ (1,932,374)	$ (203,113)	$ (1,729,261)

The following charts provide the percentage of breakdown of all revenues by source and all expenses by function for the entire District:

Districtwide Revenues by Source
For the Year Ended June 30, 2020



Districtwide Expenses by Function
For the Year Ended June 30, 2020



FUND FINANCIAL STATEMENTS

The fund financial statements provide more detailed information about the District's funds, focusing on its most significant or "major" funds.

A fund is a grouping of related accounts, and is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. The District establishes other funds to control and manage money for particular purposes (such as repaying its long-term debts) or to show that it is properly using certain revenues (such as federal grants). All of the funds of the District can be divided into two categories; governmental funds, and fiduciary funds.

- ***Governmental funds:*** All of the District's services are reported in governmental funds. Governmental fund reporting focuses on showing how money flows into and out of funds, and the balances left at year-end that are available for spending. They are reported using the modified accrual method of accounting, which measures cash and all other financial assets that can readily be converted into cash. The governmental fund statements provide a detailed short-term view of the District's operations and the services it provides. Governmental fund information helps the reader determine whether there are more or fewer financial resources available to be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the districtwide statements, additional information at the bottom of the governmental funds statements explains the relationship (or differences) between them.

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

FUND FINANCIAL ANALYSIS (DISTRICT'S FUNDS)

The District's governmental funds (as presented on the balance sheet) reported a combined Fund Balance of $8.5 million, which is above last year's total of $7.6 million. The schedule below indicates the fund balance and the total change in fund balance by fund type as of June 30, 2020 and 2019.

	Fund Balance 2020	Fund Balance 2019	Variance Increase (Decrease)
General	$ 6,965,632	$ 5,941,421	$ 1,024,211
School Lunch	72,789	59,527	13,262
Special Aid	198,642	147,068	51,574
Capital	629,374	772,297	(142,923)
Debt Service	651,403	649,447	1,956
Totals	$ 8,517,840	$ 7,569,760	$ 948,080

General Fund

The tables that follow assist in illustrating the financial activities and balance of the general fund.

Revenues:	2020	2019	Variance Increase (Decrease)
Taxes and Other Tax Items	$ 3,723,283	$ 3,617,151	$ 106,132
Use of Money and Property	29,383	25,863	3,520
State Sources	5,412,243	5,522,909	(110,666)
Other	522,733	629,820	(107,087)
Totals	$ 9,687,642	$ 9,795,743	$ (108,101)

Expenses:	2020	2019	Variance Increase (Decrease)
General Support	$ 1,317,773	$ 1,332,878	$ (15,105)
Instruction	3,828,226	3,943,701	(115,475)
Pupil Transportation	451,415	501,193	(49,778)
Community Service	6,560	58,996	(52,436)
Employee Benefits	2,616,206	2,454,527	161,679
Debt Service	354,619	359,289	(4,670)
Other	88,632	874,600	(785,968)
Totals	$ 8,663,431	$ 9,525,184	$ (861,753)

GENERAL FUND BUDGET INFORMATION

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

The difference between the general fund's original budget and the final amended budget was $266,834. This amount represents the carryover encumbrances from 2018/19 for $202,400, and bus purchases using reserve funds of $64,434.

CAPITAL ASSETS

The District's capital assets (net of accumulated depreciation) as of June 30, 2020 are as follows:

Asset Description	Amount
Land	$ 96,855
Construction in Progress	148,083
Buildings and Improvements	7,852,144
Machinery & Equipment	434,792
Vehicles	553,195
Total	$ 9,085,069

The total decrease in the District's capital assets (net of accumulated depreciation) for the current fiscal year was $285,171. The most significant change to capital assets was attributable to the purchases of equipment and vehicles plus costs from the capital project less depreciation expense.

DEBT

The District had debt including serial bonds in the amount of $1,935,000 as of June 30, 2020 an decrease over the previous year of $275,000. The debt outstanding for the year ended June 30, 2020 is summarized as follows:

Debt Description	**Outstanding Balance**
Bonds	$ 1,935,000

The District has refunding bonds outstanding, the proceeds of which are in escrow to fund other previously existing debt. The refunding was done as a result of a change in the manner in which the State was planning to pay building aid related to the existing debt.

Under current state statutes, the District's general obligation bonded debt issues are subject to a legal limitation based on 10% of the total full value of real property. At June 30, 2020, the District's general obligation debt was less than its total debt limit.

FACTORS BEARING ON THE DISTRICT'S FUTURE

At the time these financial statements were prepared and audited, the District continued to be faced with an uncertain future with regard to state aid revenues.

Due to the coronavirus pandemic school districts in New York State are required to follow guidance from the New York State Department of Health and the New York State Education Department to reopen, after all schools were closed on March 18, 2020 by Governor Cuomo's executive order. Stamford has worked hard to implement the mandates from the guidance to reopen schools to create a healthy environment for teaching and learning, even though the state has provided limited financial support. Governor Cuomo has stated since March 2020 that school districts should anticipate a 20-30% reduction in state aid due to the economic downturn in NYS. While the District and the Stamford Board of Education continue to be fiscally conservative, due to the continued unsettling financial environment from the pandemic, the District continues to look for ways to reduce expenditures.

The Property Tax Cap Chapter 97 of the Laws of 2011 continues to constrain the District's ability to raise local revenue. The District has implemented many efficiencies over the last several years and, consequently, reductions in revenue could have a significant impact on academic programs. Additionally, with the completion of the Five Year Building Condition Survey, the District could incur significant future costs to maintain and upgrade existing facilities. The District established capital reserves that were voter approved to address issues that were identified in the survey and upgrade technology to the 21st Century.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

It is the intent of this report to provide the District's citizens, taxpayers, customers, investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the funds it receives. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the following:

Stamford Central School District
One River Street
Stamford, New York 12167

STAMFORD CENTRAL SCHOOL DISTRICT
STATEMENT OF NET POSITION
June 30, 2020

ASSETS		
Unrestricted cash	$ 3,670,691	
Restricted cash	5,650,956	
Other receivables, net	7,894	
State and federal aid receivable	265,188	
Due from other governments	271,975	
Inventories	4,344	
Capital assets, net	9,085,069	
Net pension asset	343,250	
Total Assets		$ 19,299,367
DEFERRED OUTFLOW OF RESOURCES		
Pensions	$ 1,670,126	
OPEB-GASB 75	10,310,780	
Total Deferred Outflows of Resources		$ 11,980,906
LIABILITIES		
Current Liabilities:		
Accounts payable	$ 8,881	
Accrued liabilities	1,084,772	
Due to other governments	25	
Due to teachers' retirement system	232,779	
Due to employees' retirement system	27,882	
Unearned revenue	1,948	
Long-Term Liabilities:		
Due and payable within one year		
Bonds payable	285,000	
Due and payable after one year		
Bonds payable	1,650,000	
Compensated absences payable	180,248	
Other postemployment benefits payable	31,491,827	
Net pension liability - proportionate share	672,919	
Total Liabilities		$ 35,636,281
DEFERRED INFLOWS OF RESOURCES		
Pensions	526,160	
Refunding premium	77,220	
OPEB-GASB 75	1,044,953	
Total Deferred Inflows of Resources		$ 1,648,333
NET POSITION		
Net Investment in Capital Assets	7,150,069	
Restricted	7,454,750	
Unrestricted (deficit)	(20,609,160)	
Total Net Position		$ (6,004,341)

See auditor's report. See notes to financial statements.

STAMFORD CENTRAL SCHOOL DISTRICT
STATEMENT OF ACTIVITIES AND CHANGES IN NET POSITION
For Year Ended June 30, 2020

	Expenses	Indirect Expenses Allocation	Program Revenues: Charges for Services	Program Revenues: Operating Grants	Net (Expense) Revenue and Changes in Net Position
FUNCTIONS/PROGRAMS					
General support	$ 1,317,773	$ 812,909	$ -	$ -	$ (2,130,682)
Instruction	4,146,521	4,057,150	194,987	359,418	(7,649,266)
Pupil transportation	412,738	516,365	-	25,757	(903,346)
Community services	279,893	104,534	-	273,333	(111,094)
Employee benefits	5,577,060	(5,577,060)	-	-	-
Debt service-interest	60,076	-	-	-	(60,076)
Depreciation	497,550	-	-	-	(497,550)
School lunch program	180,733	86,102	25,324	179,773	(61,738)
Total Functions and Programs	$ 12,472,344	$ -	$ 220,311	$ 838,281	(11,413,752)
GENERAL REVENUES					
Real property taxes					3,253,059
Other tax items					470,224
Use of money and property					31,361
Sale of property and compensation for loss					800
Miscellaneous					313,691
State sources					5,412,243
Total General Revenues					9,481,378
Change in Net Position					(1,932,374)
Total Net Position- Beginning of year					(4,071,967)
Total Net Position - End of year					$ (6,004,341)

See auditor's report. See notes to financial statements.

STAMFORD CENTRAL SCHOOL DISTRICT
RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION
June 30, 2020

	Total Governmental Funds	Long-term Assets, Liabilities	Reclassifications and Eliminations	Statement of Net Position Totals
ASSETS				
Unrestricted cash	$ 3,670,691	$ -	$ -	$ 3,670,691
Restricted cash	5,650,956	-	-	5,650,956
Other receivables, net	7,894	-	-	7,894
Due from other funds	31,524	-	(31,524)	-
Due from other governments	271,975	-	-	271,975
State and federal aid receivable	265,188	-	-	265,188
Inventories	4,344	-	-	4,344
Capital assets, (net)	-	9,085,069	-	9,085,069
Net pension asset	-	343,250	-	343,250
Total Assets	$ 9,902,572	$ 9,428,319	$ (31,524)	$ 19,299,367
DEFERRED OUTFLOW OF RESOURCES				
Pensions	$ -	$ 1,670,126	$ -	$ 1,670,126
OPEB-GASB 75	-	10,310,780	-	10,310,780
Total Deferred Outflows of Resources	$ -	$ 11,980,906	$ -	$ 11,980,906
LIABILITIES				
Accounts payable	$ 8,881	$ -	$ -	$ 8,881
Accrued liabilities	1,081,693	3,079	-	1,084,772
Bonds payable	-	1,935,000		1,935,000
Due to other funds	31,524	-	(31,524)	-
Due to other governments	25	-	-	25
Due to teachers' retirement system	232,779	-	-	232,779
Due to employees' retirement system	27,882	-	-	27,882
Other postemployment benefits payable	-	31,491,827	-	31,491,827
Compensated absences	-	180,248	-	180,248
Unearned revenues	1,948	-	-	1,948
Net pension liability- proportionate share	-	672,919	-	672,919
Total Liabilities	$ 1,384,732	$ 34,283,073	$ (31,524)	$ 35,636,281
DEFERRED INFLOWS OF RESOURCES				
Pensions	$ -	$ 526,160	$ -	$ 526,160
Refunding premium	-	77,220	-	77,220
OPEB-GASB 75	-	1,044,953	-	1,044,953
Total Deferred Inflows of Resources	$ -	$ 1,648,333	$ -	$ 1,648,333
FUND BALANCE\NET POSITION				
Total Fund Balance\Net Position	$ 8,517,840	$ (14,522,181)	$ -	$ (6,004,341)
Total Liabilities, Deferred Inflows of Resources, and Fund Balance/Net Position	$ 9,902,572	$ 21,409,225	$ (31,524)	$ 31,280,273

See auditor's report. See notes to financial statements.

STAMFORD CENTRAL SCHOOL DISTRICT
RECONCILIATION OF GOVERNMENTAL FUNDS REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE TO THE STATEMENT OF ACTIVITIES
For Year Ended June 30, 2020

	Total Governmental Funds	Long-term Revenue, Expenses	Capital Related Items	Long-term Debt Transactions	Statement of Activities Totals
REVENUES					
Real property taxes	$ 3,253,059	$ -	$ -	$ -	$ 3,253,059
Other tax items	470,224	-	-	-	470,224
Charges for services	194,987	-	-	-	194,987
Use of money and property	31,361	-	-	-	31,361
Sale of property and compensation for loss	800	-	-	-	800
Miscellaneous	599,799	-	-	-	599,799
State sources	5,512,480	-	-	-	5,512,480
Federal sources	451,973	-	-	-	451,973
Sales - school lunch	25,287	-	-	-	25,287
Total Revenues	10,539,970	-	-	-	10,539,970
EXPENDITURES\EXPENSES					
General support	1,317,773	-		-	1,317,773
Instruction	4,136,447	15,074	(5,000)	-	4,146,521
Pupil transportation	477,172	-	(64,434)	-	412,738
Community services	279,893	-	-	-	279,893
Employee benefits	2,702,308	2,874,752	-	-	5,577,060
Debt service-Principal	275,000	-	-	(275,000)	-
-Interest	79,619	(19,543)	-	-	60,076
Cost of sales	180,733	-	-	-	180,733
Capital outlay	142,945	-	(142,945)	-	-
Depreciation	-	-	497,550	-	497,550
Total Expenditures	9,591,890	2,870,283	285,171	(275,000)	12,472,344
Excess (Deficiency) of Revenues Over Expenditures	948,080	(2,870,283)	(285,171)	275,000	(1,932,374)
OTHER SOURCES AND USES					
Operating transfers in	101,887	(101,887)	-	-	-
Operating transfers (out)	(101,887)	101,887	-	-	-
Total Other Sources (Uses)	-	-	-	-	-
Net Change for the Year	$ 948,080	$ (2,870,283)	$ (285,171)	$ 275,000	$ (1,932,374)

See auditor's report. See notes to financial statements.

STAMFORD CENTRAL SCHOOL DISTRICT
BALANCE SHEET- GOVERNMENTAL FUNDS
June 30, 2020

	General	Special Aid	School Lunch	Debt Service	Capital Projects	Total Governmental Funds
ASSETS						
Unrestricted cash	$ 2,925,617	$ 58,628	$ 52,183	$ -	$ 634,263	$ 3,670,691
Restricted cash	4,999,553	-	-	651,403	-	5,650,956
Other receivables, net	1,830	6,064	-	-	-	7,894
State and federal aid receivable	97,006	146,952	21,230	-	-	265,188
Due from other governments	271,975	-	-	-	-	271,975
Due from other funds	30,304	1,220	-		-	31,524
Inventories	-	-	4,344	-	-	4,344
Total Assets	$ 8,326,285	$ 212,864	$ 77,757	$ 651,403	$ 634,263	$ 9,902,572
LIABILITIES						
Accounts payable	$ 8,539	$ -	$ -	$ -	$ 342	$ 8,881
Accrued liabilities	1,078,348	350	2,995		-	1,081,693
Due to teachers' retirement system	232,779	-	-	-	-	232,779
Due to employees' retirement system	27,882	-	-	-	-	27,882
Due to other funds	13,105	13,872	-	-	4,547	31,524
Due to other governments	-	-	25	-	-	25
Unearned revenues	-	-	1,948	-	-	1,948
Total Liabilities	1,360,653	14,222	4,968	-	4,889	1,384,732
FUND BALANCES						
Non-spendable	-	-	4,344	-	-	4,344
Restricted	4,999,553	13,622	-	651,403	1,790,172	7,454,750
Assigned	1,575,002	185,020	68,445	-	-	1,828,467
Unassigned	391,077	-	-	-	(1,160,798)	(769,721)
Total Fund Balances	6,965,632	198,642	72,789	651,403	629,374	8,517,840
Total Liabilities and Fund Balances	$ 8,326,285	$ 212,864	$ 77,757	$ 651,403	$ 634,263	$ 9,902,572

See auditor's report. See notes to financial statements.

STAMFORD CENTRAL SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE-
GOVERNMENTAL FUNDS
For Year Ended June 30, 2020

	General	Special Aid	School Lunch	Debt Service	Capital Projects	Total Governmental Funds
REVENUES						
Real property taxes	$ 3,253,059	$ -	$ -	$ -	$ -	$ 3,253,059
Other tax items	470,224	-	-	-	-	470,224
Charges for services	194,987	-	-	-	-	194,987
Use of money and property	29,383	-	-	1,956	22	31,361
Sale of property and compensation for loss	800	-	-	-	-	800
Miscellaneous	313,691	286,071	37	-	-	599,799
State sources	5,412,243	93,739	6,498	-	-	5,512,480
Federal sources	-	278,698	173,275	-	-	451,973
Sales	-	-	25,287	-	-	25,287
Total Revenues	9,674,387	658,508	205,097	1,956	22	10,539,970
EXPENDITURES						
General support	1,317,773	-	-	-	-	1,317,773
Instruction	3,828,226	308,221	-	-	-	4,136,447
Pupil transportation	451,415	25,757	-	-	-	477,172
Community services	6,560	273,333	-	-	-	279,893
Employee benefits	2,616,206	-	86,102	-	-	2,702,308
Debt service						
Principal	275,000	-	-	-	-	275,000
Interest	79,619	-	-	-	-	79,619
Capital outlay	-	-	-	-	142,945	142,945
Cost of sales	-	-	180,733	-	-	180,733
Total Expenditures	8,574,799	607,311	266,835	-	142,945	9,591,890
Excess (Deficiency) of Revenues Over Expenditures	1,099,588	51,197	(61,738)	1,956	(142,923)	948,080
OTHER FINANCING SOURCES AND USES						
Operating transfers in	13,255	13,632	75,000			101,887
Operating transfers (out)	(88,632)	(13,255)	-	-		(101,887)
Total Other Financing Sources (Uses)	(75,377)	377	75,000	-	-	-
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Uses	1,024,211	51,574	13,262	1,956	(142,923)	948,080
Fund Balance- Beginning of year	5,941,421	147,068	59,527	649,447	772,297	7,569,760
Fund Balance- End of year	$ 6,965,632	$ 198,642	$ 72,789	$ 651,403	$ 629,374	$ 8,517,840

See auditor's report. See notes to financial statements.

STAMFORD CENTRAL SCHOOL DISTRICT
STATEMENT OF FIDUCIARY NET POSITION
June 30, 2020

	Private Purpose Trusts	Agency
ASSETS		
Unrestricted cash	$ 244	$ 36,456
Total Assets	$ 244	$ 36,456
LIABILITIES		
Extraclassroom activity balances	$ -	$ 36,456
Other liabilities	-	-
Total Liabilities	-	$ 36,456
NET POSITION		
Reserved for scholarships	$ 244	

See auditor's report. See notes to financial statements.

STAMFORD CENTRAL SCHOOL DISTRICT
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
For Year Ended June 30, 2020

		Private Purpose Trusts
ADDITIONS		
Interest	$	-
Total Additions		-
DEDUCTIONS		
Scholarships and awards		-
Change in Net Position		-
Net Position - Beginning of year		244
Net Position - End of year	$	244

See auditor's report. See notes to financial statements.

I. Summary of Significant Accounting Policies

The financial statements of the Stamford Central School District have been prepared in conformity with generally accepted accounting principles (GAAP). Those principles are as 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 Stamford 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 5 members. The President of the Board serves as the chief fiscal officer and the Superintendent is the chief executive officer. The Board is responsible for and controls all activities related to public school education within the District. Board members have authority to make decisions, power to appoint management, and primary accountability for all fiscal matters.

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

The accompanying financial statements present the activities of the District. The District is not a component unit of another reporting entity. The decision to include a potential component unit in the School 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 review of certain entities included in the School District's reporting entity:

The Extraclassroom Activity Funds

The Extraclassroom Activity Funds of the Stamford Central School District represent funds of the students of the School District. The Board of Education exercises general oversight of these funds. The Extraclassroom Activity Funds are independent of the School District with respect to its financial transactions and the designation of student management. Separate audited financial statements (cash basis) of the Extraclassroom Activity Funds are included in these financial statements. The District accounts for assets held as an agent for various student organizations in an agency fund.

I. Summary of Significant Accounting Policies (Continued)

B. Joint Venture

The Stamford Central School District is one of 14 component school districts in the Delaware County Board of Cooperative Educational Services (BOCES). A BOCES is a voluntary, cooperative association of school districts in a geographic area that share planning, services, and programs which provide educational and support activities.

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

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

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

During the year ended June 30, 2020, the Stamford Central School District was billed $1,655,353 for BOCES administrative and program costs. The District's share of BOCES Aid amounted to $426,842. Financial statements for the BOCES Aid are available from the BOCES administrative office.

C. Basis of Presentation

1. Districtwide Statements

The Districtwide 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,

I. Summary of Significant Accounting Policies (Continued)

C. Basis of Presentation (Continued)

1. Districtwide Statements (Continued)

State Aid, intergovernmental revenues, and other exchange and nonexchange transactions. Operating grants include operating-specific and discretionary (either operating or capital) grants, while the capital grants column reflects capital-specific grants.

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

2. Fund Financial Statements

The fund financial 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.

The District reports the following funds:

a. **Major Governmental Funds**

(1) **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.

(2) **Special Aid Fund** – These funds account for the proceeds of specific revenue sources, such as federal and state grants, that are legally restricted to expenditures for specified purposes and other activities whose funds are restricted as to use. These legal restrictions may be imposed either by governments that provide the funds, or by outside parties.

I. Summary of Significant Accounting Policies (Continued)

C. Basis of Presentation (Continued)

2. Fund Financial Statements (Continued)

a. **Major Governmental Funds (Continued)**

(3) **School Lunch Fund** – Used to account for transactions of the District's lunch and breakfast programs.

(4) **Debt Service Fund** – This fund accounts for the accumulation of resources and the payment of principal and interest on long-term obligations for governmental activities.

(5) **Capital Projects Fund** – This fund is used to account for the financial resources used for acquisition, construction, or major repair of capital facilities.

b. **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 districtwide 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:

(1) **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.

(2) **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.

I. Summary of Significant Accounting Policies (Continued)

D. Measurement Focus and Basis of Accounting

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

The districtwide 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. Revenues from grants and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied.

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

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

E. Cash and Investments

The District's cash and cash equivalents consist of cash on hand, demand deposits, and short-term investments with original maturities of three months or less from date of acquisition. New York State law governs the District's investment policies. Resources must be deposited in FDIC-insured commercial banks or trust companies located within the State. Permissible investments include obligations of the United States Treasury, United States Agencies, repurchase agreements and obligations of New York State or its localities. Collateral is required for demand and time deposits and certificates of deposit not covered by FDIC insurance. Obligations that may be pledged as collateral are obligations of the United States and its agencies and obligations of the State and its municipalities and districts. Certain cash balances are restricted by various legal and contractual obligations, such as legal reserves and debt agreements.

I. Summary of Significant Accounting Policies (Continued)

F. 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 3 to November 4.

Uncollected real property taxes are subsequently enforced by the Counties of Schoharie and Delaware. An amount representing uncollected real property taxes is transmitted to the Counties for enforcement and is paid by the Counties to the District no later than the forthcoming April 1.

G. 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 the associated legal requirements, many of which are described elsewhere in these Notes to Financial Statements.

H. 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 expenditures and revenues to provide financing or other services.

In the districtwide 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 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 V for a detailed disclosure by individual fund for interfund receivables, payables, expenditures and revenues activity.

I. Summary of Significant Accounting Policies (Continued)

I. Estimates

The preparation of financial statements in conformity with generally accepted accounting principles 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.

J. Receivables

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

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. Under 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 portion of fund balance has been classified as nonspendable to indicate that inventory does not constitute an available spendable resource.

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 districtwide financial statements and their use is limited by applicable bond covenants.

I. Summary of Significant Accounting Policies (Continued)

L. Other Assets/Restricted Assets (Continued)

In the districtwide financial statements, bond discounts and premiums, and any prepaid bond insurance costs are deferred and amortized over the life of the debt issue. Bond issuance costs are recognized as an expense in the period incurred.

M. Capital Assets

Capital assets are reflected in the districtwide financial statements. Capital assets are reported at historical cost or estimated historical costs, based on appraisals conducted by independent third-party professionals. Donated assets are reported at fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

Capital assets, except land, are depreciated on a straight-line basis over their estimated useful lives. Capitalization thresholds and estimated useful lives of capital assets reported in the districtwide statements are as follows:

	Capitalization Threshold	Estimated Useful Life
Site Improvements	$ 1,000	15-20
Buildings and Improvements	$ 1,000	15-50
Furniture and Equipment	$ 1,000	5-15
Vehicles	$ 1,000	5-10

N. 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.

I. Summary of Significant Accounting Policies (Continued)

N. Compensated Absences (Continued)

Consistent with GASB Statement 16, Accounting for Compensated Absences, the liability has been calculated using the vested method and an accrual for that liability is included in the Districtwide Financial Statements. The compensated absences liability is calculated based on the pay rates in effect at year end. In the fund statements only the amount of matured liabilities is accrued within the General Fund based upon expendable and available resources. These amounts are expensed on a pay-as-you-go basis.

O. Accrued Liabilities and Long-Term Obligations

Payables, accrued liabilities and long-term obligations are reported in the districtwide financial statements. In the governmental funds, payables and accrued liabilities are paid in a timely manner and in full from current financial resources.

Claims and judgments and compensated absences that will be paid from governmental funds are reported as a liability in the funds financial statements only to the extent that they are due for payment in the current year. Bonds and other long-term obligations that will be paid from governmental funds are recognized as a liability in the fund financial statements when due.

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

P. Deferred Outflows of Resources

Deferred outflows of resources, in the Statement of Net Position, represents a consumption of net position that applies to a future reporting period and so will not be recognized as an outflow of resources (expense/expenditure) until that time. The District has three items that qualify for reporting in this category. The first item represents the effect of the net change in the District's proportion of the collective net pension asset or liability and the difference during the measurement period between the District's contributions and its proportionate share of total contributions to the pension systems not included in pension expense. The second item is the District's contributions to the pension systems (TRS and ERS Systems) and OPEB subsequent to the measurement date. The third item relates to OPEB reporting in the districtwide Statement of Net Position. This represents the effect of the net change in the actual and expected experience.

I. Summary of Significant Accounting Policies (Continued)

Q. Deferred Inflows of Resources

Deferred inflows of resources represent an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has three items that qualify for reporting in this category. The first item is related to pensions reported in the Districtwide Statement of Net Position. This represents the effect of net change in the District's proportion of the collective net pension liability and difference during the measurement periods between the District's contributions and its proportionate share of total contributions to the pension systems not included in pension expense, and the net difference between projected and actual earnings on pension plan investments. The second item is related to OPEB reported in the districtwide Statement of Net Position. This represents the effect of the net changes of assumptions or other inputs. The third item is related to the premium received from advanced refunding which is amortized over the life of the bond issue.

R. Unearned Revenue

Unearned revenues arise when resources are received by the District before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures or when charges for service monies are received in advance from payers prior to the services being rendered by the District. These amounts are recorded as liabilities in the financial statements. The liabilities are removed, and revenues are recognized in subsequent periods when the District has legal claim to the resources.

S. Other Benefits

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

I. Summary of Significant Accounting Policies (Continued)

T. Short-Term Debt

The School District may issue Revenue and Tax Anticipation Notes in anticipation of 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 revenue anticipation and tax anticipation notes represent a liability that will be extinguished by the use of expendable, available resources of the fund.

The District may issue budget notes up to an amount not to exceed 5% of the amount of the annual budget during any fiscal year for expenditures for which there is an insufficient or no provision made in the annual budget. The budget note must be repaid no later than the close of the second fiscal year succeeding the year in which the note was issued.

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

U. Equity Classifications

1. Districtwide Statements

In the districtwide statements there are three classes of net position:

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

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

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

I. Summary of Significant Accounting Policies (Continued)

U. Equity Classifications (Continued)

2. Fund Statements

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

Non-spendable – includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. Non-spendable fund balance includes the inventory recorded in the School Lunch Fund of $4,344.

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

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

2. Unemployment Insurance
This reserve is 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. This reserve is accounted for in the General Fund.

I. Summary of Significant Accounting Policies (Continued)

U. Equity Classifications (Continued)

2. Fund Statements (Continued)

3. Employee Benefit Accrued Liability
This reserve is used to set aside funds for the payment of accrued employee benefits 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. This reserve is accounted for in the General Fund.

4. Tax Certiorari
This reserve is used to accumulate funds to pay judgments and claims anticipated from tax certiorari proceedings. Any excess monies must be returned to the General Fund on or before the first day of the fourth fiscal year after the deposit of the monies. This reserve is accounted for in the General Fund.

5. Employee Retirement Contributions
This reserve is used for future employee's retirement obligations. 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.

6. Insurance
This reserve is used to pay liability, casualty and other types of losses, except losses incurred for which the following types of insurance may be purchased: life, accident, health, annuities, fidelity and surety, credit, title residual value and mortgage guarantee. In addition, this reserve may not be used for any purpose for which a special reserve may be established pursuant to law. This reserve may be established by Board action and funded by budgetary appropriations, or such other funds as may be legally appropriated. There is no limit on the amount that may be accumulated in the Insurance Reserve; however, the annual contribution to this reserve may not exceed the greater of $33,000 or 5% of the budget. Settled or compromised claims up to $25,000 may be paid from the reserve without judicial approval. This reserve is accounted for in the General Fund.

I. Summary of Significant Accounting Policies (Continued)

U. Equity Classifications (Continued)

2. Fund Statements (Continued)

7. Capital
This reserve is used to pay the cost of any project 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 source of the funds. Expenditures 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 is set forth in §3651 of the Education Law. This reserve is accounted for in the General Fund.

8. Repair
This reserve is used to pay the cost of repairs to capital improvements or equipment, which repairs are of a type not recurring annually. The Board of Education, without voter approval, may establish the reserve fund by a majority vote of its members. Voter approval is required to fund this reserve. Expenditures from this reserve may be made only after a public hearing has been held, except in emergency situations. If no hearing is held, the amount expended must be repaid to the reserve fund over the next two subsequent fiscal years. This reserve is accounted for in the General Fund.

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

I. Summary of Significant Accounting Policies (Continued)

U. Equity Classifications (Continued)

2. Fund Statements (Continued)

Restricted fund balance includes the following:

General Fund:	
Capital	$ 3,356,049
Insurance	136,822
Workers' Compensation	122,975
Employee Benefit Accrued Liability	199,869
Unemployment Insurance	260,663
Employee Retirement Contributions	601,110
Repair	301,994
Tax Certiorari	20,071
Capital Projects Fund	1,790,172
Debt Service Fund	651,403
Special Aid Fund	13,622
Total restricted funds	$ 7,454,750

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, the Board of Education. The School District has no committed fund balances as of June 30, 2020.

Assigned – Includes amounts that are constrained by the School District's intent to be used for specific purposes, but are neither restricted nor committed. All encumbrances of the General Fund are classified as **Assigned Fund Balance** in the General Fund. Encumbrances reported in the General Fund amounted to $330,227 and the assigned fund balance amounted to $1,244,775.

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.

I. Summary of Significant Accounting Policies (Continued)

U. Equity Classifications (Continued)

2. Fund Statements (Continued)

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

Order of Use of Fund Balance:

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

V. New Accounting Standards

The District has adopted all current Statements of the Governmental Accounting Standards Board (GASB) that are applicable.

W. Future Changes in Accounting Standards

GASB Statement 84, *Fiduciary Activities,* effective for the year ending June 30, 2021.

GASB has issued Statement 87, Leases, effective for the year ending June 30, 2022.

GASB has issued Statement 89, Accounting for Interest Cost Incurred Before the End of a Construction Period, effective for the year ending June 30, 2022.

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

II. Explanation of Certain Differences between Governmental Fund Statements and Districtwide Statements

Due to differences in the measurement focus and basis of accounting used in the governmental fund statements and the districtwide 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.

1. 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.

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

   Differences between the funds Statement of Revenues, Expenditures and Changes in Fund Balance and the Statement of Activities fall into one of three broad categories:

   a. 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.

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

   c. 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.

II. Explanation of Certain Differences between Governmental Fund Statements and Districtwide Statements (Continued)

2. Statement of Revenues, Expenditures, and Changes in Fund Balance vs. Statement of Activities (Continued):

d. 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.

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

Original cost of capital assets	$16,323,614
Accumulated depreciation	7,238,545
Capital assets, net	$ 9,085,069

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

Bonds payable	$ 1,935,000
OPEB obligations	$ 31,491,827
Compensated absences	$ 180,248
Net Pension Liability-Proportionate Share	$ 672,919

When the purchase or construction of capital assets is financed through governmental funds, the resources expended for those assets are reported as expenditures in the years they are incurred. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. Depreciation of $497,550 was more than capital expenditures of $212,379 in the current year.

Repayment of bond principal of $275,000 is an expenditure in the governmental funds, but it reduces long-term liabilities in the Statement of Net Position and does not affect the Statement of Activities.

II. Explanation of Certain Differences between Governmental Fund Statements and Districtwide Statements (Continued)

2. Statement of Revenues, Expenditures, and Changes in Fund Balance vs. Statement of Activities (Continued):

Interest on long-term debt and short-term debt in the Statement of Activities differs from the amount reported in the governmental funds because interest is recorded as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the Statement of Activities, however, interest expense is recognized as the interest accrues, regardless of when it is due. The decrease in accrued interest results in less expense of $19,543.

III. Changes in Accounting Principles

For the fiscal year ended June 30, 2018, the District implemented GASB Statement #75, *Accounting and Financial Reporting for Post-employment Benefits Other Than Pensions*. The implementation of the statement requires District's to report Other Post-Employment Benefits (OPEB) liabilities, OPEB expenses, deferred outflow of resources and deferred inflow of resources related to OPEB. See Note IX. for the financial statement impact of the implementation of the statement.

IV. Cash and Investments

A. Deposits

The Stamford Central School District's investment policies are governed by State statutes. The Stamford Central School District's monies must be deposited in FDIC-insured commercial banks or trust companies located within the State. The Treasurer is authorized to use demand accounts and certificates of deposit. Permissible investments include obligations of the U.S. Treasury and U.S. Agencies, repurchase agreements, and obligations of New York State or its localities.

Collateral is required for demand and time deposits and certificates of deposit not covered by Federal Deposit 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 school districts.

Custodial credit risk is the risk that in an event of a bank failure, the District's deposits may not be returned to it. GASB directs that deposits be disclosed as exposed to custodial credit risk if they are not covered by depository insurance and the deposits are as follows:

A. Uncollateralized
B. Collateralized by securities held by the pledging financial institution, or
C. Collateralized by securities held by the pledging financial institution's trust department or agent but not in the District's name.

Deposits and investments at year end were entirely covered by Federal Deposit Insurance or by collateral held by the School District's custodial bank in the School District's name.

The District did not have any investments at year end or during the year.

V. Interfund Transaction

Interfund balances at June 30, 2020 are as follows:

	Interfund		Interfund	
	Receivable	Payable	Revenues	Expenditures
General Fund	$ 30,304	$ 13,105	$ 13,255	$ 88,632
Special Aid Fund	1,220	13,872	13,632	13,255
School Lunch Fund	-	-	75,000	-
Capital Fund	-	4,547	-	-
Debt Service Fund	-	-	-	-
Total governmental activities	$ 31,524	$ 31,524	$ 101,887	$ 101,887

The District typically transfers from the General Fund to the Special Aid Fund to pay its' share of the Summer Handicapped Program.

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

VI. Capital Assets

A summary of changes in general fixed assets follows:

	Balance 7/1/2019	Additions	Deletions	Balance 6/30/2020
Capital assets-not depreciated:				
Land	$ 96,855	$ -	$ -	$ 96,855
Construction in progress	5,138	142,945		148,083
Total capital assets-not depreciated:	101,993	142,945	-	244,938
Other capital assets:				
Buildings and improvements	13,857,653	-	-	13,857,653
Machinery and equipment	1,137,858	5,000	-	1,142,858
Vehicles	1,043,635	64,434	29,904	1,078,165
Total other capital assets:	16,039,146	69,434	29,904	16,078,676
Less accumulated depreciation:				
Buildings and improvements	5,735,731	269,778	-	6,005,509
Machinery and equipment	606,417	101,649	-	708,066
Vehicles	428,751	126,123	29,904	524,970
Total accumulated depreciation	6,770,899	497,550	29,904	7,238,545
Other capital assets, net	9,268,247	(428,116)	-	8,840,131
Total	$ 9,370,240	$ (285,171)	$ -	$ 9,085,069

Depreciation expense for the period was shown as unallocated in the Statement of Activities.

VII. Pension Plans

1. General Information

New York State and Local Employees' Retirement System (ERS) and the New York State Teachers' Retirement (TRS) (the Systems).

2. Plan Descriptions and Benefits Provided

Teachers' Retirement System (TRS)
The District participates in the New York State Teachers' Retirement System (TRS). This is a cost-sharing multiple-employer retirement system. The System provides retirement benefits as well as, death and disability benefits to plan members and beneficiaries as authorized by the Education Law and the Retirement and Social Security Law of the State of New York. The System is governed by a 10 member Board of Trustees. System benefits are established under New York State Law. 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. Additional information regarding the System, may be obtained by writing to the New York State Teachers' Retirement System, 10 Corporate Woods Drive, Albany, NY 12211-2395 or by referring to the NYSSTR Comprehensive Annual Financial report which can be found on the System's website at www.nystrs.org.

Employees' Retirement System (ERS)
The District participates in the New York State and Local Employees' Retirement System (ERS). This is a cost-sharing multiple-employer retirement system. The System provides retirement benefits as well as death and disability benefits. The net position of the System is held in the New York State Common Retirement Fund (the Fund), which was established to hold all net assets and record changes in plan net position allocated to the System. The Comptroller of the State of New York serves as the trustee of the Fund and is the administrative head of the System. System benefits are established under the provisions of the New York State Retirement and Social Security Law (RSSL). 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. That report, including information with regard to benefits provided, may be found at www.osc.state.ny.us/retire/publications/index.php or obtained by writing to the New York State and Local Retirement System, 110 State Street, Albany, NY 12244.

VI. Pension Plans (Continued)

Funding Policies:

The Systems are noncontributory except for employees who joined after July 27, 1976, who contribute 3 percent of their salary for the first ten years of membership, and employees who joined on or after January 1, 2010 who generally contribute 3.0 to 3.5 percent of their salary for their entire length of service. In addition, employee contribution rates under ERS Tier 6 vary based on a sliding salary scale. For ERS, the Comptroller annually certifies the actuarially determined rates expressly used in computing the employers' contributions based on salaries paid during the Systems' fiscal year ending March 31. For TRS, contribution rates are established annually by the New York State Teachers' Retirement Board pursuant to Article 11 of the Education law.

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

Contributions

	ERS	TRS
2020	$117,466	$253,941
2019	$115,424	$231,649
2018	$121,411	$299,024

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

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

Actuarial valuation date	1-Apr-19	30-Jun-18
Net pension liability/(asset)	$672,919	($343,250)
District's portion of the Plan's total net pension liability	.0025412%	.013212%
Change in proportion since the prior measurement date	(.0000918%)	.000137%

VII. Pension Plans (Continued)

For the year ended June 30, 2020, the District's recognized pension expense of $233,574 for ERS and $436,704 for TRS. At June 30, 2020 the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources		Deferred Inflows of Resources	
	ERS	TRS	ERS	TRS
Differences between expected and actual experience	$39,604	$232,612	$0	$25,525
Changes of assumptions	13,549	648,446	11,700	158,109
Net difference between projected and actual earnings on pension plan investments	344,971	0	0	275,269
Changes in proportion and differences between the District's contributions and proportionate share of contributions	28,147	120,365	11,669	43,888
District's contributions subsequent to the measurement date	27,882	214,550	0	0
Total	$454,153	$1,215,973	$23,369	$502,791

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, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

	ERS	TRS
Year ended:		
2020	$ -	$ 167,507
2021	70,358	22,070
2022	102,423	166,945
2023	127,363	122,519
2024	102,758	30,711
Thereafter	$0	$ (11,119)

VII. Pension Plans (Continued)

4. Actuarial Assumptions

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

Significant actuarial assumptions used in the valuations were as follows:

	ERS	TRS
Measurement date	March 31, 2020	June 30, 2019
Actuarial valuation date	April 1, 2019	June 30, 2018
Interest rate	6.8%	7.10%
Salary scale	3.80%	1.90%-4.72%
Decrement tables	April 1, 2010 - March 31, 2015 System's Experience	July 1, 2009 - June 30, 2014 System's Experience
Inflation rate	2.5%	2.20%

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

For ERS, the actuarial assumptions used in the April 1, 2019 valuation are based on the results of an actuarial experience study for the period April 1, 2010 – March 31, 2015. For TRS, the actuarial assumptions used in the June 30, 2018 valuation are based on the results of an actuarial experience study for the period July 1, 2009 – June 30, 2014.

VII. Pension Plans (Continued)

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 the 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:

	ERS	TRS
Measurement date	March 31, 2020	June 30, 2019
Asset Type	%	%
Domestic Equities	36%	33%
International Equities	14%	16%
Global equities	0%	4%
Private Equity	10%	8%
Real Estate Equity	10%	11%
Domestic fixed income securities	0%	16%
Global bonds	0%	2%
Bonds and mortgages	17%	8%
Cash Equivalents	1%	0%
Inflation-Indexed bonds	4%	0%
High yield fixed income securities	0%	1%
Real assets	3%	0%
Private Debt	0%	1%
Absolute Return Strategies	2%	0%
Opportunistic Funds	3%	0%
	100%	100%

5. Discount Rate

The discount rate used to calculate the total pension liability was 6.8 % for ERS and 7.10 % for TRS. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at statutorily required rates, actuarially. Based upon the assumptions, the Systems' fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

VII. Pension Plans (Continued)

6. Sensitivity of the Proportionate Share of Net Pension Asset/Liability to the Discount Rate Assumption

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

ERS	1% Decrease (5.8%)	Current Assumption (6.8%)	1% Increase (7.8%)
Employer's proportionate share Of the net pension (asset) liability	$1,234,997	$672,919	$155,243

TRS	1% Decrease (6.10%)	Current Assumption (7.10%)	1% Increase (8.10%)
Employer's proportionate share Of the net pension (asset) liability	$1,549,396	($343,250)	($1,930,967)

7. Pension Plan Fiduciary Net Position

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

	ERS	TRS
Measurement date	March 31, 2020	June 30, 2019
Employers' total pension liability	$ 194,596,261	$ 119,879,473,882
Plan Fiduciary Net Position	168,115,682	122,477,480,654
Employers' net pension liability/(asset)	26,480,579	(2,598,006,772)
Ratio of plan fiduciary net position to the Employers' total pension asset/(liability)	86.3900%	102.2000%

VII. Pension Plans (Continued)

8. Payables to the Pension Plan

For ERS, employer contributions are paid annually based on the System's fiscal year which ends on March 31st. Accrued retirement contributions as of June 30, 2020 represent the projected employer contribution for the period of April 1, 2020 through June 30, 2020 based on paid ERS wages multiplied by the employer's contribution rate, by tier. Accrued retirement contributions as of June 30, 2020 amounted to $27,882.

For TRS, employer and employee contributions for the fiscal year ended June 30, 2020 are paid to the System in September, October and November 2020 through a state aid intercept. Accrued retirement contributions as of June 30, 2020 represent employee and employer contributions for the fiscal year ended June 30, 2020 based on paid TRS wages multiplied by the employer's contribution rate, by tier and employee contributions for the fiscal year as reported to the TRS System. Accrued retirement contributions as of June 30, 2020 amounted to $232,779.

VIII. Long-Term Debt Obligations

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

1. Long-Term Debt Interest

Interest paid	$ 79,619
Less interest accrued in the prior year	(3,317)
Plus, interest accrued in the current year	3,079
Amortization of refunding premium	(19,305)
Total expense	$ 60,076

2. Changes

	Balance 7/1/2019	Additions	Deletions	Balance 6/30/2020	Due Within One Year
Serial Bonds	$ 2,210,000	$ -	$ 275,000	$ 1,935,000	$ 285,000
Compensated Absences	165,174	15,074	-	180,248	
OPEB Obligations	20,032,441	11,459,386	-	31,491,827	
Net Pension Liability-Proportionate Share	186,557	486,362	-	672,919	
Totals	$ 22,594,172	$ 11,960,822	$ 275,000	$ 34,279,994	

Additions and deletions to compensated absences are shown net since it is impractical to determine these amounts separately.

3. Maturity

a. The following is a summary of the debt issued:

Purpose	Issue Date	Final Maturity	Interest Rate	Outstanding 6/30/2020
Serial Bonds:				
Advanced refunding	2016	2033	2.72%	$ 1,610,000
Renovations	2008	2024	4-4.3%	325,000
Total				$ 1,935,000

VIII. Long-Term Debt Obligations (Continued)

3. Maturity (Continued)

b. The following is a summary of maturing principal debt service requirements:

	Year	Principal	Interest	Total
Serial Bonds:	2021	$ 285,000	$ 73,894	$ 358,894
	2022	290,000	67,969	357,969
	2023	300,000	53,844	353,844
	2024	315,000	39,194	354,194
	2025	75,000	23,794	98,794
	2026 and thereafter	670,000	106,156	776,156
	Total	$ 1,935,000	$ 364,851	$ 2,299,851

IX. Postemployment (Health Insurance) Benefits

A. General Information about the OPEB Plan

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

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

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

Inactive members or beneficiaries currently receiving benefit payments	71
Inactive members entitled to but not yet receiving benefit payments	-
Active members	60
Total membership	131

B. Total OPEB Liability

The District's total OPEB liability of $31,491,827 was measured as of June 30, 2020 and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and Other Inputs- The total OPEB liability in the June 30, 2020 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified.

IX. Postemployment (Health Insurance) Benefits (Continued)

B. Total OPEB Liability (Continued)

Inflation	2.4%
Salary Increases	vary by pension retirement system membership
Discount Rate	2.21%
Healthcare Cost Trend Rates	5.40% for 2019, decreasing to an ultimate rate of 3.94% by 2075

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

Mortality rates were based on the April 1, 2010-March 31, 2015 NYSLRS experience, with adjustments for mortality improvements based on the Society of Actuaries Scale MP-2019.

The actuarial assumptions used in the June 30, 2020 valuation were based on the results of an actuarial experience study for the period April 1, 2010-March 31, 2015.

C. Changes in the Total OPEB Liability

Balance at June 30, 2019	$20,032,441
Changes for the Year	
Service cost	645,853
Interest	707,594
Changes of benefit terms	(49,822)
Differences between expected and actual experience	(751,504)
Changes in assumptions or other inputs	11,954,113
Benefit payments	(1,046,848)
Net Changes	
Balance at June 30, 2020	$31,491,827

IX. Postemployment (Health Insurance) Benefits (Continued)

C. Changes in the Total OPEB Liability (Continued)

Changes of assumptions and other inputs reflect a change in the discount rate from 3.51% in 2019 to 2.21% in 2020.

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

	(1.21%) 1% Decrease	Current Discount Rate (2.21%)	(3.21%) 1% Increase
Total OPEB Liability	$37,124,504	$31,491,827	$26,409,474

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

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Total OPEB Liability	$ 25,757,093	$ 31,491,827	$ 38,151,205

IX. Postemployment (Health Insurance) Benefits (Continued)

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

For the year ended June 30, 2020, the District recognized OPEB expense of $2,536,670. At June 30, 2020, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	($601,203)
Changes of assumptions or other inputs	10,310,780	(443,750)
Total	$ 10,310,780	($ 1,044,953)

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

Fiscal Year Ending June 30,	Amount
2021	$ 2,279,893
2022	2,279,893
2023	2,279,893
2024	2,363,382
2025	62,766
Thereafter	-

X. Commitments and Contingencies

A. Risk Financing and Related Insurance

1. General Information

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

2. Workers' Compensation Insurance

The Stamford Central School District participates in a risk sharing pool consortium run by the Otsego-Northern Catskills BOCES to insure workers' compensation claims. This is a public entity risk pool created under Article 5, Workers' Compensation Law to finance liability and risks related to Workers' Compensation claims.

3. Grants

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

4. Health Insurance

The Stamford Central School District participates in the Otsego-Northern Catskills Consortium. The Consortium's purpose is to provide health insurance coverage at a lower rate for member educational institutions due to a large participation pool.

XI. Other Disclosures

A. Summary of Reconciliation of Governmental Funds Balance Sheet to the Statement of Net Position

Total governmental fund balance	$	8,517,840
Capital assets (net)		9,085,069
Net pension asset		343,250
Deferred outflows of resources		11,980,906
Bonds payable		(1,935,000)
Accrued interest payable		(3,079)
Net pension liability- proportionate share		(672,919)
Deferred inflows of resources		(1,648,333)
Compensated absences		(180,248)
OPEB obligations		(31,491,827)
Total net position	$	(6,004,341)

XI. Other Disclosures (Continued)

B. Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balance to the Statement of Activities

Net changes in fund balance – total governmental funds	$ 948,080
Capital outlays are expenditures in governmental funds, but are capitalized in the Statement of Net Position	212,379
Depreciation is not recorded as an expenditure in the governmental funds, but is recorded in the Statement of Activities	(497,550)
Repayments of Long-term Debt are recorded as expenditures in the governmental funds, but are recorded as payments of liabilities in the Statement of Net Position	275,000
Interest is recognized as an expense in governmental funds when paid. For governmental activities, interest expense is recognized as it accrues. The decrease in accrued interest during 2019/20 results in less expense.	238
Amortization of refunding premium	19,305
(Increases) Decreases in proportionate share of net pension asset/liability reported in the Statement of Activities do not provide for or require the use of current financial resources and therefore, are not reported as revenues or expenditures in the governmental funds:	
Teachers' Retirement System	(221,992)
Employees' Retirement System	(116,090)
Certain expenses in the Statement of Activities do not require the expenditure of current resources and are, therefore, not reported as expenditures in the governmental funds:	
OPEB obligations	(2,536,670)
Compensated absences	(15,074)
Change in Net Position – Governmental Activities	($1,932,374)

XII. Stewardship, Compliance and Accountability

A. Budgetary Procedures and Budgetary Accounting

1. Budgets

The District administration prepares a proposed budget for approval by the Board of Education for the governmental funds for which legal (appropriated) budgets are adopted. The voters of the District approved the proposed appropriation budget for the General Fund.

Appropriations are adopted at the program line item level.

Appropriations established by adoption of the budget constitute a limitation on expenditures (and encumbrances), that may be incurred. Appropriations lapse at the fiscal year end unless expended or encumbered. Encumbrances will lapse if not expended in the subsequent year. Appropriations authorized for the current year are increased by the planned use of specific reserves, and budget amendments approved by the Board of Education as a result of selected new revenue sources not included in the original budget (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 General Fund budget was increased to reflect the purchase of buses using appropriated reserves in the amount of $64,434 and the carry-over encumbrances the amount of $202,400.

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.

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.

Special Aid Fund and School Lunch Fund have not been included because they do not have legally authorized budgets.

XII. Stewardship, Compliance and Accountability (Continued)

A. Budgetary Procedures and Budgetary Accounting (Continued)

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

XIII. Subsequent Events

There were no significant subsequent events to report from the period of July 1, 2020 to October 7, 2020.

STAMFORD CENTRAL SCHOOL DISTRICT
SCHEDULE OF REVENUES COMPARED TO BUDGET- GENERAL FUND
For Year Ended June 30, 2020

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES				
Local Sources				
Real property taxes	$ 3,253,059	$ 3,253,059	$ 3,253,059	$ -
Other tax items	468,974	468,974	470,224	1,250
Charges for services	204,479	204,479	194,987	(9,492)
Use of money and property	22,100	22,100	29,383	7,283
Sale of property and compensation for loss	-	-	800	800
Miscellaneous	140,000	140,000	313,691	173,691
Total Local Sources	4,088,612	4,088,612	4,262,144	173,532
State Sources	5,485,092	5,485,092	5,412,243	(72,849)
Total Revenues	9,573,704	9,573,704	9,674,387	100,683
Other Sources				
Operating transfers in	42,935	42,935	13,255	(29,680)
Total Revenues and Other Financing Sources	9,616,639	9,616,639	9,687,642	$ 71,003
Appropriated Fund Balance	286,856	286,856		
Appropriated Reserves	170,106	436,940		
Total Revenues, Other Financing Sources, Appropriated Fund Balance and Reserves	$ 10,073,601	$ 10,340,435		

See paragraph on required supplementary information included in auditor's report.

STAMFORD CENTRAL SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES, OTHER USES AND ENCUMBRANCES COMPARED TO BUDGET- GENERAL FUND
For Year Ended June 30, 2020

	Original Budget	Final Budget	Actual	Encumbrances	Variance Favorable (Unfavorable)
EXPENDITURES					
General Support					
Board of education	$ 23,979	$ 31,540	$ 14,157	$ 6,750	$ 10,633
Central administration	193,160	203,159	196,559	-	6,600
Finance	288,058	322,210	247,428	49,810	24,972
Staff	35,084	62,508	60,776	-	1,732
Central services	795,892	804,617	657,672	44,524	102,421
Special items	148,267	141,510	141,181	-	329
Total General Support	1,484,440	1,565,544	1,317,773	101,084	146,687
Instruction					
Instruction, administration and improvement	190,989	190,875	158,163	-	32,712
Teaching - regular school	2,132,424	2,025,412	1,707,222	94,371	223,819
Programs for children with handicapping conditions	1,586,164	1,718,528	1,292,024	115,420	311,084
Occupational education	188,752	188,752	188,752	-	-
Teaching - special school	31,058	73,570	6,888	-	66,682
Instructional media	148,431	189,827	144,137	9,000	36,690
Pupil services	417,710	423,603	331,040	450	92,113
Total Instructional	4,695,528	4,810,567	3,828,226	219,241	763,100
Pupil Transportation	530,598	596,322	451,415	419	144,488
Community Services	1,592	6,560	6,560	-	-
Employee Benefits	2,882,504	2,882,503	2,616,206	9,483	256,814
Debt Service					
Principal	275,000	275,000	275,000	-	-
Interest	79,619	79,619	79,619	-	-
Total Expenditures	9,949,281	10,216,115	8,574,799	330,227	1,311,089
OTHER FINANCING USES					
Operating transfers out	124,320	124,320	88,632	-	35,688
Total Expenditures and Other Financing Uses	$ 10,073,601	$ 10,340,435	8,663,431	$ 330,227	$ 1,346,777
Net change in fund balance			1,024,211		
Fund balance- Beginning			5,941,421		
Fund balance- Ending			$ 6,965,632		

See paragraph on required supplementary information included in auditor's report.

STAMFORD CENTRAL SCHOOL DISTRICT
SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY
For Year Ended June 30, 2020

	2020	2019	2018
Total OPEB Liability			
Service Cost at end of year	$ 645,853	$ 561,235	$ 587,063
Interest	707,594	726,877	695,758
Changes of benefit terms	(49,822)	-	-
Difference between expected and actual experience	(751,504)	-	-
Changes of assumptions or other inputs	11,954,113	1,089,852	(839,180)
Benefit payments	(1,046,848)	(1,122,612)	(1,101,135)
Net change in Total OPEB Liability	11,459,386	1,255,352	(657,494)
Total OPEB Liability- beginning	20,032,441	18,777,089	19,434,583
Total OPEB Liability- ending	$ 31,491,827	$ 20,032,441	$ 18,777,089
Covered-employee payroll	2,639,863	2,806,883	2,774,973
Total OPEB Liability as a percentage of covered-employee payroll	1192.90%	713.70%	676.70%

See paragraph on required supplementary information included in auditor's report

STAMFORD CENTRAL SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION ASSET/LIABILITY
June 30, 2020

Teachers' Retirement System

	2020	2019	2018	2017
District 's proportion of the net pension asset/liability	.013212%	.013075%	.014800%	.014659%
District's proportionate share of the net pension (asset)/liability	$ (343,250)	$ (236,421)	$ (112,491)	$ 156,999
District's covered-employee payroll	$ 2,421,555	$2,206,258	$ 2,130,835	$ 2,345,092
District's proportionate share of the net pension asset/liability as a percentage of its covered-employee payroll	14.17%	10.72%	5.27%	6.70%
Plan fiduciary net position as a percentage of the total pension liability	102.20%	101.53%	100.66%	99.01%

Employees' Retirement System

	2020	2019	2018	2017
District 's proportion of the net pension liability	.0025412%	.0026330%	.0028279%	.0027630%
District's proportionate share of the net pension liability	$ 672,919	$ 186,557	$ 91,270	$ 259,614
District's covered-employee payroll	$ 770,254	$ 755,119	$ 796,547	$ 755,199
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	87.36%	24.70%	11.45%	34.38%
Plan fiduciary net position as a percentage of the total pension liability	86.39%	96.27%	98.24%	94.70%

See paragraph on required supplementary information included in auditor's report.

STAMFORD CENTRAL SCHOOL DISTRICT
SCHEDULE OF DISTRICT CONTRIBUTIONS
June 30, 2020

Teachers' Retirement System

	2020	2019	2018	2017
Contractually required contribution	$ 214,550	$ 234,305	$ 208,822	$ 299,003
Contributions in relation to the contractually required contribution	214,550	234,305	208,822	299,003
Contribution deficiency (excess)	$ -	$ -	$ -	$ -
District's covered-employee payroll	$ 2,421,555	$ 2,206,258	$ 2,130,835	$ 2,345,092
Contributions as a percentage of covered employee payroll	8.86%	10.62%	9.80%	12.70%

Employees' Retirement System

	2020	2019	2018	2017
Contractually required contribution	$ 117,466	$ 115,424	$ 121,411	$ 112,780
Contributions in relation to the contractually required contribution	117,466	115,424	121,411	112,780
Contribution deficiency (excess)	$ -	$ -	$ -	$ -
District's covered-employee payroll	$ 770,254	$ 755,119	$ 796,547	$ 755,199
Contributions as a percentage of covered employee payroll	15.25%	15.29%	15.24%	14.93%

See paragraph on required supplementary information included in auditor's report.

STAMFORD CENTRAL SCHOOL DISTRICT
SCHEDULE OF CHANGE FROM ORIGINAL BUDGET TO FINAL BUDGET AND
REAL PROPERTY TAX LIMIT
For Year Ended June 30, 2020

CHANGE FROM ORIGINAL BUDGET TO FINAL BUDGET

Original Budget			$	10,073,601
Additions:				
Prior year's encumbrances	$	202,400		
Capital Reserve-buses purchased		64,434		266,834
Final Budget			$	10,340,435

SECTION 1318 OF REAL PROPERTY TAX LAW LIMIT CALCULATION

2020-21 Voter-approved Expenditure Budget			$	10,173,873
Maximum allowed (4% of 2020-2021 Budget)			$	406,955
General Fund Fund Balance Subject to Section 1318 of Real Property Tax Law*:				
Unrestricted fund balance:				
Committed fund balance	$	-		
Assigned fund balance		1,575,002		
Unassigned fund balance		391,077		
Total unrestricted fund balance	$	1,966,079		
Less:				
Appropriated fund balance		1,244,775		
Encumbrances included in committed and assigned fund balance		330,227		
Total adjustments	$	1,575,002		
General Fund Fund Balance Subject to Section 1318 of Real Property Tax Law			$	391,077
Actual percentage				3.84%

* Per Office of the State Comptroller's "Fund Balance Reporting and Governmental Fund Type Definitions", Updated April 2011 (originally Issued November 2010), the portion of General Fund Fund Balance subject to Section 1318 of the Real Property Tax Law is: unrestricted fund balance (i.e., the total of the committed, assigned and unassigned classifications), minus appropriated fund balance, amounts reserved for insurance recovery, amounts reserved for tax reduction, and encumbrances included in committed and assigned fund balance.

See paragraph on required supplementary information included in auditor's report.

STAMFORD CENTRAL SCHOOL DISTRICT
SCHEDULE OF PROJECT EXPENDITURES- CAPITAL PROJECTS FUND
For Year Ended June 30, 2020

			Expenditures				Methods of Financing				
PROJECT TITLE	Original Budget	Revised Budget	Prior Years	Current Year	Total	Unexpended Balance	Proceeds of Obligations	Local Sources	State Sources	Total	Fund Balance June 30, 2020
Facade project	$ 2,500,000	$2,500,000	$ 5,138	$ 142,945	$ 148,083	$ 2,351,917	$ -	$ 770,000	$ -	$ 770,000	$ 621,917
Boiler project	596,000	596,000	508,604	-	508,604	87,396	364,000	144,604	-	508,604	-
	$ 3,096,000	$3,096,000	$ 513,742	$ 142,945	$ 656,687	$ 2,439,313	$ 364,000	$ 914,604	$ -	$ 1,278,604	$ 621,917

STAMFORD CENTRAL SCHOOL DISTRICT
SCHEDULE OF INVESTMENT IN CAPITAL ASSETS, NET OF RELATED DEBT
FOR THE YEAR ENDED JUNE 30, 2020

Capital assets, net		$ 9,085,069
Deduct:		
Short-term portion of bonds payable	$ 285,000	
Long-term portion of bonds payable	1,650,000	1,935,000
Net investment in capital assets		$ 7,150,069

See paragraph on required supplementary information included in auditor's report.

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

To the Board of Education of the
Stamford Central School District:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund and the fiduciary funds of the Stamford Central School District as of and for the year ended June 30, 2020, and the related notes to the financial statements which collectively comprise the District's basic financial statements and have issued our report thereon dated October 7, 2020.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Stamford 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 Stamford Central School District's internal control. Accordingly, we do not express an opinion on the effectiveness of Stamford Central School District's internal control.

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Stamford 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 or other matters that are required to be reported under *Government Auditing Standards.*

Purpose of This Report

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

Raymond G. Preusser, CPA, P.C.

Claverack, New York
October 7, 2020

APPENDIX C

Form of Legal Opinion

LAW OFFICES
OF
Timothy R. McGill

248 WILLOWBROOK OFFICE PARK
FAIRPORT, NEW YORK 14450

Kristine M. Bryant
Paralegal

Tel: (585) 381-7470
Fax: (585) 381-7498

December 23, 2020

Board of Education of the
Stamford Central School District
Delaware County, New York

Re: ***Stamford Central School District***
$1,730,000 School District (Serial) Bonds, 2020

Dear Board Members:

I have examined a record of proceedings relating to the issuance of $1,730,000 aggregate principal amount of School District (Serial) Bonds, 2020 of the Stamford Central School District, a school district of the State of New York. The Bonds are issued as serial bonds maturing on June 15 in the following years and in the following principal amounts:

YEAR	AMOUNT	YEAR	AMOUNT	YEAR	AMOUNT
2022	$95,000	2027	$110,000	2032	$125,000
2023	$95,000	2028	$110,000	2033	$130,000
2024	$100,000	2029	$115,000	2034	$130,000
2025	$100,000	2030	$120,000	2035	$135,000
2026	$105,000	2031	$120,000	2036	$140,000

The Bonds are dated December 23, 2020, bear interest at the rate or rates per annum as set forth therein, payable June 15, 2021, December 15, 2021 and semi-annually thereafter on June 15 and December 15 in each year until maturity, are subject to optional redemption as provided therein, and are issued pursuant to the Local Finance Law of the State of New York and a bond resolution adopted June 1, 2020. The proposition approving the matters set forth in the bond resolution was approved by the voters of the School District on May 21, 2019.

The Bonds are issued only in fully registered form, in the name of "Cede & Co.," as nominee for The Depository Trust Company, an automated depository for securities and clearinghouse for securities transactions which will maintain a book-entry system for recording the ownership interests in the Bonds. Only one Bond will be initially issued for each maturity in the aggregate principal amount of such maturity. Purchases of ownership interests in the Bonds will be made in book-entry form in denominations of $5,000 or any integral multiple thereof, not exceeding the aggregate principal amount of Bonds maturing in any year.

In my opinion, except insofar as the enforcement thereof may be limited by any applicable bankruptcy, moratorium or similar laws relating to the enforcement of creditors' rights, the Bonds are valid and legally binding obligations of the Stamford Central School District and, unless paid from other sources, are payable from ad valorem taxes levied upon all the taxable real property within the School District without limitation as to rate or amount.

The School District has covenanted to comply with any requirements of the Internal Revenue Code of 1986, as amended (the "Code"), that must be met subsequent to the issuance of the Bonds in order that interest thereon be and remain excludable from gross income under the Code. In my opinion, under the existing statute, regulations and court decisions, interest on the Bonds is excludable from gross income for Federal income tax purposes under Section 103 of the Code and will continue to be so excluded if the School District continuously complies with such covenant; and under the Code, interest on the Bonds is not a specific preference item for purposes of the federal alternative minimum tax. I express no opinion regarding other Federal income tax consequences caused by the receipt or accrual of interest on the Bonds. Further, in my opinion, interest on the Bonds is exempt from New York State and New York City personal income taxes under existing statutes.

In rendering the opinions expressed herein, I have assumed the accuracy and truthfulness of all public records, documents and proceedings examined by me 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 I also have assumed the genuineness of the signatures appearing upon such public records, documents and proceedings, and such certifications. The scope of my engagement in relation to the issuance of the Bonds has extended solely to the examination of the facts and law incident to rendering the opinions expressed herein. 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 School District, together with other legally available sources of revenue, if any, will be sufficient to enable the School District to pay the principal of and interest on the Bonds as the same respectively become due and payable. Reference should be made to the Official Statement prepared by the School District in relation to the Bonds for factual information which, in the judgment of the School District, could materially affect the ability of the School District to pay such principal and interest. While I have participated in the preparation of such Official Statement, I have not verified the accuracy, completeness or fairness of the factual information contained therein and, accordingly, I express no opinion as to whether the School District, in connection with the sale of the Bonds, has made any untrue statement of a material fact or omitted to state a material fact necessary in order to make any statements made, in the light of the circumstances under which they were made, not misleading. In particular, no opinion is expressed, or may be inferred, with respect to the direct or indirect effect of the COVID-19 pandemic and the federal, state and local government and private industry responses thereto (i) on the financial condition of the School District, or (ii) on the market price and fair market value of the Bonds at initial issuance or at any time thereafter.

I have examined the first executed Bond of the first year of maturity from the issue of Bonds and, in my opinion, its form and execution are regular and proper.

Very truly yours,

Timothy R. McGill, Esq.

TRM:

APPENDIX D

DESCRIPTION OF CONTINUING DISCLOSURE UNDERTAKING

FORM OF CONTINUING DISCLOSURE UNDERTAKING

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

(i) to the Electronic Municipal Market Access ("EMMA") systems of the Municipal Securities Rulemaking Board ("MSRB") or any other entity designated or authorized by the Commission to receive reports pursuant to the Rule, during each fiscal year in which the Bonds are outstanding, (i) certain annual financial information and operating data for the preceding fiscal year in a form generally consistent with the information contained or cross referenced in the final Official Statement dated December 23, 2020 of the School District relating to the Bonds by December 31, 2021 following the end of each succeeding fiscal year, commencing with the fiscal year ending June 30, 2021, and (ii) a copy of the audited financial statements if any (prepared in accordance with accounting principles generally accepted in the United States of America in effect at the time of the audit) for the preceding fiscal year, commencing with the fiscal year ending June 30, 2021; such audit, if any, will be so provided on or prior to the later of either December 31 of each such succeeding fiscal year or, if an audited financial statement is not available at that time, within sixty days following receipt by the School District of its audited financial statement for the proceeding fiscal year, but in any event not later than June 30 of each succeeding fiscal year: and provided further in the event that the audited financial statement for any fiscal year is not available by December 31 following the end of any such succeeding fiscal year, unaudited financial statements in the form provided to the State, if available, will be provided no later than said date; provided however , that provision of unaudited financial statements in any year shall be further conditioned upon the determination by the School District of whether such provision is compliant with the requires of federal Securities laws including Rule 10b-5 of the Securities Exchange Act of 1934 and Rule 17(a) (2) of Securities Act of 1933

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

(a) principal and interest payment delinquencies

(b) non-payment related defaults, if material

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

(d) unscheduled draws on credit enhancements reflecting financial difficulties

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

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

(g) modifications to rights of Bondholders, if material

(h) Bond calls, if material and tender offers

(i) defeasances

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

(k) rating changes

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

(m) the consummation of a merger, consolidation, or acquisition involving the School District or the sale of all or substantially all of the assets of the School 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 mate

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

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

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

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

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

With respect to event (l) above, the event is considered to occur whether any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the School 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 School 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 School District.

For the purpose of events (o) and (p), “financial obligation” means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or source of pay for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii), but shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

The School 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 School District determines that any such other event is material with respect to the Bond; but the School District does not undertake to commit to provide any such notice of the occurrence of any material event except those events listed above.

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

The School 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

School District; provided that the School District agrees that any such modification will be done in a manner consistent with the Rule

A Continuing Disclosure Undertaking Certificate (the “Undertaking”) to this effect shall be provided to the purchaser at Closing.

The School District may amend the Undertaking without the consent of the holders of the Bonds, provided that (a) the Undertaking, as amended, would have complied with the requirements of the Rule at the time of the offering of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances and (b) that no such amendment shall adversely affect the interests of the holders of the Bonds (including holders of beneficial interests in the Bonds) in any material respect. In making such determinations, the Issuer shall rely upon an opinion of nationally recognized bond counsel.

APPENDIX E

Bond Insurance and Specimen Policy

BOND INSURANCE

BOND INSURANCE POLICY

Concurrently with the issuance of the Bonds, Assured Guaranty Municipal Corp. ("AGM") will issue its Municipal Bond Insurance Policy for the Bonds (the "Policy"). The Policy guarantees the scheduled payment of principal of and interest on the Bonds when due as set forth in the form of the Policy included as an appendix to this Official Statement.

The Policy is not covered by any insurance security or guaranty fund established under New York, California, Connecticut or Florida insurance law.

ASSURED GUARANTY MUNICIPAL CORP.

AGM is a New York domiciled financial guaranty insurance company and an indirect subsidiary of Assured Guaranty Ltd. (“AGL”), a Bermuda-based holding company whose shares are publicly traded and are listed on the New York Stock Exchange under the symbol “AGO”. AGL, through its operating subsidiaries, provides credit enhancement products to the U.S. and international public finance (including infrastructure) and structured finance markets and, as of October 1, 2019, asset management services. Neither AGL nor any of its shareholders or affiliates, other than AGM, is obligated to pay any debts of AGM or any claims under any insurance policy issued by AGM.

AGM’s financial strength is rated “AA” (stable outlook) by S&P Global Ratings, a business unit of Standard & Poor’s Financial Services LLC (“S&P”), “AA+” (stable outlook) by Kroll Bond Rating Agency, Inc. (“KBRA”) and “A2” (stable outlook) by Moody’s Investors Service, Inc. (“Moody’s”). Each rating of AGM should be evaluated independently. An explanation of the significance of the above ratings may be obtained from the applicable rating agency. The above ratings are not recommendations to buy, sell or hold any security, and such ratings are subject to revision or withdrawal at any time by the rating agencies, including withdrawal initiated at the request of AGM in its sole discretion. In addition, the rating agencies may at any time change AGM’s long-term rating outlooks or place such ratings on a watch list for possible downgrade in the near term. Any downward revision or withdrawal of any of the above ratings, the assignment of a negative outlook to such ratings or the placement of such ratings on a negative watch list may have an adverse effect on the market price of any security guaranteed by AGM. AGM only guarantees scheduled principal and scheduled interest payments payable by the issuer of bonds insured by AGM on the date(s) when such amounts were initially scheduled to become due and payable (subject to and in accordance with the terms of the relevant insurance policy), and does not guarantee the market price or liquidity of the securities it insures, nor does it guarantee that the ratings on such securities will not be revised or withdrawn.

Current Financial Strength Ratings

On October 29, 2020, KBRA announced it had affirmed AGM’s insurance financial strength rating of “AA+” (stable outlook). AGM can give no assurance as to any further ratings action that KBRA may take.

On July 16, 2020, S&P announced it had affirmed AGM’s financial strength rating of “AA” (stable outlook). AGM can give no assurance as to any further ratings action that S&P may take.

On August 13, 2019, Moody’s announced it had affirmed AGM’s insurance financial strength rating of “A2” (stable outlook). AGM can give no assurance as to any further ratings action that Moody’s may take.

For more information regarding AGM’s financial strength ratings and the risks relating thereto, see AGL’s Annual Report on Form 10-K for the fiscal year ended December 31, 2019.

Capitalization of AGM

At September 30, 2020:

- The policyholders’ surplus of AGM was approximately $2,671 million.

- The contingency reserves of AGM and its indirect subsidiary Municipal Assurance Corp. ("MAC") (as described below) were approximately $1,042 million. Such amount includes 100% of AGM's contingency reserve and 60.7% of MAC's contingency reserve.

- The net unearned premium reserves and net deferred ceding commission income of AGM and its subsidiaries (as described below) were approximately $2,111 million. Such amount includes (i) 100% of the net unearned premium reserve and deferred ceding commission income of AGM, (ii) the net unearned premium reserves and net deferred ceding commissions of AGM's wholly owned subsidiaries Assured Guaranty (Europe) plc ("AGE UK") and Assured Guaranty (Europe) SA ("AGE SA"), and (iii) 60.7% of the net unearned premium reserve of MAC.

The policyholders' surplus of AGM and the contingency reserves, net unearned premium reserves and deferred ceding commission income of AGM and MAC were determined in accordance with statutory accounting principles. The net unearned premium reserves and net deferred ceding commissions of AGE UK and AGE SA were determined in accordance with accounting principles generally accepted in the United States of America.

Incorporation of Certain Documents by Reference

Portions of the following documents filed by AGL with the Securities and Exchange Commission (the "SEC") that relate to AGM are incorporated by reference into this Official Statement and shall be deemed to be a part hereof:

(i) the Annual Report on Form 10-K for the fiscal year ended December 31, 2019 (filed by AGL with the SEC on February 28, 2020);

(ii) the Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2020 (filed by AGL with the SEC on May 8, 2020);

(iii) the Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2020 (filed by AGL with the SEC on August 7, 2020); and

(iv) the Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2020 (filed by AGL with the SEC on November 6, 2020).

All information relating to AGM included in, or as exhibits to, documents filed by AGL with the SEC pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, excluding Current Reports or portions thereof "furnished" under Item 2.02 or Item 7.01 of Form 8-K, after the filing of the last document referred to above and before the termination of the offering of the Bonds shall be deemed incorporated by reference into this Official Statement and to be a part hereof from the respective dates of filing such documents. Copies of materials incorporated by reference are available over the internet at the SEC's website at http://www.sec.gov, at AGL's website at http://www.assuredguaranty.com, or will be provided upon request to Assured Guaranty Municipal Corp.: 1633 Broadway, New York, New York 10019, Attention: Communications Department (telephone (212) 974-0100). Except for the information referred to above, no information available on or through AGL's website shall be deemed to be part of or incorporated in this Official Statement.

Any information regarding AGM included herein under the caption "BOND INSURANCE – Assured Guaranty Municipal Corp." or included in a document incorporated by reference herein (collectively, the "AGM Information") shall be modified or superseded to the extent that any subsequently included AGM Information (either directly or through incorporation by reference) modifies or supersedes such previously included AGM Information. Any AGM Information so modified or superseded shall not constitute a part of this Official Statement, except as so modified or superseded.

Miscellaneous Matters

AGM makes no representation regarding the Bonds or the advisability of investing in the Bonds. In addition, AGM has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Official Statement or any information or disclosure contained herein, or omitted herefrom, other than with respect to the accuracy of the information regarding AGM supplied by AGM and presented under the heading "BOND INSURANCE".

MUNICIPAL BOND INSURANCE POLICY

ISSUER:

BONDS: $ in aggregate principal amount of

Policy No: -N

Effective Date:

Premium: $

ASSURED GUARANTY MUNICIPAL CORP. ("AGM"), for consideration received, hereby UNCONDITIONALLY AND IRREVOCABLY agrees to pay to the trustee (the "Trustee") or paying agent (the "Paying Agent") (as set forth in the documentation providing for the issuance of and securing the Bonds) for the Bonds, for the benefit of the Owners or, at the election of AGM, directly to each Owner, subject only to the terms of this Policy (which includes each endorsement hereto), that portion of the principal of and interest on the Bonds that shall become Due for Payment but shall be unpaid by reason of Nonpayment by the Issuer.

On the later of the day on which such principal and interest becomes Due for Payment or the Business Day next following the Business Day on which AGM shall have received Notice of Nonpayment, AGM will disburse to or for the benefit of each Owner of a Bond the face amount of principal of and interest on the Bond that is then Due for Payment but is then unpaid by reason of Nonpayment by the Issuer, but only upon receipt by AGM, in a form reasonably satisfactory to it, of (a) evidence of the Owner's right to receive payment of the principal or interest then Due for Payment and (b) evidence, including any appropriate instruments of assignment, that all of the Owner's rights with respect to payment of such principal or interest that is Due for Payment shall thereupon vest in AGM. A Notice of Nonpayment will be deemed received on a given Business Day if it is received prior to 1:00 p.m. (New York time) on such Business Day; otherwise, it will be deemed received on the next Business Day. If any Notice of Nonpayment received by AGM is incomplete, it shall be deemed not to have been received by AGM for purposes of the preceding sentence and AGM shall promptly so advise the Trustee, Paying Agent or Owner, as appropriate, who may submit an amended Notice of Nonpayment. Upon disbursement in respect of a Bond, AGM shall become the owner of the Bond, any appurtenant coupon to the Bond or right to receipt of payment of principal of or interest on the Bond and shall be fully subrogated to the rights of the Owner, including the Owner's right to receive payments under the Bond, to the extent of any payment by AGM hereunder. Payment by AGM to the Trustee or Paying Agent for the benefit of the Owners shall, to the extent thereof, discharge the obligation of AGM under this Policy.

Except to the extent expressly modified by an endorsement hereto, the following terms shall have the meanings specified for all purposes of this Policy. "Business Day" means any day other than (a) a Saturday or Sunday or (b) a day on which banking institutions in the State of New York or the Insurer's Fiscal Agent are authorized or required by law or executive order to remain closed. "Due for Payment" means (a) when referring to the principal of a Bond, payable on the stated maturity date thereof or the date on which the same shall have been duly called for mandatory sinking fund redemption and does not refer to any earlier date on which payment is due by reason of call for redemption (other than by mandatory sinking fund redemption), acceleration or other advancement of maturity unless AGM shall elect, in its sole discretion, to pay such principal due upon such acceleration together with any accrued interest to the date of acceleration and (b) when referring to interest on a Bond, payable on the stated date for payment of interest. "Nonpayment" means, in respect of a Bond, the failure of the Issuer to have provided sufficient funds to the Trustee or, if there is no Trustee, to the Paying Agent for payment in full of all principal and interest that is Due for Payment on such Bond. "Nonpayment" shall also include, in respect of a Bond, any payment of principal or interest that is Due for Payment made to an Owner by or on behalf of the Issuer which has been recovered from such Owner pursuant to the

United States Bankruptcy Code by a trustee in bankruptcy in accordance with a final, nonappealable order of a court having competent jurisdiction. "Notice" means telephonic or telecopied notice, subsequently confirmed in a signed writing, or written notice by registered or certified mail, from an Owner, the Trustee or the Paying Agent to AGM which notice shall specify (a) the person or entity making the claim, (b) the Policy Number, (c) the claimed amount and (d) the date such claimed amount became Due for Payment. "Owner" means, in respect of a Bond, the person or entity who, at the time of Nonpayment, is entitled under the terms of such Bond to payment thereof, except that "Owner" shall not include the Issuer or any person or entity whose direct or indirect obligation constitutes the underlying security for the Bonds.

AGM may appoint a fiscal agent (the "Insurer's Fiscal Agent") for purposes of this Policy by giving written notice to the Trustee and the Paying Agent specifying the name and notice address of the Insurer's Fiscal Agent. From and after the date of receipt of such notice by the Trustee and the Paying Agent, (a) copies of all notices required to be delivered to AGM pursuant to this Policy shall be simultaneously delivered to the Insurer's Fiscal Agent and to AGM and shall not be deemed received until received by both and (b) all payments required to be made by AGM under this Policy may be made directly by AGM or by the Insurer's Fiscal Agent on behalf of AGM. The Insurer's Fiscal Agent is the agent of AGM only and the Insurer's Fiscal Agent shall in no event be liable to any Owner for any act of the Insurer's Fiscal Agent or any failure of AGM to deposit or cause to be deposited sufficient funds to make payments due under this Policy.

To the fullest extent permitted by applicable law, AGM agrees not to assert, and hereby waives, only for the benefit of each Owner, all rights (whether by counterclaim, setoff or otherwise) and defenses (including, without limitation, the defense of fraud), whether acquired by subrogation, assignment or otherwise, to the extent that such rights and defenses may be available to AGM to avoid payment of its obligations under this Policy in accordance with the express provisions of this Policy.

This Policy sets forth in full the undertaking of AGM, and shall not be modified, altered or affected by any other agreement or instrument, including any modification or amendment thereto. Except to the extent expressly modified by an endorsement hereto, (a) any premium paid in respect of this Policy is nonrefundable for any reason whatsoever, including payment, or provision being made for payment, of the Bonds prior to maturity and (b) this Policy may not be canceled or revoked. THIS POLICY IS NOT COVERED BY THE PROPERTY/CASUALTY INSURANCE SECURITY FUND SPECIFIED IN ARTICLE 76 OF THE NEW YORK INSURANCE LAW.

In witness whereof, ASSURED GUARANTY MUNICIPAL CORP. has caused this Policy to be executed on its behalf by its Authorized Officer.

ASSURED GUARANTY MUNICIPAL CORP.

By ______________________________
Authorized Officer

A subsidiary of Assured Guaranty Municipal Holdings Inc.
1633 Broadway, New York, N.Y. 10019
(212) 974-0100

Form 500NY (5/90)