JULY 8, 2024

ERRATUM NOTICE

TO THE PRELIMINARY OFFICIAL STATEMENT DATED JULY 2, 2024

RELATING TO THE ISSUANCE OF

TICONDEROGA CENTRAL SCHOOL DISTRICT
ESSEX AND WARREN COUNTIES, NEW YORK

GENERAL OBLIGATIONS
CUSIP BASE NO. 886346

$500,825 School District (Serial) Bonds, 2024

(referred to herein as the "Bonds")

Dated and Delivered: July 25, 2024 **Due: July 15, 2025-2039**

MATURITIES*

Year	Amount	Rate	Yield	CSP	Year	Amount	Rate	Yield	CSP	Year	Amount	Rate	Yield	CSP
2025	$ 10,825				2030	$ 30,000				2035**	$ 40,000			
2026	25,000				2031	30,000				2036**	40,000			
2027	25,000				2032	35,000				2037**	45,000			
2028	30,000				2033**	35,000				2038**	45,000			
2029	30,000				2034**	35,000				2039**	45,000			

* Subject to change pursuant to the accompanying Notice of Sale in order to achieve substantially level or declining annual debt service and to comply with the applicable provisions of the Code.

** The Bonds maturing in the years 2033-2039 are subject to redemption prior to maturity as described herein under the heading "Optional Redemption".

PLEASE BE ADVISED the "BOND RATING" section is revised to read as follows:

BOND RATING

The Bonds are not rated. S&P Global Ratings, a business unit of Standard & Poor's Financial Services LLC ("S&P") has assigned their rating of "A" with a negative outlook to the District's outstanding serial bonds. This reflects only the view of S&P and an explanation of the significance of such rating may be obtained from Standard & Poor's Credit Market Services, Public Finance Ratings, 55 Water Street, 38th Floor, New York, New York 10041, Phone: (212) 553-0038, Fax: (212) 553-1390.

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is no assurance that a particular rating will apply for any given period of time or that it will not be lowered or withdrawn entirely if, in the judgment of the agency originally establishing the rating, circumstances so warrant.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

PRELIMINARY OFFICIAL STATEMENT

NEW ISSUE **SERIAL BONDS**

In the opinion of Trespasz Law Offices, LLP, Bond Counsel to the School District, under existing statutes and court decisions and assuming continuing compliance with certain tax certifications described herein, interest on the Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), and is excluded from adjusted gross income for purposes of New York State and New York City personal income taxes. Interest on the Bonds is not treated as a preference item in calculating the alternative minimum tax under the Code, however, interest on the Bonds is included in the "adjusted financial statement income" of certain corporations that are subject to the alternative minimum tax under Section 55 of the Code. Bond counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of, or the accrual or receipt of interest on the Bonds. (See "TAX MATTERS" herein.)

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

$500,825

TICONDEROGA CENTRAL SCHOOL DISTRICT

ESSEX AND WARREN COUNTIES, NEW YORK

GENERAL OBLIGATIONS
CUSIP BASE NO. 886346

$500,825 School District (Serial) Bonds, 2024

(referred to herein as the "Bonds")

Dated and Delivered: July 25, 2024 **Due: July 15, 2025-2039**

MATURITIES*

Year	Amount	Rate	Yield	CSP	Year	Amount	Rate	Yield	CSP	Year	Amount	Rate	Yield	CSP
2025	$ 10,825				2030	$ 30,000				2035**	$ 40,000			
2026	25,000				2031	30,000				2036**	40,000			
2027	25,000				2032	35,000				2037**	45,000			
2028	30,000				2033**	35,000				2038**	45,000			
2029	30,000				2034**	35,000				2039**	45,000			

* Subject to change pursuant to the accompanying Notice of Sale in order to achieve substantially level or declining annual debt service and to comply with the applicable provisions of the Code.

** The Bonds maturing in the years 2033-2039 are subject to redemption prior to maturity as described herein under the heading "Optional Redemption".

The Bonds are general obligations of the Ticonderoga Central School District, Essex and Warren Counties, New York (the "District"), 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, subject to the applicable statutory limitations imposed by Chapter 97 of the Laws of 2011. (See "THE BONDS – Nature of the Obligation" and "TAX LEVY LIMITATION LAW" herein).

The Bonds will be issued as registered bonds and may be registered, at the option of the purchaser, in the name of the purchaser or in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), which, if so elected by the purchaser, will act as securities depository for the Bonds. If the Bonds are issued in book-entry form, individual purchases will be in the principal amount of $5,000 or integral multiples thereof, except for one necessary odd denomination maturing in 2025. Purchasers will not receive certificates representing their ownership interest in the Bonds. Interest on the Bonds will be payable semi-annually on July 15 and January 15 in each year until maturity commencing July 15, 2025. Principal and interest will be paid by the District to DTC, which will in turn remit such principal and interest to its participants, for subsequent distribution to the beneficial owners of the Bonds. See "BOOK-ENTRY-ONLY SYSTEM" herein. If the Bonds are issued in registered certificated form, the Bonds will be issued in denominations of $5,000 or any integral multiple thereof, except for one necessary odd denomination maturing in 2025, and the District will act as paying agent. Paying agent fees, if any, in such case are to be paid by the purchaser. 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 the approving legal opinion as to the validity of the Bonds by Trespasz law Offices, LLP, Bond Counsel, Syracuse, New York. It is anticipated that the Bonds will be available for delivery through the facilities of DTC located in Jersey City, New Jersey, or as may be agreed upon with the purchaser on or about July 25, 2024.

July 2, 2024

ELECTRONIC BIDS for the Bonds must be submitted on Fiscal Advisors Auction website ("Fiscal Advisors Auction") accessible via www.FiscalAdvisorsAuction.com, on July 11, 2024 by no later than 11:00 A.M. ET. Bids may also be submitted by facsimile at (315) 930-2354. No other form of electronic bidding services will be accepted. No phone bids will be accepted. Once the bids are communicated electronically via Fiscal Advisors Auction or via facsimile to the District, each bid will constitute an irrevocable offer to purchase the Bonds pursuant to the terms provided in the Notice of Sale for the Bonds.

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

TICONDEROGA CENTRAL SCHOOL DISTRICT

SCHOOL DISTRICT OFFICIALS

2024-2025 BOARD OF EDUCATION

MARK RUSSELL
President

ERIK LEERKES
Vice President

LYNNE LENHART
TOM JEBB
TRACY CROSS-BAKER
ROBERT DEDRICK
SEANNA PORTER
DONNA WOTTON
ERIC RICH

* * * * *

SCOTT NEPHEW
Superintendent of Schools

ERIN HAMEL
School District Clerk

LAURIE COSSEY
School District Business Administrator

ANNE MICHALAK
Treasurer

FISCAL ADVISORS AND MARKETING, INC.
Municipal Advisor

TRESPASZ LAW OFFICES, LLP
BOND COUNSEL

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

TABLE OF CONTENTS

PREPARED WITH THE ASSISTANCE OF

Fiscal Advisors & Marketing, Inc.
250 South Clinton Street, Suite 500
Syracuse, New York 13202
(315) 752-0051
http://www.fiscaladvisors.com

OFFICIAL STATEMENT

of the

TICONDEROGA CENTRAL SCHOOL DISTRICT ESSEX AND WARREN COUNTIES, NEW YORK

Relating To

$500,825 School District (Serial) Bonds, 2024

This Official Statement, which includes the cover page and appendices, has been prepared by the Ticonderoga Central School District, Essex and Warren Counties, New York (the "School District" or "District", "County", and "State", respectively) in connection with the sale by the School District of $500,825 principal amount of School District (Serial) Bonds, 2024 (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 be read in its entirety, and no one factor should be considered more or less important than any other by reason of its relative position in this Official Statement.

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

THE BONDS

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). Chapter 97 of the New York Laws of 2011, as amended (the “Tax Levy Limitation Law” or “Chapter 97”) 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.

Purpose of Issue

The Bonds are issued pursuant to the Constitution and statutes of the State of New York, including the Education Law and the Local Finance Law, and a bond resolution duly adopted by the Board of Education on October 23, 2023 authorizing a capital project consisting of construction, reconstruction and improvements to the Junior Senior High School.

The proceeds of the Bonds will provide new monies for the aforementioned purposes.

THE REMAINDER OF THIS PAGE IS LEFT INTENTIONALLY BLANK

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, subject to the applicable statutory limitations imposed by Chapter 97 of the Laws of 2011. (See "THE BONDS – Nature of the Obligation" and "TAX LEVY LIMITATION LAW" herein.).

The Bonds will be dated July 25, 2024 and will mature in the principal amounts 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. Interest will be calculated on a 30-day month and 360-day year basis, payable at maturity.

The Bonds will be issued in either (i) registered certificated form registered in the name of the purchaser, in denominations of $5,000 each or multiples thereof, as may be determined by the successful bidder except for one necessary odd denomination for the bonds maturing in 2021 or (ii) at the option of the purchaser, as registered Bonds, and, if so issued, registered in the name of Cede & Co. as nominee of DTC, which will act as the securities depository for the Bonds. See "BOOK-ENTRY-ONLY SYSTEM" herein. Interest on the Bonds will be payable semi-annually on July 15 and January 15 in each year until maturity commencing July 15, 2025. Principal and interest will be paid by the District to DTC, which will in turn remit such principal and interest to its Participants, for subsequent distribution to the Beneficial Owners of the Bonds, as described herein.

Optional Redemption

The Bonds maturing on or before July 15, 2032 shall not be subject to redemption prior to maturity. The Bonds maturing on or after July 15, 2033 will be subject to redemption prior to maturity as a whole or in part (and by lot if less than all of a maturity is to be redeemed) at the option of the District on July 15, 2032 or on any date thereafter at par (100.0%), 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 by lot in any 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 holders 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.

BOOK-ENTRY-ONLY SYSTEM

The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the Bonds, if so requested. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered bond certificate will be issued for each maturity and amount and will be deposited with DTC.

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

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

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

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

Redemption notices shall be sent to DTC. If less than all of the Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

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

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

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

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

Source: The Depository Trust Company.

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

THE DISTRICT WILL NOT HAVE ANY RESPONSIBILITY OR OBLIGATIONS TO DTC, THE DIRECT PARTICIPANTS, THE INDIRECT PARTICIPANTS OF DTC OR THE BENEFICIAL OWNERS WITH RESPECT TO (1) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY DIRECT PARTICIPANTS OR INDIRECT

PARTICIPANTS OF DTC; (2) THE PAYMENT BY DTC OR ANY DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS OF DTC OF ANY AMOUNT DUE TO ANY BENEFICIAL OWNER IN RESPECT OF THE PRINCIPAL AMOUNT OF OR INTEREST ON THE BONDS; (3) THE DELIVERY BY DTC OR ANY DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS OF DTC OF ANY NOTICE TO ANY BENEFICIAL OWNER; OR (4) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC AS THE REGISTERED HOLDER OF THE BONDS.

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

Certificated Bonds

DTC may discontinue providing its services with respect to the Bonds at any time by giving notice to the District and discharging its responsibilities with respect thereto under applicable law, or the District may terminate its participation in the system of book-entry-only transfers through DTC at any time. In the event that such book-entry-only system is discontinued, the following provisions will apply: the Bonds will be issued in fully registered form in denominations of $5,000 each or any integral multiple thereof, except for one necessary odd denomination maturing in 2025. Principal of the Bonds when due will be payable upon presentation at the office of a bank or trust company located and authorized to do business in the State as a fiscal agent bank to be named by the District upon termination of the book-entry-only system. Interest on the Bonds will be payable semi-annually on July 15 and January 15 in each year until maturity commencing July 15, 2025. Such interest will be payable by check drawn on the fiscal agent and mailed to the registered owner on each interest payment date at the address as shown on the registration books of the fiscal agent as of the last business day of the calendar month preceding each such interest payment date. Bonds may be transferred or exchanged at no cost to the registered owner at any time prior to maturity at the office of the fiscal agent for Bonds of the same or any other authorized denomination or denominations in the same aggregate principal amount upon the terms set forth in the Refunding Bond Certificate of the President of the Board of Education authorizing the sale of the Bonds and fixing the details thereof and in accordance with the Local Finance Law. The fiscal agent shall not be obligated to make any such transfer or exchange of Bonds between the last business day of the calendar month preceding an interest payment date and such interest payment date.

THE SCHOOL DISTRICT

General Information

The District, with an approximate land area of 170 square miles, lies 80 miles north of Albany and 50 miles north of Saratoga Springs, in the eastern sector of the Adirondack Park. The District includes most of the Town of Ticonderoga in Essex County and most of the Town of Hague in Warren County (each a “Town” and collectively the “Towns”).

Major highways within or in close proximity to the District include Interstate Route 87, which extends north to Canada and south to New York City, and New York State Routes #9N, #8 and #22. Air transportation via the Saranac Lake Airport is provided by various national, commuter and regional airlines. Electric service is provided by the National Grid Power Corporation. Sewer and water services are provided in the District by the municipalities located in the District. Police protection is provided by the respective Town, County and State agencies. Fire protection is provided by various volunteer units within the District. Banking services are provided by Glens Falls National Bank and Trust Company. Other banks in close proximity to the District include: TD Banknorth and Community Bank, N.A.

Larger employers located within the District boundaries include Sylvamo Paper Company (paper mill), Moses Ludington Hospital and Fort Ticonderoga (a historical landmark and tourist attraction), which is open for the summer.

Moses Ludington Hospital recently completed a new $9,100,000 renovation in 2018.

Ticonderoga has also been awarded a $10,000,000 grant from the New York State Downtown Revitalization Initiative.

Source: District Officials.

Population

The estimated population of the District is 5,328. (Source: 2022 U.S. Census Bureau estimate)

Five Largest Employers

Name	Type	Employees
Sylvamo	Business	625
Silver Bay YMCA	YMCA	270
Wal-Mart	Retail	225
Ticonderoga Central Schools	Public Education	225
UVM – Ticonderoga Campus	Health Care	100

Selected Wealth and Income Indicators

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

	Per Capita Income			Median Family Income		
	2006-2010	2016-2020	2018-2022	2006-2010	2016-2020	2018-2022
Towns of:						
Ticonderoga	$ 23,412	$ 34,247	$ 36,214	$ 45,391	$ 56,727	$ 68,387
Hague	36,903	46,160	60,395	56,659	82,361	97,188
Counties of:						
Essex	24,390	33,906	39,049	55,781	66,262	81,271
Warren	27,744	38,740	44,183	64,195	86,250	97,947
State of:						
New York	30,948	40,898	47,173	67,405	87,270	100,846

Source: 2006-2010, 2016-2020 & 2018-2022 American Community Survey data.

Note: 2019-2023 American Community Survey estimates are not available as of the date of this Official Statement.

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) are the Counties of Essex and Warren. The information set forth below with respect to the Counties is included for informational purposes only. It should not be implied from the inclusion of such data in this Official Statement that the County is necessarily representative of the District, or vice versa.

Annual Averages

	2017	2018	2019	2020	2021	2022	2023
Essex County	5.5%	4.8%	4.5%	7.9%	4.7%	3.6%	3.8%
Warren County	5.3%	4.6%	4.4%	8.1%	4.9%	3.4%	3.7%
New York State	4.6%	4.1%	3.8%	9.9%	7.0%	4.3%	4.2%

Monthly Figures

	Jan	Feb	Mar	Apr	May	Jun	Jul
Essex County	5.0%	4.8%	4.3%	3.5%	3.2%	3.0%	2.9%
Warren County	4.5%	4.3%	3.9%	3.0%	2.9%	2.8%	2.7%
New York State	4.6%	4.5%	4.0%	3.7%	3.8%	4.2%	4.1%

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

Form of School Government

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

Investment Policy

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

Consistent with the above statutory limitations, it is the School District's current policy to invest in: (1) savings accounts or money market accounts of designated banks; (2) certificates of deposit issued by a bank or trust company located in and authorized to do business in the State; (3) demand deposit accounts in a bank or trust company located in and authorized to do business in the State; (4) obligations of New York State; and (5) obligations of the United States Government (U.S. Treasury Bills and Notes).

Budgetary Procedures

Pursuant to the Education Law, the Board of Education annually prepares or causes to be prepared a tentative budget of the School District 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.

Pursuant to Chapter 97 of the Laws of 2011 ("Chapter 97"), beginning with the 2012 – 2013 fiscal year, if the proposed budget requires a tax levy increase that does not exceed the lesser of 2% or the rate of inflation (the "Tax Cap"), then a majority vote is required for approval. If the proposed budget requires a tax levy 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 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 3rd Tuesday in June, or adopt a contingency budget (which would provide for ordinary contingent expenses, including debt service) that levies a tax levy no greater than that of the prior fiscal year (i.e. a 0% increase in the tax levy).

If the resubmitted and/or revised budget is not approved by the required margin, the Board of Education must adopt a budget that requires a tax levy no greater than that of the prior fiscal year (i.e. a 0% increase in the tax levy). Clarification may be needed to determine whether a Board of Education must adopt a budget that requires the same tax levy amount as used in the prior fiscal year, or whether changes to the levy are permitted for such purposes as the permitted school district exclusions or the tax base growth factor. For a complete discussion of Chapter 97, see "TAX LEVY LIMITATION LAW" herein.

Recent Budget Votes

The budget for the 2023-24 fiscal year was adopted by the qualified voters on May 16, 2023 by a vote of 305 (in favor) to 113 (against). The District's budget for the 2023-24 fiscal year will remain within the Tax Cap imposed by Chapter 97 of the Laws of 2011. The budget called for a total tax levy increase of 0.94%, which is at the District tax levy limit of 0.94%.

The budget for the 2024-25 fiscal year was adopted by the qualified voters on May 21, 2024 by a vote of 456 (in favor) to 134 (against). The District's budget for the 2024-25 fiscal year will remain within the Tax Cap imposed by Chapter 97 of the Laws of 2011. The budget called for a total tax levy increase of 2.40%, which is at the District tax levy limit of 2.40%.

State Aid

The District receives financial assistance from the State in the form of State aid for operating, building and other purposes at various times throughout its fiscal year, pursuant to formulas and payment schedules set forth by statute. In its adopted budget for the 2024-25 fiscal year, approximately 38.01% of the revenues of the District are estimated to be received in the form of State aid. While the State has a constitutional duty to maintain and support a system of free common schools that provides a "sound basic education" to children of the State, there can be no assurance that the State appropriation for State aid to school districts will be continued in future years, either pursuant to existing formulas or in any form whatsoever.

In addition to the amount of State aid budgeted annually by the District, the State makes payments of STAR aid representing tax savings provided by school districts to their taxpayers under the STAR Program.

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

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

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.

The amount of State aid to school districts can vary from year to year and is dependent in part upon the financial condition of the State. During the 2011 to 2019 and 2021 to 2023 fiscal years of the State, State aid to school districts was paid in a timely manner; however, during the State's 2010 and 2020 fiscal years, State budgetary restrictions resulted in delayed payments of State aid to school districts in the State. In addition, the availability of State aid and the timeliness of payment of State aid to school districts could be affected by a delay in adoption of the State budget, which is due at the start of the State's fiscal year of April 1. Since the 2010-11 State fiscal year, the State budget has been generally adopted on or before April 1, with the exception of the 2016-17 State budget which was not adopted until April 9, 2017, the 2023-24 State Budget which was not adopted until May 3, 2023 and the 2025-26 State Budget which was not adopted until April 20, 2024. No assurance can be given that the State will not experience delays in the adoption of the budget in future fiscal years. Significant delays in the adoption of the State budget could result in delayed payment of State aid to school districts in the State which could adversely affect the financial condition of school districts in the State.

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.

Federal aid received by the State.

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

Since March 2020, the State has been awarded over $14 billion in Federal education COVID response funding through the Coronavirus Aid, Relief, and Economic Security ("CARES") Act; Coronavirus Response and Relief Supplemental Appropriations Act, 2021 ("CRRSA"); and the American Rescue Plan ("ARP") Act. These funds are supporting the ability of local educational agencies to address the impact that COVID-19 has had, and continues to have, on elementary and secondary schools in the State.

The District has been allocated $1,454,384 under the American Rescue Plan (ARP) and $647,117 under the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSA). The District has received $868,605 ARP funds and all of its allocated CRSSA funds as of June 30, 2024.

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

Building Aid

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

Building Aid is paid over fifteen years for reconstruction work, twenty years for building additions, or thirty years for new building construction. Building Aid for a specific building project is eligible to begin eighteen months after State Commissioner of Education approval date, for that project, and is paid over the previously described timeframe, assuming all necessary building aid forms are filed with the State in a timely manner. The building aid received is equal to the assumed debt service for that project, which factors in the bond percent, times the building aid ratio that is assigned to the District, and amortized over the predefined timeframe. The building aid ratio is calculated based on a formula that involves the full valuation per pupil in the District compared to a State-wide average.

Pursuant to the provisions of Chapter 760 of the Laws of 1963, the District is eligible to receive a Building Aid Estimate from the New York State Department of Education. Since the gross indebtedness of the District is within the debt limit, the District is not required to apply for a Building Aid Estimate. Based on 2024-25 preliminary building aid ratios, the District expects to receive State building aid of approximately 54.4% of debt service on State Education Department approved expenditures from July 1, 2004 to the present.

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

State aid history:

State aid to school districts within the State has declined in some recent years before increasing again in more recent years.

School district fiscal year (2020-2021): Due to the anticipated impact of the COVID-19 pandemic on State revenues, State aid in the State's 2020-2021 Enacted Budget was 3.7% lower than in the State's 2019-2020 Enacted Budget but was offset in part with increased Federal support. This reduction in State Operating Funds support was offset by approximately $1.1 billion in funding provided to the State through the Federal CARES Act, including the Elementary and Secondary School Emergency Education Relief Fund and the Governor's Emergency Education Relief Fund. With these Federal funds, State aid in the school district fiscal year 2020-2021 was approximately $27.9 billion, an annual increase of approximately $100 million or 0.4%. The State's 2020-2021 Enacted Budget continued prior year funding levels for existing programs, including Foundation Aid, Community Schools and Universal Prekindergarten. The 2020-2021 Enacted Budget also provided over $200 million in support for competitive grant programs, including $1 million for development of a new Civics Education curriculum and $10 million for a Student Mental Health program. Funding for expense-based aids, such as Building Aid, Transportation Aid, and Boards of Cooperative Educational Services (BOCES) Aid continued under existing aid formulas. Out-year growth in School Aid reflected then current projections of the ten-year average growth in State personal income. The State's 2020-2021 Enacted Budget authorized the State's Budget Director to make periodic adjustments to State aid, in the event that actual State revenues came in below 99% of estimates or if actual disbursements exceeded 101% of estimates. Pursuant to that provision, in October, 2020, the State announced that, in the absence of Federal funding to offset such lost revenue, the State had begun to take steps to reduce spending, including but not limited to, temporarily holding back 20% of most aid payments to local governments and school districts. However, the 2020-2021 State aid declines were offset, in part, by $1.1 billion of increased federal funding through the Coronavirus Aid, Relief, and Economic Security Act. With these federal funds, State aid totaled $27.9 billion in the State's 2020-2021 Enacted Budget, an annual increase of approximately $100 million or 0.4% from the 2019-2020 Enacted Budget. As of February 1, 2021, the State Education Department ("SED") advised school districts that the State Division of the Budget would, at some point, provide approval for SED to make the payments to school districts for State aid and other Pre-K-12 grant programs that had been subject to the above-referenced 20% withholding. Such approval was received and the State released all of the withheld funds prior to June 30, 2021.

School district fiscal year (2021-2022): The State's 2021-22 Enacted Budget included $29.5 billion in State aid to school districts, and significantly increased funding for schools and local governments, including a $1.4 billion increase in Foundation Aid and a three-year phase-in of the full restoration to school districts of Foundation Aid that was initially promised in 2007. Additionally, the budget included the use of $13 billion of federal funds for emergency relief, along with the Governor's Emergency Education Relief, which included, in part, the allocation of $629 million to school districts as targeted grants in an effort to address learning loss as a result of the loss of enrichment and after-school activities. In addition, $105 million of federal funds were allocated to expand full-day kindergarten programs. Under the budget, school districts were reimbursed for the cost of delivering school meals and instructional materials in connection with COVID-19-related school closures in spring 2020, along with the costs of keeping transportation employees and contractors on stand-by during the short-term school closures prior to the announcement of the closure of schools for the remainder of the 2019-20 year. Under the budget, local governments also received full restoration of proposed cuts to Aid and Incentives for Municipalities (AIM) funding, and full restoration of $10.3 million in proposed Video Lottery Terminal (VLT) aid cuts, where applicable.

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

School district fiscal year (2023-2024): The State's 2023-24 Enacted Budget includes $34.5 billion for school aid, an increase of $3.1 billion or 10%, which is the highest level of State aid to date. The States 2023-24 Budget also provides a $2.6 billion increase in Foundation Aid, fully funding the program for the first time in history. The State's 2023-24 Enacted Budget provides $134 million to increase access to free school meals. An additional $20 million in grant funding will establish new Early College High School and Pathways in Technology Early College High School Programs. An investment of $10 million over two years in competitive funding for school districts, boards of cooperative educational services, and community colleges will be made to promote job readiness. An additional $150 million will be used to expand high-quality full-day prekindergarten, resulting in universal prekindergarten to be phased into 95% of the State.

School district fiscal year (2024-25): The State's 2024-25 Enacted Budget provides $35.9 billion in State funding to school districts for the 2024-25 school year, the highest level of State aid ever. This represents an increase of $1.3 billion compared to the 2023-24 school year and includes a $934 million or 3.89 percent Foundation Aid increase. The State's 2024-25 Enacted Budget maintains the "save harmless" provision, which currently ensures a school district receives at least the same amount of Foundation Aid as it received in the prior year. The State's 2024-25 Enacted Budget also authorizes a comprehensive study by the Rockefeller Institute and the State Department of Education to develop a modernized school funding formula.

State Aid Litigation

In January 2001, the State Supreme Court issued a decision in Campaign for Fiscal Equity v. New York ("CFE") 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 CFE 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.

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 CFE 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. On October 14, 2021 Governor Hochul announced that New York State reached an agreement to settle and discontinue the *NYSER* case, following through on the State's commitment to fully fund the current Foundation Aid formula to New York's school districts over three years and ending the State's prior opposition to providing such funding. The litigation, which has been ongoing since 2014, sought to require New York State to fully fund the Foundation Aid formula that was put into place following the CFE cases, and had been previously opposed by the State. Foundation Aid was created in 2007 and takes school district wealth and student need into account to create an equitable distribution of state funding to schools, however, New York State has never fully funded Foundation Aid. The new settlement requires New York State to phase-in full funding of Foundation Aid by the FY 2024 budget. In the FY 2022 Enacted State Budget approved in April 2022, the Executive and Legislature agreed to fully fund Foundation Aid by the FY 2024 budget and enacted this commitment into law. A breakdown of currently anticipated Foundation Aid funding is available below:

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

State Aid Revenues

The following table illustrates the percentage of total revenues of the District for each of the below completed fiscal years, the budgeted and unaudited figures for the 2023-2024 fiscal year and budgeted figures for the 2024-2025 fiscal year comprised State aid.

Fiscal Year	Total Revenues [1]	Total State Aid	Percentage of Total Revenues Consisting of State Aid
2019-20	$21,215,384	$8,064,738	38.01%
2020-21	21,416,517	7,828,703	36.55
2021-22	21,291,811	7,974,724	37.45
2022-23	22,087,322	8,271,530	37.45
2023-2024 (Budgeted)	22,104,262	8,541,739	38.64
2023-2024 (Unaudited)	22,694,141	8,559,211	37.72
2024-2025 (Budgeted)	22,580,455	8,581,904	38.01

(1) General fund only, does not include inter-fund transfers or reserve funds.

Source: Audited financial statements for the 2019-2020 fiscal year through and including the 2022-2023 fiscal year, adopted budget and unaudited projections of the District for the 2023-2024 fiscal year and budget for the 2024-2025 fiscal year. This table is not audited.

District Facilities

Name	Grades	Capacity	Year(s) Built/Additions
High School	9-12	1,150	1929, '97, '07
Middle School	6-8	725	1968, '97, '07
Elementary School	UPK-5	875	1968, '97, '07

Source: District Records

Enrollment Trends

School Year	Actual Enrollment	School Year	Projected Enrollment
2020-21	733	2025-26	718
2021-22	724	2026-27	712
2022-23	726	2027-28	700
2023-24	739	2028-29	720
2024-25	737	2029-30	716

Source: District officials.

Employees

The School District employs a total of approximately 171 full-time employees. The number of employees represented by unions, the names of the collective bargaining agents and the contract expiration dates are as follows:

Number	Union	Contract Expiration Date
92	Ticonderoga Central School District Teachers' Association	June 30, 2027
31	Ticonderoga Central School District Support Services' Association	June 30, 2028

Source: District officials.

Status and Financing of Employee Pension Benefits

Substantially all employees of the District are members of either the New York State and Local Employees' Retirement System ("ERS") (for non-teaching and non-certified administrative employees) or the New York State Teachers' Retirement System ("TRS") (for teachers and certified administrators). (Both Systems are referred to together hereinafter as the "Retirement Systems" where appropriate.) These Retirement Systems are cost-sharing multiple public employer retirement systems. The obligation of employers and employees to contribute and the benefits to employees are governed by the New York State Retirement and Social Security Law (the "Retirement System Law"). The Retirement Systems offer a wide range of plans and benefits which are related to years of service and final average salary, vesting of retirement benefits, death and disability benefits and optional methods of benefit payments. All benefits generally had vested after ten years of credited service; however, this was changed to five years as of April 9, 2022. The Retirement System Law generally provides that all participating employers in each retirement system are jointly and severally liable for any unfunded amounts. Such amounts are collected through annual billings to all participating employers. Generally, all employees, except certain part-time employees, participate in the Retirement Systems. The Retirement Systems are non-contributory with respect to members hired prior to July 27, 1976. All members working less than ten years must contribute 3% (ERS) or 3.5% (TRS) of gross annual salary towards the cost of retirement programs.

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

- Raising the minimum age at which most civilians can retire without penalty from 55 to 62 and imposing a penalty of up to 38% for any civilian who retires prior to age 62.
- Requiring ERS employees to continue contributing 3% of their salaries and TRS employees to continue contributing 3.5% toward pension costs so long as they accumulate additional pension credits.
- Increasing the minimum years of service required to draw a pension from 5 years to 10 years, which has since been changed to 5 years as of April 9, 2022.
- Capping the amount of overtime that can be considered in the calculation of pension benefits for civilians at $15,000 per year, and for police and firefighters at 15% of non-overtime wages.

On March 16, 2012, the Governor signed into law the new Tier VI pension program, effective for new ERS and TRS employees hired after April 1, 2012. The Tier VI legislation provides for increased employee contribution rates of between 3% and 6% and contributions at such rates continue so long as such employee continues to accumulate pension credits, an increase in the retirement age from 62 years to 63 years, a readjustment of the pension multiplier, and a change in the time period for the final average salary calculation from 3 years to 5 years. Tier VI employees would vest in the system after ten years of employment; and employees will continue to make employee contribution throughout employment. As of April 9, 2022, vesting requirements were modified, resulting in employees becoming vested after five years.

The District is required to contribute at an actuarially determined rate. The actual contributions for the last four years, budgeted and unaudited figures for the 2023-2024 fiscal year and budgeted figures for the 2024-2025 fiscal year are as follows:

Fiscal Year	ERS	TRS
2019-2020	$ 268,396	$ 591,230
2020-2021	306,919	594,713
2021-2022	229,345	603,208
2022-2023	225,837	693,601
2023-2024 (Budgeted)	280,494	647,461
2023-2024 (Unaudited)	255,897	671,121
2024-2025 (Budgeted)	305,000	665,835

Source: District officials.

The annual required pension contribution is due February 1 annually with the ability to pre-pay on December 15 at a discount. The District pre-pays this cost annually.

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

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

A chart of average ERS and TRS rates as a percent of payroll (2021 to 2025) is shown below:

Year	ERS	TRS
2020-21	14.6%	9.53%
2021-22	16.2	9.80
2022-23	11.6	10.29
2023-24	13.1	9.76
2024-25	15.2	10.02*

*Estimated.

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

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

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

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

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

The State's 2019-2020 Enacted Budget, which was signed into law as Chapter 59 of the Laws of 2019, includes a provision that will allow school districts in the State to establish a reserve fund for the purpose of funding the cost of TRS contributions, as a sub-fund of retirement contribution reserve funds presently authorized for amounts payable to the ERS by a school district. School districts will be permitted to pay into such reserve fund during any particular fiscal year, an amount not to exceed two percent of the total compensation or salaries of all district-employed teachers who are members of the TRS paid during the immediately preceding fiscal year; provided that the balance of such fund may not exceed ten percent of the total compensation or salaries of all district-employed teachers who are members of the TRS paid during the immediately preceding fiscal year. The district established a TRS reserve on February 15, 2022 in the amount of $125,000. At the June 28, 2023 board meeting, an additional $125,000 was added to the reserve.

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 Employee Benefits

Healthcare Benefits. It should also be noted that the District provides employment healthcare benefits to various categories of former employees. These costs may be expected to rise substantially in the future. There is now an accounting rule that requires governmental entities, such as the District, to account for employment healthcare benefits as it accounts for vested pension benefits.

School districts and Boards of Cooperative Educational Services, unlike other municipal units of government in the State, have been prohibited from reducing health benefits received by or increasing health care contributions paid by retirees below the level of benefits or contributions afforded to or required from active employees since the implementation of Chapter 729 of the Laws of 1994. Legislative attempts to provide similar protection to retirees of other local units of government in the State have not succeeded as of this date. Nevertheless, many such retirees of all varieties of municipal units in the State do presently receive such benefits.

OPEB. OPEB refers to "other post-employment benefits," meaning other than pension benefits, disability benefits and OPEB consist primarily of health care benefits, and may include other benefits such as disability benefits and life insurance. Until now, these benefits have generally been administered on a pay-as-you-go basis and have not been reported as a liability on governmental financial statements.

GASB 75. In 2015, the Governmental Accounting Standards Board ("GASB") released new accounting standards for public Other Post-Employment Benefits ("OPEB") plans and participating employers. These standards, GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* ("GASB 75"), have substantially revised the valuation and accounting requirements previously mandated under GASB Statements No. 43 and 45. The District implemented GASB 75. The implementation of this statement requires District's to report OPEB liabilities, OPEB expenses, deferred outflow of resources and deferred inflow of resources related to OPEB. GASB Statement No. 75 replaced GASB Statement 45, which also required the District to calculate and report a net OPEB obligation. However, under GASB 45 districts could amortize the OPEB liability over a period of years, whereas GASB 75 requires districts to report the entire OPEB liability on the statement of net position.

The District contracted with Armory Associates, LLC, an actuarial firm, to calculate its actuarial valuation under GASB 75 for the fiscal years ending June 30, 2022 and 2023. Prior valuations performed under GASB 45 guidelines have not been restated and are not reflected in historic exhibits**.**

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

Balance beginning at:	July 1, 2021	July 1, 2022
	$ 89,357,633	$ 93,504,111
Changes for the year:		
Service cost	3,045,175	3,076,036
Interest on total OPEB liability	2,018,153	2,043,310
Changes in Benefit Terms	171,171	-
Differences between expected and actual experience	-	(7,975,985)
Changes in Assumptions or other inputs	1,079,314	(10,382,521)
Benefit payments	(2,167,335)	(2,196,768)
Net Changes	$ 4,146,478	$ (15,435,928)
Balance ending at:	June 30, 2022	June 30, 2023
	$ 93,504,111	**$ 78,068,183**

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

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

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

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

Other Information

Statutory authority for the power to spend money for the objects or purposes; or to accomplish the objects or purposes, for which the Bonds are to be issued is the Education Law and the Local Finance Law.

The District is in compliance with the procedure for the validation of the Bonds as provided in Title 6 of Article 2 of the Local Finance Law.

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

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

Financial Statements

The District retains independent Certified Public Accountants. The last completed audit report covers the period ending June 30, 2023 and is attached hereto as "APPENDIX – C". Certain summary financial information of the District can be found attached as Appendices to the Official Statement.

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

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

Unaudited Results for Fiscal Year Ending June 30, 2024

The District expects to end the fiscal year ending June 30, 2024 with an unappropriated unreserved fund balance of $845,553. Summary unaudited information for the General Fund for the period ending June 30, 2024 is as follows:

Revenues:	$	22,694,141
Expenditures:		22,653,182
Excess (Deficit) Revenues Over Expenditures:	$	40,959
Total Fund Balance at June 30, 2023:	$	2,426,806
Total Fund Balance at June 30, 2024:	$	2,468,765

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

New York State Comptroller Report of Examination

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

The State Comptroller's office released an audit report of the District on March 16, 2023. The purpose of the audit was to determine whether District officials appropriately tracked, inventoried and safeguarded information technology (IT) assets acquired or in use during the period July 1, 2019 through March 31, 2022.

Key Findings:

- Two Chromebooks with a total cost of approximately $240 could not be located and were not inventoried.
- Three document cameras and one camcorder with combined purchase prices of approximately $2,300 were not inventoried.

Key Recommendations:

- Ensure District inventory records are complete and include the details necessary to adequately track and locate IT assets.
- Perform annual and complete physical inventories and compare results to inventory records.

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.

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

The State Comptroller's Fiscal Stress Monitoring System

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

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

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

Fiscal Year Ending In	Stress Designation	Fiscal Score
2023	No Designation	10.0
2022	No Designation	10.0
2021	No Designation	21.7
2020	No Designation	31.7
2019	No Designation	18.3

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

Note: Reference to website implies no warranty of accuracy of information therein. Information for the fiscal year ending in 2023 is not available as of the date of this Official Statement.

TAX INFORMATION

Taxable Assessed Valuations

Fiscal Year Ending June 30:	2020	2021	2022	2023	2024
Towns of:					
Ticonderoga	$ 555,970,753	$ 570,561,709	$ 581,717,022	$ 622,861,926	$ 635,204,979
Hague	449,616,228	452,847,656	459,112,127	462,788,716	962,353,701 (1)
Total Assessed Values	$ 1,005,586,981	$ 1,023,409,365	$ 1,040,829,149	$ 1,085,650,642	$ 1,597,558,680
State Equalization Rates					
Towns of:					
Ticonderoga	100.00%	100.00%	100.00%	100.00%	87.00%
Hague	75.50%	73.40%	75.90%	69.50%	100.00% (1)
Taxable Full Valuations					
Towns of:					
Ticonderoga	$ 555,970,753	$ 570,561,709	$ 581,717,022	$ 622,861,926	$ 730,120,666
Hague	595,518,183	616,958,659	604,890,813	665,883,045	962,353,701 (1)
Total Taxable Full Valuation	$ 1,151,488,936	$ 1,187,520,368	$ 1,186,607,835	$ 1,288,744,971	$ 1,692,474,367

(1)- Significant change from the previous year due to town-wide revaluation

Tax Rate Per $1,000

Fiscal Year Ending June 30:	2020	2021	2022	2023	2024
Towns of:					
Ticonderoga	$ 10.73	$ 10.71	$ 10.66	$ 10.02	$ 8.89
Hague	13.67	14.03	13.54	13.95	7.45

Tax Levy and Collection Record

Fiscal Year Ending June 30:	2020	2021	2022	2023	2024
Total Tax Levy	$ 12,115,894	$ 12,469,250	$ 12,420,922	$ 12,703,524	$ 12,823,523
Amount Uncollected (2)	620,721	758,048	560,198	671,145	610,471
% Uncollected	5.12%	6.08%	4.51%	5.28%	4.76%

(1) District taxes are made whole by the respective Counties ensuring 100% collection. See “Tax Collection Procedure” herein.

Tax Collection Procedure

District taxes are collected by the School Tax Collector and are payable during the month of September without penalty. Taxes paid in October are subject to a 2% penalty. Unpaid school taxes are returned to the respective County Treasurers in November. All taxes that remain unpaid after the return date in November are re-levied with an additional penalty, together with the State and County taxes, which are due on January 1. The County Treasurers reimburse the District in full for unpaid taxes prior to the end of the District's fiscal year thus ensuring 100% collection of taxes by the District.

Real Property Tax Revenues

The following table illustrates the percentage of total revenues of the District for each of the below completed fiscal years, the budgeted and unaudited figures for the 2023-24 fiscal year and budgeted figures for the 2024-2025 fiscal year comprised of Real Property Taxes.

Fiscal Year	Total Revenues [1]	Total Real Property Taxes	Percentage of Total Revenues Consisting of Real Property Tax
2019-20	21,215,384	12,157,788	57.31
2020-21	21,416,517	12,000,008	56.03
2021-22	21,291,811	11,971,516	56.23
2022-23	22,087,322	12,284,517	55.62
2023-24 (Budgeted)	22,104,262	12,823,523	58.01
2023-2024 (Unaudited)	22,694,141	12,823,523	56.51
2024-2025 (Budgeted)	22,580,455	13,131,661	58.15

(1) General fund only, does not include inter-fund transfers or reserve funds.

Source: Audited financial statements for the 2019-2020 fiscal year through and including the 2022-2023 fiscal year, budgeted and unaudited figures for the 2023-2024 fiscal year and budgeted figures for the 2024-2025 fiscal year. This table is not audited.

Larger Taxpayers 2023 Assessment Roll for 2023-2024 Tax Roll

Name	Type	Taxable Full Valuation
New York State	Forest Preserve	$ 87,636,758
Sylvamo Paper Company	Manufacturing	61,894,000
National Grid	Utility	24,219,921
LaChute Hydro	Utility	8,004,000
Wal-Mart	Retail	7,247,600
David Darrin	Private (Residential)	7,176,900
Margaret Van Voorhis	Private (Residential)	6,503,000
MP Enterprises	Marina	5,737,202
Monument Partners	Private (Residential)	5,532,200
Greg Cashman	Private (Residential)	5,115,000

The larger taxpayers listed above have a total estimated full valuation of $219,066,581 which represents 12.94% of the 2023-2024 tax base of the District.

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

Source: District Tax Rolls.

Additional Tax Information

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

Senior citizen's exemptions are offered to those who qualify.

The total valuation of the District is estimated to be categorized as follows: Residential – 30%, and Commercial – 70%.

The estimated total annual property tax bill of an $185,000 market value residential property located in the District is approximately $4,235 including county, town, District, and fire district taxes.

STAR – School Tax Exemption

The STAR (School Tax Relief) program provides State-funded exemptions from school property taxes to homeowners for their primary residences. School districts are reimbursed by the State for real property taxes exempted pursuant to the STAR Program. Homeowners over 65 years of age with household adjusted gross incomes, less the taxable amount of total distributions from individual retirement accounts and individual retirement annuities ("STAR Adjusted Gross Income") of $98,700 or less in 2023-2024, increased annually according to a cost of living adjustment, are eligible for a "full value" exemption of the first $81,400 for the 2023-24 school year (adjusted annually). Other homeowners with household STAR Adjusted Gross income not in excess of $250,000 ($500,000 in the case of a STAR credit, as discussed below) are eligible for a $30,000 "full value" exemption on their primary residence.

The 2019-20 Enacted State Budget made several changes to the STAR program, which went into effect immediately. The changes are intended to encourage homeowners to switch from the STAR exemption to the STAR credit. The income limit for the exemption was 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 State Budget further modified the STAR program. Under such legislation, property owners with property tax delinquencies greater than one year are not eligible for the Basic STAR exemption or the Basic STAR credit. Recipients of the Enhanced STAR exemptions and credits are not impacted by this program; they may continue to receive STAR benefits even if their property taxes are delinquent.

The 2022-23 Enacted State Budget provided $2.2 billion in State funding for a new one-year property tax relief credit, the Homeowner Tax Rebate Credit, for eligible low- and middle-income households, as well as eligible senior households. Under this program, basic STAR exemption and credit beneficiaries with incomes below $250,000 and Enhanced STAR recipients are eligible for the property tax rebate where the benefit is a percentage of the homeowners' existing STAR benefit.

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

Towns of:	Enhanced Exemption	Basic Exemption	Date Certified
Ticonderoga	$ 84,000	$ 30,000	4/9/2024
Hague	102,660	37,830	4/9/2024

$386,702 of the District's $12,823,523 school tax levy for 2023-24 was exempt by the STAR Program. The District received full reimbursement of such exempt taxes from the State in January, 2024.

$375,000 of the District's $13,161,661 school tax levy for 2024-25 is expected to be exempt by the STAR Program. The District expects to receive full reimbursement of such exempt taxes from the State by January, 2025.

TAX LEVY LIMITATION LAW

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

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

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

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

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

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

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

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

STATUS OF INDEBTEDNESS

Constitutional Requirements

The New York State Constitution limits the power of the District (and 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 one of the two fiscal years immediate succeeding the fiscal year in which such indebtedness was contracted, 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; or, in the alternative, the weighted average period of probable usefulness of the several objects or purposes for which such indebtedness is to be contracted; unless substantially level or declining annual debt service is authorized or 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.

Debt Limit. The District has the power to contract indebtedness for any District purpose authorized by the Legislature of the State provided that the aggregate principal amount thereof shall not exceed ten per centum of the full valuation of the taxable real estate of the District as required by the Local Finance Law and subject to certain enumerated deductions such as State aid for building purposes. The statutory method for determining full valuation is by dividing the assessed valuation of taxable real estate for the last completed assessment roll by the equalization rate established by the State Office of Real Property Services in accordance with applicable State 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. No down payment is required in connection with the issuance of District obligations.

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

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

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

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

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

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

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

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

Debt Outstanding End of Fiscal Year

Fiscal Years Ending:	2020	2021	2022	2023	2024
Bonds [1]	28,201,680	25,750,000	$ 14,495,000	$ 12,505,000	$ 10,625,000
Bond Anticipation Notes	0	0	0	0	0
Revenue Anticipation Notes	2,300,000	1,200,000	0	0	0
Other Debt [2]	621,478	359,976	238,328	244,570	123,457
Total Debt Outstanding	31,123,158	$ 27,309,976	$ 14,733,328	$ 12,749,570	$ 10,748,457

(1) On, November 9, 2017, the District issued $8,895,000 refunding serial bonds through DASNY to realize net present value and budgetary savings. The bonds advance refunded $9,280,000 outstanding principal of the District's series 2011A DASNY bonds. The bonds listed above include $9,280,000 advance refunded series 2011A bonds. Debt service on the refunded bonds is being paid from a fully funded escrow account, and while not legally defeased, these bonds are considered economically defeased. The refunded bonds were redeemed at the call date, October 1, 2021.

(2) Capital leases of the District for the purchase of buses.

Details of Outstanding Indebtedness

The following table sets forth the indebtedness of the District evidenced by bonds and notes as of July 2, 2024:

Type of Indebtedness	Maturity		Amount
Bonds	2025-2035		$ 10,625,000
Bond Anticipation Notes			0
		Total Indebtedness	$ 10,625,000

Debt Statement Summary

Summary of Indebtedness, Debt Limit and Net Debt-Contracting Margin as of July 2, 2024:

Full Valuation of Taxable Real Property			$ 1,692,474,367
Debt Limit 10% thereof			169,247,437
Inclusions:			
Bonds	$ 10,625,000		
Principal of this Issue	500,825		
Total Inclusions		$ 11,125,825	
Exclusions:			
State Building Aid [1]	$ 0		
Total Exclusions		$ 0	
Total Net Indebtedness			$ 11,125,825
Net Debt-Contracting Margin			$ 158,121,612
The percent of debt contracting power exhausted is			6.57%

(1) Based on preliminary 2024-2025 building aid estimates, the District anticipates State Building aid of 54.4% for debt service on State Education Department approved expenditures from July 1, 2004 to the present. The District has no reason to believe that it will not ultimately receive all of the building aid it anticipates, however, no assurance can be given as to when and how much building aid the District will receive in relation to the outstanding bonds.

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

Bonded Debt Service

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

Capital Project Plans

The voters of the District approved a capital project focused on the repair of the portico at the Junior-Senior High School Facility on March 16, 2023. The total budget for this project is $725,000 of which $200,000 will be funded with the capital reserve. The Bonds will provide $500,825 new money for the project.

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

Cash Flow Borrowings

The District historically does not issue Tax Anticipation Notes.

The following is a history of Revenue Anticipation Note (“RAN”) borrowings since the 2018-2019 fiscal year.

Fiscal Year	Amount	Type	Issue Date	Due Date
2018-2019	N/A	N/A	N/A	N/A
2019-2020	$2,300,000	RAN	6/18/2020	9/29/2020
2020-2021	$1,200,000	RAN	6/18/2021	9/29/2021
2021-2022	N/A	N/A	N/A	N/A
2022-2023	N/A	N/A	N/A	N/A
2023-2024	N/A	N/A	N/A	N/A

The District does not expect to issue Tax or Revenue Anticipation Notes in the 2024-2025 fiscal year.

THE REMAINDER OF THIS PAGE IS LEFT INTENTIONALLY BLANK

Estimated Overlapping Indebtedness

In addition to the School District, the following political subdivisions have the power to issue bonds and to levy taxes or cause taxes to be levied on taxable real property in the School District. The estimated outstanding indebtedness of such political subdivisions is as follows:

Municipality	Status of Debt as of	Gross Indebtedness [1]	Exclusions [2]	Net Indebtedness	District Share	Applicable Indebtedness
County of:						
Essex	12/31/2022	$ 14,850,000 [4]	$ - [5]	$ 14,850,000	7.88%	$ 1,170,180
Warren	4/30/2024	31,555,000 [3]	760,000	30,795,000	5.24%	1,613,658
Town of:						
Ticonderoga	12/31/2022	22,226,383 [4]	- [5]	22,226,383	95.53%	21,232,864
Hague	12/31/2022	1,135,000 [4]	- [5]	1,135,000	97.10%	1,102,085
					Total:	$ 25,118,787

(1) Outstanding bonds and bond anticipation notes of the respective municipality. Not adjusted to include subsequent issuances, if any, from the date of the status of indebtedness stated in the table above for each respective municipality.
(2) Water debt, sewer debt and budgeted appropriations as applicable to the respective municipality. Water Indebtedness excluded pursuant to Article VIII, Section 5B of the New York State Constitution. Sewer Indebtedness excluded pursuant to Article VIII, Section 5E of the New York State Constitution, as further prescribed under section 124.10 of the Local Finance Law. Appropriations are excluded pursuant to Section 136.00 of the Local Finance Law.
(3) Gross indebtedness, exclusions, and net-indebtedness sourced from available annual financial information & operating data filings and/or official statements of the respective municipality.
(4) Gross indebtedness sourced from local government data provided by the State Comptroller's office for the most recent fiscal year such data is available for the respective municipality.
(5) Information regarding excludable debt not available.

Debt Ratios

The following table sets forth certain ratios relating to the District's indebtedness as of July 2, 2024:

	Amount	Per Capita [a]	Percentage of Full Value [b]
Net Indebtedness [c]	$ 11,125,825	$ 2,088.18	0.66%
Net Indebtedness Plus Net Overlapping Indebtedness [d]............	36,244,612	6,802.67	2.14

(a) The current estimated population of the District is 5,328. (See "THE SCHOOL DISTRICT – Population" herein.)
(b) The District's full value of taxable real estate for 2023-2024 is $1,692,474,367. (See "TAX INFORMATION – Taxable Assessed Valuations" herein.)
(c) See "Debt Statement Summary" herein.
(d) Estimated net overlapping indebtedness is $25,118,787. (See "Estimated Overlapping Indebtedness" herein.)

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

SPECIAL PROVISIONS AFFECTING REMEDIES UPON DEFAULT

State Aid Intercept for School Districts. In the event of a default in the payment of the principal of and/or interest on the Bonds, the State Comptroller is required to withhold, under certain conditions prescribed by Section 99-b of the State Finance Law, state aid and assistance to the School 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 bonds issued by the school districts in the State for school purposes provides that it will not repeal, revoke or rescind the provisions of Section 99-b, or amend or modify the same so as to limit, impair or impede the rights and remedies granted thereby.

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

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

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

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

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

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

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

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

No Past Due Debt. No principal of or interest on School District indebtedness is past due.

MARKET AND RISK FACTORS

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

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

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

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

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 the tax status of interest on the Bonds. See “TAX MATTERS” herein.

TAX MATTERS

In the opinion of Trespasz Law Offices, LLP ("Bond Counsel"), based upon an analysis of existing laws, regulations, rulings, and court decisions, and assuming, among other matters, compliance with certain covenants, interest on the Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), and is excluded from adjusted gross income for purposes of New York State and New York City personal income taxes. Interest on the Bonds is not treated as a preference item in calculating the alternative minimum tax under the Code, however, interest on the Bonds is included in the "adjusted financial statement income" of certain corporations that are subject to the alternative minimum tax under Section 55 of the Code. The proposed forms of the opinions of Bond Counsel is set forth in "APPENDIX – E".

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

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

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

Future legislative proposals, if enacted into law, or clarification of the Code or court decisions may cause interest on the Bonds to be subject, directly or indirectly, to federal income taxation or to be subject to or exempted from state income taxation, or otherwise prevent beneficial owners from realizing the full current benefit of the tax status of such interest. For example, legislative proposals have been advanced that would limit the exclusion from gross income of interest on obligations like the Bonds to some extent for taxpayers who are individuals whose income is subject to higher marginal income tax rates. Other proposals have been made that could significantly reduce the benefit of, or otherwise affect, the exclusion from gross income of interest on obligations like the Bonds. The introduction or enactment of any such legislative proposals, clarification of the Code or court decisions may also affect, perhaps significantly, the market price for, or marketability of, the Bonds. Prospective purchasers of the Bonds should consult their own tax advisors regarding any pending or proposed federal or state tax legislation, regulations or litigation, and regarding the impact of future legislation, regulations or litigation, as to which Bond Counsel expresses no opinion.

LEGAL MATTERS

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

LITIGATION

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

The District has received notice of two potential claims in association with the NYS Child Victim's Act. It is not anticipated the potential claims will have a material adverse impact on the district's financial condition.

The District has been advised by the Department of Justice of an investigation related to the District's GEAR UP grant. That matter is in the early phases of investigation and the district is cooperating. Currently, it is not anticipated the investigation will have a material adverse impact on the district's financial condition.

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

CONTINUING DISCLOSURE

In order to assist the purchasers in complying with Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended ("Rule 15c2-12"), the District will enter into a Continuing Disclosure Undertaking, the description of which is attached hereto as "APPENDIX – D".

Historical Compliance

Except as noted below, the District is in compliance in all material respects within the last five years with all previous undertakings made pursuant to the Rule.

On June 2, 2020, the District competitively sold Revenue Anticipation Notes, 2020 in the principal amount of $2,300,000 in anticipation of the receipt of State aid for the fiscal year ending June 30, 2021. The Notes were issued on June 18, 2020. A Material Event Notice was due to be filed within 10 days due to the incurrence of a financial obligation, but was not filed until February 1, 2023.

MUNICIPAL ADVISOR

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

CUSIP IDENTIFICATION NUMBERS

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

BOND RATING

S&P Global Ratings, a business unit of Standard & Poor's Financial Services LLC ("S&P") has assigned its rating of "A" with a negative outlook to the Bonds. The rating reflects only the view of Global Ratings and any desired explanation of the significance of such rating should be obtained from S&P Global Ratings, Public Finance Ratings, 55 Water Street, 38th Floor, New York, New York 10041, Phone: (212) 438-2118.

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

MISCELLANEOUS

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

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

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

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

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

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

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

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

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

The District contact information is as follows: Ms. Laurie Cossey, Business Administrator, 5 Calkins Place, Ticonderoga, New York 12883, Phone: (518) 585-7400 x1134, Fax: (518) 585-2682, Email: lcossey@ticonderogak12.org.

This Official Statement has been duly executed and delivered by the President of the Board of Education of the Ticonderoga Central School District.

TICONDEROGA CENTRAL SCHOOL DISTRICT

Dated: July 2, 2024

MARK RUSSELL
President of the Board of Education and Chief Fiscal Officer

GENERAL FUND

Balance Sheets

Fiscal Years Ending June 30:	2019	2020	2021	2022	2023
ASSETS					
Unrestricted Cash	$ 1,557,376	$ 3,571,266	$ 3,207,445	$ 1,165,017	$ 871,407
Restricted Cash	-	-	-	710,000	901,040
State and Federal Aid Receivable	317,574	93,660	98,427	181,026	121,989
Other Receivables, Net	4,117	-	-	-	-
Due from Other Funds	682,285	688,096	546,625	859,629	1,274,768
Due From Other Governments	151,349	116,288	142,283	362,617	141,758
Deferred Expenditures	1,620	-	-	-	-
TOTAL ASSETS	$ 2,714,321	$ 4,469,310	$ 3,994,780	$ 3,278,289	$ 3,310,962
LIABILITIES AND FUND EQUITY					
Accounts Payable	$ 46,096	$ 32,250	$ 66,072	$ 65,307	$ 59,374
Accrued Liabilities	-	-	-	987	902
Bonds Payable	-	2,300,000	1,200,000	-	-
Due to Other Funds	-	-	-	-	-
Due to Teachers' Retirement System	804,237	642,713	634,117	689,287	755,886
Due to Employees' Retirement System	82,039	63,272	85,811	56,175	67,594
Deferred Tax Revenues	-	-	-	11,754	400
TOTAL LIABILITIES	$ 932,372	$ 3,038,235	$ 1,986,000	$ 823,510	$ 884,156
FUND EQUITY					
Nonspendable	$ -	$ -	$ -	$ -	$ -
Restricted	10,000	10,000	10,000	710,000	901,040
Assigned	1,072,565	746,287	568,157	581,009	506,651
Unassigned	699,384	674,788	1,430,623	1,163,770	1,019,115
TOTAL FUND EQUITY	1,781,949	1,431,075	2,008,780	2,454,779	2,426,806
TOTAL LIABILITIES and FUND EQUITY	$ 2,714,321	$ 4,469,310	$ 3,994,780	$ 3,278,289	$ 3,310,962

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

GENERAL FUND

Revenues, Expenditures and Changes in Fund Balance

Fiscal Years Ending June 30:	**2018**	**2019**	**2020**	**2021**	**2022**
REVENUES					
Real Property Taxes	$ 10,751,461	$ 11,134,144	$ 11,615,257	$ 12,000,008	$ 11,971,516
Real Property Tax Items	559,254	557,658	542,531	503,635	477,405
Charges for Services	558,833	545,310	460,391	349,827	299,795
Use of Money & Property	4,324	4,659	26,325	4,942	2,661
Sale of Property and Compensation for Loss	-	-	-	-	-
Miscellaneous	652,089	537,455	506,142	576,700	387,023
Interfund Revenues	-	-	-	-	-
Revenues from State Sources	7,617,521	8,187,125	7,977,801	7,828,703	7,974,724
Revenues from Federal Sources	-	-	86,937	152,702	178,687
Total Revenues	$ 20,143,482	$ 20,966,351	$ 21,215,384	$ 21,416,517	$ 21,291,811
Other Sources:					
Interfund Transfers & Others	-	2,149	2,146	2,859	2,859
Total Revenues and Other Sources	$ 20,143,482	$ 20,968,500	$ 21,217,530	$ 21,419,376	$ 21,294,670
EXPENDITURES					
General Support	$ 2,165,385	$ 2,327,494	$ 2,271,857	$ 2,142,201	$ 2,306,704
Instruction	9,241,273	9,242,739	8,619,515	7,868,577	8,285,875
Pupil Transportation	803,492	833,002	852,375	855,068	677,547
Community Services	4,480	4,654	4,794	4,917	5,131
Employee Benefits	5,381,699	6,256,285	6,576,630	6,654,039	6,500,234
Debt Service	2,546,454	3,156,598	3,183,233	3,299,896	2,928,180
Total Expenditures	$ 20,142,783	$ 21,820,772	$ 21,508,404	$ 20,824,698	$ 20,703,671
Other Uses:					
Interfund Transfers & Others	22,361	35,382	60,000	115,000	145,000
Total Expenditures and Other Uses	$ 20,165,144	$ 21,856,154	$ 21,568,404	$ 20,939,698	$ 20,848,671
Excess (Deficit) Revenues Over Expenditures	(21,662)	(887,654) -	(350,874)	479,678	445,999
FUND BALANCE					
Fund Balance - Beginning of Year	2,691,265	2,669,603	1,781,949	1,431,075	2,008,780
Prior Period Adjustments (net)	-	-	-	98,027	
Fund Balance - End of Year	$ 2,669,603	$ 1,781,949	$ 1,431,075	$ 2,008,780	$ 2,454,779

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

GENERAL FUND

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

Fiscal Years Ending June 30:	2023 Original Budget	2023 Final Budget	2023 Actual	2024 Adopted Budget	2025 Adopted Budget
REVENUES					
Real Property Taxes	$ 12,703,524	$ 12,703,524	$ 12,284,517	$ 12,823,523	$ 13,131,661
Real Property Tax Items	-	30,000	454,114	53,400	-
Charges for Services	401,250	415,250	289,391	390,250	377,500
Use of Money & Property	4,000	4,000	175,613	42,250	90,000
Sale of Property and Compensation for Loss	-	-	-	-	-
Miscellaneous	275,969	143,750	504,041	153,100	399,390
Interfund Revenues		-	-	-	-
Revenues from State Sources	8,268,730	8,268,730	8,271,530	8,541,739	8,581,904
Revenues from Federal Sources	-	85,000	108,116	100,000	-
Total Revenues	$ 21,653,473	$ 21,650,254	$ 22,087,322	$ 22,104,262	$ 22,580,455
Other Sources:					
Interfund Transfers & Others	-	3,219	3,219	2,812	-
Lease Proceeds	-	-	186,635	-	-
Reserve for encumbrances	-	431,009	-	-	-
Appropriated fund balance	150,000	150,000	-	100,000	300,000
Total Revenues and Other Sources	$ 21,803,473	$ 22,234,482	$ 22,277,176	$ 22,207,074	$ 22,880,455
EXPENDITURES					
General Support	$ 2,525,533	$ 2,737,408	$ 2,550,921	$ 2,648,352	$ 2,778,739
Instruction	8,594,759	8,924,471	8,706,803	8,888,431	9,375,410
Pupil Transportation	898,633	965,699	947,610	960,938	917,802
Community Services	5,318	5,344	5,289	5,530	5,749
Employee Benefits	6,979,869	6,807,199	6,806,215	7,098,961	7,194,530
Debt Service	2,669,361	2,669,361	2,857,611	2,474,863	2,478,225
Total Expenditures	$ 21,673,473	$ 22,109,482	$ 21,874,449	$ 22,077,074	$ 22,750,455
Other Uses:					
Interfund Transfers & Others	130,000	125,000	330,700	130,000	130,000
Total Expenditures and Other Uses	$ 21,803,473	$ 22,234,482	$ 22,205,149	$ 22,207,074	$ 22,880,455
Excess (Deficit) Revenues Over Expenditures	-	-	72,027	-	-
FUND BALANCE					
Fund Balance - Beginning of Year	-	-	2,454,779	-	-
Prior Period Adjustments (net)	-	-	(100,000)	-	-
Fund Balance - End of Year	$ -	$ -	$ 2,426,806	$ -	$ -

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

APPENDIX - B
Ticonderoga CSD

BONDED DEBT SERVICE

Fiscal Year Ending June 30th		Principal		Interest		Total
2025	$	1,980,000	$	498,462.50	$	2,478,462.50
2026		1,190,000		402,075.00		1,592,075.00
2027		1,250,000		345,325.00		1,595,325.00
2028		1,305,000		285,575.00		1,590,575.00
2029		1,365,000		223,212.50		1,588,212.50
2030		1,435,000		157,850.00		1,592,850.00
2031		705,000		88,987.50		793,987.50
2032		735,000		56,756.25		791,756.25
2033		405,000		23,156.25		428,156.25
2034		125,000		6,056.25		131,056.25
2035		130,000		3,087.50		133,087.50
TOTALS	$	10,625,000	$	2,090,543.75	$	12,715,543.75

CURRENT BONDS OUTSTANDING

Fiscal Year Ending June 30th	**$8,895,000** Refunding Serial Bonds, 2017 DASNY			**$6,380,000** Serial Bonds 2018A DASNY		
	Principal	Interest	Total	Principal	Interest	Total
2025	$ 1,445,000	$ 246,250.00	$ 1,691,250.00	$ 440,000	$ 223,500.00	$ 663,500.00
2026	630,000	174,000.00	804,000.00	460,000	201,500.00	661,500.00
2027	665,000	142,500.00	807,500.00	485,000	178,500.00	663,500.00
2028	695,000	109,250.00	804,250.00	505,000	154,250.00	659,250.00
2029	725,000	74,500.00	799,500.00	530,000	129,000.00	659,000.00
2030	765,000	38,250.00	803,250.00	560,000	102,500.00	662,500.00
2031	-	-	-	590,000	74,500.00	664,500.00
2032	-	-	-	615,000	45,000.00	660,000.00
2033	-	-	-	285,000	14,250.00	299,250.00
Totals	$ 4,925,000	$ 784,750.00	$ 5,709,750.00	$ 4,470,000	$1,123,000.00	$5,593,000.00

Fiscal Year Ending June 30th	**$1,581,680** Serial Bonds 2020		
	Principal	Interest	Total
2025	$ 95,000	$ 28,712.50	$ 123,712.50
2026	100,000	26,575.00	126,575.00
2027	100,000	24,325.00	124,325.00
2028	105,000	22,075.00	127,075.00
2029	110,000	19,712.50	129,712.50
2030	110,000	17,100.00	127,100.00
2031	115,000	14,487.50	129,487.50
2032	120,000	11,756	131,756.25
2033	120,000	8,906	128,906.25
2034	125,000	6,056	131,056.25
2035	130,000	3,088	133,087.50
Totals	$ 1,230,000	$ 182,793.75	$ 1,412,793.75

TICONDEROGA CENTRAL SCHOOL DISTRICT

AUDITED FINANCIAL STATEMENT

JUNE 30, 2023

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

TICONDEROGA CENTRAL SCHOOL DISTRICT

Financial Statements

Year Ended June 30, 2023

TABLE OF CONTENTS

TELLING & HILLMAN, P.C.

ACCOUNTANTS • AUDITORS
5 PARK STREET – MIDDLEBURY, VT 05753

PHONE: (802) 388-3311
WEB: WWW.TELLINGANDHILLMAN.CPA

Independent Auditor's Report

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

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Ticonderoga Central School District as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Ticonderoga Central School District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Ticonderoga Central School District, as of June 30, 2023, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Ticonderoga Central School District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Ticonderoga Central School District ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Ticonderoga Central School District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Ticonderoga Central School District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, schedule of progress for the retiree health plan, schedule of proportionate share of net pension asset/liability, and schedule of District's contributions on pages 4-9 and 46-49 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements.

We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Ticonderoga Central School District's basic financial statements. The accompanying combining and individual nonmajor fund financial statements, schedule of change from original budget to revised budget, section 1318 real property tax law calculation, and net investment in capital assets are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements.

The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America.

In our opinion, the combining and individual nonmajor fund financial statements, schedule of change from original budget to revised budget, section 1318 real property tax law calculation, and net investment in capital assets are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 30, 2023, on our consideration of Ticonderoga 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Ticonderoga Central School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Ticonderoga Central School District's internal control over financial reporting and compliance.

Telling & Hillman, P.C.

Telling & Hillman, P.C.
License # 092.0131564
Middlebury, Vermont
October 30, 2023

As management of Ticonderoga Central School District, we offer readers this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2023.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the basic financial statements. The basic financial statements are comprised of three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements

The government-wide financial statements are designed to provide readers with a broad overview of our finances in a manner similar to a private-sector business.

The Statement of Net Position presents information on all assets, liabilities, and deferred outflows/inflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position 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 result in cash flows in future fiscal periods (e.g., earned but unused vacation leave).

The government-wide financial statements consist of the following activities:

- Governmental activities – Most of the District's basic services are reported here, including general support, instruction, and pupil transportation. Real property taxes and state and federal grants finance most of these activities.

Fund financial statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Fund accounting is used to ensure and demonstrate compliance with finance-related legal requirements. All of the funds can be divided into two categories: governmental funds and fiduciary funds.

Governmental funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financial requirements.

Because the focus of the governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and change in fund balance provide a reconciliation to facilitate the comparison between governmental funds and governmental activities.

The School District maintains five governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balance for the general fund, special aid fund, and capital projects fund, all of which are considered major funds. The debt service fund and school food service fund are aggregated and reported as nonmajor governmental funds. Individual fund data for each of these governmental funds is provided in the form of combining schedules elsewhere in this report.

The general fund is the only fund which the District legally adopts a budget. The Schedule of Revenues, Expenditures, and Change in Fund Balance – Budget and Actual – General Fund provides a comparison of the original and final budget and the actual expenditures for the current year.

Fiduciary funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the programs of the District. The District is responsible for ensuring that the assets reported in these funds are used for their intended purpose. Fiduciary funds use the accrual basis of accounting and are reported using the economic resources measurement focus.

Notes to the financial statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes provide explanations of the accounting principles followed and include tables with more detailed analyses of accounts requiring further clarification. The notes to the financial statements can be found immediately following the basic financial statements.

Required supplementary information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information which is required to be disclosed by accounting principles generally accepted in the United States of America. The required supplementary information can be found immediately after the notes to the financial statements.

Supplementary information

Supplementary information includes schedules that are not a required part of the basic financial statements but are presented for purposes of additional analysis. The supplementary information is presented following the required supplementary information.

FINANCIAL HIGHLIGHTS

- As of the close of the current fiscal year, the total liabilities and deferred inflows of resources exceeded assets and deferred outflows of resources by $62,026,547 (i.e., net position), a change of $(2,491,373) in comparison to the prior year.

- As of the close of the current fiscal year, the governmental activities reported total revenue of $25,108,800, a change of $218,712 in comparison to the prior year.

- As of the close of the current fiscal year, the governmental activities reported total expenses of $27,600,173, a change of $(1,359,106) in comparison to the prior year.

- As of the close of the current fiscal year, governmental funds reported a combined ending fund balance of $2,791,028, a change of $136,975 in comparison to the prior year.

- As of the close of the current fiscal year, the governmental funds reported total revenue of $25,108,800, a change of $59,670 in comparison to the prior year.

- As of the close of the current fiscal year, the governmental funds reported total expenses of $25,158,460 a change of $745,590 in comparison to the prior year.

- As of the close of the current fiscal year, unassigned fund balance for the general fund was $1,019,115 a change of $(144,655) in comparison to the prior year.

- As of the close of the current fiscal year, the District reported total outstanding long-term indebtedness of $95,442,592 a change of $(15,326,182) in comparison to the prior year.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The following is a summary of condensed government-wide financial data for the current and prior fiscal years.

Net Position

	June 30, 2023	June 30, 2022	Percentage Change
Assets			
Other assets	$ 4,569,760	$ 10,733,320	-57.4%
Capital assets	26,349,325	27,169,702	-3.0
Total assets	30,919,085	37,903,022	-18.4
Deferred outflows of resources			
Pensions	4,863,719	4,852,058	0.2
OPEB	15,588,635	21,140,739	-26.3
Total deferred outflows of resources	20,452,354	25,992,797	-21.3
Total assets and deferred outflows of resources	$ 51,371,439	$ 63,895,819	-19.6%
Liabilities			
Long-term debt outstanding	$ 95,442,592	$ 110,768,774	-13.8%
Other liabilities	1,336,569	853,742	-56.6
Total liabilities	96,779,161	111,622,516	-13.3
Deferred inflows of resources			
Unearned revenue	293,327	254,262	15.4
Pensions	428,192	9,042,105	-95.3
OPEB	15,897,306	2,512,110	532.8
Total deferred inflows of resources	16,618,825	11,808,477	40.7
Net position			
Net investment capital assets	14,156,571	12,992,776	9.0
Restricted	901,040	710,000	26.9
Unrestricted	(77,084,158)	(73,237,950)	5.3
Total net position	(62,026,547)	(59,535,174)	4.2
Total liabilities, deferred inflows of resources, and net position	$ 51,371,439	$ 63,895,819	-19.6%

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. At the close of the most recent fiscal year, total net position was $(62,026,547) a change of $(2,491,373) from the prior year.

The largest portion of net position, $14,156,571, reflects our investment in capital assets (e.g., land, buildings, machinery, equipment, and infrastructure), less any related debt used to acquire those assets that is still outstanding. These capital assets are used to provide services to citizens; consequently, these assets are not available for future spending. Although the investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of net position, $901,040, represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position in the amount of $(77,084,158) is a deficit, primarily resulting from the District's unfunded net pension liability and OPEB (Other Post-Employment Benefit) liability.

Change in Net Position

	June 30, 2023	June 30, 2022	Percentage Change
Revenues			
Program Revenues			
Charges for services	$ 416,213	$ 337,697	23.3%
Operating grants	2,925,545	3,677,246	-20.4
General revenues			
Property taxes and tax items	12,738,631	12,448,921	2.3
State sources	8,271,530	7,980,701	3.6
Use of money and property	175,613	2,661	6,499.5
Miscellaneous	581,268	442,862	31.3
Total revenues	25,108,800	24,890,088	0.9
Expenses			
General support	2,856,793	2,501,005	14.2
Instruction	11,554,151	11,849,367	-2.5
Transportation	915,618	818,034	11.9
Community services	5,289	5,131	3.1
Employee benefits	11,181,691	12,671,817	-11.8
Interest	600,725	675,811	-11.1
School food service program	485,906	438,114	10.9
Total expenses	27,600,173	28,959,279	-4.7
Change in net position	(2,491,373)	(4,069,191)	-38.8
Net position – beginning of year	(59,535,174)	(55,465,983)	7.3
Net position – end of year	$ (62,026,547)	$ (59,535,174)	4.2%

Governmental activities

The District's total revenues for the 2023 fiscal year were $25,108,800 versus expenses of $27,600,173. For the year, the District's net position decreased by $2,491,373 to bring the total net position of the primary government to $(62,026,547). The drivers of revenues for the year were state sources, property taxes, and operating grants. State sources comprised 33% of total revenues while property taxes and tax items were 51% of total revenue. Revenues were up from the prior year by $218,712.

For expenses, general support, instruction, and employee benefits made up a majority of the costs of the governmental activities. Total expenses for general support were $2,856,793, which consisted primarily of central administration, central services, finance, and special items. Instruction total expenses for the year were $11,554,151. Costs associated with instruction included $4,196,396 of teaching – regular school and $2,785,268 for programs for handicapped children.

Governmental funds

General Fund – the general fund is the chief operating fund of the District. At the end of the current fiscal year, the unassigned fund balance was $1,019,115 and the total fund equity was $2,426,806. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to fund expenditures. For the current year, unassigned fund balance represents 4.6% of total expenditures (including transfers out), while total fund balance was 10.9% of the same amount. The total fund balance of the District's general fund increased by $72,027 during the current fiscal year.

Special aid fund – the special aid fund is used to account for operating projects or programs supported in whole, or in part, with federal funds or state or local grants. The fund balance at the end of the year was $0. There was no change in fund balance during the year.

Capital projects fund – the capital projects fund is used to account for the financial resources used for the acquisition, construction, or major repair of capital facilities. The fund balance at the end of the year was $161,456. The fund balance of the District's capital projects fund increased by $65,806 during the current fiscal year.

Debt service fund – this fund accounts for the accumulation of resources and the payment of principal and interest on long-term general obligation debt of the governmental activities. When a capital asset is sold and all or a portion of the bonds used to finance the capital assets are outstanding, this fund must be used to account for the proceeds from the sale of capital assets up to the balance of related bonds outstanding. The fund balance at the end of the year was $19,684. The fund balance of the District's debt service fund decreased by $3,219 during the current fiscal year.

School food service fund – the school food service fund is used to account for transactions of the lunch and breakfast programs. The fund balance at the end of the year was $183,082. The fund balance of the school food service fund increased by $2,361 during the current fiscal year.

GENERAL FUND BUDGETARY HIGHLIGHTS

During the fiscal year, the District reallocates funds within the General Fund budget as it attempts to deal with unexpected changes in revenues and expenditures. A schedule showing the District's original and final general fund budget amounts compared with actual results is shown on the Schedule of Revenues, Expenditures, and Change in Fund Balance – Budget and Actual – General Fund.

The original budget for the General Fund for Ticonderoga Central School District was $21,803,473. The total was revised during year to $22,234,482. The difference arises from the carryover of prior year encumbrances and additional approved transfer to the capital fund.

The District had expenditures with the original budget after last year encumbrances of $22,234,482, and an actual performance $22,205,149 of expenditures and $ 406,651 of encumbrances.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital assets

Total investment in capital assets for governmental activities at year end amounted to $26,349,325 (net of accumulated depreciation). This investment in capital assets includes land, buildings and system improvements, and machinery and equipment.

Major capital asset events during the current fiscal year included the following:

Capital Asset Additions:		
Water heaters	$	38,128
Chevy Traverse		37,806
66 Passenger bus		25,024

Additional information on capital assets can be found in the Notes to the Financial Statements.

Long-term debt
At the end of the current fiscal year, total serial bond debt outstanding was $13,507,754, all of which was backed by the full faith and credit of the government.

Additional information on long-term debt can be found in the Notes to the Financial Statements.

FACTORS BEARING ON THE DISTRICT'S FUTURE

At the time these financial statements were prepared and audited, the District was aware of the following existing circumstances that could affect its future financial health.

The District relies heavily on school taxes to support the budget. In 2011, New York State established the property tax cap law limiting school districts ability to raise taxes by 2% or the rate of inflation, whichever is less. This makes it difficult for districts trying to increase school taxes to supplement any state aid reduction. With revenue sources limited, primarily to state aid and property taxes, it is difficult to keep up with rising costs to provide a quality education to our students.

The uncertainty of the state's financial position, as it relates to its funding of education, and ongoing litigation challenging the formulas used by New York State to distribute aid, make it difficult to project revenues as a part of the District's long-term planning.

.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the District's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

Ticonderoga Central School District Offices
Attn: School Business Executives
5 Calkins Place
Ticonderoga, NY 12883

TICONDEROGA CENTRAL SCHOOL DISTRICT
Statement of Net Position
June 30, 2023

Assets		
Cash:		
Unrestricted	$	871,407
Restricted		1,549,002
Receivables:		
Accounts receivable		6,578
Due from other governments		141,758
State and federal aid		1,788,190
Inventories		34,995
Capital assets, net		26,349,325
Right to use lease asset, net		177,830
Total assets		30,919,085
Deferred outflows of resources		
Pensions		4,863,719
OPEB		15,588,635
Total deferred outflows of resources		20,452,354
Total assets and deferred outflows of resources	$	51,371,439
Liabilities		
Payables:		
Accounts payable	$	476,014
Accrued liabilities		29,896
Due to other governments		481
Long-term liabilities:		
Due and payable within one year:		
Bonds payable		1,978,546
Lease liability		121,113
Due to Teachers' Retirement System		755,886
Due to Employees' Retirement System		74,292
Due and payable after one year:		
Bonds payable		11,529,208
Lease liability		123,457
Net pension liability- proportionate share		2,199,732
Compensated absences payable		31,853
Other postemployment benefits payable		78,068,183
Retirement incentive payable		1,390,500
Total liabilities		96,779,161
Deferred inflows of resources		
Unearned revenue		293,327
Pensions		428,192
OPEB		15,897,306
Total deferred inflows of resources		16,618,825
Net position		
Net investment in capital assets		14,156,571
Restricted:		
Unemployment insurance		10,000
Insurance		154,812
Retirement contributions		736,228
Unrestricted		(77,084,158)
Total net position		(62,026,547)
Total liabilities, deferred inflows of resources, and net position	$	51,371,439

The accompanying notes are an integral part of the financial statements.

TICONDEROGA CENTRAL SCHOOL DISTRICT
Statement of Activities
Year Ended June 30, 2023

	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants	Net (Expense) Revenue and Change in Net Position
Functions/Programs				
General support	$ 2,856,793	$ 289,391	$ 94,498	$ (2,472,904)
Instruction	11,554,151	-	2,472,430	(9,081,721)
Pupil transportation	915,618	-	-	(915,618)
Community services	5,289	-	-	(5,289)
Employee benefits	11,181,691	-	-	(11,181,691)
Interest expense	600,725	-	-	(600,725)
Cost of sales - school lunch	485,906	126,822	358,617	(467)
Total functions/programs	$ 27,600,173	$ 416,213	$ 2,925,545	(24,258,415)

General revenues	
Real property taxes	12,284,517
Other tax items	454,114
Use of money and property	175,613
Miscellaneous	581,268
State sources not restricted to specific programs	8,271,530
Total general revenues	21,767,042
Change in net position	(2,491,373)
Net position - beginning of year, as previously stated	(59,429,989)
Prior period adjustment	(105,185)
Net position - beginning of year, restated	(59,535,174)
Net position - end of year	$ (62,026,547)

The accompanying notes are an integral part of the financial statements.

TICONDEROGA CENTRAL SCHOOL DISTRICT
Balance Sheet - Governmental Funds
June 30, 2023

	General	Special Aid	Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
Assets					
Cash:					
Unrestricted	$ 871,407	$ -	$ -	$ -	$ 871,407
Restricted	901,040	263,692	205,701	178,569	1,549,002
Receivables:					
Accounts receivable	-	-	-	6,578	6,578
Due from other funds	1,274,768	-	-	-	1,274,768
Due from other governments	141,758	-	-	-	141,758
State and federal aid	121,989	1,213,193	433,970	19,038	1,788,190
Inventories	-	-	-	34,995	34,995
Total assets	$ 3,310,962	$ 1,476,885	$ 639,671	$ 239,180	$ 5,666,698
Liabilities					
Payables:					
Accounts payable	$ 59,374	$ 372,395	$ 44,245	$ -	$ 476,014
Accrued liabilities	902	-	-	-	902
Due to other funds	-	840,798	433,970	-	1,274,768
Due to other governments	-	-	-	481	481
Due to Teachers' Retirement System	755,886	-	-	-	755,886
Due to Employees' Retirement System	67,594	-	-	6,698	74,292
Total liabilities	883,756	1,213,193	478,215	7,179	2,582,343
Deferred inflows of resources					
Unearned revenue	400	263,692	-	29,235	293,327
Fund balance					
Nonspendable					
Inventory	-	-	-	34,995	34,995
Restricted:					
Unemployment Insurance	10,000	-	-	-	10,000
Insurance	154,812	-	-	-	154,812
Retirement contributions	736,228	-	-	-	736,228
Assigned:					
Encumbrances	406,651	-	-	-	406,651
Appropriated	100,000	-	-	-	100,000
Unappropriated	-	-	161,456	167,771	329,227
Unassigned	1,019,115	-	-	-	1,019,115
Total fund balance	2,426,806	-	161,456	202,766	2,791,028
Total liabilities, deferred inflows of resources, and fund balance	$ 3,310,962	$ 1,476,885	$ 639,671	$ 239,180	$ 5,666,698

The accompanying notes are an integral part of the financial statements.

TICONDEROGA CENTRAL SCHOOL DISTRICT
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position
June 30, 2023

	Total Governmental Funds	Long-term Assets, Liabilities	Reclassifications and Eliminations	Statement of Net Position
Assets				
Cash:				
Unrestricted	$ 871,407	$ -	$ -	$ 871,407
Restricted	1,549,002	-	-	1,549,002
Receivables:				
Accounts receivables	6,578	-	-	6,578
Due from other funds	1,274,768	-	(1,274,768)	-
Due from other governments	141,758	-	-	141,758
State and federal aid	1,788,190	-	-	1,788,190
Inventories	34,995	-	-	34,995
Capital assets, net	-	26,349,325	-	26,349,325
Right to use lease asset, net	-	177,830	-	177,830
Total assets	5,666,698	26,527,155	(1,274,768)	30,919,085
Deferred outflows of resources				
Pension	-	4,863,719	-	4,863,719
OPEB	-	15,588,635	-	15,588,635
Total deferred outflows of resources	-	20,452,354	-	20,452,354
Total assets and deferred outflows of resources	$ 5,666,698	$ 46,979,509	$ (1,274,768)	$ 51,371,439
Liabilities				
Payables:				
Accounts payable	$ 476,014	$ -	$ -	$ 476,014
Accrued liabilities	902	28,994	-	29,896
Due to other funds	1,274,768	-	(1,274,768)	-
Due to other governments	481	-	-	481
Due to Teachers' Retirement System	755,886	-	-	755,886
Due to Employees' Retirement System	74,292	-	-	74,292
Bonds payable	-	13,507,754	-	13,507,754
Lease liability	-	244,570	-	244,570
Net pension liability- proportionate share	-	2,199,732		2,199,732
Compensated absences	-	31,853	-	31,853
Postemployment benefits	-	78,068,183	-	78,068,183
Retirement incentive payable	-	1,390,500	-	1,390,500
Total liabilities	2,582,343	95,471,586	(1,274,768)	96,779,161
Deferred inflows of resources				
Unearned revenue	293,327	-	-	293,327
Pension	-	428,192	-	428,192
OPEB	-	15,897,306	-	15,897,306
Total deferred inflows of resources	293,327	16,325,498	-	16,618,825
Fund balance/net position				
Total fund balance/net position	2,791,028	(64,817,575)	-	(62,026,547)
Total liabilities, deferred inflows of resources, and fund balance/net position	$ 5,666,698	$ 46,979,509	$ (1,274,768)	$ 51,371,439

The accompanying notes are an integral part of the financial statements.

TICONDEROGA CENTRAL SCHOOL DISTRICT
Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds
Year Ended June 30, 2023

	General	Special Aid	Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
Revenues					
Real property taxes	$ 12,284,517	$ -	$ -	$ -	$ 12,284,517
Other tax items	454,114	-	-	-	454,114
Charges for services	289,391	-	-	-	289,391
Use of money and property	175,613	-	-	-	175,613
State sources	8,271,530	187,850	94,498	8,443	8,562,321
Federal sources	108,116	2,176,464	-	302,119	2,586,699
Surplus food	-	-	-	48,055	48,055
Sales	-	-	-	126,822	126,822
Miscellaneous	504,041	74,399	-	2,828	581,268
Total revenues	22,087,322	2,438,713	94,498	488,267	25,108,800
Expenditures					
General support	2,550,921	-	334,392	-	2,885,313
Instruction	8,706,803	2,105,265	-	-	10,812,068
Pupil transportation	947,610	-	-	-	947,610
Community services	5,289	-	-	-	5,289
Employee benefits	6,806,215	358,448	-	-	7,164,663
Debt service:			-		
Principal	2,254,565	-	-	-	2,254,565
Interest	603,046	-	-	-	603,046
Cost of sales	-	-	-	485,906	485,906
Total expenditures	21,874,449	2,463,713	334,392	485,906	25,158,460
Excess (deficiency) of revenues over expenditures	212,873	(25,000)	(239,894)	2,361	(49,660)
Other financing sources (uses)					
Lease proceeds	186,635	-	-	-	186,635
Operating transfer in	3,219	25,000	305,700	-	333,919
Operating transfer (out)	(330,700)	-	-	(3,219)	(333,919)
Total other financing sources (uses)	(140,846)	25,000	305,700	(3,219)	186,635
Excess of revenues over expenditures and other sources	72,027	-	65,806	(858)	136,975
Fund balance - beginning of year, as previously stated	2,454,779	-	95,650	208,809	2,759,238
Prior period adjustment	(100,000)	-	-	(5,185)	(105,185)
Fund balance - beginning of year, restated	2,354,779	-	95,650	203,624	2,654,053
Fund balance - end of year	$ 2,426,806	$ -	$ 161,456	$ 202,766	$ 2,791,028

The accompanying notes are an integral part of the financial statements.

TICONDEROGA CENTRAL SCHOOL DISTRICT
Reconciliation of the Governmental Funds Revenues, Expenditures, and Changes in Fund Balance to the Statement of Activities
Year Ended June 30, 2023

	Total Governmental Funds	Long-term Revenues, Expenses	Capital Related Funds	Long-term Debt Transactions	Reclassification and Eliminations	Statement of Activities Totals
Revenues						
Real property taxes	$ 12,284,517	$ -	$ -	$ -	$ -	$ 12,284,517
Other tax items	454,114	-	-	-	-	454,114
Charges for services	289,391	-	-	-	-	289,391
Use of money and property	175,613	-	-	-	-	175,613
State sources	8,562,321	-	-	-	-	8,562,321
Federal sources	2,586,699	-	-	-	-	2,586,699
Surplus food	48,055	-	-	-	-	48,055
Sales	126,822	-	-	-	-	126,822
Miscellaneous	581,268	-	-	-	-	581,268
Total revenues	25,108,800	-	-	-	-	25,108,800
Expenditures/Expenses						
General support	2,885,313	82,454	(110,974)	-	-	2,856,793
Instruction	10,812,068	742,083	-	-	-	11,554,151
Pupil transportation	947,610	217,473	(249,465)	-	-	915,618
Community services	5,289	-	-	-	-	5,289
Employee benefits	7,164,663	4,017,028	-	-	-	11,181,691
Debt service:						
Principal	2,254,565	-	-	(2,254,565)	-	-
Interest	603,046	(2,321)	-	-	-	600,725
Cost of sales	485,906	-		-	-	485,906
Total expenditures/expenses	25,158,460	5,056,717	(360,439)	(2,254,565)	-	27,600,173
Excess (deficiency) of revenues over expenditures/expenses	(49,660)	(5,056,717)	360,439	2,254,565	-	(2,491,373)
Other financing sources (uses)						
Lease Proceeds	186,635	-	-	(186,635)	-	-
Operating transfer in	333,919	-	-	-	(333,919)	-
Operating transfer (out)	(333,919)	-	-	-	333,919	-
Total other financing sources (uses)	186,635	-	-	(186,635)	-	-
Net change for the year	$ 136,975	$ (5,056,717)	$ 360,439	$ 2,067,930	$ -	$ (2,491,373)

The accompanying notes are an integral part of the financial statements.

TICONDEROGA CENTRAL SCHOOL DISTRICT
Statement of Fiduciary Net Position - Fiduciary Funds
June 30, 2023

		Private Purpose Trusts		Custodial
Assets				
Cash	$	525,571	$	53,163
Total assets	$	525,571	$	53,163
Net Position				
Restricted	$	525,571	$	53,163
Total liabilities and net position	$	525,571	$	53,163

TICONDEROGA CENTRAL SCHOOL DISTRICT
Statement of Changes in Fiduciary Net Position - Fiduciary Funds
Year Ended June 30, 2023

		Private Purpose Trusts		Custodial
Additions				
Gifts and contributions	$	8,902	$	76,979
Investment earnings		14,651		-
Total additions		23,553		76,979
Deductions				
Scholarships and awards		8,228		-
Other custodial activities		-		80,530
Total deductions		8,228		80,530
Excess of revenues over expenditures		15,325		(3,551)
Net position - beginning of year		510,246		56,714
Net position - end of year	$	525,571	$	53,163

The accompanying notes are an integral part of the financial statements.

Note 1. Summary of Significant Accounting Policies

Ticonderoga Central School District ("the District") provides K-12 public education to students living within its geographic borders.

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

a) Reporting Entity

The Ticonderoga Central School District is governed by the laws of the State of New York. The district is an independent entity governed by an elected Board of Education consisting of 9 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 Unit*. The financial reporting entity consist 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 potential component unit in the District's reporting entity is based on several criteria, including legal standing, fiscal dependency, and financial accountability. Based on the application of these criteria, there are no entities that should be combined with the financial statements of the District.

<u>Extraclassroom Activity Funds</u>

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

b) Joint Venture

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

BOCES are organized under §1950 of the New York State Education Law. A BOCES Board is considered a corporate body. Members of a BOCES Board are nominated and elected by their component member boards in accordance with provisions of §1950 of the New York State Education Law. All BOCES property is held by the BOCES Board as a corporation (§1950(6)).

Note 1. Summary of Significant Accounting Policies (continued)

b) Joint Venture (continued)

In addition, BOCES Boards also are considered municipal corporations to permit them to contract with other municipalities on a cooperative basis under §119-n (a) of the New York State General Municipal Law.

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

During the year, the District was billed $374,920 for BOCES administrative and capital costs.

Participating school districts issue debt on behalf of BOCES. During the year, the District issued $0 of serial bonds on behalf of BOCES. As of year-end, the District had outstanding BOCES debt of $1,315,000.

The District's share of BOCES aid amounted to $271,322.

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

c) Basis of Presentation

The District's financial statements consist of district-wide financial statements, including a statement of net position and a statement of activities, and fund level financial statements which provide more detailed information.

i) District-wide statements

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

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.

ii) Fund statements

The District uses funds to maintain its accounting records. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. The fund statements provide information about the District's funds, including fiduciary funds. Separate statements for each fund category (governmental and fiduciary) are presented.

Note 1. Summary of Significant Accounting Policies (continued)

c) Basis of Presentation (continued)

The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as non-major funds.

The District reports the following major governmental funds:

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

Special Revenue Funds: These funds account for the proceeds of specific revenue sources, such as federal and state grants, that are legally restricted to expenditure for specified purposes. These legal restrictions may be imposed either by governments that provide the funds, or by outside parties. The special revenue funds classified as major are:

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

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

The District reports the following fiduciary funds:

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

Private Purpose Trust Funds: These funds are used to account for trust arrangements in which principal and income benefit 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.

Custodial 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 an agent for various student groups or extraclassroom activity funds.

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.

Note 1. Summary of Significant Accounting Policies (continued)

d) Measurement Focus and Basis of Accounting (continued)

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

The governmental fund statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to pay current liabilities. 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 as it matches the liquidation of related obligations.

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 lease liabilities are reported as other financing sources.

e) Property Taxes

Real property taxes are levied annually by the Board of Education no later than September 1 and become a lien on August 24, 2022. Taxes were collected during the period September 1, 2022 to November 3, 2022.

Uncollectable real property taxes are subsequently enforced by the County in which the District is located. The County pays an amount representing uncollected real property taxes transmitted to the County for enforcement to the District not later than the following April 1.

f) Restricted Resources

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

g) Interfund Transactions

The operations of the District include transactions between funds. These transactions may be temporary in nature, such as with interfund borrowing. 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 District-wide statements, the amounts reported on the Statement of Net Position for interfund receivables and payables represent amounts due between different fund types (governmental activities and fiduciary funds). Eliminations have been made for all interfund receivables and payables between the funds, with the exception of those due from or to the fiduciary funds.

Note 1. Summary of Significant Accounting Policies (continued)

g) Interfund Transactions (continued)

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 6 for a detailed disclosure by individual fund for interfund receivables, payables, expenditures and revenues activity.

h) Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amount of assets, deferred outflows of resources, liabilities, deferred inflows of resources, 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, other post-employment benefits, net pension asset/liability, and useful lives of long-lived asset.

i) Cash (and Cash Equivalents)/Investments

The District's cash and cash equivalents consists 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 by pledged as collateral are obligations of the United States and its agencies and obligations of the State and its municipalities and Districts. Investments are stated at fair value.

j) Accounts Receivable

Receivables are shown as gross. No allowance for uncollectible accounts has been provided since the District expects to collect the full amount.

k) Inventories

Inventories of food in the school food service 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 inventory items in other funds are recorded as expenditures at the time of purchase and are considered immaterial in amount. A portion of the fund balance in the amount of these non-liquid assets has been identified as not available for other subsequent expenditures.

l) Right to Use Assets

Right to use assets are initially measured at an amount equal to the initial measurement of the related lease liability plus any lease payments made prior to the lease term, less lease incentives, and plus ancillary charges necessary to place the lease into service. The right to use assets are amortized on a straight-line basis over the life of the related lease.

Note 1. Summary of Significant Accounting Policies (continued)

m) Capital Assets

Capital assets are reported at actual cost for acquisitions. Donated assets are reported at estimated fair market value at the time received. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the assets life are not capitalized. Capitalization thresholds (the dollar value above which asset acquisitions are added to the capital asset accounts), depreciation methods, and estimated useful lives of general fixed assets reported in the District-wide statements are as follows:

	Capitalization Threshold	Depreciation Method	Estimated Useful Life
Buildings and improvements	$ 5,000	Straight line	5-15 years
Land improvements	$ 5,000	Straight line	5-15 years
Machinery & equipment	$ 1,000	Straight line	3-7 years
Vehicles	$ 5,000	Straight line	3-7 years

Capital assets are not reported in the governmental fund financial statements. Capital outlays in these funds are recorded as expenditures in the year they are incurred.

n) Deferred Outflows of Resources

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District has two items that qualify for reporting in this category. The first item is related to pensions reported in the district-wide Statement of Net Position. This represents the effect of the net change in District's proportion of the collective net pension asset or liability and difference during the measurement period between the District's contributions and its proportionate share of total contributions to the pension systems not included in pension expense. Also included in this item is the District's contribution to the pension systems (TRS and ERS Systems) and OPEB subsequent to the measurement date. The second item relates to OPEB reporting in the district wide Statement of Net Position. This represents the effects of the net change in the actual and expected experience.

o) Deferred Inflows of Resources

In addition to liabilities the Statement of Net Position or Balance Sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has three items that qualify for reporting in this category. The first item is related to pensions reported in the district-wide Statement of Net Position. This represents the effect of the net change in the District's proportion of the collective net pension liability (TRS and ERS Systems) and differences during the measurement periods between the District's contributions and its proportion share of total contributions to the pension system not included in the pension expense. The second item is related to OPEB reported in the district-wide Statement of Net Position. This represents the effect of net changes of assumption or other inputs. The third item is related to unearned revenue. Unearned revenue arises when resources are received by the District before it has legal claim to them, as when grant monies are received prior to incurrence of qualifying expenditures. The District reports unearned on its governmental funds balance sheet and Statement of Net Position as a deferral related to a future period.

Note 1. Summary of Significant Accounting Policies (continued)

p) 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 services and service position. Some earned benefits may be forfeited if not taken within varying time periods.

The liability has been calculated using the vesting/termination method and an accrual for that liability is included in the district-wide financial statements. The compensated absences liability is calculated based on the pay rate in effect at year-end.

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

q) Other Benefits

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

In addition to providing pension benefits, the District provides post-employment health insurance coverage and survivor benefits to retired employees and their survivors in accordance with provisions 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 District recognizes the cost of providing health insurance by recording its share of insurance premiums as an expenditure.

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

r) Short-term Debt

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

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

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

Note 1. Summary of Significant Accounting Policies (continued)

s) Accrued Liabilities and Long-term Obligations

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

t) Equity Classifications

District-wide statements:

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

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

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

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

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 in the school food service fund of $34,995.

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

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

Note 1. Summary of Significant Accounting Policies (continued)

t) Equity Classifications (continued)

Insurance

According to General Municipal Law §6-n, all expenditures made from the insurance reserve fund must be 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 (for example, for unemployment compensation insurance). The 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.

Retirement Contributions

According to General Municipal Law §6-r, all expenditures made from the retirement contributions reserve must be used for financing retirement contributions to the New York State and Local Employees' Retirement System. This reserve is established by Board resolution and is funded by budgetary appropriations and such other reserves and funds that may be legally appropriated. The reserve must be accounted for separately and apart from all other funds and a detail report of the operation and condition of the fund must be provided to the Board.

General Fund:		
Unemployment insurance	$	10,000
Insurance		154,812
Retirement contributions		736,228
	$	901,040

Committed – Includes amounts that can only be used for the specific purpose pursuant to constraints imposed by formal action of the school districts highest level of decision-making authority, i.e., the Board of Education. The School District has no committed fund balance as of June 30, 2022.

Assigned – Includes amounts that are constrained by the District's intent to be used for specific purposes but are neither restricted nor committed. The purpose of the constraint must be narrower than the purpose of the general fund, and in funds other than the general fund, assigned fund balance represents the residual amount of fund balance. Assigned fund balance also includes an amount appropriated to partially fund the subsequent year's budget, as well as encumbrances not classified as restricted at the end of the fiscal year. All encumbrances of the general fund are classified as assigned fund balance. Encumbrances reported in the general fund amount to $406,651. Appropriated fund balance in the general fund amounted to $100,000. Any remaining fund balance in other funds is considered assigned. The capital projects fund reports assigned fund balance of $161,456. The school food service fund also reports assigned fund balance of $148,087. The debt service fund reports assigned fund balance of $19,684.

Note 1. Summary of Significant Accounting Policies (continued)

t) Equity Classifications (continued)

As of June 30, 2023 the District's general fund encumbrances were classified as follows:

General support	$	185,050
Instruction		191,518
Pupil transportation		30,083
Total	$	406,651

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. In the 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.

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. Non-spendable and restricted fund balance in the General Fund are excluded from the 4% limitation. Amounts appropriated for the subsequent year and encumbrances are also excluded from the 4% limitation.

Net Position/Fund Balance

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

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

Order of use of fund balance - The District's policy is to apply expenditures against non-spendable fund balance, restricted fund balance, committed fund balance, assigned fund balance and unassigned fund balance at the end of the fiscal year. For all funds, non-spendable fund balances are determined first and then restricted fund balances for specific purposes 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. Assignment of fund balance cannot cause a negative unassigned fund balance.

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

Due to the differences in the measurement focus and basis of accounting used in the funds statements and the district-wide statements, certain financial transactions are treated differently. The basic financial statements contain a full reconciliation of these items. The differences result primarily from the economic focus of the Statement of Activities, compared with the current financial resources focus of the governmental funds.

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

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

Explanation of Differences Between Governmental Fund Balance and District-wide Net Position

Ending fund balance reported on governmental funds Statement of Revenues, Expenditures, and Changes in Fund Balance	$ 2,791,028
Assets	
Long-term:	
Capital assets, net of related depreciation	26,349,325
Right to use leased assets, net of related amortization	177,830
Deferred outflows of resources:	
Pensions	4,863,719
OPEB	15,588,635
Liabilities:	
Long-term:	
Bonds payable	(13,507,754)
Lease liability	(244,570)
Net pension liability, proportionate share	(2,199,732)
Accrued interest	(28,994)
Compensated absences	(31,853)
Other post-employment benefits	(78,068,183)
Retirement incentive payable	(1,390,500)
Deferred inflows of resources:	
Pensions	(428,192)
OPEB	(15,897,306)
Ending net position reported in Statement of Position for governmental activities	$ (62,026,547)

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

b) 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 five categories. The amounts shown below represent:

i) Long-term revenue and expense differences:

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

ii) Capital related differences:

Capital related differences include the difference between proceeds for the sale of capital assets reported on 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 fund statements and depreciation expense on those items as recorded in the Statement of Activities.

iii) Long-term debt transaction differences:

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

iv) Other post-employment benefits:

Other post-employment benefits differences occur as a result of changes in the District's OPEB liability and differences between the District's contributions and OPEB expenses.

v) Pension differences:

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

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

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

Total revenues and other funding sources of governmental funds	$	25,295,435
Proceeds from capital outlay of leased asset		(186,635)
Total revenues of governmental activities in the Statement of Activities	$	25,108,800
Total expenditures reported in governmental funds	$	25,158,460
In the Statement of Activities, certain operating expenses are measured by the amount earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid).		
Compensated absences		(20,256)
Retirement incentives		(1,800)
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 Statements of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.		
Purchase of capital assets		(173,804)
Current year depreciation		968,033
Loss on disposal		26,148
When the purchase of right to use leased 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 Statements of Activities, the cost of those right to use leased assets is allocated over term of the lease and reported as amortization expense.		
Purchase of right to use assets		(186,635)
Current year amortization		47,829
Repayment of bonds payable, notes payable and lease liability principal is an expenditure in the governmental funds but reduces long-term liabilities in the Statement of Net Position and does not affect the Statement of Activities.		
Principal		(2,254,565)
Accrued interest		(2,321)
The payment of other post-employment benefits (OPEB) is recorded in the governmental funds as expenditures when incurred. However, in the Statement of Activities, the current cost plus the actuarial cost of future benefits are combined and recognized as an expense. This is the amount by which the annual OPEB cost exceeded the premiums paid.		3,501,372
Governmental funds report district pension contributions as expenditures. However, in the Statement of Activities, the cost of pension benefits earned net of employee contributions is reported as pension expense.		537,712
Total expenses of governmental activities in the Statement of Activities	$	27,600,173

Note 3. Stewardship, Compliance and Accountability

Budgets

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

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

Appropriations are adopted at the program line item level.

Appropriations established by the adoption of the budget constitute a limitation on expenditures (and encumbrances) that may be incurred. Appropriations lapse at the end of the fiscal year unless expended or encumbered. Encumbrances will lapse if not expended in the subsequent year. Appropriations authorized for the current year are increased by the planned use of specific reserves, and budget amendments approved by the Board of Education as a result of selected new revenue sources not included in the original budget (when permitted by law). These supplemental appropriations may occur subject to legal restrictions, if the Board approves them because of a need that exists which was not determined at the time the budget was adopted. No supplemental appropriations occurred during the year determined at the time the budget was adopted.

Budgets are established 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.

The General Fund is the only fund with a legally approved budget for the fiscal year ended June 30, 2023.

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 completion of the projects.

Encumbrances

Encumbrance accounting is used for budget control and monitoring purposes and is reported as a part of the governmental funds. Under this method, purchase orders, contracts and other commitments for the expenditure of monies are recorded to reserve applicable appropriations. Outstanding encumbrances as of year-end are presented as 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.

The portion of the District's fund balance subject to the New York State Real Property Tax Law §1318 limit exceeded the amount allowable, which is 4% of the District's budget for the upcoming school year. Actions the District plans to pursue to address this issue include using its fund balance in future budgets to provide stability to taxpayers in a fiscally responsible manner.

Fund balance/net position deficits

The District has a net position deficit of $62,026,547 at June 30, 2023. This is a result of the other post-employment benefits being fully unfunded.

Note 4. Cash (and Cash Equivalents) – Custodial Credit, Concentration of Credit, Interest Rate and Foreign Currency Risk

Cash

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

Uncollateralized	$	-
Collateralized securities held by the pledging financial institution, or its trust department or agent, but not in the District's name	$	1,104,093

Restricted cash represents cash and cash equivalents where use is limited by legal requirements. These assets represent amounts required by statute to be reserved for various purposes. Restricted cash as of year-end includes $1,549,002 within the governmental funds and $578,734 in the fiduciary funds.

Deposits

Deposits are valued at cost or cost plus interest and are categorized as either (1) insured, or for which the securities are held by the District's agent in the District's name, (2) collateralized, and for which the securities are held by the pledging financial institutions' trust department or agent in the District's name, or (3) uncollateralized. At June 30, 2023 all deposits were fully insured and collateralized by the District's agent in the District's name.

Investments and Deposit Policy

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

Interest Rate Risk

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

Credit Risk

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

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

Note 4. Cash (and Cash Equivalents) – Custodial Credit, Concentration of Credit, Interest Rate and Foreign Currency Risk (continued)

Custodial Credit Risk

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

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

Note 5. Receivables

Receivables at year-end for individual funds are as follows:

Description	General	Special Aid	Capital Projects	Nonmajor Governmental Funds	Total
Accounts receivable	$ -	$ -	$ -	$ 6,578	$ 6,578
Due from other governments	141,758	-	-	-	141,758
State and Federal aid	121,989	1,213,193	433,970	19,038	1,788,190
Total	$ 263,747	$ 1,213,193	$ 433,970	$ 25,616	$ 1,936,526

District management has deemed the amounts to be fully collectible.

Note 6. Interfund Balances and Activity

Interfund balances and activity at June 30, 2023 and for the fiscal year then ended, were as follows:

Fund	Interfund Receivable	Interfund Payable	Interfund Revenues	Interfund Expenses
General Fund	$ 1,274,768	$ -	$ 3,219	$ 330,700
Special Aid Fund	-	840,798	25,000	-
Capital Projects Fund	-	433,970	305,700	-
Nonmajor Governmental Funds	-	-	-	3,219
Total	$ 1,274,768	$ 1,274,768	$ 333,919	$ 333,919

Transfer from	Transfer to	Amount	Purpose
General fund	Capital projects fund	$ 305,700	Fund capital expenditures
General fund	Special aid fund	25,000	Fund special aid expenditures
Debt service fund	General fund	3,219	Fund debt service
Total		$ 333,919	

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

Note 7. Capital Assets

Capital asset balances and activity for the year ended June 30, 2023, were as follows:

	6/30/22 Balance	Additions	Retirements Reclassify	6/30/23 Balance
Capital assets that are not depreciated:				
Land	$ 35,200	$ -	$ -	$ 35,200
Capital assets that are depreciated:				
Land improvements	377,993	-	-	377,993
Buildings and improvements	34,198,838	51,395	53,533	34,196,700
Machinery and equipment	2,625,303	122,409	117,296	2,630,416
Total	37,202,134	173,804	170,829	37,205,109
Less accumulated depreciation:				
Land improvements	367,584	581	-	368,165
Building and improvements	8,000,406	739,981	-	8,740,387
Machinery and equipment	1,699,642	227,471	144,681	1,782,432
Total	10,067,632	968,033	144,681	10,890,984
Total capital assets – net	$ 27,169,702	$ (794,229)	$ 26,148	$ 26,349,325

Depreciation expense was charged to governmental functions as follows:

General government	$ 82,453
Instruction	742,083
Pupil transportation	143,498
	$ 968,033

Note 8. Right to Use Assets

Right to use lease asset balances and activity for the year ended June 30, 2023 were as follows:

	6/30/22 Balance	Additions	Reductions	6/30/23 Balance
Right to use assets:				
Leased equipment	$ 75,483	$ 186,635	$ -	$ 262,118
Total	75,483	186,635	-	262,118
Less accumulated amortization:				
Leased equipment	36,459	47,829	-	84,288
Total	36,459	47,829	-	84,288
Total right to use assets - net	$ 39,024	$ 138,806	$ -	$ 177,830

Amortization expense was charged to pupil transportation functions as follows:

General government	$ 47,829

Note 9. Indebtedness

Long-term debt
In the fund financial statements, governmental funds recognize bond premiums and discounts during the current period. The face amount of the debt issued is reported as other financing sources. Premiums received on debt issuance are reported as other financing sources while discounts on debt issuance are reported as other financing uses. Further, unmatured principal of general long-term debt does not require current appropriation and expenditure of governmental fund financial resources.

Serial bonds
The District borrows money in order to acquire land or equipment, construct buildings, or make improvements. This enables the cost of these capital assets to be borne by present and future taxpayers receiving the benefit of the capital assets. These long-term liabilities are full faith and credit debt of the local government. The provisions will be in the general fund's future budgets for capital indebtedness.

Long-term liability balances and activity for the year ended June 30, 2023 are summarized below:

	Beginning Balance	Additions	Reductions	Ending Balance
Governmental activities:				
Serial bonds	$ 15,581,926	$ -	$ 2,074,172	$ 13,507,754
Lease liability	238,328	186,635	180,393	244,570
Other liabilities:				
Compensated absences	52,109	-	20,256	31,853
Post – employment benefits	93,504,111		15,435,928	78,068,183
Net pension liability	-	2,199,732	-	2,199,732
Retirement incentive	1,392,300	-	1,800	1,390,500
	$ 110,768,774	$ 2,386,367	$ 17,712,549	$ 95,442,592

Existing serial bond obligations are as follows:

Description of Issue	Issue Date	Final Maturity	Interest Rate	Original Amount	Balance
Serial bond – 2011	6/8/11	2030	3.00-5.00%	19,000,000	$ 6,507,310
Serial bond – 2018	6/7/18	2033	5.000%	7,337,237	5,685,444
Serial bond – 2020	5/26/20	2035	2.25-2.375%	1,581,680	1,315,000
					13,507,754
Less current portion					(1,978,546)
Long-term portion					$ 11,529,208

The following is a summary of maturing debt service requirements:

Year ended June 30	Principal	Interest	Total
2024	$ 1,978,546	$ 525,932	$ 2,504,478
2025	2,083,051	424,789	2,507,840
2026	1,937,823	319,015	2,256,838
2027	1,785,000	260,537	2,045,537
2028	1,920,000	199,765	2,119,765
2029-2033	3,553,334	141,493	3,694,827
2034-2035	250,000	17,694	267,694
	$ 13,507,754	$ 1,889,225	$ 15,396,979

Note 9. Indebtedness (continued)

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

Interest paid	$	603,046
Less: interest accrued in prior year		(31,315)
Plus: interest accrued in current year		28,994
Interest expense	$	600,725

Note 10. Leases

The School District has entered into various operating lease agreements for the purpose of the right to use tangible assets, which consists of buses and copiers. The initial terms for these leases vary dependent on the terms and conditions of the lease. For accounting purposes, the right to use lease liability is reported at the present value of future minimum lease payments.

Lease liabilities are comprised of the following:

Description of Issue	Issue Date	Final Maturity	Interest Rate	Original Amount		Balance
Lease liability – Bus	2/25/20	2023	2.880%	82,890	$	16,750
Lease liability – Bus	2/25/20	2023	2.880%	82,890		16,750
Lease liability – Tech	2/25/20	2023	2.880%	58,076		11,733
Lease liability – Tech	2/25/20	2023	2.880%	58,391		11,801
Lease liability – Tech	2/25/20	2023	2.880%	58,391		11,801
Lease liability- Copier	3/15/19	2025	2.400%	71,632		26,054
Lease liability- Copier	12/29/21	2026	2.400%	3,851		2,743
Lease liability – Bus	1/5/23	2027	5.150%	69,758		54,609
Lease liability – Bus	6/30/23	2027	5.150%	116,877		92,329
						244,570
Less current portion						(121,113)
Long-term portion					$	123,457

The following is a summary of maturing lease liabilities:

Year ended June 30		Principal		Interest		Total
2024	$	121,113	$	6,575	$	127,688
2025		47,018		5,691		52,709
2026		37,493		3,802		41,295
2027		38,946		1,941		40,887
	$	244,570	$	18,009	$	262,579

Note 11. Pension Plans

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

Note 11. Pension Plans (continued)

Plan Description and Benefits Provided

Provisions and administration:

Teachers' Retirement System (TRS)

The District participates in the New York State Teachers' Retirement System (NYSTRS). 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 Your 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. The New York TRS issues a publicly available financial report that contains financial statements and required supplementary information for the System. The report and additional information may be obtained by writing to NYSTRS, 10 Corporate Woods Drive, Albany, New York, 12211-2395 or by referring to the NYSTRS Comprehensive Annual Financial report, which can be found on the System's website at www.nystrs.org.

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 the 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 provision of the New York State Retirement and Social Security Law (NYSRSSL). Once a public employer elects to participate in the System, the election is irrevocable. The New York State Constitution provides that pension membership is a contractual relationship and plan benefits cannot be diminished or impaired. Benefits can be changed for future members only by enactment of a State Statute.

The District also participates in the Public Employees' Group Life Insurance Plan (GLIP), which provides death benefits in the form of life insurance. The System is included in the State's financial report as a pension trust fund. That report, including information with regard to benefits provided, may be found at www.osc.state.ny.us/retire/publications/index.php or by writing to the New York State and Local Retirement System, 110 State Street, Albany, New York 12244.

The Systems are noncontributory except for the employees who joined after to July 27, 1976, who can contribute 3% of their salary for the first ten years of membership, and employees who joined on or after January 2010 who generally contribute 3% to 3.5% of their salary for their entire length of service. In addition, employee contribution rates under ERS tier VI vary based on a sliding salary scale.

Note 11. Pension Plans (continued)

For ERS, the Comptroller annually certifies the actuarial 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.

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

June 30	NYSERS	NYSTRS
2023	$ 228,987	$ 647,008
2022	283,393	600,329
2021	291,435	606,010

Pension Liabilities, Pension Expense (Credit), and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2023, 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, 2023 for ERS and June 30, 2022 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 System in reports provided to the District.

	ERS	TRS
Actuarial valuation date	4/1/22	6/30/21
Net pension asset/(liability)	$ (1,484,600)	(715,132)
District's portion of the Plan's total net pension asset/(liability)	0.0069231%	0.037268%

For the year ended June 30, 2023 the District's recognized pension expense of $517,839 for ERS and $941,795 for TRS. At June 30, 2023, the District's reported deferred outflows of 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 experiences	$ 158,122	$ 749,367	$ 41,693	$ 14,330
Changes of assumptions	721,018	1,387,234	7,969	288,075
Net difference between projected and actual earnings on pension plan investments	-	924,018	8,722	-
Changes in proportion and differences between the District's contributions and proportionate share of contributions	25,411	198,299	51,164	16,239
District's contributions subsequent to the measurement date	-	700,250	-	-
Total	$ 904,551	$ 3,959,168	$ 109,548	$ 318,644

Note 11. Pension Plans (continued)

District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended March 31, 2024 for ERS and June 30, 2023 for TRS. 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:		
2023	$ -	$ 573,593
2024	188,350	325,385
2025	(92,228)	(71,225)
2026	291,802	1,855,227
2027	407,078	247,265
Thereafter	-	10,030

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

	ERS	TRS
Measurement date	March 31, 2023	June 30, 2022
Actuarial valuation date	April 1, 2022	June 30, 2021
Investment rate of return	5.90%	6.95%
Salary scale	4.40%	5.18%
Decrement tables	April 1, 2015 - March 31, 2020 System's Experience	July 1, 2015 - June 30, 2020 Systems Experience
Inflation rate	2.9%	2.40%
Cost of living adjustment	1.5%	1.30%

For ERS, annuitant mortality rates are based on April 1, 2015 – March 31, 2020 System's experience with adjustments for mortality improvements based on Society of Actuaries' Scale MP 2021.

For TRS, annuitant mortality rates are based on plan member experience, with adjustments for mortality improvements based on Society of Actuaries Scale MP2020 for June 30, 2021, applied on a generational basis.

For ERS, the actuarial assumption used in the April 1, 2020 valuation are based on the results of an actuarial experience study for the period April 1, 2015 – March 31, 2020.

For TRS, the demographic actuarial assumptions and salary scale are based on the results of an actuarial experience study for the period July 1, 2015 – June 30, 2020.

For ERS, 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 weighing the expected future real rates of return by each target asset allocation percentage and by adding expected inflation.

Note 11. Pension Plans (continued)

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

Best estimates of the arithmetic real rates for each major asset class included in the target asset allocation are summarized as follows:

ERS	Target allocation	Long-term expected real rate of return
	2023	2023
Asset type		
Domestic equity	32.0%	4.30%
International equity	15.0	6.85
Private equity	10.0	7.50
Real estate	9.0	4.60
Opportunistic return strategies	3.0	5.38
Credit	4.0	5.43
Real assets	3.0	5.84
Fixed income	23.0	1.50
Cash	1.0	0.00
	100.0%	

Real rates of return are net of the long-term inflation assumption of 2.50% for 2023.

TRS	Target allocation	Long-term expected real rate of return
	2022	2022
Asset type		
Domestic equity	33.0%	6.5%
International equity	16.0	7.2
Global Equity	4.0	6.9
Real estate equity	11.0	6.2
Private equity	8.0	9.9
Domestic fixed income securities	16.0	1.1
High yield bonds	1.0	3.3
Global bonds	2.0	0.6
Real Estate Debt	6.0	2.4
Private Debt	2.0	5.3
Cash	1.0	(0.3)
	100.0%	

Real rates of return are net of the long-term inflation assumption of 2.4% for 2022.

Note 11. Pension Plans (continued)

Discount Rate

The discount rate used to calculate the total pension liability was 5.90% for ERS and 6.95% for TRS. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at statutorily required rates, actuarially. Based upon the assumptions, the Systems' fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Proportionate Share of the Net Pension Liability to the Discount Rate Assumption

The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 5.90% for ERS and 6.95% 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 (4.90% for ERS and 5.95% for TRS) or 1 percentage point higher (6.90% for ERS and 7.95% for TRS) than the current rate:

ERS	1% Decrease (4.90%)	Current discount rate (5.90%)	1% Increase (6.90%)
Employer's proportionate share of the net pension asset (liability)	$ (3,587,642)	$ (1,484,600)	$ 272,736

TRS	1% Decrease (5.95%)	Current discount rate (6.95%)	1% Increase (7.95%)
Employer's proportionate share of the net pension asset (liability)	$ (6,593,848)	$ (715,132)	$ 4,228,831

Change of Assumptions

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

Collective Pension Expense

Collective pension expense includes certain current period changes in the collective net pension asset (liability), projected earnings on pension plan investments, and the amortization of deferred outflows of resources and deferred inflows of resources for the current period. The collective pension expense for the year ended June 30, 2023 is $517,839 for ERS and $941,795 for TRS.

Note 11. Pension Plans (continued)

Pension Plan Fiduciary Net Position

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

	(Dollars in Thousands)	
	ERS	TRS
Employers' total pension liability	$ 232,627,259	$ 133,883,474
Fiduciary net position	211,183,223	131,964,582
Employers' net pension liability (asset)	$ 21,444,036	$ 1,918,892
Ratio of fiduciary net position to the Employers' total pension liability	90.78%	98.66%

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, 2023 represent the projected employer contributions for the period of April 1, 2023 through June 30, 2023 based on paid ERS wages multiplied by the employer's contribution rate, by tier. Accrued retirement contributions as of June 30, 2023 amounted to $74,292.

For TRS, employer and employee contributions for the fiscal year ended June 30, 2023 are paid to the System in September, October, and November 2023 through a state aid intercept. Accrued retirement contributions as of June 30, 2023 represent employee and employer contributions for the fiscal year ended June 30, 2023 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, 2023 amounted to $755,886.

Note 12. Post-Employment Benefits

General information about the OPEB plan

Plan description - The District administers a defined benefit OPEB plan that provides OPEB for all permanent full-time general employees of the District. The plan is 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.

Funding Policy - The obligations of the Plan members and employers are established by action of the District pursuant to applicable collective bargaining and other employment agreements. Employees contribute varying percentages of the premiums, depending on when retired and their applicable agreement. Employees are required to reach age 55 and have 3 to 15 years of service to qualify for other post-employment benefits. The District currently funds the Plan to satisfy current obligations on a pay-as-you-go basis.

Benefits provided -The District provides healthcare benefits for retirees and their dependents. The benefits 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

Note 12. Post-Employment Benefits (continued)

Employee Covered by Benefit Terms – At June 30, 2023 the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	147
Inactive employees entitled to but not yet receiving benefits payments	-
Active employees	151
Total plan members	298

Net OPEB liability

The District's total OPEB liability of $78,068,183 was measured as July 1, 2022 and was determined by an actuarial valuation as of July 1, 2022.

Actuarial assumptions and other inputs – The total OPEB liability in the June 30, 2023 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.2%
Salary Increases	3.5%
Discount Rate	3.54%
Healthcare Cost Trend Rates	7.80% for 2024, decreasing each year to an ultimate rate of 3.94% for 2093 and later years
Retirees' Share of Benefit-Related Cost:	Support Staff: • 10.5% of projected health insurance premiums for retirees. Teachers: • Hired on or before June 30, 1997, $0. • Hired between July 1, 1997 & June 30, 2001, $50 for individual coverage and $100 for family coverage. • Hired between July 1, 2001 & June 30, 2002, $150 for individual coverage and $300 for family coverage. • Hired between July 1, 2002 & June 30, 2003, 7% of premium. • Hired after July 1, 2003, 10% of premium. Non-Union/Administrators • Non-Union: 10% of projected health insurance premiums for retirees • Administrators: 13% of projected health insurance premiums for retirees Surviving spouses can continue coverage by paying 100% of the health plan.

Mortality rates for active employees were based on the PUB-2010 Mortality Table for employees, sex distinct, job category specific, headcount weighted and adjusted for mortality improvements with scale MP-2021 mortality improvement scale on a generational basis.

Mortality rates for retirees were based on the PUB-2010 Mortality Table for employees, sex distinct, job category specific, headcount weighted and adjusted for mortality improvements with scale MP-2021 mortality improvement scale on a generational basis.

Note 12. Post-Employment Benefits (continued)

Retirement participation rate assumed that 100% of eligible employees will elect medical coverage at retirement age, and 80% of active members' spouses will elect medical coverage. Additionally, a tiered approach based on age and years of service was used to determine retirement rate assumption.

Termination rates are based on tables used by the New York State Teacher's Retirement System and the New York State Local Retirement System for female employees. Rates are tiered based on the percentage of employees who will terminate employment at any given age each year, for reasons other than death or retirement.

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

Changes in the Total OPEB Liability

Changes in the District's net OPEB liability were as follows:

Balance at July 1, 2020	$ 93,504,111
Changes for the year:	
Service cost	3,076,036
Interest	2,043,310
Changes of benefit terms	-
Differences between expected and actual experience	(7,975,985)
Changes in assumptions or other inputs	(10,382,521)
Benefits payments	(2,196,768)
Net changes	(15,435,928)
Balance at July 1, 2021	$ 78,068,183

Changes of assumptions and other inputs reflect a change in the discount rate from 2.14% in 2021 to 3.54% in 2022.

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 or 1 percentage point higher than the current discount rate:

	1% Decrease (2.54%)	Current discount rate (3.54%)	1% Increase (4.54%)
Total OPEB Liability	$ 91,540,336	$ 78,068,183	$ 67,250,874

Sensitivity of the Total OPEB Liability to Changes in the Health Cost Tread 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	Current trend rates	1% Increase
Total OPEB Liability	$ 64,529,928	$ 78,068,183	$ 95,505,950

Note 12. Post-Employment Benefits (continued)

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

For the year ended June 30, 2023, the District recognized an OPEB expense of $5,878,823. At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflow of Resources	Deferred Inflow of Resources
Differences between expected and actual experience	$ 2,939,529	$ 6,538,871
Changes of assumptions or other inputs	10,271,655	9,358,435
Employer contribution subsequent to the measurement date (Expected employer contribution including implicit subsidy)	2,377,450	-
Total	$ 15,588,634	$ 15,897,306

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
2024	$ 1,556,379
2025	1,685,269
2026	(896,954)
2027	(3,211,505)
2028	(1,819,311)
2029 and thereafter	-

Note 13. Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; injuries to employees; 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.

Note 14. Commitments and Contingencies

The District incurs costs related to an employee health insurance plan (Plan) sponsored by Clinton-Essex-Warren-Washington BOCES and its component Districts. Plan members are subject to a supplemental assessment in the event of deficiencies. If the Plan's assets were to be exhausted, members would be responsible for the Plan's liabilities. The Plan uses a reinsurance agreement to reduce its exposure to large losses on insured events. Reinsurance permits recovery of a portion of losses from the reinsurer, although it does not discharge the liability for both reported and unreported insured events, which includes estimates of both future payments of losses and related claim adjustment expenses.

However, because actual claims costs depend on complex factors, the process used in computing claims liabilities does not necessarily result in an exact amount. Such claims are based on the ultimate cost of claims (including future claim adjustment expenses) that have been reported but not settled and claims that have been incurred but not reported. Adjustments to claims liabilities are charged or credited to expenses in the periods in which they are made.

Note 14. Commitments and Contingencies (continued)

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

There is a pending legal issue in which the District is involved. According to the District's counsel, the probable outcome of the cases at the present time in indeterminable. The District believes that there is a potential of liability exposure in relation to this claim.

Note 15. Prior Period Adjustment

The District has corrected the amount reported in state and federal aid receivable in general fund as of June 30, 2022. The effect of the adjustments decreased fund balance in the general fund by $100,000 and net position in the governmental activities by $100,000 at June 30, 2022.

The District has corrected the amount reported as prepaid meals in the school food services fund as of June 30, 2022. The effect of the adjustments decreased fund balance in the school food service fund by $5,185 and net position in the governmental activities by $5,185 at June 30, 2022.

Note 16. Subsequent Events

The District has evaluated events and transactions that occurred between June 30, 2023 and October 30, 2023, which is the date the financial statements were available to be issued and determined that the following subsequent event requires disclosure.

TICONDEROGA CENTRAL SCHOOL DISTRICT
Schedule of Revenues, Expenditures
Budget and Actual - General Fund
Year Ended June 30, 2023

	Original Budget	Final Budget	Actual (Budgetary Basis)	Year-end Encumbrances	Final Budget Variance With Budgetary Actual and Encumbrances
Revenues:					
Local sources:					
Real property taxes	$ 12,703,524	$ 12,703,524	$ 12,284,517	$ -	$ (419,007)
Other tax items	30,000	30,000.00	454,114	-	424,114
Charges for services	415,250	415,250.00	289,391	-	(125,859)
Use of money and property	4,000	4,000.00	175,613	-	171,613
Miscellaneous	143,750	143,750.00	504,041	-	360,291
Total local sources	13,296,524	13,296,524	13,707,676	-	411,152
State sources	8,268,730	8,268,730	8,160,063	-	(108,667)
Federal Sources	-	-	108,116		108,116
Medicaid sources	85,000	85,000	111,467	-	26,467
Other financing sources					
Lease Proceeds	-	-	186,635	-	186,635
Transfer from other funds	3,219	3,219	3,219	-	-
Reserve for encumbrances	-	431,009	-	-	(431,009)
Appropriated fund balance	150,000	150,000	-	-	(150,000)
Total revenues and other financing sources	21,803,473	22,234,482	22,277,176	-	42,694
Expenditures					
General support:					
Board of education	17,325	18,068	16,925	-	1,143
Central administration	222,727	210,957	210,956	-	1
Finance	234,201	241,977	241,768	-	209
Staff	68,633	43,289	38,648	4,641	-
Central services	1,549,227	1,812,427	1,632,013	180,409	5
Special items	433,420	410,690	410,611	-	79
Total general support	2,525,533	2,737,408	2,550,921	185,050	1,437
Instruction:					
Instruction, administration and improvement	463,442	475,515	474,420	-	1,095
Teaching - regular school	4,134,810	4,262,037	4,196,396	45,761	19,880
Summer school	2,500	14,541	13,842	-	699
Programs for handicapped children	2,731,814	2,917,308	2,785,268	132,038	2
Instructional media	322,405	300,623	293,094	6,885	644
Pupil services	939,787	954,447	943,783	6,834	3,830
Total instruction	8,594,758	8,924,471	8,706,803	191,518	26,150
Pupil transportation	898,634	965,699	947,610	30,083	(11,994)
Community services	5,318	5,344	5,289	-	55
Employee benefits	6,979,869	6,807,199	6,806,215	-	984
Debt service:					
Principal	1,990,000	1,990,000	2,254,565	-	(264,565)
Interest	679,361	679,361	603,046	-	76,315
Other financing uses					
Transfers to other funds	130,000	125,000	330,700	-	(205,700)
Total expenditures and other financing uses	21,803,473	22,234,482	22,205,149	406,651	(377,318)
Excess of revenues and other sources over expenditures and other uses	$ -	$ -	$ 72,027	$ (406,651)	$ (334,624)

See Independent Auditor's Report

TICONDEROGA CENTRAL SCHOOL DISTRICT
Schedule of Funding Progress for the Retiree Health Plan
Year Ended June 30, 2023

	2023	2022	2021	2020	2019	2018
Measurement date	7/1/2022	7/1/2021	7/1/2020	7/1/2019	7/1/2018	7/1/2017
Total Other Post-Employment Benefits (OPEB) liability						
Service cost	$ 3,076,036	$ 3,045,175	$ 1,945,273	$ 1,925,708	$ 1,845,132	$ 2,389,213
Interest	2,043,310	2,018,153	2,219,918	2,288,410	1,987,022	1,721,246
Changes in benefit terms	-	171,171	(248,390)	-	-	-
Difference between expected and actual experience in the measurement of the total OPEB liability	(7,975,985)	-	4,917,545	-	4,364,658	-
Changes of assumption or other inputs	(10,382,521)	1,079,314	19,891,564	1,708,193	(2,881,116)	(7,475,750)
Benefit payments	(2,196,768)	(2,167,335)	(1,698,415)	(1,597,043)	(1,321,469)	(1,258,873)
Net change in total OPEB liability	(15,435,928)	4,146,478	27,027,495	4,325,268	3,994,227	(4,624,164)
Total OPEB liability - beginning	93,504,111	89,357,633	62,330,138	58,004,870	54,010,643	58,634,807
Total OPEB liability - ending	78,068,183	$ 93,504,111	$ 89,357,633	$ 62,330,138	$ 58,004,870	$ 54,010,643
Covered payroll	$ 9,080,250	$ 8,636,491	$ 7,856,064	$ 7,919,899	$ 6,716,207	$ 8,481,679
Total OPEB liability as a percentage of covered payroll	860%	1083%	1137%	787%	864%	673%

See Independent Auditor's Report

TICONDEROGA CENTRAL SCHOOL DISTRICT
Schedule of the District's Proportionate Share of the Net Pension Asset/Liability
Year Ended June 30, 2023

Teachers' Retirement System

	2023	2022	2021	2020	2019	2018	2017	2016
Measurement date	6/30/2022	6/30/2021	6/30/2020	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/205
Ticonderoga Central School's proportion of the net pension asset or liability	0.037268%	0.037114%	0.040298%	0.042800%	0.043617%	0.044029%	0.043472%	0.042656%
Ticonderoga Central School's proportionate share of the net pension asset (liability)	$ (715,132)	$ 6,431,422	$ (1,113,543)	$ 1,111,944	$ 788,705	$ 334,661	$ (465,605)	$ 4,430,548
Ticonderoga Central School's covered-employee payroll	$ 7,050,685	$ 6,299,272	$ 6,299,272	$ 6,846,645	$ 7,143,677	$ 7,104,668	$ 6,977,100	$ 6,708,192
Ticonderoga Central School's proportionate share of the net pension asset (liability) as a percentage of its covered-employee payroll	-10.14%	102.10%	17.68%	16.24%	11.04%	4.71%	-6.67%	66.05%
Plan fiduciary net position as a percent of the total pension liability (asset)	98.7%	113.3%	97.8%	102.2%	101.5%	100.7%	99.0%	110.5%

Employees' Retirement System

	2023	2022	2021	2020	2019	2018	2017	2016
Measurement date	3/31/2023	3/31/2022	3/31/2021	3/31/2020	3/31/2019	3/31/2018	3/31/2017	3/31/2016
Ticonderoga Central School's proportion of the net pension asset or liability	0.0069231%	0.0065096%	0.0071497%	0.0072407%	0.0069095%	0.0075849%	0.0069992%	0.0071675%
Ticonderoga Central School's proportionate share of the net pension asset (liability)	(1,484,600)	$ 532,132	$ (7,119)	$ (1,917,387)	$ (489,560)	$ (244,799)	$ (657,658)	$ (1,150,403)
Ticonderoga Central School's covered-employee payroll	1,831,322	$ 2,069,733	$ 2,069,733	$ 2,105,251	$ 2,129,781	$ 2,118,458	$ 1,870,146	$ 1,870,146
Ticonderoga Central School's proportionate share of the net pension asset (liability) as a percentage of its covered-employee payroll	-81.07%	25.71%	-0.34%	-91.08%	-22.99%	-11.56%	-35.17%	-61.51%
Plan fiduciary net position as a percent of the total pension liability (asset)	90.8%	103.5%	100.0%	86.4%	96.3%	98.2%	94.7%	90.7%

See Independent Auditor's Report

TICONDEROGA CENTRAL SCHOOL DISTRICT
Schedule of the District's Contributions
June 30, 2023

Teachers' Retirement System

	2023	2022	2021	2020	2019	2018	2017	2016
Contractually required contributions	$ 647,008	$ 600,329	$ 606,010	$ 758,692	$ 696,257	$ 817,713	$ 889,506	$ 1,123,223
Contributions in relation to the contractually required contribution	647,008	600,329	606,010	758,692	696,257	817,713	889,506	1,123,223
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Covered-employee payroll	$ 7,050,685	$ 6,299,272	$ 6,299,272	$ 6,846,645	$ 7,143,677	$ 7,104,668	$ 6,977,100	$ 6,780,192
Contributions as a percentage of covered-employee payroll	9.18%	9.53%	9.62%	11.08%	9.75%	11.51%	12.75%	16.74%

Employees' Retirement System

	2023	2022	2021	2020	2019	2018	2017	2016
Contractually required contributions	$ 228,987	$ 283,393	$ 291,435	$ 299,531	$ 327,745	$ 311,731	$ 386,916	$ 350,174
Contributions in relation to the contractually required contribution	228,987	283,393	291,435	299,531	327,745	311,731	386,916	350,174
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ 0	$ -	$ -
Covered-employee payroll	$ 1,831,322	$ 2,069,733	$ 2,069,733	$ 2,105,251	$ 2,129,781	$ 2,118,458	$ 1,870,146	1,870,146
Contributions as a percentage of covered-employee payroll	12.50%	13.69%	14.08%	14.23%	15.39%	14.71%	20.69%	18.72%

See Independent Auditor's Report

TICONDEROGA CENTRAL SCHOOL DISTRICT
Combining Balance Sheet - Nonmajor Governmental Funds
June 30, 2023

	Debt Service	School Food Service	Total
Assets			
Cash:			
Restricted	$ 19,684	$ 158,885	$ 178,569
Accounts receivable	-	6,578	6,578
State and federal aid	-	19,038	19,038
Inventories	-	34,995	34,995
Total assets	$ 19,684	$ 219,496	$ 239,180
Liabilities			
Due to other governments	$ -	$ 481	$ 481
Due to Employees' Retirement System	-	6,698	6,698
Total liabilities	-	7,179	7,179
Deferred inflows of resources			
Unearned revenue	-	29,235	29,235
Fund balance			
Nonspendable			
Inventory	-	34,995	34,995
Assigned			
Unappropriated	19,684	148,087	167,771
Total fund balance	19,684	183,082	202,766
Total liabilities, deferred inflows of resources, and fund balance	$ 19,684	$ 219,496	$ 239,180

See Independent Auditor's Report

TICONDEROGA CENTRAL SCHOOL DISTRICT
Combining Schedule of Revenues and Expenditures - Nonmajor Governmental Funds
Year Ended June 30, 2023

	Debt Service	School Food Service	Total
Revenues			
State sources	$ -	$ 8,443	$ 8,443
Federal sources	-	302,119	302,119
Surplus food	-	48,055	48,055
Sales	-	126,822	126,822
Miscellaneous	-	2,828	2,828
Total revenues	-	488,267	488,267
Expenditures			
Cost of sales	-	485,906	485,906
Total expenditures	-	485,906	485,906
Excess of revenues over expenditures	-	2,361	2,361
Other financing sources (uses)			
Operating transfer (out)	(3,219)	-	(3,219)
Total other financing sources (uses)	(3,219)	-	(3,219)
Excess (deficiency) of revenues over expenditures and other sources (uses)	(3,219)	2,361	(858)
Fund balance - beginning of year, as previously stated	22,903	185,906	208,809
Prior period adjustment	-	(5,185)	(5,185)
Fund balance - beginning of year, restated	22,903	180,721	203,624
Fund balance - end of year	$ 19,684	$ 183,082	$ 202,766

See Independent Auditor's Report

TICONDEROGA CENTRAL SCHOOL DISTRICT
General Fund - Schedule of Change from Adopted Budget to Final Budget and Section 1318 of the Real Property Tax Limit Calculation
Year Ended June 30, 2023

General Fund - Schedule of Change from Adopted Budget to Final Budget

Original budget	$	21,803,473
Additions:		
Prior year's encumbrances		431,009
Revised budget	$	22,234,482

Section 1318 of the Real Property Tax Law Limit Calculation

2023-2024 expenditure budget	$	22,207,074
Maximum allowed (4% of 2023-2024 budget)	$	888,283
Unrestricted fund balance:		
Assigned fund balance	$	506,651
Unassigned fund balance		1,019,115
Total unrestricted fund balance		1,525,766
Less:		
Appropriated fund balance		100,000
Encumbrances included in committed and assigned fund balance		406,651
Total adjustments		506,651
General Fund fund balance subject to section 1318 of the real property tax law	$	1,019,115
Actual percentage		4.6%

See Independent Auditor's Report

TICONDEROGA CENTRAL SCHOOL DISTRICT
Net Investment in Capital Assets
Year Ended June 30, 2023

Capital assets, net	$	26,349,325
Deduct:		
Short-term portion of bonds payable		1,883,546
Long-term portion of bonds payable		10,309,208
Net investment in capital assets	$	14,156,571

See Independent Auditor's Report

TELLING & HILLMAN, P.C.

ACCOUNTANTS • AUDITORS
5 PARK STREET – MIDDLEBURY, VT 05753

PHONE: (802) 388-3311
WEB: WWW.TELLINGAMDHILLMAN.CPA

Independent Auditor's Report

To the Board of Education
Extraclassroom Activity Funds of
Ticonderoga Central School District
Ticonderoga, New York

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying statement of assets, liabilities, and fund balance – cash basis and the related statement of receipts, disbursements and ending balances – cash basis of the Extraclassroom Activity Funds of Ticonderoga Central School District as of and for the year ended June 30, 2023.

In our opinion, the financial statements referred to above present fairly, in all material respects the assets, liabilities, and fund balance – cash basis of the Extraclassroom Activity Funds of Ticonderoga Central School District, as of June 30, 2023, and its receipts, disbursements, and ending balances – cash basis thereof for the year then ended in accordance with the basis of accounting as described in Note 1.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of Financial Statements section of this report. We are required to be independent of Ticonderoga Central School District, and to meet our ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter – Basis of Accounting

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

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Extraclassroom Activity Funds of Ticonderoga Central School District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions.
Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Extraclassroom Activity Funds of Ticonderoga Central School District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Extraclassroom Activity Funds of the Ticonderoga Central School District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Telling & Hillman, P.C.

Telling & Hillman, P.C.
License # 092.0131564
Middlebury, Vermont
October 30, 2023

TICONDEROGA CENTRAL SCHOOL DISTRICT
Extraclassroom Activity Fund
Statement of Assets, Liabilities, and Fund Balance - Cash Basis
June 30, 2023

Assets		
Cash	$	53,163
Total assets	$	53,163
Net position		
Reserve for extraclassroom activities		53,163
Total net position	$	53,163

The accompanying notes are an integral part of the financial statements.

TICONDEROGA CENTRAL SCHOOL DISTRICT
Extraclassroom Activity Fund
Statement of Receipts, Disbursements, and Ending Balances - Cash Basis
Year Ended June 30, 2023

	July 1 2022	Total Receipts	Total Payments	June 30 2023
Art Club	$ 512	$ 805	$ 122	$ 1,195
Class of 2022	255	-	248	7
Class of 2023	8,824	6,381	14,707	498
Class of 2024	9,443	4,365	5,402	8,406
Class of 2025	4,823	7,178	5,685	6,316
Class of 2026	527	5,596	2,709	3,414
Class of 2027	-	10,708	5,810	4,898
Class of 2028	-	5,705	3,876	1,829
FBLA	1,441	-	-	1,441
Foreign Language	216	-	-	216
Jr. High Drama Club	309	-	295	14
Jr. High School Music	5,490	-	2,967	2,523
Jr./Sr. High Yearbook	1,114	-	95	1,019
Key Club	4,023	1,635	4,311	1,347
MS Student Council	1,024	-	983	41
National Honor Society	37	165	101	101
Sales Tax	88	-	-	88
Sales Tax Credit	42	-	42	-
Sr. High School Music	4,167	13,851	15,363	2,655
Sr. High Drama Club	3,932	7,275	6,030	5,177
Student Recognition	1,541	-	-	1,541
Student Voice	(41)	10,283	1,495	8,747
Interest	7,930	8	7,931	7
Unity Club	-	2,675	1,189	1,486
Quiz Bowl	1,016	350	1,169	197
Totals	$ 56,713	$ 76,980	$ 80,530	$ 53,163

The accompanying notes are an integral part of the financial statements.

Extraclassroom Activity Fund
Notes to the Financial Statements

Note 1. Summary of Significant Accounting Policies

As Ticonderoga Central School District, through its Board of Education, has oversight responsibility over the Extraclassroom Activity Funds, such funds are considered a component unit of the District. Accordingly, such transactions are blended with the other trust funds of the District in its basic financial statements under the Custodial Fund.

The books and records of Ticonderoga Central School District's Extraclassroom Activity Funds are maintained on the cash basis of accounting. Under this basis of accounting, revenues are recognized when cash is received and expenditures are recognized when cash is disbursed.

Note 2. Subsequent Events

The District has evaluated events and transactions that occurred between June 30, 2022 and October 30, 2023, which is the date the financial statements were available to be issued, for possible disclosure and recognition in the financial statements.

CONTINUING DISCLOSURE UNDERTAKING

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

(i) In accordance with the requirements of Rule 15c2-12, as the same may be amended or officially interpreted from time to time (the "Rule"), promulgated by the Securities and Exchange Commission (the "Commission"), the District has agreed to provide, or cause to be provided, to the Electronic Municipal Market Access ("EMMA") system of the Municipal Securities Rulemaking Board ("MSRB") or any other entity designated or authorized by the Commission to receive reports pursuant to the Rule, during each fiscal year in which the Bonds are outstanding, (i) certain annual financial information and operating data for the preceding fiscal year in a form generally consistent with the information contained or cross-referenced in the Final Official Statement dated July 11, 2024 of the District relating to the Bonds under the headings "THE SCHOOL DISTRICT", "TAX INFORMATION", "STATUS OF INDEBTEDNESS", "LITIGATION" and all Appendices (other than Appendix C & E and other than any Appendix related to bond insurance) by the end of the sixth month following the end of each succeeding fiscal year, commencing with the fiscal year ending June 30, 2025, and (ii) a copy of the audited financial statement, if any, (prepared in accordance with accounting principles generally accepted in the United States of America in effect at the time of the audit) for the preceding fiscal year, commencing with the fiscal year ending June 30, 2025; such audit, if any, will be so provided on or prior to the later of either the end of the sixth month of each such succeeding fiscal year or, if an audited financial statement is not available at that time, within sixty days following receipt by the District of its audited financial statement for the preceding fiscal year, but, in any event, not later than the last business day of each such succeeding fiscal year; and provided further, in the event that the audited financial statement for any fiscal year is not available by the end of the sixth month following the end of any such succeeding fiscal year, unaudited financial statements in the form provided to the State, if available, will be provided no later than said date; provided however, that provision of unaudited financial statements in any year shall be further conditioned upon a determination by the District of whether such provision is compliant with the requirements of federal securities laws including Rule 10b-5 of the Securities Exchange Act of 1934 and Rule 17(a)(2) of the Securities Act of 1933;

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

(a) principal and interest payment delinquencies

(b) non-payment related defaults, if material

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

(d) in the case of credit enhancement, if any, provided in connection with the issuance of the securities, 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 securities, or other material events affecting the tax status of the securities

(g) modifications to rights of securityholders, if material

(h) Bond calls, if material and tender offers

(i) defeasances

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

(k) rating changes

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

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

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

(o) incurrence of a financial obligation of the District, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the District, any of which affect Note 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 District does not undertake to provide any notice with respect to credit enhancement added after the primary offering of the Bonds.

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

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

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

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

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

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

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

APPENDIX – E

FORM OF OPINION OF BOND COUNSEL – THE BONDS

July 25, 2024

Ticonderoga Central School District
5 Calkins Place
Ticonderoga, New York 12883

Re: Ticonderoga Central School District
$500,825 School District (Serial) Bonds, 2024 CUSIP No.: 886346

Ladies and Gentlemen:

We have examined a record of proceedings relating to the issuance of $500,825 School District (Serial) Bonds, 2023 (the "Bonds") of the Ticonderoga Central School District, Counties of Essex and Warren, State of New York (the "District"). The Bonds are dated July 25, 2024 and are being issued pursuant to the Constitution and laws of the State of New York, including the Education Law and Local Finance Law, resolutions of the District and a Certificate of Determination dated on or before July 25, 2024 of the President of the Board of Education relative to the form and terms of the Bonds.

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

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

In our opinion, interest on the Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Code, and is excluded from adjusted gross income for purposes of New York State and New York City personal income taxes. Interest on the Bonds is not treated as a preference item in calculating the alternative minimum tax under the Code, however, interest on the Bonds is included in the "adjusted financial statement income" of certain corporations that are subject to the alternative minimum tax under Section 55 of the Code. We express no opinion regarding other tax consequences related to the ownership or disposition of, or the accrual or receipt of interest on, the Bonds.

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

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

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

Very truly yours,

TRESPASZ LAW OFFICES, LLP