PRELIMINARY OFFICIAL STATEMENT DATED AUGUST 24, 2026

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

In the opinion of Hawkins Delafield & Wood LLP, Bond Counsel to the District, under existing statutes and court decisions and assuming continuing compliance with certain tax certifications described herein, (i) interest on the Notes is excluded from gross income for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), and (ii) interest on the Notes is not treated as a preference item in calculating the alternative minimum tax under the Code, however, interest on the Notes 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. In addition, in the opinion of Bond Counsel to the District, under existing statutes, interest on the Notes is exempt from personal income taxes of New York State and its political subdivisions, including The City of New York. (See "TAX MATTERS" herein).

The School District will NOT designate the Notes as "qualified tax-exempt obligations" pursuant to the provisions of Section 265(b)(3)(B) of the Code.

$15,562,202

VICTOR CENTRAL SCHOOL DISTRICT

ONTARIO, MONROE & WAYNE COUNTIES, NEW YORK

$10,000,000 Bond Anticipation Notes - 2026 Series A

(the "Series A Notes")

Dated: September 10, 2026 | **Due: June 24, 2027**

AND

$5,562,202 Bond Anticipation Notes - 2026 Series B

(the "Series B Notes", collectively with the Series A Notes, the "Notes")

Dated: September 10, 2026 | **Due: September 10, 2027**

The Notes will be general obligations of the Victor Central School District, Ontario, Monroe and Wayne Counties, New York (the "District" or "School District"), and will contain a pledge of the faith and credit of the District for the payment of the principal of and interest on the Notes and, unless paid from other sources, the Notes are payable from ad valorem taxes which may be levied upon all the taxable real property within the District without limitation as to rate or amount. **The Notes will not be subject to redemption prior to maturity.**

At the option of the purchaser(s), the Notes will be issued in (i) registered form registered in the name of the successful bidder(s) or (ii) registered book-entry form registered to Cede & Co., as the partnership nominee for The Depository Trust Company, Jersey City, New Jersey ("DTC").

If the Notes are issued registered in the name of the successful bidder(s), a single note certificate will be issued for those Notes bearing the same rate of interest in the aggregate principal amount awarded to such purchaser(s) at such interest rate. Principal of and interest on such Notes will be payable in Federal Funds by the District, at such bank or trust company located and authorized to do business in the State of New York as selected by the successful bidder(s).

If the Notes are issued in book-entry form, such notes will be delivered to DTC, which will act as securities depository for the Notes. Beneficial owners will not receive certificates representing their interest in the Notes. Individual purchases may be made in denominations of $5,000 or integral multiples thereof, except for a necessary odd denomination which is or includes $7,202 with respect to the Series B Notes. Purchasers will not receive certificates representing their ownership interest in the Notes. See "BOOK-ENTRY-ONLY SYSTEM" herein.

The Notes are offered subject to the final approving opinion of Hawkins Delafield & Wood LLP, New York, New York, Bond Counsel, and certain other conditions. It is expected that delivery of the Notes will be made on or about September 10, 2026.

ELECTRONIC BIDS for the Notes must be submitted via Fiscal Advisors Auction website ("Fiscal Advisors Auction") accessible via www.FiscalAdvisorsAuction.com on August 27, 2026 by no later than 11:15 A.M., Eastern Time, pursuant to the respective Notices of Sale. Bids may also be submitted by facsimile at (315) 930-2354. No other form of electronic bidding services will be accepted. Once the bids are communicated electronically via Fiscal Advisors Auction or via facsimile to the School District, each bid will constitute an irrevocable offer to purchase the Notes pursuant to the terms provided in the respective Notices of Sale.

August __, 2026

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

VICTOR CENTRAL SCHOOL DISTRICT

SCHOOL DISTRICT OFFICIALS

2026-2027 BOARD OF EDUCATION

LISA KOSTECKI
President

ELIZABETH MITCHELL
Vice President

BRYAN ADAMS
TIM DELUCIA
CHRISTOPHER PARKS
CAROL PRESCOTT
ADAM SNYDER

* * * * * * *

ADMINISTRATION

TIMOTHY TERRANOVA
Superintendent of Schools

CHRISTINE GRIFFIN
Assistant Superintendent for Business

JULIE LEVA
Treasurer

KATE SELLECK
School District Clerk

FERRARA FIORENZA PC
School District Attorney

HAWKINS
Bond Counsel

FISCAL ADVISORS & MARKETING, INC.
Municipal Advisor

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

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PREPARED WITH THE ASSISTANCE OF

Fiscal Advisors & Marketing, Inc.
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Syracuse, New York 13202
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www.fiscaladvisors.com

OFFICIAL STATEMENT

of the

VICTOR CENTRAL SCHOOL DISTRICT

ONTARIO, MONROE & WAYNE COUNTIES, NEW YORK

Relating To

$10,000,000 Bond Anticipation Notes - 2026 Series A

AND

$5,562,202 Bond Anticipation Notes - 2026 Series B

This Official Statement, which includes the cover page, has been prepared by the Victor Central School District, Ontario, Monroe & Wayne Counties, New York (the "School District" or "District", "County", and "State", respectively) in connection with the sale by the District of $10,000,000 principal amount of Bond Anticipation Notes - 2026 Series A (the "Series A Notes") and $5,562,202 principal amount of Bond Anticipation Notes - 2026 Series B (the "Series B Notes"). (Collectively referred to herein as the “Notes”).

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

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

THE NOTES

Description of the Notes

The Notes will be dated and will mature, without option of prior redemption, as reflected on the cover page hereof. The District will act as Paying Agent for the Notes. Paying agent fees, if any, will be paid by the purchaser(s).

Interest will be calculated on a 30-day month and 360-day year basis, payable at maturity.

No Optional Redemption

The Notes are not subject to redemption prior to maturity.

Authority for and Purpose of Issue – Series A Notes

The Series A Notes are issued pursuant to the Constitution and laws of the State, including the Education Law, constituting Chapter 16, and the Local Finance Law, constituting Chapter 33-a of the Consolidated Laws of New York and a bond resolution adopted by the Board of Education of the District on December 12, 2024, authorizing the construction of improvements and alterations to various District buildings and sites (the “2024 Capital Project”); at a total estimated cost of $99,419,031, including the expenditure of $28,431,861 from various District capital reserve funds, and authorizing the issuance of $70,987,170 serial bonds to finance the balance of the 2024 Capital Project.

Proceeds of the Series A Notes will provide $10,000,000 of original financing for the 2024 Capital Project.

Authority for and Purpose of Issue – Series B Notes

The Series B Notes are issued pursuant to the Constitution and laws of the State, including the Education Law, constituting Chapter 16, and the Local Finance Law, constituting Chapter 33-a of the Consolidated Laws of New York and various bond resolutions adopted by the Board of Education of the District on their respective dates, authorizing the issuance of serial bonds for the purchase of various vehicles for use by the District.

A $2,475,208 portion of the proceeds of the Series B Notes, together with $1,106,807 in budgetary appropriations, will be used to redeem $3,582,015 bond anticipation notes outstanding and maturing on September 11, 2026. The $3,086,994 balance of the proceeds of the Series B Notes will provide additional original financing for the purchase of various school buses and vehicles for use by the District.

The details of the purposes of the Series B Notes are as follows:

Original Issue Date	Purpose	Notes Outstanding	Note Payments	New Money	Amount of Series B Notes
09-16-21	School Buses and Vehicles	$173,000	$ 173,000	0	$ 0
09-15-22	School Buses and Vehicles	390,815	195,407	0	195,408
09-14-23	School Buses and Vehicles	631,200	210,400	0	420,800
09-12-24	Acquisition of Vehicles	168,400	42,100	0	126,300
09-12-24	School Buses and Vehicles	843,600	210,900	0	632,700
09-11-25	School Buses and Vehicles	1,375,000	275,000	0	1,100,000
09-10-26	School Buses and Vehicles	0	0	3,086,994	3,086,994
		$ 3,582,015	$ 1,106,807	$ 3,086,994	$ 5,562,202

NATURE OF OBLIGATION

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

The Notes will be general obligations of the District and will contain a pledge of the faith and credit of the District for the payment of the principal thereof and the interest thereon. For the payment of such principal and interest the District has power and statutory authorization to levy ad valorem taxes on all taxable real property in the District without limitation as to rate or amount.

Under the Constitution of the State, the District is required to pledge its faith and credit for the payment of the principal of and interest on the Notes, and the State is specifically precluded from restricting the power of the District to levy taxes on real estate therefor. However, the Tax Levy Limit Law imposes a statutory limitation on the District's power to increase its annual tax levy. The amount of such increase is limited by the formulas set forth in the Tax Levy Limit Law. (See also "*TAX LEVY LIMIT LAW*" herein)

REMEDIES UPON DEFAULT

Neither the Notes, nor the proceedings with respect thereto, specifically provide any remedies which would be available to owners of the Notes should the District default in the payment of principal of or interest on the Notes, nor do they contain any provisions for the appointment of a trustee to enforce the interests of the owners of the Notes upon the occurrence of any such default. The Notes are general obligation contracts between the District and the owners for which the faith and credit of the District are pledged and while remedies for enforcement of payment are not expressly included in the District's contract with such owners, any permanent repeal by statute or constitutional amendment of a bondholder's and/or noteholder's remedial right to judicial enforcement of the contract should, in the opinion of Bond Counsel, be held unconstitutional.

Upon default in the payment of principal of or interest on the Notes at the suit of the owner, a Court has the power, in proper and appropriate proceedings, to render judgment against the District. The present statute limits interest on the amount adjudged due to contract creditors to nine per centum per annum from the date due to the date of payment. 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. A Court also has the power, in proper and appropriate proceedings, to order payment of a judgment on such bonds or notes from funds lawfully available therefor or, in the absence thereof, to order the District to take all lawful action to obtain the same, including the raising of the required amount in the next annual tax levy. In exercising its discretion as to whether to issue such an order, the Court may take into account all relevant factors, including the current operating needs of the District and the availability and adequacy of other remedies. Upon any default in the payment of the principal of or interest on the Notes, the owners of such Notes could, among other remedies, seek to obtain a writ of mandamus from a Court ordering the governing body of the District to assess, levy and collect an ad valorem tax, upon all taxable property of the District subject to taxation by the District sufficient to pay the principal of and interest on the Notes as the same shall come due and payable (and interest from the due date to date of payment) and otherwise to observe the covenants contained in the Notes and the proceedings with respect thereto all of which are included in the contract with the owners of the Notes. The mandamus remedy, however, may be impracticable and difficult to enforce. Further, the right to enforce payment of the principal of or interest on the Notes may be limited by bankruptcy, insolvency, reorganization, moratorium and similar laws and equitable principles, which may limit the specific enforcement of certain remedies.

In 1976, the New York Court of Appeals, the State's highest court, held in Flushing National Bank v. Municipal Assistance Corporation for the City of New York, 40 N.Y.2d 731 (1976), that the New York State legislation purporting to postpone the payment of debt service on New York City obligations was an unconstitutional moratorium in violation of the New York State constitutional faith and credit mandate included in all municipal debt obligations. While that case can be viewed as a precedent for protecting the remedies of Noteholders, there can be no assurance as to what a Court may determine with respect to future events, including financial crises as they may occur in the State and in municipalities of the State, that require the exercise by the State of its emergency and police powers to assure the continuation of essential public services. (See also, Flushing National Bank v. Municipal Assistance Corporation for the City of New York, 41 N.Y.2d 1088 (1977), where the Court of Appeals described the pledge as a direct Constitutional mandate.)

As a result of the Court of Appeals decision, the constitutionality of that portion of Title 6-A of Article 2 of the Local Finance Law enacted at the 1975 Extraordinary Session of the State legislature authorizing any county, city, town or village with respect to which the State has declared a financial emergency to petition the State Supreme Court to stay the enforcement against such municipality of any claim for payment relating to any contract, debt or obligation of the municipality during the emergency period, is subject to doubt. In any event, no such emergency has been declared with respect to the District.

Pursuant to Article VIII, Section 2 of the State Constitution, the District is required to provide an annual appropriation of monies for the payment of due and payable principal of and interest on indebtedness. Specifically this constitutional provision states: "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. In Quirk v. Municipal Assistance Corp., 41 N.Y.2d 644 (1977), 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 the 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 or may not be interpreted by a court of competent jurisdiction to include a constitutional or statutory lien upon any particular revenues. The Constitutional provision providing for first revenue set asides does not apply to tax anticipation notes, revenue anticipation notes or bond anticipation notes.

While the courts in the 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.

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

NO PAST DUE DEBT

No principal of or interest on District indebtedness is currently past due. To the best knowledge of current District officers, the District has not defaulted on the payment of the principal of and interest on any indebtedness in the past five years.

BANKRUPTCY

The Federal Bankruptcy Code (Chapter IX) allows public bodies, such as municipalities, recourse to the protection of a Federal Court for the purpose of adjusting outstanding indebtedness. Title 6-A of the Local Finance Law specifically authorizes 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 become applicable in the future. As such, the undertakings of the District should be considered with reference, specifically, to Chapter IX, and, in general, to other bankruptcy laws affecting creditors' rights and municipalities. Bankruptcy proceedings by the District if authorized by the State in the future could have adverse effects on bondholders and/or noteholders including (a) delay in the enforcement of their remedies, (b) subordination of their claims to those supplying goods and services to the District after the initiation of bankruptcy proceedings and to the administrative expenses of bankruptcy proceedings and (c) imposition without their consent of a reorganization plan reducing or delaying payment of the Notes.

The above references to said Chapter IX are not to be construed as an indication that the State will consent in the future to the right of the District to file a petition with any United States district court or court of bankruptcy under any provision of the laws of the United States, now or hereafter in effect for the composition or adjustment of municipal indebtedness or that the District is currently considering or expects to resort to the provisions of Chapter IX if authorized to do so in the future.

SECTION 99-B OF THE STATE FINANCE LAW

Section 99-b of the State Finance Law (the "SFL") provides for a covenant between the State and the purchasers and the holders and owners from time to time of the bonds and notes issued by school districts in the State for school purposes that it will not repeal, revoke or rescind the provisions of Section 99-b of the SFL, 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 or note issued by a school district for school purposes shall file with the State Comptroller, a verified statement describing such bond or note 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 or note. Such investigation by the State Comptroller shall set forth a description of all such bonds and notes 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 and notes 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 the bonds and notes shall be forwarded promptly to the paying agent or agents for the bonds and notes in default of such school district for the sole purpose of the payment of defaulted principal of and interest on such bonds or notes. If any such successive allotments, apportionments or payment of such State aid so deducted or withheld shall be less than the amount of all principal and interest on the bonds and notes 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 and notes in default payable to such paying agent bears to the total amount of the principal and interest then in default on such bonds and notes 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 or notes pursuant to said section of the SFL.

DESCRIPTION OF BOOK-ENTRY-ONLY-SYSTEM

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

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

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

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

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

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

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

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

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

Source: The Depository Trust Company.

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

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

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

Certificated Notes

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

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

MARKET MATTERS AFFECTING FINANCINGS OF THE MUNICIPALITIES OF THE STATE

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

The District's credit rating could be affected by circumstances beyond the District's control. Economic conditions such as the rate of unemployment and inflation, termination of commercial operations by corporate taxpayers and employers, as well as natural catastrophes, could adversely affect the assessed valuation of District property and its ability to maintain fund balances and other statistical indices commensurate with its current credit rating. As a consequence, a decline in the District's credit rating could adversely affect the market value of the Notes.

If and when an owner of any of the Notes should elect to sell all or a part of the Notes prior to maturity, there can be no assurance that a market will have been established, maintained and continue in existence for the purchase and sale of any of those Notes. The market value of the Notes is dependent upon the ability of holder to potentially incur a capital loss if such Notes are sold prior to its maturity.

There can be no assurance that adverse events including, for example, the seeking by another municipality in the State or elsewhere of remedies pursuant to the Federal Bankruptcy Act or otherwise, will not occur which might affect the market price of and the market for the Notes. In particular, if a significant default or other financial crisis should occur in the affairs of the State or any of its municipalities, public authorities or other political subdivisions thereby possibly further impairing the acceptability of obligations issued by those entities, both the ability of the District to arrange for additional borrowing(s) as well as the market for and market value of outstanding debt obligations, including the Notes, could be adversely affected.

The District is dependent in part upon financial assistance from the State in the form of State aid as well as grants and loans to be received ("State Aid"). The District's receipt of State aid may be delayed as a result of the State's failure to adopt its budget timely and/or to appropriate State Aid to municipalities and school districts. Should the District fail to receive all or a portion of the amounts of State Aid expected to be received from the State in the amounts and at the times anticipated, occasioned by a delay in the payment of such moneys or by a reduction in State Aid or its elimination, the District is authorized pursuant to the Local Finance Law ("LFL") to provide operating funds by borrowing in anticipation of the receipt of such uncollected State Aid, however, there can be no assurance that, in such event, the District will have market access for any such borrowing on a cost effective basis. The elimination of or any substantial reduction in State Aid would likely have a materially 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 "*THE SCHOOL DISTRICT - State Aid*" herein.)

Future amendments to applicable statutes whether enacted by the State or the United States of America affecting the treatment of interest paid on municipal obligations, including the Notes, for income taxation purposes could have an adverse effect on the market value of the Notes (see "*TAX MATTERS*" herein).

The enactment of the Tax Levy Limit Law, which imposes a tax levy limitation upon municipalities, school districts and fire districts in the State, including the District, without providing exclusion for debt service on obligations issued by municipalities and fire districts, may affect the market price and/or marketability for the Notes. (See "*TAX LEVY LIMIT LAW*" herein.)

Federal or State legislation imposing new or increased mandatory expenditures by municipalities, school districts and fire districts in the State, including the District, could impair the financial condition of such entities, including the District, and the ability of such entities, including the District, to pay debt service on the Notes.

Cybersecurity

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

The School District, like many other public and private entities, contracts with third party vendors to provide services to the School District. Most, if not all third-party vendors, have their own cybersecurity and operational controls in place. The School District provides no assurances that such cybersecurity and operational control measures will be completely successful to guard against cyber threats and attacks

In July 2019, Pearson Education, a London-based online educational program used by many school districts nationally, announced that it was recently hacked, affecting more than 13,000 school and university accounts. The breach occurred with data stored in Pearson's AIMSweb 1.0 platform. On August 6, 2019, the School District announced it is one of thousands of school districts affected by the nationwide computer data breach that targeted students' personal information. Nearly 4,000 current and former District students were victims of the widespread cyberattack. There has been no evidence that any data has been misused to date. The data breach involving Victor students included: (1) students' first names; (2) students' last names; and (3) students' birth dates.

In February 2021, the District encountered a cybersecurity breach. An investigation by the FBI and DHS found that the breach was noticed and stopped before any information had left the District's servers. The District continues to invest in antivirus and anti-threat software and has taken steps to limit the number of websites that can be accessed on campus.

TAX MATTERS

Opinion of Bond Counsel

In the opinion of Hawkins Delafield & Wood LLP, Bond Counsel to the District, under existing statutes and court decisions and assuming continuing compliance with certain tax certifications described herein, (i) interest on the Notes is excluded from gross income for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the "Code") and (ii) interest on the Notes is not treated as a preference item in calculating the alternative minimum tax under the Code, however, interest on the Notes 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 Tax Certificate of the District (the "Tax Certificate"), which will be delivered concurrently with the delivery of the Notes will contain provisions and procedures relating to compliance with applicable requirements of the Code. In rendering its opinion, Bond Counsel has relied on certain representations, certifications of fact, and statements of reasonable expectations made by the District in connection with the Notes, and Bond Counsel has assumed compliance by the District with certain ongoing provisions and procedures set forth in the Tax Certificate relating to compliance with applicable requirements of the Code to assure the exclusion of interest on the Notes from gross income under Section 103 of the Code.

In addition, in the opinion of Bond Counsel to the District, under existing statutes, interest on the Notes is exempt from personal income taxes of New York State and its political subdivisions, including The City of New York.

Bond Counsel expresses no opinion as to any other federal, state or local tax consequences arising with respect to the Notes, or the ownership or disposition thereof, except as stated above. Bond Counsel renders its opinion under existing statutes and court decisions as of the issue date, and assumes no obligation to update, revise or supplement its opinion to reflect any action thereafter taken or not taken, any fact or circumstance that may thereafter come to its attention, any change in law or interpretation thereof that may thereafter occur, or for any other reason. Bond Counsel expresses no opinion as to the consequence of any of the events described in the preceding sentence or the likelihood of their occurrence. In addition, Bond Counsel expresses no opinion on the effect of any action taken or not taken in reliance upon an opinion of other counsel regarding federal, state or local tax matters, including, without limitation, exclusion from gross income for federal income tax purposes of interest on the Notes.

Certain Ongoing Federal Tax Requirements and Certifications

The Code establishes certain ongoing requirements that must be met subsequent to the issuance and delivery of the Notes in order that interest on the Notes be and remain excluded from gross income under Section 103 of the Code. These requirements include, but are not limited to, requirements relating to use and expenditure of gross proceeds of the Notes, yield and other restrictions on investments of gross proceeds, and the arbitrage rebate requirement that certain excess earnings on gross proceeds be rebated to the federal government. Noncompliance with such requirements may cause interest on the Notes to become included in gross income for federal income tax purposes retroactive to their issue date, irrespective of the date on which such noncompliance occurs or is discovered. The District, in executing the Tax Certificate, will certify 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 the exclusion of interest on the Notes from gross income under Section 103 of the Code.

Certain Collateral Federal Tax Consequences

The following is a brief discussion of certain collateral federal income tax matters with respect to the Notes. It does not purport to address all aspects of federal taxation that may be relevant to a particular owner of a Note. Prospective investors, particularly those who may be subject to special rules, are advised to consult their own tax advisors regarding the federal tax consequences of owning and disposing of the Notes.

Prospective owners of the Notes should be aware that the ownership of such obligations may result in collateral federal income tax consequences to various categories of persons, such as corporations (including S corporations and foreign corporations), financial institutions, property and casualty and life insurance companies, individual recipients of Social Security and railroad retirement benefits, individuals otherwise eligible for the earned income tax credit, and taxpayers deemed to have incurred or continued indebtedness to purchase or carry obligations the interest on which is excluded from gross income for federal income tax purposes. Interest on the Notes may be taken into account in determining the tax liability of foreign corporations subject to the branch profits tax imposed by Section 884 of the Code.

Original Issue Discount

"Original issue discount" ("OID") is the excess of the sum of all amounts payable at the stated maturity of a Note (excluding certain "qualified stated interest" that is unconditionally payable at least annually at prescribed rates) over the issue price of that maturity. In general, the "issue price" of a maturity (a bond with the same maturity date, interest rate, and credit terms) means the first price at which at least 10 percent of such maturity was sold to the public, i.e., a purchaser who is not, directly or indirectly, a signatory to a written contract to participate in the initial sale of the Notes. In general, the issue price for each maturity of Notes is expected to be the initial public offering price set forth in this Official Statement. Bond Counsel further is of the opinion that, for any Notes having OID (a "Discount Note"), OID that has accrued and is properly allocable to the owners of the Discount Notes under Section 1288 of the Code is excludable from gross income for federal income tax purposes to the same extent as other interest on the Notes.

In general, under Section 1288 of the Code, OID on a Discount Note accrues under a constant yield method, based on periodic compounding of interest over prescribed accrual periods using a compounding rate determined by reference to the yield on that Discount Note. An owner's adjusted basis in a Discount Note is increased by accrued OID for purposes of determining gain or loss on sale, exchange, or other disposition of such Note. Accrued OID may be taken into account as an increase in the amount of tax-exempt income received or deemed to have been received for purposes of determining various other tax consequences of owning a Discount Note even though there will not be a corresponding cash payment.

Owners of Discount Notes should consult their own tax advisors with respect to the treatment of original issue discount for federal income tax purposes, including various special rules relating thereto, and the state and local tax consequences of acquiring, holding, and disposing of Discount Notes.

Note Premium

In general, if an owner acquires a Note for a purchase price (excluding accrued interest) or otherwise at a tax basis that reflects a premium over the sum of all amounts payable on the Note after the acquisition date (excluding certain “qualified stated interest” that is unconditionally payable at least annually at prescribed rates), that premium constitutes “bond premium” on that Note (a “Premium Note”). In general, under Section 171 of the Code, an owner of a Premium Note must amortize the bond premium over the remaining term of the Premium Note, based on the owner’s yield over the remaining term of the Premium Note determined based on constant yield principles (in certain cases involving a Premium Note callable prior to its stated maturity date, the amortization period and yield may be required to be determined on the basis of an earlier call date that results in the lowest yield on such note). An owner of a Premium Note must amortize the bond premium by offsetting the qualified stated interest allocable to each interest accrual period under the owner’s regular method of accounting against the bond premium allocable to that period. In the case of a tax-exempt Premium Note, if the bond premium allocable to an accrual period exceeds the qualified stated interest allocable to that accrual period, the excess is a nondeductible loss. Under certain circumstances, the owner of a Premium Note may realize a taxable gain upon disposition of the Premium Note even though it is sold or redeemed for an amount less than or equal to the owner’s original acquisition cost. Owners of any Premium Notes should consult their own tax advisors regarding the treatment of bond premium for federal income tax purposes, including various special rules relating thereto, and state and local tax consequences, in connection with the acquisition, ownership, amortization of bond premium on, sale, exchange, or other disposition of Premium Notes.

Information Reporting and Backup Withholding

Information reporting requirements apply to interest paid on tax-exempt obligations, including the Notes. In general, such requirements are satisfied if the interest recipient completes, and provides the payor with, a Form W-9, “Request for Taxpayer Identification Number and Certification,” or if the recipient is one of a limited class of exempt recipients. A recipient not otherwise exempt from information reporting who fails to satisfy the information reporting requirements will be subject to “backup withholding,” which means that the payor is required to deduct and withhold a tax from the interest payment, calculated in the manner set forth in the Code. For the foregoing purpose, a “payor” generally refers to the person or entity from whom a recipient receives its payments of interest or who collects such payments on behalf of the recipient.

If an owner purchasing a Note through a brokerage account has executed a Form W-9 in connection with the establishment of such account, as generally can be expected, no backup withholding should occur. In any event, backup withholding does not affect the excludability of the interest on the Notes from gross income for federal income tax purposes. Any amounts withheld pursuant to backup withholding would be allowed as a refund or a credit against the owner’s federal income tax once the required information is furnished to the Internal Revenue Service.

Miscellaneous

Tax legislation, administrative actions taken by tax authorities, or court decisions, whether at the federal or state level, may adversely affect the tax-exempt status of interest on the Notes under federal or state law or otherwise prevent beneficial owners of the Notes from realizing the full current benefit of the tax status of such interest. In addition, such legislation or actions (whether currently proposed, proposed in the future, or enacted) and such decisions could affect the market price or marketability of the Notes.

Prospective purchasers of the Notes should consult their own tax advisors regarding the foregoing matters.

LITIGATION

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

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

UNDERTAKING TO PROVIDE NOTICES OF EVENTS

In order to assist the purchasers in complying with Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended ("Rule 15c2-12"), the District will enter into an Undertaking to Provide Notice of Material Events Certificate, the form, substantially of which, is attached hereto as "*APPENDIX-E – FORM OF UNDERTAKING TO PROVIDE NOTICES OF EVENTS*".

MUNICIPAL ADVISOR

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

CUSIP IDENTIFICATION NUMBERS

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

RATINGS

The Notes are <u>NOT</u> rated. The purchaser(s) of the Notes may choose to have a rating completed after the sale with the approval of the School District and at the expense of the purchaser(s), including any fees to be incurred by the District, as such rating action will result in a material event notification to be posted to EMMA which is required by the District's Continuing Disclosure Undertakings. (See "*APPENDIX-E - UNDERTAKING TO PROVIDE NOTICES OF EVENTS*" herein.)

Moody's Investors Service ("Moody's") has assigned their issuer rating and underlying general obligation bond rating of "Aa2" to the District. This rating reflects only the view of Moody's and any desired explanation of the significance of such rating should be obtained from Moody's Investors Service, 250 Greenwich St., New York, New York 10007. Phone: (212) 553-0038.

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 change or withdrawal of such rating may have an adverse effect on the market price of the Notes or the availability of a secondary market for the Notes.

THE SCHOOL DISTRICT

General Information

The District, with an area of approximately 64 square miles, is located approximately 18 miles southeast of the City of Rochester. The District includes the incorporated Village of Victor, as well as all or portions of the Towns of Victor, Farmington and East Bloomfield in Ontario County, the Town of Macedon in Wayne County and the Town of Perinton in Monroe County.

The District is a rapidly developing residential community. Many of the homes are owned by professional, technical and skilled workers employed in the Rochester area with well-known companies such as: Eastman Kodak Company, Xerox and Bausch and Lomb Optical Company.

There are approximately 180 housing starts annually within the District. Initial sale prices range from $85,000 to over $400,000. True value growth in the District has increased an average of 14.6% for the last three years and this rate of growth is expected to continue for the next three years as more of these housing projects are completed.

Major highways serving the District include State Routes #96 and #332, Interstate Routes #20 and #490, and the New York State Thruway (Route I-#90).

Gas and electric services are provided by the Rochester Gas & Electric Company. Sewer and water services are provided by the surrounding towns and villages. Police and fire protection are also provided, the latter through volunteer forces.

Commercial banking services are provided to residents of the District through branch offices of The Canandaigua National Bank & Trust Co. and Five Star Bank.

Source: District officials.

District Population

The 2024 estimated population of the District is 27,983. (Source: U.S. Census Bureau, 2020-2024 American Community Survey 5-Year Estimates).

Five Larger Employers

Name	Type	Employees
Finger Lakes Racing Association	Gambling & Horse Racing	1,744
Constellation Brands, Inc. (1)	Production & Sale of Beverages	500
O'Connell Electric Co.	Electrical Contractor	242
UltraFab	Manufacturing	147
Finger Lakes Technology Group	Voice/Data/Internet Services	102

(1) Headquarters located in nearby Town of Webster.

Source: District officials.

Selected Wealth and Income Indicators

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

	Per Capita Income			Median Family Income		
	2006-2010	2016-2020	2020-2024	2006-2010	2016-2020	2020-2024
Towns of:						
Victor	$ 42,401	$ 50,926	$ 65,077	$106,573	$ 128,274	$ 145,975
Farmington	25,276	36,266	41,753	66,743	75,111	110,733
East Bloomfield	33,239	32,684	45,512	73,133	76,667	103,914
Macedon	27,788	32,454	45,649	62,458	85,930	116,365
Perinton	38,306	47,728	61,302	94,209	112,527	137,020
Counties of:						
Monroe	26,999	35,339	44,107	65,240	82,439	102,166
Ontario	28,950	37,044	46,303	69,877	83,153	105,339
Wayne	24,092	32,513	38,259	60,324	76,002	96,782
State of:						
New York	30,948	40,898	50,712	67,405	87,720	106,873

Note: 2021-2025 American Community Survey estimates are not available as of the date of this Official Statement.

Source: U.S. Census Bureau, 2006-2010, 2016-2020 and 2020-2024 American Community Survey data.

Unemployment Rate Statistics

Unemployment statistics are not available for the District as such. The smallest areas for which such statistics are available (which includes the District) are the Counties of Ontario, Monroe and Wayne. 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 information for Ontario, Monroe and Wayne Counties is necessarily representative of the District, or vice versa.

	Annual Average						
	2019	2020	2021	2022	2023	2024	2025
Ontario County	3.8%	7.2%	4.4%	3.2%	3.2%	3.3%	3.4%
Monroe County	3.9	8.1	5.1	3.4	3.4	3.7	3.8
Wayne County	3.8	7.1	4.5	3.2	3.2	3.5	3.6
New York State	3.9	9.8	7.1	4.3	4.0	4.2	4.3

	2026 Monthly Figures						
	Jan	Feb	Mar	Apr	May	Jun	Jul
Ontario County	4.1%	4.5%	4.0%	3.6%	3.5%	3.5%	N/A
Monroe County	4.2	4.6	4.2	3.9	4.1	4.1	N/A
Wayne County	4.4	4.9	4.5	3.8	3.7	3.6	N/A
New York State	4.7	5.2	4.4	4.2	4.2	4.4	4.2%

Note: Certain unemployment rates for the month of July 2026 are not available as of the date of this Official Statement.

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

Financial Organization

Pursuant to the Local Finance Law, the President of the Board of Education is the chief fiscal officer of the District. However, certain financial functions of the District are the responsibility of the Assistant Superintendent for Business.

District Organization

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

The legislative power of the District is vested in the Board of Education. Usually on the third Tuesday in May each year, an election is held within the District boundaries to elect members to the Board of Education. They are elected for a term of three years. Board Members may serve an unlimited number of terms.

During the first seven days of July of each year, the Board of Education meets for the purpose of reorganization. At that time an election is held within the Board to elect a President and Vice President, as well as to appoint a District Clerk and District Treasurer.

Other administrative officers whose duty it is to implement the policies of the Board of Education and who are appointed by the Board include the following: Superintendent of Schools, Assistant Superintendent for Business, Director of Personnel, Administrator for Instructional Programs, Supervisor of Buildings & Grounds, District Treasurer, District Clerk, Supervisor of Transportation, and Food Service Manager.

Budgetary Procedures and Recent Budget Votes

The District's fiscal year begins on July 1 and ends on June 30. Starting in the fall or winter of each year, the District's financial plan and enrollment projection are reviewed and updated and the first draft of the next year's proposed budget is developed by the central office staff. During the winter and early spring the budget is developed and refined in conjunction with the school building principals and department supervisors. Under current law, the budget is usually submitted to voter referendum on the third Tuesday of May each year.

The budget for the 2025-26 fiscal year was approved by the qualified voters on May 20, 2025 by a vote of 773 yes to 194 no (80.0% approval). The adopted budget included a total tax levy increase of 3.04%, which was equal to the District's tax levy limit for the 2025-26 fiscal year.

The budget for the 2026-27 fiscal year was approved by the qualified voters on May 19, 2026 by a vote of 921 yes to 283 no (76.5% approval). The adopted budget included a total tax levy increase of 4.29%, which was equal to the District's tax levy limit for the 2026-27 fiscal year.

See APPENDIX – A2 for a summary of the 2025-26 and 2026-27 adopted budgets.

Investment Policy

Pursuant to State law, including Sections 10 and 11 of the General Municipal Law (the "GML"), the District is generally permitted to deposit moneys in banks or trust companies located and authorized to do business in the State. All such deposits, including special time deposit accounts and certificates of deposit, in excess of the amount insured under the Federal Deposit Insurance Act, are required to be secured in accordance with the provisions of and subject to the limitations of Section 10 of the GML.

The District may also temporarily invest moneys in: (1) obligations of the United States of America; (2) obligations guaranteed by agencies of the United States of America where the payment of principal and interest are guaranteed by the United States of America; (3) obligations of the State of New York; (4) with the approval of the New York State Comptroller, in tax anticipation notes or revenue anticipation notes issued by any municipality, school district, or district corporation, other than those notes issued by the District; or (5) in the case of moneys held in certain reserve funds established by the District, pursuant to law, in obligations of the District.

All of the foregoing instruments and investments are required to be payable or redeemable at the option of the owner within such times as the proceeds will be needed to meet expenditures for purposes for which the moneys were provided and, in the case of instruments or investments purchased with the proceeds of bonds or notes, shall be payable or redeemable in any event, at the option of the owner, within two years of the date of purchase. Unless registered or inscribed in the name of the District, such instruments and investments must be purchased through, delivered to and held in the custody of a bank or trust company in the State pursuant to a written custodial agreement as provided in Section 10 of the GML.

The Board of Education of the District has adopted an investment policy and such policy conforms with applicable laws of the State governing the deposit and investment of public moneys. All deposits and investments of the District are made in accordance with such policy.

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 2026-27 fiscal year, approximately 38.1% 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 MATTERS AFFECTING FINANCINGS OF THE MUNICIPALITIES OF THE STATE*").

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 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 the adoption of the State budget, which is due at the start of the State's fiscal year of April 1. The State's Enacted Budgets were adopted after the April 1 deadline in the State's fiscal years 2023-24 (adopted on May 2, 2023, thirty-one (31) days late), 2024-25 (adopted on April 22, 2024, twenty-one (21) days late), 2025-26 (adopted on May 9, 2025, thirty-eight (38) days late) and 2026-27 (adopted on May 27, 2026, fifty-six (56) days late). The State's Enacted Budgets were adopted by April 1 or shortly thereafter in the State's fiscal years 2016-17 through 2022-23, inclusive. 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.

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.

President Trump signed an executive order (the "Education Executive Order") that directs the Secretary of Education to take all necessary steps to facilitate the closure of the U.S. Department of Education. The Education Executive Order aims to minimize the federal role in education but stops short of completely closing the Department as this would require 60 votes in the U.S. Senate. President Trump also indicated his preference that critical functions, like distributing Individuals with Disabilities Education Act funding, would be the responsibility of other federal agencies.

In furtherance of the Education Executive Order, on June 16, 2026, the U.S. Department of Education announced four new interagency agreements that shift the management and administration of federal special education programs to the Department of Health and Human Services ("HHS"). Key elements of the change include:

- **Oversight Shift**: Day-to-day management and grant administration for the Office of Special Education and Rehabilitative Services and the Office of Special Education Programs are being transferred to HHS.
- **Statutory Responsibility**: Legally, the statutory authority for the Individuals with Disabilities Education Act remains with the Department of Education, but its actual execution is outsourced.
- **DOJ Integration**: Civil rights and student privacy enforcement are simultaneously being moved to the Department of Justice.

While the interagency agreements are immediately, Senior Administration officials have publicly noted that operational details, staff relocations, and specific execution timelines are still actively being sorted out.

The full impact that the Education Executive Order will have on the State and school districts in the State is unknown at this time.

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 2026-27 building aid ratios, the District expects to receive State building aid of approximately 72.7% 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 (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 included $34.5 billion for school aid, an increase of $3.1 billion or 10%. The States 2023-24 Budget also provided 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 provided $134 million to increase access to free school meals. An additional $20 million in grant funding was included to 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 (2024-2025): The State's 2024-25 Enacted Budget provided $35.9 billion in State funding to school districts for the 2024-25 school year. This represented an increase of $1.3 billion compared to the 2023-24 school year and included a $934 million or 3.89 percent Foundation Aid increase. The State's 2024-25 Enacted Budget maintained the "save harmless" provision, which ensured 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 authorized a comprehensive study by the Rockefeller Institute and the State Department of Education to develop a modernized school funding formula.

School district fiscal year (2025-2026): The State's 2025-26 Enacted Budget included approximately $37.6 billion in State funding to school districts for the 2025-2026 school year, an estimated year-to-year funding increase of $1.7 billion. The State's 2025-26 Budget provided an estimated $26.3 billion in Foundation Aid, a year over year increase of $1.42 billion and includes a 2% minimum increase in Foundation Aid to all school districts. As part of the 2025–26 Enacted State Budget, the Governor and Legislature made targeted adjustments to the Foundation Aid formula. While the formula itself remains largely intact, the budget includes a hold harmless provision ensuring that no district receives less Foundation Aid than in the prior year. Additionally, all districts were guaranteed at least a 2% year-over-year increase in Foundation Aid. The enacted budget also includes formula modifications intended to provide enhanced support for high-need and disadvantaged school districts.

Provisions in the State's 2025-26 Enacted Budget granted the State Budget Director the authority to withhold all or some of the amounts appropriated therein, including amounts that are to be paid on specific dates prescribed in law or regulation (such as State Aid) if, on a cash basis of accounting, a "general fund imbalance" has or is expected to occur in fiscal year 2025-26. Specifically, the State's 2025-26 Enacted Budget provided that a "general fund imbalance" has occurred, and the State Budget Director's powers are activated, if any State fiscal year 2025-26 quarterly financial plan update required by Subdivision 4 of Section 23 of the New York State Finance Law reflects, or if at any point during the final quarter of State fiscal year 2025-26 the State Budget Director projects, that estimated general fund receipts and/or estimated general fund disbursements have or will vary from the estimates included in the State's 2025-26 Enacted Budget financial plan required by sections 22 and 23 of the New York State Finance Law results in a cumulative budget imbalance of $2 billion or more. Any significant reductions or delays in the payment of State aid could adversely affect the financial condition of school districts in the State. No "general fund imbalance" occurred during the State's 2025-26 fiscal year.

The State's 2026-27 Enacted Budget was signed into law on May 27, 2026 – fifty-six (56) days after the April 1 start of the fiscal year. The FY 2026-27 Education, Labor and Family Assistance (ELFA) legislation contains several significant provisions affecting New York public school districts. The major school district–related items include:

- **Foundation Aid increase:** The Enacted Budget provides an approximately $779 million increase in Foundation Aid, bringing total Foundation Aid to about $27.1 billion statewide. Every district is guaranteed at least a minimum annual increase.
- **Overall School Aid increase:** Total School Aid for the 2026-27 school year is projected at approximately $39.3 billion, an increase of roughly $1.6 billion over the prior year.

- **Universal Pre-K expansion:** The legislation significantly expands funding for universal prekindergarten programs. Districts will receive increased per-pupil funding for four-year-old programs, with the goal of statewide universal full-day Pre-K by the 2028-29 school year.
- **Expense-based aids fully funded:** The Enacted Budget continues statutory reimbursement formulas for Building Aid, Transportation Aid, BOCES Aid and special education expense aids. These aids are projected to increase by roughly $282 million statewide.
- **Building Aid for renewable energy projects:** Certain renewable energy improvements, including ground-mounted solar facilities, may now qualify as part of a project's "primary cost allowance" for Building Aid purposes.
- **Zero emission bus mandate:** The Enacted Budget also extended the zero-emission bus mandate by five years, allowing districts until July 1, 2032, to purchase only zero-emission buses and until July 1, 2040, to operate and maintain only zero-emission buses.

Foundation Aid formula adjustments. The budget continues recent efforts to modernize the Foundation Aid formula by relying more heavily on updated poverty and economic-need data instead of older census metrics and free-and-reduced lunch statistics.

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 CFE 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 and FY 2025 budget and enacted this commitment into law.

A breakdown of currently anticipated Foundation Aid funding is outlined 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.
- FY 2025: Funding the full amount of Foundation Aid for all school districts.

- FY 2026: $26.3 billion in Foundation Aid, a year over year increase of $1.42 billion and a 2% minimum increase in Foundation Aid to all school districts.
- FY 2027 Budget: $27.1 billion in Foundation Aid, an increase of $779 million from 2025-26, and a 1% minimum increase in Foundation Aid to all school districts.

The State's 2025-26 and 2026-27 Budgets also made a number of alterations to the Foundation Aid formula to more accurately reflect low-income student populations and provide additional aid to low-wealth school districts.

State Aid Revenues

The following table illustrates the percentage of total General Fund revenues of the District for the below fiscal years comprised of State aid.

Fiscal Year	Total Revenues	Total State Aid	Percentage of Total Revenues Consisting of State Aid
2020-2021	$ 79,116,281	$ 24,640,245	31.14%
2021-2022	83,694,867	26,972,741	32.23
2022-2023	93,477,150	31,829,807	34.05
2023-2024	103,175,351	39,725,811	38.50
2024-2025	105,442,718	38,727,567	38.10
2025-2026 (Unaudited)	109,066,440	41,025,600	37.62
2026-2027 (Budgeted)	110,272,328 (1)	42,061,480	38.14

(1) Does not include $6,044,583 of appropriated fund balance.

Source: 2020-21 through and including 2024-25 audited financial statements of the District, unaudited figures for the 2025-26 fiscal year and the adopted budget of the District for the 2026-27 fiscal year. This table is not audited. The unaudited figures for the 2025-26 fiscal year are based upon certain assumptions and estimates, and the audited results may vary therefrom.

District Facilities

The District currently operates the following facilities:

Name	Grades	Capacity	Years Built/Additions
Junior / Senior High School	7-12	2,200	1963, '97, '06,'08, '13
Intermediate School	4-6	1,050	1970, '88, '06, '08
Primary School	K-3	1,050	1954, '88, '06, '08
Victor Education Center	PreK-1	800	1940, '78, '06, '08, '13, '22

Source: District officials.

Enrollment Trends

School Year	Enrollment	School Year	Projected Enrollment
2021-2022	4,280	2026-2027	4,167
2022-2023	4,317	2027-2028	4,179
2023-2024	4,326	2028-2029	4,200
2024-2025	4,273	2029-2030	4,211
2025-2026	4,210	2030-2031	4,224

Source: District officials.

Employees

The District employs a total of approximately 790 full-time and 84 part-time employees. Employees are represented by various unions as follows:

Union Representation	Number of Employees	Contract Expiration Date
Victor Teachers' Association	522	June 30, 2030
Victor CSEA	333	June 30, 2027
Administrators’ Association	19	June 30, 2030

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 System 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 (other than those in Tier V and VI, as described below) 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 (for both Tier V and Tier VI).
- 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, a new Tier VI pension program was signed into law, 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 State’s 2024-25 Enacted Budget included a provision that improved the pension benefits of Tier VI members by modifying the final average salary calculation from 5 years back to 3 years. This measure was effective as of April 1, 2024 for PFRS Tier VI members and April 20, 2024 for ERS Tier VI members.

The State's Enacted 2026-27 Budget made a number of changes to the Tier VI pension program:

- Lowered Retirement Age: The full-benefit retirement age for members of TRS is reduced from 63 to 58 for members with 30 years of service, allowing educators to retire without pension penalties earlier.
- Reduced Contribution Rates: Member pension contribution percentages for members of ERS are adjusted into tiered salary brackets:
  - $75,000 or less: 3%
  - Over $75,000 to $100,000: 4%
  - Over $100,000 to $125,000: 5.25%
  - Over $125,000: 5.75%
- Overtime Cap Increase: For eligible members, the maximum amount of overtime used to calculate final average salary benefits has been increased to $30,000 plus CPI (up from the previous $22,500 cap).

The District is required to contribute at an actuarially determined rate. The actual contributions for the last five years and budgeted figures for the 2026-27 fiscal year are as follows:

Fiscal Year	ERS	TRS
2020-2021	$ 964,753	$ 2,715,821
2021-2022	1,039,854	3,008,768
2022-2023	824,858	3,134,953
2023-2024	1,138,308	3,314,776
2024-2025	1,372,666	3,597,460
2025-2026 (Actual)	1,609,331	3,491,746
2026-2027 (Budgeted)	2,247,500	3,984,487

Source: District officials.

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.

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 employer contribution rates as a percent of payroll (2020-21 to 2026-27) is shown below:

Fiscal 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	10.11
2025-26	16.5	9.59
2026-27	17.6	8.24

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. Although permitted by recently enacted laws, the District is not amortizing any pension payments nor does it intend to do so in the foreseeable future.

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

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

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

Stable Rate Pension Contribution Option: The 2013-14 Adopted State Budget included a provision that authorized local governments, 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. For 2016-17 the stable contribution option rate is 15.1% for ERS and 14.13% for TRS. The pension contribution rates under this program would reduce near-term payments for employers, but 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 on March 31, 2019, will allow school districts in the State to establish a reserve fund for the purpose of funding/offsetting the cost of TRS contributions. School districts may pay into such fund, during any particular fiscal year, an amount not to exceed two percent of the total compensation or salaries of all district-employed teachers who are members of the TRS paid during the immediately preceding fiscal year; provided that the balance of such fund may not exceed ten percent of the total compensation or salaries of all district-employed teachers who are members of the TRS paid during the immediately preceding fiscal year. The School District has established such a reserve fund as of June 30, 2019.

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

Other Post-Employment Benefits

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 will require governmental entities, such as the District, to account for employment healthcare benefits as it accounts for vested pension benefits. GASB Statement No. 45 ("GASB 45") of the Governmental Accounting Standards Board ("GASB"), described below, requires such accounting.

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.

GASB 75 and OPEB. In 2015, the GASB released new accounting standards for public other postemployment benefits ("OPEB") plans and participating employers. These standards, GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* ("GASB 75"), have substantially revised the valuation and accounting requirements previously mandated under GASB Statements No. 43 and 45. For the fiscal year ended June 30, 2018, the District implemented GASB 75. The implementation of this statement requires school districts to report 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 requires school districts to calculate and report a net other postemployment benefit 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.

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

The District contracted with an actuarial firm to calculate its actuarial valuation under GASB 75. The following outlines the changes to the Total OPEB Liability during the 2023-24 and 2024-25 fiscal years, by source.

Balance beginning at:	July 1, 2023	July 1, 2025
	$ 51,507,503	$ 52,625,256
Changes for the year:		
Service cost	2,606,467	1,885,642
Interest on total OPEB liability	1,942,257	2,108,564
Effect of plan changes	-	-
Effect of demographic gains or losses	-	(15,088,913)
Effect of assumption changes or other inputs	(1,611,751)	(4,566,006)
Benefit payments	(1,819,220)	(1,732,491)
Net Changes	$ 1,117,753	$ (17,393,204)
Balance ending at:	**June 30, 2024**	**June 30, 2025**
	$ 52,625,256	**$ 35,232,052**

Source: GASB 75 Actuarial Valuation Report for OPEB. The above table is not audited. For additional information regarding the District's OPEB liability, see "*APPENDIX - F*" 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.

Financial Statements

The School District retains independent Certified Public Accountants. The last audit report covers the period ending June 30, 2025 and may be found attached hereto as "*APPENDIX-F*" to this Official Statement. The audited financial report for fiscal year ended June 30, 2026 is not complete as of the date of this Official Statement. Certain financial information of the School District can also be found attached as Appendices to this Official Statement.

The District complies with the Uniform System of Accounts as prescribed for school districts in the State by the State Comptroller. Except for the accounting for fixed assets, this system conforms to 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 that ended 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 such reporting.

Unaudited Results for the Fiscal Year Ending June 30, 2026:

Based on preliminary estimates, the District ended the fiscal year ending June 30, 2026 with an unassigned General Fund balance of $4,652,676.

Summary unaudited information for the General Fund for the period ending June 30, 2026 is as follows:

Projected Revenues:	$ 109,066,440
Projected Expenditures:	102,824,674
Total Other Sources & (Uses):	-0-
Projected Excess (Deficit) Revenues Over Expenditures:	$ 6,241,766
Total General Fund Balance at June 30, 2025:	$ 18,317,913
Total Projected General Fund Balance at June 30, 2026:	$ 24,559,678

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

Source: District officials.

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 to fiscal stress" or "no designation". Entities that do not accumulate the number of points that would place them in a stress category will receive a financial score but will be classified in a category of "no designation." This classification should not be interpreted to imply that the entity is completely free of fiscal stress conditions. Rather, the entity's financial information, when objectively scored according to the FSMS criteria, did not generate sufficient points to place them in one of the three established stress categories.

The reports of the State Comptroller for the 2020-21 through 2024-25 fiscal years of the District are as follows:

Fiscal Year Ending In	Stress Designation	Fiscal Score
2025	No Designation	0.0
2024	No Designation	6.7
2023	No Designation	3.3
2022	No Designation	0.0
2021	No Designation	0.0

Note: The Stress Designation and Fiscal Score for the 2025-26 fiscal year has not been calculated as of the date of this Official Statement.

Source: Website of the Office of the New York State Comptroller. References to website addresses presented herein are for informational purposes only. Unless specified otherwise, such websites and the information or links contained therein are not incorporated into, and are not part of, this Official Statement.

New York State Comptroller Reports of Examination

The State Comptroller's office, i.e., the Department of Audit and Control, periodically performs a compliance review to ascertain whether the School 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.

There are no other State Comptrollers audits of the District published in the past five years, nor are there are currently in progress or pending release as of the date of this Official Statement.

Source: Website of the Office of the New York State Comptroller. References to website addresses presented herein are for informational purposes only. Unless specified otherwise, such websites and the information or links contained therein are not incorporated into, and are not part of, this Official Statement.

Other Information

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

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

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

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

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

TAX INFORMATION

Taxable Valuations

Fiscal Year Ending June 30:	2022	2023	2024	2025	2026
Towns of:					
Victor	$ 2,065,073,563	$ 2,090,883,744	$ 2,119,566,122	$ 2,141,468,951	$ 2,159,838,132
Farmington	825,056,891	834,394,415	1,119,229,882 (1)	1,130,220,139	1,369,119,612
East Bloomfield	6,461,481	6,601,405	6,597,346	9,174,542 (1)	9,217,175
Macedon	16,680,104	23,117,951 (1)	23,117,854	23,060,053	23,148,194
Perinton	117,442,849	117,464,686	119,277,668	118,481,939	116,866,217
Total Assessed Values	$ 3,030,714,888	$ 3,072,462,201	$ 3,387,788,872	$ 3,422,405,624	$ 3,678,189,330
State Equalization Rates					
Towns of:					
Victor	99.00%	89.00%	79.00%	68.00%	67.00%
Farmington	95.00%	88.00%	100.00% (1)	94.00%	100.00%
East Bloomfield	100.00%	94.00%	84.00%	100.00% (1)	96.00%
Macedon	80.00%	100.00% (1)	94.00%	84.00%	77.00%
Perinton	93.00%	80.00%	71.00%	62.00%	57.00%
Total Taxable Full Valuation	$ 3,108,008,074	$ 3,474,454,629	$ 4,002,669,134	$ 4,579,307,783	$ 4,837,450,879

(1) Significant change from prior year due to town-wide revaluation.

Source: District officials.

Tax Rate Per $1,000 (Assessed)

Fiscal Year Ending June 30:	2022	2023	2024	2025	2026
Towns of:					
Victor	$ 17.03	$ 17.82	$ 17.81	$ 18.89	$ 18.69
Farmington	17.75	18.02	14.07 (1)	13.67	12.52
East Bloomfield	16.86	16.87	16.75	12.85 (1)	13.04
Macedon	20.42	15.38 (1)	14.38	14.71	15.81
Perinton	17.60	19.30	19.17	20.07	21.56

(1) Significant change from prior year due to town-wide revaluation.

Source: District officials.

Tax Levy and Tax Collection Record

Fiscal Year Ending June 30:	2022	2023	2024	2025	2026
Total Tax Levy	$ 52,329,088	$ 55,045,566	$ 56,247,957	$ 58,747,714	$ 60,523,516
Amount Uncollected (1)	783,952	822,886	957,390	948,761	1,117,813
% Uncollected	1.50%	1.49%	1.70%	1.61%	1.85%

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

Source: District officials.

Tax Collection Procedure

Property taxes for the District are collected by the town tax receivers. Such taxes are due and payable on September 1, but may be paid without penalty by September 30. Penalties on unpaid taxes are 2% after October 1. On or about November 5, the tax receivers file a report of any uncollected school taxes with the respective Counties. The Counties thereafter on or before April 30 pay to the District the amount of its uncollected taxes. Thus, the District receives its full levy prior to the end of its fiscal year.

Real Property Tax Revenues

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

Fiscal Year	Total Revenues	Total Real Property Taxes & Tax Items	Percentage of Total Revenues Consisting of Real Property Taxes
2020-2021	$ 79,116,281	$ 53,104,372	67.12%
2021-2022	83,694,867	55,348,271	66.13
2022-2023	93,477,150	58,265,404	62.33
2023-2024	103,175,351	59,682,431	57.85
2024-2025	105,442,718	62,573,246	59.34
2025-2026 (Unaudited)	109,066,440	64,320,171	58.97
2026-2027 (Budgeted)	110,272,328 (1)	66,720,848	60.51

(1) Does not include $6,044,583 of appropriated fund balance.

Source: 2020-21 through and including 2024-25 audited financial statements of the District, unaudited figures for the 2025-26 fiscal year and the adopted budget of the District for the 2026-27 fiscal year. This table is not audited. The unaudited figures for the 2025-26 fiscal year are based upon certain assumptions and estimates, and the audited results may vary therefrom.

Ten Largest Taxpayers – 2025 Assessment Roll for the 2025-26 District Tax Roll

Name	Type	Taxable Full Valuation
Rochester Gas & Electric Corporation	Utility	$ 84,326,449
Empire Pipeline	Utility	52,342,100
Rochester Gas & Electric	Utility	43,561,086
Finger Lakes Racing Association	Race Track/Racino	48,000,000
Rochester Fairways	Townhomes/Apartments	24,956,000
Main St. Stop, LLC	Retail	21,250,000
Gypsum East SPE LLC	Mfg. Housing Park	22,527,900
MCA Group, LLC	Office Park	18,351,000
Town of Farmington	Municipality	17,632,723
Fairview Ponds LLC	Real Estate	17,520,000

The larger taxpayers listed above have a total estimated full valuation of $350,467,258 that represents 7.2% of the tax base of the District.

The District experiences the impact of tax certiorari filings on a regular basis. At this time, the level of tax certiorari filings are within acceptable norms and are not anticipated to have a material impact on the District's finances.

Source: District officials.

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 $110,750 or less for the 2026-27 school year, increased annually according to a cost of living adjustment, are eligible for a "full value" exemption of the first $88,500 for the 2026-27 school year (adjusted annually). Other homeowners with household STAR Adjusted Gross income not in excess of $250,000 ($500,000 in the case of a STAR credit, as discussed below) are eligible for a $30,000 "full value" exemption on their primary residence.

Part A of Chapter 60 of the Laws of 2016 of the State of New York ("Chapter 60") gradually converts the STAR program from a real property tax exemption to a personal income tax credit. Chapter 60 prohibits new STAR exemptions from being granted unless at least one of the applicants held title to the property on the taxable status date of the assessment roll that was used to levy school district taxes for the 2015-16 school year (generally, March 1, 2015), and the property was granted a STAR exemption on that assessment roll. A taxpayer who is eligible for the new credit will receive a check from the State equal to the amount by which the STAR exemption would have reduced his or her school tax bill. A homeowner who owned his or her home on the taxable status date for the assessment roll used to levy taxes for the 2015-16 school year, and who received a STAR exemption on that roll, may continue to receive a STAR exemption on that home as long as he or she still owns and primarily resides in it. No further action is required (unless the homeowner has been receiving Basic STAR and wants to apply for Enhanced STAR, which is permissible).

The 2019-20 Enacted State Budget made several changes to the STAR program, which went into effect immediately. The changes were 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 of the STAR exemption remains the same each year, while the amount of the STAR credit can increase up to two percent annually.

The table below lists the basic and enhanced exemption amounts for the 2026-27 District tax roll for the municipalities applicable to the District:

Towns of:	Enhanced Exemption	Basic Exemption	Date Certified
Victor	$ 59,300	$ 20,100	4/10/2025
Farmington	88,500	30,460	4/10/2026
East Bloomfield	84,960	28,800	4/10/2026
Macedon	88,500	30,000	4/10/2026
Perinton	93,160	32,330	7/23/2026

$1,982,546 of the District's $60,512,820 school tax levy for 2025-26 was exempted by the STAR Program. The District received full reimbursement of such exempt taxes from the State in January 2026.

The District anticipates a like amount to be exempted by the STAR program for the 2026-27 fiscal year.

Additional Tax Information

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

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

Total assessed valuation of the District is estimated to be categorized as follows: Residential-80%, Agricultural-2%, Commercial-5%, Industrial-2% and Other-11%.

The estimated total annual property tax bill of a $150,000 market value residential property located in the District is approximately $4,014 including County, Town, School District and Fire District Taxes.

TAX LEVY LIMIT LAW

Chapter 97 of the New York Laws of 2011, as amended, (herein referred to as the "Tax Levy Limit Law" or "Law") modified previous law by imposing a limit on the amount of real property taxes that a school district may levy.

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

Under the Tax Levy Limit Law, there is now a limitation on the amount of tax levy growth from one fiscal year to the next. Such limitation is the lesser of (i) 2% or (ii) the annual percentage increase in the consumer price index, subject to certain exclusions as mentioned below and as described in the Law. A budget with a tax levy that does not exceed such limit will require approval by at least 50% of the voters. Approval by at least 60% of the voters will be required for a budget with a tax levy in excess of the limit. In the event the voters reject the budget, the tax levy for the school district's budget for the ensuing fiscal year may not exceed the amount of the tax levy for the prior fiscal year. School districts will be permitted to carry forward a certain portion of their unused tax levy limitation from a prior year.

The Law permits certain significant exclusions to the tax levy limit for school districts. These include taxes to pay the local share of debt service on bonds or notes issued to finance voter approved capital expenditures (such as the Notes) and the refinancing or refunding of such bonds or notes, certain pension cost increases, and other items enumerated in the Law. However, such exclusion does NOT apply to taxes to pay debt service on tax anticipation notes, revenue anticipation notes, budget notes and deficiency notes; and any obligations issued to finance deficits and certain judgments, including tax certiorari refund payments.

STATUS OF INDEBTEDNESS

Constitutional and Statutory Requirements

The New York State Constitution and Local Finance Law limit the power of the District (and other municipalities and school districts of the State) to issue obligations and to contract indebtedness. Such constitutional and statutory limitations include the following, in summary form, and are generally applicable to the District and the Notes:

Purpose and Pledge. The District shall not give or loan any money or property to or in aid of any individual, or private corporation 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 in one of the two fiscal years immediately 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 initially contracted and ending no later than the expiration of the period of probable usefulness of the object or purpose determined by statute; no installment may be more than fifty per centum in excess of the smallest prior installment, unless the District has authorized the issuance of indebtedness having substantially level or declining annual debt service. 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, bond anticipation notes and capital notes.

General. 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 to prevent abuses in the exercise of such power; 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. There is no constitutional limitation on the amount that may be raised by the District by tax on real estate in any fiscal year to pay principal of and interest on all indebtedness. However, the Tax Levy Limit Law imposes a statutory limitation on the power of the District to increase its annual tax levy. The amount of such increase is limited by the formulas set forth in such law. (See "*TAX LEVY LIMIT LAW*," herein).

Statutory Procedure

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

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 the anticipation of the bonds. No down payment is required in connection with the issuance of District obligations. With respect to certain school building construction projects, the District is not permitted to spend in excess of $100,000 for construction costs until the plans and specifications for such project have been approved by the commissioner of Education of the State.

The Local Finance Law also provides a twenty-day statute of limitations after publication of a bond resolution, or summary thereof, together with a statutory form of notice which, in effect, estops legal challenges to the validity of obligations authorized by such bond resolution except for alleged constitutional violations. It is a procedure that is recommended by Bond Counsel, but it is not an absolute legal requirement.

The Board of Education, as the finance board of the District, also has the power to authorize the sale and issuance of bonds and notes, including the Notes. However, such finance board may delegate the power to sell the Notes to the President of the Board of Education, the chief fiscal officer of the District, pursuant to the Local Finance Law.

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

Debt Outstanding End of Fiscal Year

Fiscal Year Ending June 30:	2022	2023	2024	2025	2026
Bonds	$ 26,710,000	$ 46,505,000	$ 42,450,000	$ 38,580,000	$ 34,530,000
Bond Anticipation Notes	28,463,979	2,267,382	2,737,769	3,207,755	3,582,015
Lease Purchase Obligations [(1)]	50,353	213,676	197,043	733,238	499,117
Energy Performance Contract [(2)]	3,232,872	3,009,659	2,778,952	2,540,500	2,294,044
Total Debt Outstanding	$ 58,457,204	$ 51,995,717	$ 48,163,764	$ 45,061,493	$ 40,905,176

[(1)] Energy Performance Contracts do not constitute debt for Local Finance Law purposes; however, they are included for purposes of calculating the debt limit of the District. (See "*Other Obligations*" herein.)

Details of Outstanding Indebtedness

The following table sets forth the indebtedness of the School District evidenced by bonds and notes as of August 24, 2026.

Type of Indebtedness	Maturity		Amount
Bonds	2027-2050		$ 34,530,000
Bond Anticipation Notes			
Transportation Vehicles	September 12, 2025		3,582,015 [1]
		Total Indebtedness:	$ 38,112,015

[1] To be redeemed with a $2,475,208 portion of the proceeds of the Notes and $1,106,807 available funds of the District. (See "THE NOTES - Authority for and Purpose of Issue" herein)

Debt Statement Summary

Summary of Indebtedness, Debt Limit and Net Debt-Contracting Margin as of August 24, 2026:

Full Valuation of Taxable Real Property			$ 4,837,450,879
Debt Limit 10% thereof			483,745,088
Inclusions:			
Bonds	$ 34,530,000		
Bond Anticipation Notes (BANs):	3,582,015		
Total Inclusions prior to issuance of the Notes	38,112,015		
Less: BANs being redeemed from appropriations	(1,106,807)		
Add: New money proceeds of the Series A Notes	3,086,994		
Add: New money proceeds of the Series B Notes	10,000,000		
Total Net Inclusions after issuance of the Notes		$ 50,092,202	
Exclusions:			
State Building Aid [1]	$ 0		
Total Exclusions		$ 0	
Total Net Indebtedness after issuance of the Notes			$ 50,092,202
Net Debt-Contracting Margin			$ 433,652,886
The percent of debt contracting power exhausted is			10.36%

[1] Pursuant to the Provisions of Chapter 760 of the Laws of New York State of 1963, the School District receives aid on existing bonded debt. Since the gross indebtedness of the School District is within the debt limit, the School District is not required to apply for a Building aid Estimate. Over the years the building aid ratio has been adjusted based on State legislative changes with an effective date tied to voter authorization dates. Based on 2026-27 Building Aid Ratios, the School District anticipates State Building aid of 72.7% for debt service on SED approved expenditures from July 1, 2004 to the present. The School District has no reason to believe that it will not ultimately receive all of the Building aid it anticipates, however, no assurance can be given as to when and how much Building aid the School District will receive in relation to its capital project indebtedness.

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.

Note: The above debt statement summary does not include any outstanding energy performance, lease or installment purchase obligations, which are subject to appropriation but do not involve a pledge of faith and credit of the District, and therefore do not technically constitute indebtedness of the District. Such obligations are, however, counted against the debt limit of the District. The District remains within its debt limit after taking into account the outstanding balance of such obligations. (See "*Other Obligations*" herein.)

Bonded Debt Service

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

Cash Flow Borrowing

The District has not issued tax or revenue anticipation notes for the last five fiscal years. The District does not currently anticipate issuing either tax anticipation notes or revenue anticipation notes in the foreseeable future.

Other Lease Obligations

On September 20, 2018 the District entered into an energy performance contract in the amount of $3,882,717 with an annual interest rate of 3.357%. The District's scheduled payments of principal and interest are as follows:

Fiscal Year Ending June 30th	Principal Due July 15th	Interest Due July 15th	Total Principal and Interest
2027	$ 254,730	$ 77,011	$ 331,741
2028	263,281	68,460	331,741
2029	272,120	59,621	331,741
2028-2034	1,503,913	154,792	1,658,705
Total	$ 2,294,044	$ 359,884	$ 2,653,928

Source: Audited financial statements of the District. Table itself is not audited.

The District has entered into various lease agreements to finance various technology equipment. The following is a schedule of future lease payments as of June 30, 2026:

Fiscal Year Ending June 30th	Principal	Interest	Total Principal and Interest
2027	$ 213,419	$ 18,057	$ 231,476
2028	202,604	7,922	210,526
2029	83,094	968	84,062
Total	$ 499,117	$ 26,947	$ 526,064

Source: Audited financial statements of the District. Table itself is not audited.

Capital Project Plans

The District borrows for buses on an annual basis. The District currently has $3,582,015 bond anticipation notes outstanding and maturing September 11, 2026 to finance the purchase of buses. A $2,475,208 portion of the proceeds of the Series B Notes, together with $1,106,807 in budgetary appropriations, will be used to redeem $3,582,015 bond anticipation notes outstanding and maturing on September 11, 2026. The $3,086,994 balance of the proceeds of the Series B Notes will provide additional original financing for the purchase of various school buses and vehicles for use by the District.

On October 24, 2024, the qualified voters of the District approved a proposition authorizing the District to undertake a capital project consisting of the construction of improvements and alterations to various District buildings and sites (the "2024 Capital Project) at a maximum estimated cost of $99,419,031, including the expenditure of $28,431,861 from various District capital reserve funds, and authorizing the issuance of up to $70,987,170 serial bonds to finance the balance of the 2024 Capital Project. Proceeds of the Series A Notes will provide $10,000,000 original financing for the 2024 Capital Project

Other than for the project stated above, the District has no other authorized and unissued indebtedness for capital or other purposes at this time.

Estimated Overlapping Indebtedness

In addition to the 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. Estimated indebtedness (consisting of bonds and bond anticipation notes) of the respective municipalities is outlined in the table below:

Municipality	Status of Debt as of	Gross Indebtedness [1]	District Share	Applicable Indebtedness
County of:				
Ontario	12/31/2024	$ 14,570,757	28.66%	$ 16,655,757
Monroe	12/31/2024	645,492,834	0.26%	1,678,281
Wayne	12/31/2024	8,137,000	0.34%	27,666
Town of:				
Victor	12/31/2024	7,930,000	97.22%	7,709,546
Farmington	12/31/2024	3,969,822	75.91%	3,013,492
East Bloomfield	12/31/2024	2,974,200	2.14%	63,648
Macedon	12/31/2024	2,682,637	2.83%	75,919
Perinton	12/31/2024	16,155,000	2.68%	432,954
Village of:				
Victor	5/31/2025	-	100.00%	-
			Total:	$ 29,657,263

(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.

Note: Gross indebtedness sourced from local government data provided by the State Comptroller's office. Information regarding excludable debt for municipalities, such as water debt, sewer debt and budgeted appropriations, to the extent such indebtedness may be applicable to the respective municipality, is not provided in the local government data the above table is sourced from.

Debt Ratios

The following table sets forth certain ratios relating to the District's indebtedness as of August 24, 2026:

	Amount	Per Capita [a]	Percentage of Full Value [b]
Net Indebtedness [c]	$ 50,092,202	$ 1,790.09	1.04%
Net Indebtedness Plus Net Overlapping Indebtedness [d]	79,749,465	2,849.93	1.65

(a) The 2024 estimated population of the District is 27,983. (See "*THE SCHOOL DISTRICT – District Population*" herein.)
(b) The District's full value of taxable real estate for the District's 2025-26 tax roll is $4,837,450,879. (See "T*AX INFORMATION – Taxable Assessed Valuations*" herein.)
(c) See "Debt Statement Summary" herein.
(d) Estimated net overlapping indebtedness is $29,657,263. (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.

MISCELLANEOUS

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

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

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

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

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

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

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

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

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

The District will act as Paying Agent for the Notes. The District's contact information is as follows: Christine Griffin, Assistant Superintendent for Business, 953 High Street, Victor, New York 14564, Phone: (585) 924-3252, Email: christine.griffin@victorschools.org.

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

VICTOR CENTRAL SCHOOL DISTRICT

Dated: August __, 2026

LISA KOSTECKI
PRESIDENT OF THE BOARD OF EDUCATION AND CHIEF FISCAL OFFICER

GENERAL FUND

Balance Sheets

Fiscal Years Ending June 30:	2021	2022	2023	2024	2025
ASSETS					
Cash and Cash Equivalents	$ 16,923,378	$ 28,325,628	$ 30,480,296	$ 40,429,484	$ 20,686,918
Due from Other Funds	2,451,068	4,658,805	1,291,089	1,518,473	3,069,002
Receivables	826,621	2,039,229	3,927,114	4,045,046	2,644,486
Prepaid Items	-	-	78,162	-	-
TOTAL ASSETS	$ 20,201,067	$ 35,023,662	$ 35,776,661	$ 45,993,003	$ 26,400,406
LIABILITIES AND FUND EQUITY					
Accounts Payable	$ 1,109,314	$ 1,631,321	$ 139,580	$ 1,107,822	$ 660,374
Accrued Liabilities	845,659	413,946	685,829	805,870	1,613,885
Due to Other Funds	241,515	6,565,214	236,054	63,807	928,778
Due to Other Governments	-	232,603	-	-	10,422
Due to Teachers' Retirement System	3,008,768	3,269,878	3,677,708	3,851,513	4,112,530
Due to Employees' Retirement System	286,080	354,773	338,491	374,440	433,969
Other Liabilities	-	364,427	309,763	259,582	293,730
Deferred Revenues	60,391	71,896	-	28,530	28,805
TOTAL LIABILITIES	5,551,727	12,904,058	5,387,425	6,491,564	8,082,493
FUND EQUITY					
Nonspendable	$ -	$ -	$ 78,162	$ -	$ -
Restricted	10,293,698	17,229,283	24,998,105	34,942,003	10,102,437
Assigned	1,028,248	1,322,382	1,355,994	430,439	3,824,620
Unassigned	3,327,394	3,567,939	3,956,975	4,128,997	4,390,856
TOTAL FUND EQUITY	14,649,340	22,119,604	30,389,236	39,501,439	18,317,913
TOTAL LIABILITIES and FUND EQUITY	$ 20,201,067	$ 35,023,662	$ 35,776,661	$ 45,993,003	$ 26,400,406

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:	2021	2022	2023	2024	2025
REVENUES					
Real Property Taxes and Tax Items	$ 53,104,372	$ 55,348,271	$ 58,265,404	$ 59,682,431	$ 62,573,246
Non-Property Taxes	73,000	73,000	73,000	75,938	57,991
Charges for Services	38,840	271,562	224,908	317,088	339,337
Use of Money & Property	101,858	135,686	1,564,478	2,370,833	2,559,797
Sale of Property and Compensation for Loss	686	28,490	237,253	24,953	14,235
Miscellaneous	421,997	591,967	1,079,052	877,148	1,066,804
Interfund Revenues	-	103,011	17,670	20,129	16,611
Revenues from State Sources	24,640,245	26,972,741	31,829,807	39,725,811	38,727,567
Revenues from Federal Sources	435,283	170,139	185,578	81,020	87,130
Total Revenues	$ 78,816,281	$ 83,694,867	$ 93,477,150	$ 103,175,351	$ 105,442,718
Other Sources:					
Interfund Transfers	300,000	-	-	-	-
Total Revenues and Other Sources	$ 79,116,281	$ 83,694,867	$ 93,477,150	$ 103,175,351	$ 105,442,718
EXPENDITURES					
General Support	$ 6,564,303	$ 7,603,979	$ 8,331,700	$ 9,927,966	$ 10,384,993
Instruction	39,706,654	39,903,609	43,772,522	49,590,895	51,268,185
Pupil Transportation	2,700,485	3,393,000	3,907,955	4,103,930	4,462,709
Community Services	-	11,858	35,362	37,973	41,559
Employee Benefits	17,459,679	17,206,091	20,520,395	22,531,570	24,460,041
Debt Service	7,111,548	7,912,063	8,006,150	7,748,018	7,410,196
Total Expenditures	$ 73,542,669	$ 76,030,600	$ 84,574,084	$ 93,940,352	$ 98,027,683
Other Uses:					
Interfund Transfers	65,588	194,003	633,434	122,796	28,598,561
Total Expenditures and Other Uses	73,608,257	76,224,603	85,207,518	94,063,148	126,626,244
Excess (Deficit) Revenues Over Expenditures	5,508,024	7,470,264	8,269,632	9,112,203	(21,183,526)
FUND BALANCE					
Fund Balance - Beginning of Year	9,141,316	14,649,340	22,119,604	30,389,236	39,501,439
Prior Period Adjustments (net)	-	-	-	-	-
Fund Balance - End of Year	$ 14,649,340	$ 22,119,604	$ 30,389,236	$ 39,501,439	$ 18,317,913

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:	2025			2026	2027
	Original Budget	Amended Budget	Audited Actual	Adopted Budget	Adopted Budget
REVENUES					
Real Property Taxes and Tax Items	$ 62,265,784	$ 62,296,642	$ 62,573,246	$ 64,338,089	$ 66,720,848
Non-Property Taxes	100,000	57,991	57,991	-	-
Charges for Services	205,000	216,152	339,337	-	-
Use of Money & Property	150,000	1,475,000	2,559,797	-	-
Sale of Property and Compensation for Loss	-	-	14,235	-	-
Miscellaneous	500,000	500,000	1,066,804	1,241,106	1,390,000
Interfund Revenues	-	-	16,611	-	-
Revenues from State Sources	39,904,135	38,604,134	38,727,567	40,433,900	42,061,480
Revenues from Federal Sources	100,000	75,000	87,130	100,000	100,000
Total Revenues	$ 103,224,919	$ 103,224,919	$ 105,442,718	$ 106,113,095	$ 110,272,328
Other Sources:					
Prior Year Encumbrances	430,439	430,439	-	-	-
Interfund Transfers	-	28,431,861	-	-	-
Total Revenues and Other Sources	$ 103,655,358	$ 132,087,219	$ 105,442,718	$ 106,113,095	$ 110,272,328
EXPENDITURES					
General Support	$ 9,958,642	$ 10,631,276	$ 10,384,993	$ 13,380,026	$ 14,307,557
Instruction	52,225,855	53,495,218	51,268,185	52,218,125	54,596,016
Pupil Transportation	4,515,385	4,808,950	4,462,709	5,042,412	5,266,835
Community Services	44,900	46,459	41,559	46,500	48,900
Employee Benefits	29,525,724	27,063,207	24,460,041	31,485,700	34,256,884
Debt Service	7,184,852	7,410,248	7,410,196	7,398,642	7,540,719
Total Expenditures	$ 103,455,358	$ 103,455,358	$ 98,027,683	$ 109,571,405	$ 116,016,911
Other Uses:					
Interfund Transfers	200,000	28,631,861	28,598,561	200,000	300,000
Total Expenditures and Other Uses	103,655,358	132,087,219	126,626,244	109,771,405	116,316,911
Excess (Deficit) Revenues Over Expenditures	-	-	(21,183,526)	(3,658,310)	(6,044,583)
FUND BALANCE					
Fund Balance - Beginning of Year	-	-	39,501,439	3,658,310	6,044,583
Prior Period Adjustments (net)	-	-	-	-	-
Fund Balance - End of Year	$ -	$ -	$ 18,317,913	$ -	$ -

Source: 2024-25 audited financial report and 2025-26 and 2026-27 adopted budgets (unaudited) of the School District.
This Appendix is not itself audited.

BONDED DEBT SERVICE

Fiscal Year Ending June 30th	Principal	Interest	Total
2027	$ 4,075,000	$ 1,691,800	$ 5,766,800
2028	3,750,000	1,498,150	5,248,150
2029	3,555,000	1,310,650	4,865,650
2030	2,430,000	1,132,900	3,562,900
2031	2,555,000	1,011,400	3,566,400
2032	2,685,000	883,650	3,568,650
2033	2,820,000	749,400	3,569,400
2034	2,960,000	608,400	3,568,400
2035	1,650,000	460,400	2,110,400
2036	1,730,000	377,900	2,107,900
2037	1,815,000	291,400	2,106,400
2038	575,000	200,650	775,650
2039	370,000	171,900	541,900
2040	255,000	153,400	408,400
2041	270,000	140,650	410,650
2042	280,000	127,150	407,150
2043	295,000	113,150	408,150
2044	310,000	98,400	408,400
2045	325,000	86,000	411,000
2046	335,000	73,000	408,000
2047	350,000	59,600	409,600
2048	365,000	45,600	410,600
2049	380,000	31,000	411,000
2050	395,000	15,800	410,800
TOTALS	$ 34,530,000	$ 11,332,350	$ 45,862,350

CURRENT BONDS OUTSTANDING

Fiscal Year Ending June 30th	2013 Refunding of 2003A, 2003B & 2007 SB Principal	Interest	Total	2016F DASNY - Capital Project Principal	Interest	Total
2027	$ 505,000	$ 15,150	$ 520,150	$ 1,470,000	$ 212,500	$ 1,682,500
2028	-	-	-	1,545,000	139,000	1,684,000
2029	-	-	-	1,235,000	61,750	1,296,750
TOTALS	$ 505,000	$ 15,150	$ 520,150	$ 4,250,000	$ 413,250	$ 4,663,250

Fiscal Year Ending June 30th	2020B DASNY - Capital Project Principal	Interest	Total	2023 DASNY - Capital Project Principal	Interest	Total
2027	$ 985,000	$ 471,250	$ 1,456,250	$ 1,115,000	$ 992,900	$ 2,107,900
2028	1,035,000	422,000	1,457,000	1,170,000	937,150	2,107,150
2029	1,090,000	370,250	1,460,250	1,230,000	878,650	2,108,650
2030	1,140,000	315,750	1,455,750	1,290,000	817,150	2,107,150
2031	1,200,000	258,750	1,458,750	1,355,000	752,650	2,107,650
2032	1,260,000	198,750	1,458,750	1,425,000	684,900	2,109,900
2033	1,325,000	135,750	1,460,750	1,495,000	613,650	2,108,650
2034	1,390,000	69,500	1,459,500	1,570,000	538,900	2,108,900
2035	-	-	-	1,650,000	460,400	2,110,400
2036	-	-	-	1,730,000	377,900	2,107,900
2037	-	-	-	1,815,000	291,400	2,106,400
2038	-	-	-	575,000	200,650	775,650
2039	-	-	-	370,000	171,900	541,900
2040	-	-	-	255,000	153,400	408,400
2041	-	-	-	270,000	140,650	410,650
2042	-	-	-	280,000	127,150	407,150
2043	-	-	-	295,000	113,150	408,150
2044	-	-	-	310,000	98,400	408,400
2045	-	-	-	325,000	86,000	411,000
2046	-	-	-	335,000	73,000	408,000
2047	-	-	-	350,000	59,600	409,600
2048	-	-	-	365,000	45,600	410,600
2049	-	-	-	380,000	31,000	411,000
2050	-	-	-	395,000	15,800	410,800
TOTALS	$ 9,425,000	$ 2,242,000	$ 11,667,000	$ 20,350,000	$ 8,661,950	$ 29,011,950

APPENDIX – C

FORM OF APPROVING LEGAL OPINION – SERIES A NOTES

September 10, 2026

The Board of Education of the
Victor Central School District,
in the Counties of Ontario, Monroe and Wayne, New York

Ladies and Gentlemen:

We have acted as Bond Counsel to the Victor Central School District, (the "School District"), in the Counties of Ontario, Monroe and Wayne, a school district of the State of New York and have examined a record of proceedings relating to the authorization, sale and issuance of the $10,000,000 Bond Anticipation Note-2026 Series A (the "Note"), dated and delivered on the date hereof.

In such examination, we have assumed the genuineness of all signatures, the authenticity of all documents submitted to us as originals and the conformity with originals of all documents submitted to us as copies thereof. Based upon and subject to the foregoing, and in reliance thereon, as of the date hereof, we are of the following opinions:

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

2. Under existing statutes and court decisions and assuming continuing compliance with certain tax certifications described herein, (i) interest on the Note is excluded from gross income for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), and (ii) interest on the Note is not treated as a preference item in calculating the alternative minimum tax under the Code, however, interest on the Note 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 Code establishes certain requirements that must be met subsequent to the issuance of the Note in order that the interest on the Note be and remain excludable from gross income for federal income tax purposes under Section 103 of the Code. These requirements include, but are not limited to, requirements relating to the use and expenditure of proceeds of the Note, restrictions on the investment of proceeds of the Note prior to expenditure and the requirement that certain earnings be rebated to the federal government. Noncompliance with such requirements may cause the interest on the Note to become subject to federal income taxation retroactive to the date of issuance thereof, irrespective of the date on which such noncompliance occurs or is ascertained.

On the date of issuance of the Note, the School District will execute a Tax Certificate relating to the Note containing provisions and procedures pursuant to which such requirements can be satisfied. In executing the Tax Certificate, the School District represents that it 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 the interest on the Note will, for federal income tax purposes, be excluded from gross income.

In rendering the opinion in this paragraph 2, we have relied upon and assumed (i) the material accuracy of the School District's representations, statements of intention and reasonable expectations, and certifications of fact contained in the Tax Certificate with respect to matters affecting the status of the interest on the Note, and (ii) compliance by the School District with the procedures and representations set forth in the Tax Certificate as to such tax matters.

3. Under existing statutes, interest on the Note is exempt from personal income taxes of New York State and its political subdivisions, including The City of New York.

We express no opinion as to any other federal, state or local tax consequences arising with respect to the Note, or the ownership or disposition thereof, except as stated in paragraphs 2 and 3 above. We render our opinion under existing statutes and court decisions as of the date hereof, and assume no obligation to update, revise or supplement our opinion to reflect any action hereafter taken or not taken, any fact or circumstance that may hereafter come to our attention, any change in law or interpretation thereof that may hereafter occur, or for any other reason. We express no opinion as to the consequence of any of the events described in the preceding sentence or the likelihood of their occurrence. In addition, we express no opinion on the effect of any action taken or not taken in reliance upon an opinion of other counsel regarding federal, state or local tax matters, including, without limitation, exclusion from gross income for federal income tax purposes of interest on the Note.

We give no assurances as to the adequacy, sufficiency or completeness of the Preliminary Official Statement and/or Official Statement relating to the Note or any proceedings, reports, correspondence, financial statements or other documents, containing financial or other information relative to the District, which have been or may hereafter be furnished or disclosed to purchasers of ownership interests in the Note.

Very truly yours,

FORM OF APPROVING LEGAL OPINION – SERIES B NOTES

September 10, 2026

The Board of Education of the
Victor Central School District,
in the Counties of Ontario, Monroe and Wayne, New York

Ladies and Gentlemen:

We have acted as Bond Counsel to the Victor Central School District, (the "School District"), in the Counties of Ontario, Monroe and Wayne, a school district of the State of New York and have examined a record of proceedings relating to the authorization, sale and issuance of the $5,562,202 Bond Anticipation Note-2026 Series B (the "Note"), dated and delivered on the date hereof.

In such examination, we have assumed the genuineness of all signatures, the authenticity of all documents submitted to us as originals and the conformity with originals of all documents submitted to us as copies thereof. Based upon and subject to the foregoing, and in reliance thereon, as of the date hereof, we are of the following opinions:

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

2. Under existing statutes and court decisions and assuming continuing compliance with certain tax certifications described herein, (i) interest on the Note is excluded from gross income for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), and (ii) interest on the Note is not treated as a preference item in calculating the alternative minimum tax under the Code, however, interest on the Note 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 Code establishes certain requirements that must be met subsequent to the issuance of the Note in order that the interest on the Note be and remain excludable from gross income for federal income tax purposes under Section 103 of the Code. These requirements include, but are not limited to, requirements relating to the use and expenditure of proceeds of the Note, restrictions on the investment of proceeds of the Note prior to expenditure and the requirement that certain earnings be rebated to the federal government. Noncompliance with such requirements may cause the interest on the Note to become subject to federal income taxation retroactive to the date of issuance thereof, irrespective of the date on which such noncompliance occurs or is ascertained.

On the date of issuance of the Note, the School District will execute a Tax Certificate relating to the Note containing provisions and procedures pursuant to which such requirements can be satisfied. In executing the Tax Certificate, the School District represents that it 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 the interest on the Note will, for federal income tax purposes, be excluded from gross income.

In rendering the opinion in this paragraph 2, we have relied upon and assumed (i) the material accuracy of the School District's representations, statements of intention and reasonable expectations, and certifications of fact contained in the Tax Certificate with respect to matters affecting the status of the interest on the Note, and (ii) compliance by the School District with the procedures and representations set forth in the Tax Certificate as to such tax matters.

3. Under existing statutes, interest on the Note is exempt from personal income taxes of New York State and its political subdivisions, including The City of New York.

We express no opinion as to any other federal, state or local tax consequences arising with respect to the Note, or the ownership or disposition thereof, except as stated in paragraphs 2 and 3 above. We render our opinion under existing statutes and court decisions as of the date hereof, and assume no obligation to update, revise or supplement our opinion to reflect any action hereafter taken or not taken, any fact or circumstance that may hereafter come to our attention, any change in law or interpretation thereof that may hereafter occur, or for any other reason. We express no opinion as to the consequence of any of the events described in the preceding sentence or the likelihood of their occurrence. In addition, we express no opinion on the effect of any action taken or not taken in reliance upon an opinion of other counsel regarding federal, state or local tax matters, including, without limitation, exclusion from gross income for federal income tax purposes of interest on the Note.

We give no assurances as to the adequacy, sufficiency or completeness of the Preliminary Official Statement and/or Official Statement relating to the Note or any proceedings, reports, correspondence, financial statements or other documents, containing financial or other information relative to the District, which have been or may hereafter be furnished or disclosed to purchasers of ownership interests in the Note.

Very truly yours,

FORM OF UNDERTAKING TO PROVIDE NOTICES OF EVENTS

Section 1. Definitions

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

"Financial Obligation" shall mean "financial obligation" as such term is defined in the Rule.

"GAAP" shall mean generally accepted accounting principles as in effect from time to time in the United States.

"Holder" shall mean any registered owner of the Securities and any beneficial owner of Securities within the meaning of Rule 13d-3 under the Securities Exchange Act of 1934.

"Issuer" shall mean the **Victor Central School District**, in the Counties of Ontario, Monroe and Wayne, a School District of the State of New York.

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

"Purchaser" shall mean the financial institution referred to in the Certificate of Determination, executed by the President of the School Board as of September 10, 2026.

"Rule 15c2-12" shall mean Rule 15c2-12 under the Securities Exchange Act of 1934, as amended through the date of this Undertaking, including any official interpretations thereof.

"Securities" shall mean the Issuer's **$10,000,000 Bond Anticipation Note-2026 Series A**, dated September 10, 2026, maturing on June 24, 2027, and delivered on the date hereof, and the Issuer's **$5,562,202 Bond Anticipation Note-2026 Series B**, dated September 10, 2026, maturing on September 10, 2027, and delivered on the date hereof.

Section 2. Obligation to Provide Notices of Events. (a) The Issuer hereby undertakes, for the benefit of Holders of the Securities, to provide or cause to be provided to the Electronic Municipal Market Access ("EMMA") System implemented by the Municipal Securities Rulemaking Board established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934, or any successor thereto or to the functions of such Board contemplated by the Undertaking, in a timely manner, not in excess of ten (10) business days after the occurrence of any such event, notice of any of the following events with respect to the Securities:

(1) principal and interest payment delinquencies;

(2) non-payment related defaults, if material;

(3) unscheduled draws on debt service reserves reflecting financial difficulties;

(4) unscheduled draws on credit enhancements reflecting financial difficulties;

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

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

(7) modifications to rights of Securities holders, if material;

(8) Bond calls, if material, and tender offers;

(9) defeasances;

(10) release, substitution, or sale of property securing repayment of the Securities, if material;

(11) rating changes;

(12) bankruptcy, insolvency, receivership or similar event of the Issuer;

Note to clause (12): For the purposes of the event identified in clause (12) above, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Issuer in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or government authority has assumed jurisdiction over substantially all of the assets or business of the Issuer, 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 Issuer;

(13) the consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, 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; and

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

(15) incurrence of a Financial Obligation of the Issuer, if material, or agreement to covenants, events of default, remedies, priorities rights, or other similar terms of a Financial Obligation of the Issuer, any of which affect security holders, if material; and

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

(b) Nothing herein shall be deemed to prevent the Issuer from disseminating any other information in addition to that required hereby in the manner set forth herein or in any other manner. If the Issuer disseminates any such additional information, the Issuer shall have no obligation to update such information or include it in any future materials disseminated hereunder.

(c) Nothing herein shall be deemed to prevent the Issuer from providing notice of the occurrence of certain other events, in addition to those listed above, if the Issuer determines that any such other event is material with respect to the Securities; but the Issuer does not undertake to commit to provide any such notice of the occurrence of any event except those events listed above.

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

Section 4. Parties in Interest. This Undertaking is executed to assist the Purchaser to comply with (b)(5) of the Rule and is delivered for the benefit of the Holders. No other person shall have any right to enforce the provisions hereof or any other rights hereunder.

Section 5. Amendments. Without the consent of any holders of Securities, the Issuer at any time and from time to time may enter into any amendments or changes to this Undertaking for any of the following purposes:

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

(b) to add a dissemination agent for the information required to be provided hereby and to make any necessary or desirable provisions with respect thereto;

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

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

(e) to cure any ambiguity, to correct or supplement any provision hereof which may be inconsistent with any other provision hereof, or to make any other provisions with respect to matters or questions arising under this Undertaking which, in each case, comply with Rule 15c2-12 or Rule 15c2-12 as in effect at the time of such amendment or change;

provided that no such action pursuant to this Section 5 shall adversely affect the interests of the Holders in any material respect. In making such determination, the Issuer shall rely upon an opinion of nationally recognized bond counsel.

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

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

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

IN WITNESS WHEREOF, the undersigned has duly authorized, executed and delivered this Undertaking as of **September 10, 2026.**

VICTOR CENTRAL SCHOOL DISTRICT

By____
President of the Board of Education

VICTOR CENTRAL SCHOOL DISTRICT
ONTARIO COUNTY, NEW YORK

AUDITED FINANCIAL STATEMENTS

FISCAL YEAR ENDED JUNE 30, 2025

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

The District's independent auditor has not been engaged to perform, and has not performed, since the date of its report included herein, any procedures on the financial statements addressed in that report. The District's independent auditor also has not performed any procedures relating to this Official Statement.

VICTOR CENTRAL SCHOOL DISTRICT

BASIC FINANCIAL STATEMENTS

For Year Ended June 30, 2025

MMB+CO

BUSINESS
ADVISORS
AND CPAS

T A B L E   O F   C O N T E N T S

INDEPENDENT AUDITORS' REPORT

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

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Victor Central School District, New York (the District), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements 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 District, as of June 30, 2025, and the respective changes in financial position and, where applicable, cash flows thereof 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 (GAAS) 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 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

The Victor Central School District's 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 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 GAAS 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 GAAS 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 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 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, schedule of changes in District's total OPEB liability and related ratio, schedule of the District's proportionate share of the net pension liability, schedule of District contributions, and budgetary comparison information on pages 4-13 and 49-53 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 District's basic financial statements. The accompanying supplemental information as listed in the table of contents and schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations, Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

Other Information

As described in Note II to the financial statements, the District adopted GASB Statement No. 101, *Compensated Absences*. As a result, the beginning net position has been restated. Our opinion is not modified with respect to this matter.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 6, 2025 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Mengel, Metzger, Barr & Co. LLP

Rochester, New York
October 6, 2025

Victor Central School District

Management's Discussion and Analysis

For the Fiscal Year Ended June 30, 2025

The following is a discussion and analysis of the School District's financial performance for the fiscal year ended June 30, 2025. This section is a summary of the School District's financial activities based on currently known facts, decisions, and/or conditions. It is also based on both the government-wide and fund-based financial statements. The results of the current year are discussed in comparison with the prior year, with an emphasis placed on the current year. This section is only an introduction and should be read in conjunction with the School District's financial statements, which immediately follow this section.

Financial Highlights

At the close of the fiscal year, the total assets plus deferred outflows (what the district owns) exceeded its total liabilities plus deferred inflows (what the district owes) by $50,425,808 (net position) an increase of $10,495,863 from the prior year.

General revenues which include, Property Taxes, Non Property Taxes, State and Federal Aid, Investment Earnings, Compensation for Loss, and Miscellaneous revenues accounted for $105,628,806 or 94% of all revenues. Program specific revenues in the form of Charges for Services and Operating Grants and Contributions, accounted for $6,818,851 or 6% of total revenues.

As of the close of the fiscal year, the School District's governmental funds reported combined fund balances of $45,832,912, an increase of $5,617,491 in comparison with the prior year.

Overview of the Financial Statements

This management's discussion and analysis is intended to serve as an introduction to the School District's basic financial statements. The School District's 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 individual fund statements and schedules in addition to the basic financial statements.

Government-Wide Financial Statements

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

> The *Statement of Net Position* presents information on all of the School District's assets plus deferred outflow of resources and liabilities plus deferred inflow of resources, with the difference between the two reported as *net position.* Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the School District is improving or deteriorating.

The *Statement of Activities* presents information showing how the government'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.

The *governmental* activities of the School District include instruction, pupil transportation, cost of food sales, general administrative support, community service, and interest on long-term debt.

The government-wide financial statements can be found on the pages immediately following this section as the first two pages of the basic financial statements.

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. The School District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. All of the funds of the School District can be divided into two categories: governmental funds and fiduciary 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 the School District's near-term financing requirements.

Because the focus of 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 changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities.*

The School District maintains five individual governmental funds; the General Fund, Special Aid Fund, School Lunch Fund, Debt Service Fund, and Capital Projects Fund. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the general fund, the special aid fund, and the capital projects fund, which are reported as major funds. Data for the debt service fund, and the school lunch fund are aggregated into a single column and reported as non-major funds.

The School District adopts and voters approve an annual budget for its General Fund. A budgetary comparison statement has been provided for the General Fund within the basic financial statements to demonstrate compliance with the budget.

The *Fiduciary Funds* are used to account for assets held by the School District in an agency capacity which accounts for assets held by the School District on behalf of others. Fiduciary funds are not reflected in the government-wide financial statement because the resources of these funds are *not* available to support the School District's programs.

The financial statements for the governmental and fiduciary funds can be found in the basic financial statement section of this report.

Major Feature of the District-Wide and Fund Financial Statements			
	Government-Wide Statements	Fund Financial Statements	
		Governmental Funds	Fiduciary Funds
Scope	Entire District (except fiduciary funds)	The activities of the School District that are not proprietary or fiduciary, such as special education and building maintenance	Instances in which the School District administers resources on behalf of someone else, such as scholarship programs and student activities monies
Required financial statements	Statement of Net Position Statement of Activities	Balance Sheet Statement of Revenues, Expenditures, and Changes in Fund Balance	Statement of Fiduciary Net Position Statement of Changes in Fiduciary Net Position
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, short-term and long-term	Generally, assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included	All assets and liabilities, both short-term and long-term; funds do not currently contain capital assets, although they can
Type of inflow/outflow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable	All additions and deductions during the year, regardless of when cash is received or paid

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 to the financial statements can be found following the basic financial statement section of this report.

Government-Wide Statements

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

The two government-wide statements report the District's net position and how they have changed. Net position, the difference between the District's assets plus deferred outflow of resources and liabilities plus deferred inflow of resources, is one way to measure the District's financial health or position. Over time, increases or decreases in the District's net position are an indicator of whether its financial position is improving or deteriorating, respectively. Additional non-financial factors such as changes in the District’s property tax base and the condition of the school buildings and facilities must also be considered to assess the District’s overall health.

All of the District’s services are reported in the government-wide financial statements as governmental activities. Most of the District's basic services are included here, such as regular and special education, transportation and administration. Property taxes, federal and state aid, and investment earnings finance most of these activities.

Financial Analysis of the School District as a Whole

Net Position

	Governmental Activities				Total Variance	
ASSETS:		**2025**		**2024**		
Current and Other Assets	$	61,689,260	$	49,590,572	$	12,098,688
Capital Assets		119,943,078		121,426,214		(1,483,136)
Total Assets	**$**	**181,632,338**	**$**	**171,016,786**	**$**	**10,615,552**
DEFERRED OUTFLOWS OF RESOURCES:						
Deferred Outflows of Resources	**$**	**24,516,889**	**$**	**28,675,757**	**$**	**(4,158,868)**
LIABILITIES:						
Long-Term Debt Obligations	$	99,493,135	$	113,665,041	$	(14,171,906)
Other Liabilities		10,726,784		9,643,453		1,083,331
Total Liabilities	**$**	**110,219,919**	**$**	**123,308,494**	**$**	**(13,088,575)**
DEFERRED INFLOWS OF RESOURCES:						
Deferred Inflows of Resources	**$**	**45,503,500**	**$**	**28,135,999**	**$**	**17,367,501**
NET POSITION:						
Net Investment in Capital Assets	$	69,102,311	$	66,859,299	$	2,243,012
Restricted For:						
Capital Projects		26,896,889		-		26,896,889
Debt Service Reserve		3,251,189		2,974,021		277,168
Reserve for TRS		2,490,748		1,712,950		777,798
Capital Reserve		3,293,570		28,628,305		(25,334,735)
Other Purposes		4,318,119		4,600,748		(282,629)
Unrestricted		(58,927,018)		(56,527,273)		(2,399,745)
Total Net Position	**$**	**50,425,808**	**$**	**48,248,050**	**$**	**2,177,758**

Key Variances

- Current and Other Assets increased $12,098,688 as a result of the TRS pension system reporting a net pension asset and positive financial results in the general fund.
- Deferred Outflows of Resources decreased $4,158,868 as a result of the differences between expected and actual experiences and changes in assumptions for the OPEB plans.
- Long-Term Debt Obligations decreased $14,171,906 as a result of the OPEB obligation decreasing.
- Deferred Inflows of Resources increased $17,367,501 as a result of the differences between expected and actual experiences and changes in assumptions for the OPEB plans.
- Capital Projects increased $26,896,889 and Capital Reserves decreased $25,334,735 as a result of the allocation of voter approved capital reserve funds to the project.

The District's financial position is the product of many factors.

By far, the largest component of the School District's net position reflects its investment in capital assets, less any related debt used to acquire those assets that is still outstanding. The School District uses these capital assets to provide services to the students and consequently, these assets are not available for future spending. Although the School District's investment in its 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.

There are five restricted net position balances: Capital Projects, Debt Service Reserve, Reserve for TRS, Capital Reserve and Other Purposes. The remaining balance of unrestricted net position is a deficit balance of $58,927,018.

Changes in Net Position

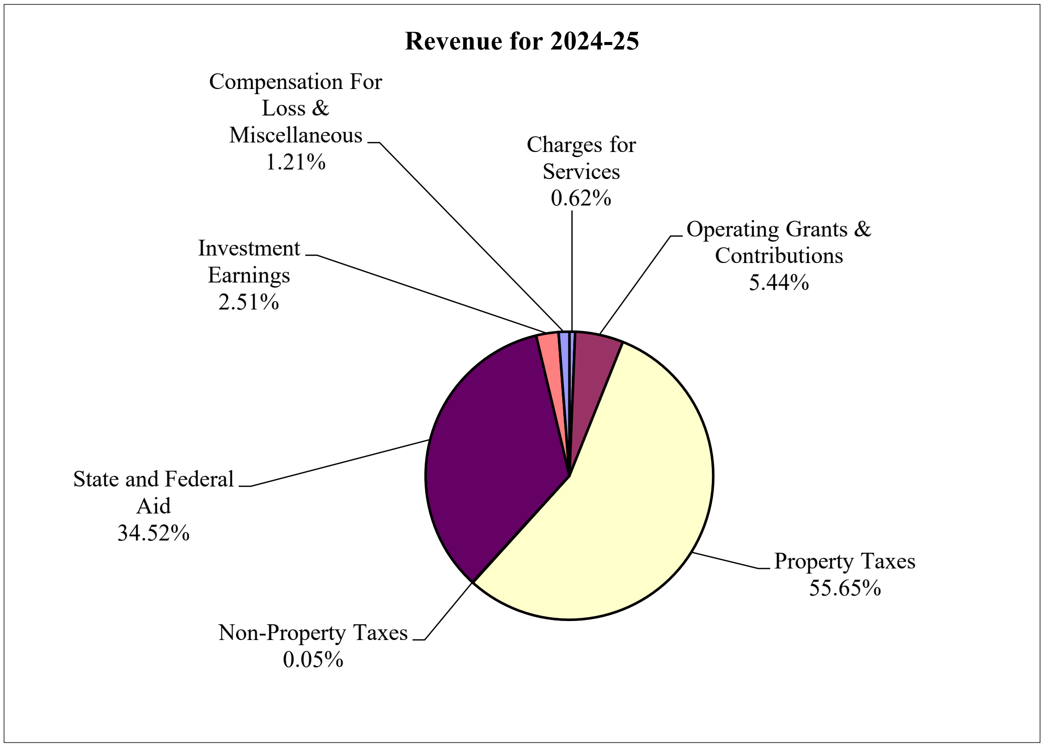
The District's total revenue increased 3% to $112,447,657. State and federal aid, 34% and property taxes, 56% accounted for most of the District's revenue. The remaining 10% of the revenue comes from operating grants, charges for services, non-property taxes, investment earnings, compensation for loss, and miscellaneous revenues.

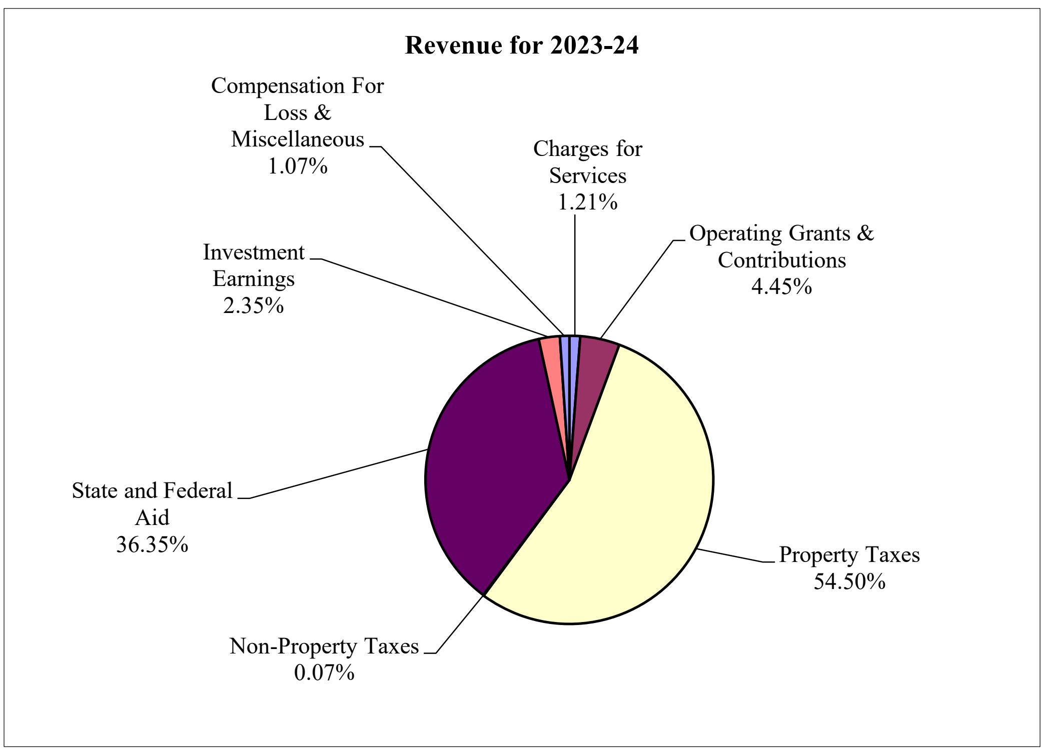
The total cost of all the programs and services decreased to $101,951,794. The District's expenses are predominately related to education and caring for the students (Instruction), 76%. General support, which included expenses associated with the operation, maintenance, and administration of the District accounted for 12% of the total costs. See table below:

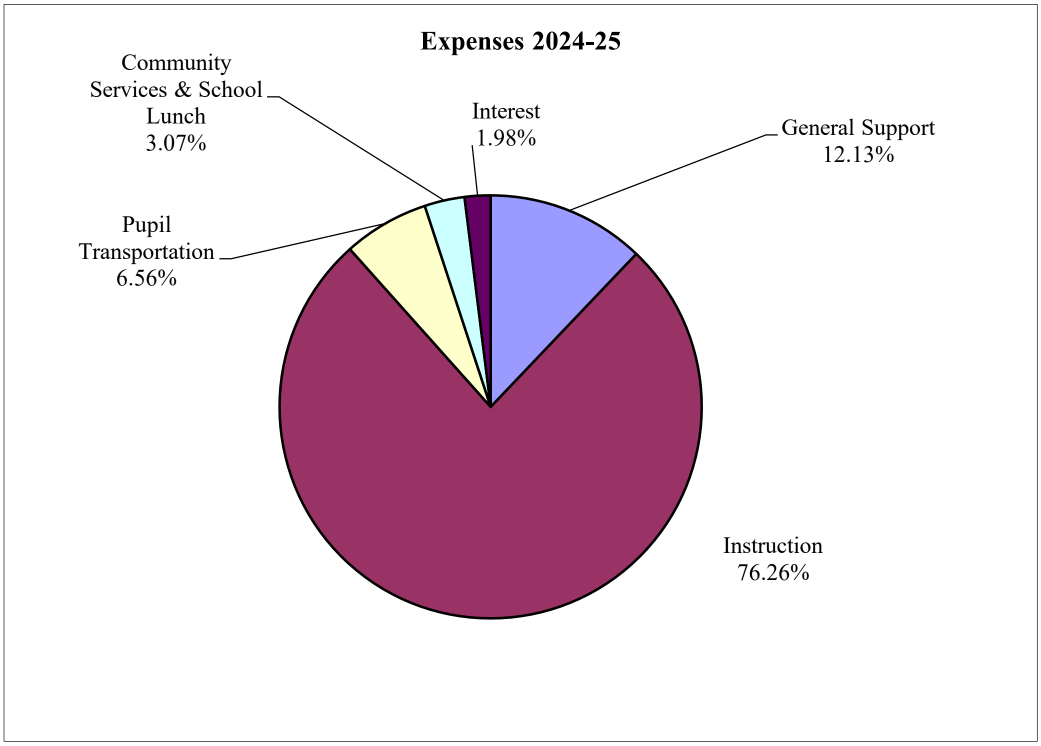
	Governmental Activities		Total Variance
	2025	2024	
REVENUES:			
Program -			
Charges for Service	$ 699,572	$ 1,325,585	$ (626,013)
Operating Grants & Contributions	6,119,279	4,871,263	1,248,016
Total Program	$ 6,818,851	$ 6,196,848	$ 622,003
General -			
Property Taxes	$ 62,573,246	$ 59,682,431	$ 2,890,815
Non Property Taxes	57,991	75,938	(17,947)
State and Federal Aid	38,814,697	39,806,831	(992,134)
Investment Earnings	2,823,817	2,572,896	250,921
Compensation for Loss	17,594	24,953	(7,359)
Miscellaneous	1,341,461	1,147,367	194,094
Total General	$ 105,628,806	$ 103,310,416	$ 2,318,390
TOTAL REVENUES	**$ 112,447,657**	**$ 109,507,264**	**$ 2,940,393**
EXPENSES:			
General Support	$ 12,367,986	$ 12,221,602	$ 146,384
Instruction	77,751,465	78,446,041	(694,576)
Pupil Transportation	6,687,377	6,611,841	75,536
Community Services	59,637	59,882	(245)
School Lunch	3,071,381	2,471,910	599,471
Interest	2,013,948	2,492,903	(478,955)
TOTAL EXPENSES	**$ 101,951,794**	**$ 102,304,179**	**$ (352,385)**
CHANGE IN NET POSITION	**$ 10,495,863**	**$ 7,203,085**	
NET POSITION, BEGINNING OF YEAR	39,929,945	41,044,965	
NET POSITION, END OF YEAR	**$ 50,425,808**	**$ 48,248,050**	
Compensated absences adjustment		(8,318,105)	
2024 RESTATED NET POSITION		**$ 39,929,945**	

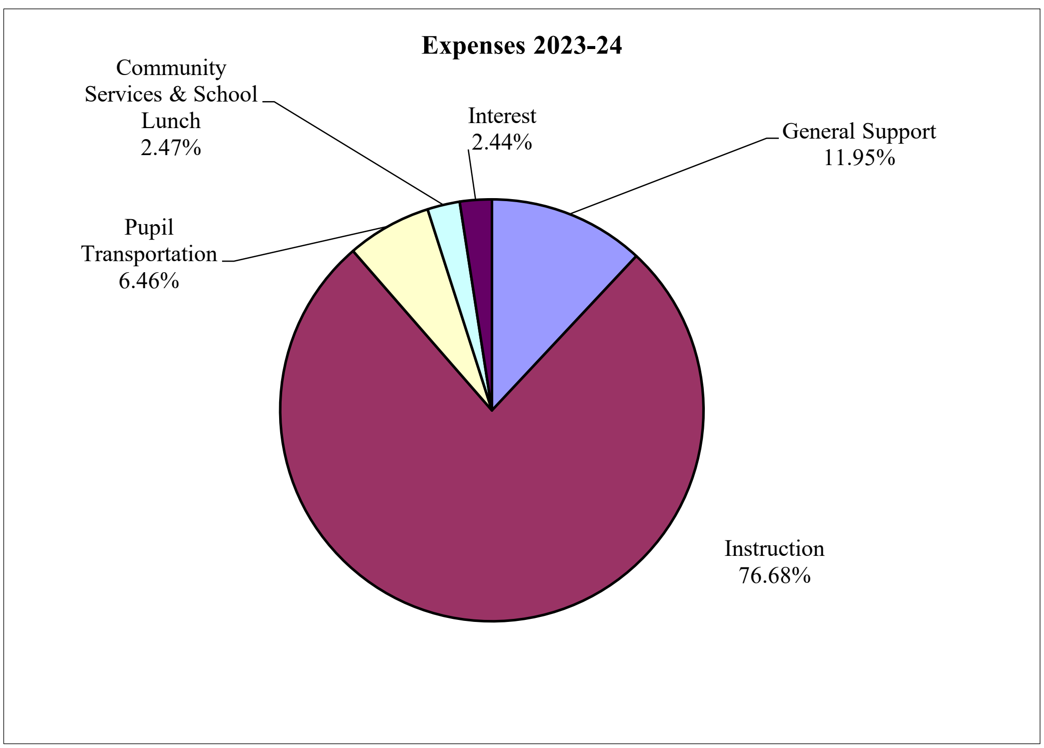
Key Variances

- Operating Grants & Contributions increased $1,248,016 as a result of additional grant funds for pre-k programs.


Revenue for 2024-25
Compensation For Loss & Miscellaneous 1.21%
Charges for Services 0.62%
Operating Grants & Contributions 5.44%
Investment Earnings 2.51%
State and Federal Aid 34.52%
Property Taxes 55.65%
Non-Property Taxes 0.05%


Revenue for 2023-24
Compensation For Loss & Miscellaneous 1.07%
Charges for Services 1.21%
Operating Grants & Contributions 4.45%
Investment Earnings 2.35%
State and Federal Aid 36.35%
Property Taxes 54.50%
Non-Property Taxes 0.07%


Expenses 2024-25
Community Services & School Lunch 3.07%
Interest 1.98%
General Support 12.13%
Pupil Transportation 6.56%
Instruction 76.26%


Expenses 2023-24
Community Services & School Lunch 2.47%
Interest 2.44%
General Support 11.95%
Pupil Transportation 6.46%
Instruction 76.68%

Financial Analysis of the School District's Funds

The financial performance of the District as a whole is reflected in its governmental funds. As the District completed the year, its governmental funds reported combined fund balances of $45,832,912 which is more than last year's ending fund balance of $40,215,421.

The General Fund is the chief operating fund of the District. At the end of the current year, the total fund balance of the General Fund was $18,317,913. Fund balance for the General Fund decreased by $21,183,526 compared with the prior year. See table below:

General Fund Balances:	**2025**	**2024**	**Total Variance**
Restricted	$ 10,102,437	$ 34,942,003	$ (24,839,566)
Assigned	3,824,620	430,439	3,394,181
Unassigned	4,390,856	4,128,997	261,859
Total General Fund Balances	**$ 18,317,913**	**$ 39,501,439**	**$ (21,183,526)**

General Fund Budgetary Highlights

The difference between the original budget and the final amended budget was $28,862,300. This change is attributable to $430,439 of carryover encumbrances and $28,431,861 for voter approved capital reserve use.

Revenue Items:	**Budget Variance Original Vs. Amended**	**Explanation for Budget Variance**
Use of Money and Property	$1,325,000	Higher interest rates and district investment program
Expenditure Items:	**Budget Variance Original Vs. Amended**	**Explanation for Budget Variance**
General Support	$672,634	Reallocated dollars for building security project, technology equipment, and interim administrative support.
Instructional	$1,269,363	Reallocated dollars based on student needs
Employee Benefits	($2,462,517)	Reallocated benefits to instructional programs, maintenance and security needs.
Transfer-Out	$28,431,861	Voters approved $99m Capital Project in October 24.

Revenue Items:	**Budget Variance Amended Vs. Actual**	**Explanation for Budget Variance**
Use of Money and Property	$1,084,797	Higher interest rates and district investment program

Expenditure Items:	Budget Variance Amended Vs. Actual	Explanation for Budget Variance
Instructional	$2,187,210	Unfilled positions
Employee Benefits	$2,603,166	Benefit cost increases less than anticipated

Capital Asset and Debt Administration

Capital Assets

By the end of the 2025 fiscal year, the District had invested $116,830,311 in a broad range of capital assets, including land, buildings and improvements, and machinery and equipment. The change in capital assets, net of accumulated depreciation, is reflected below:

	2025	2024
Capital Assets:		
Land	$ 767,156	$ 767,156
Work in Progress	1,535,128	-
Buildings and Improvements	109,642,382	113,080,690
Machinery and Equipment	4,885,645	4,344,224
Total Capital Assets	**$ 116,830,311**	**$ 118,192,070**
Lease Assets:		
Equipment	$ 3,112,767	$ 3,234,144
Total Lease Assets	**$ 3,112,767**	**$ 3,234,144**

More detailed information can be found in the notes to the financial statements.

Long-Term Debt

At year end, the District had $99,493,135 in general obligation bonds and other long-term debt outstanding as follows:

Type	2025	2024
Serial Bonds	$ 38,580,000	$ 42,450,000
Unamortized Bond Premium	4,463,532	4,756,615
Lease Liability	733,238	197,043
Energy Performance Contract	2,540,501	2,778,952
Net Pension Liability	4,303,890	6,361,515
OPEB	35,242,052	52,625,256
Compensated Absences	13,629,922	4,495,660
Total Long-Term Obligations	**$ 99,493,135**	**$ 113,665,041**

More detailed information can be found in the notes to the financial statements.

Factors Bearing on the District's Future

The New York State Enacted Budget for the 2025-2026 school year included updates to the Foundation Aid formula. The state began the process of reforming the formula by updating the measures for student need, such as the percentage of economically disadvantaged students, and adjusting the Regional Cost Index. While the state budget included a provision to ensure that each district receives at least a two percent year-to-year increase in overall School Aid, the prior years' pattern of funding not keeping pace with the rate of inflation, coupled with the initial negative adjustment in the 2025-26 state aid budget, means the district must remain vigilant regarding future changes.

The State mandate requiring a full transition to a zero-emission electric school bus fleet by 2035 presents a substantial capital and operational challenge. Though recent legislation provided a path for a one-time 24-month extension for the 2027 new-bus purchase deadline, the underlying financial burden remains. The core issue is the significant net cost differential of the electric fleet and the required bus garage infrastructure overhaul to support electrical charging capacity. These costs are exacerbated by systemic concerns regarding the regional electrical grid's capacity to absorb the new charging load, which is compounded by the proposed utility rate increase currently under review by the Public Service Commission (PSC), threatening to sharply escalate long-term operating costs.

Recent procedural developments have highlighted the fragility of federal categorical funding. Specifically, the initial delay in the timely approval and disbursement of essential Title grant funds (e.g., Title II-A and Title III-A) at the beginning of the fiscal year created budgetary planning challenges. This unpredictable timeline forced Districts to briefly delay commitments to grant-funded staff and programs, underscoring a heightened level of risk and unpredictability associated with reliance on federal funds for critical student services.

Contacting the School District's Financial Management

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

Victor Central School District
953 High Street
Victor, New York 14564

VICTOR CENTRAL SCHOOL DISTRICT, NEW YORK

Statement of Net Position

June 30, 2025

	Governmental Activities
ASSETS	
Cash and cash equivalents	$ 51,673,185
Accounts receivable	4,555,670
Inventories	67,802
Net pension asset	5,392,603
Capital Assets:	
Land	767,156
Work in progress	1,535,128
Other capital assets (net of depreciation)	117,640,794
TOTAL ASSETS	**$ 181,632,338**
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows of resources	**$ 24,516,889**
LIABILITIES	
Accounts payable	$ 678,477
Accrued liabilities	1,902,898
Unearned revenues	86,420
Due to other governments	11,005
Due to teachers' retirement system	4,112,530
Due to employees' retirement system	433,969
Bond anticipation notes payable	3,207,755
Other Liabilities	293,730
Long-Term Obligations:	
Due in one year	5,033,750
Due in more than one year	94,459,385
TOTAL LIABILITIES	**$ 110,219,919**
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows of resources	**$ 45,503,500**
NET POSITION	
Net investment in capital assets	$ 69,102,311
Restricted For:	
Capital projects	26,896,889
Debt service reserve	3,251,189
Reserve for teacher retirement system	2,490,748
Capital reserves	3,293,570
Other purposes	4,318,119
Unrestricted	(58,927,018)
TOTAL NET POSITION	**$ 50,425,808**

(See accompanying notes to financial statements)

VICTOR CENTRAL SCHOOL DISTRICT, NEW YORK

Statement of Activities

For The Year Ended June 30, 2025

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Governmental Activities
Primary Government -				
General support	$ 12,367,986	$ -	$ -	$ (12,367,986)
Instruction	77,751,465	339,337	3,519,905	(73,892,223)
Pupil transportation	6,687,377	-	-	(6,687,377)
Community services	59,637	-	-	(59,637)
School lunch	3,071,381	360,235	2,599,374	(111,772)
Interest	2,013,948	-	-	(2,013,948)
Total Primary Government	**$ 101,951,794**	**$ 699,572**	**$ 6,119,279**	**$ (95,132,943)**

General Revenues:	
Property taxes	$ 62,573,246
Non property taxes	57,991
State and federal aid	38,814,697
Investment earnings	2,823,817
Compensation for loss	17,594
Miscellaneous	1,341,461
Total General Revenues	**$ 105,628,806**
Changes in Net Position	$ 10,495,863
Net Position, Beginning of Year, as previously reported	$ 48,248,050
Compensated absences adjustment	(8,318,105)
Net Position, Beginning of Year, as adjusted	$ 39,929,945
Net Position, End of Year	**$ 50,425,808**

(See accompanying notes to financial statements)

VICTOR CENTRAL SCHOOL DISTRICT, NEW YORK

Balance Sheet

Governmental Funds

June 30, 2025

	General Fund	Special Aid Fund	Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS					
Cash and cash equivalents	$ 20,686,918	$ 326,037	$ 27,711,087	$ 2,949,143	$ 51,673,185
Receivables	2,644,486	1,721,859	-	189,325	4,555,670
Inventories	-	-	-	67,802	67,802
Due from other funds	3,069,002	6,050	-	945,420	4,020,472
TOTAL ASSETS	**$ 26,400,406**	**$ 2,053,946**	**$ 27,711,087**	**$ 4,151,690**	**$ 60,317,129**
LIABILITIES AND FUND BALANCES					
Liabilities -					
Accounts payable	$ 660,374	$ -	$ -	$ 18,103	$ 678,477
Accrued liabilities	1,613,885	2,218	-	23,756	1,639,859
Notes payable - bond anticipation notes	-	-	3,207,755	-	3,207,755
Due to other funds	928,778	2,051,728	933,302	106,664	4,020,472
Due to other governments	10,422	-	-	583	11,005
Due to TRS	4,112,530	-	-	-	4,112,530
Due to ERS	433,969	-	-	-	433,969
Other liabilities	293,730	-	-	-	293,730
Unearned revenue	28,805	-	-	57,615	86,420
TOTAL LIABILITIES	**$ 8,082,493**	**$ 2,053,946**	**$ 4,141,057**	**$ 206,721**	**$ 14,484,217**
Fund Balances -					
Nonspendable	$ -	$ -	$ -	$ 67,802	$ 67,802
Restricted	10,102,437	-	26,896,889	3,251,189	40,250,515
Assigned	3,824,620	-	-	625,978	4,450,598
Unassigned	4,390,856	-	(3,326,859)	-	1,063,997
TOTAL FUND BALANCE	**$ 18,317,913**	**$ -**	**$ 23,570,030**	**$ 3,944,969**	**$ 45,832,912**
TOTAL LIABILITIES AND FUND BALANCES	**$ 26,400,406**	**$ 2,053,946**	**$ 27,711,087**	**$ 4,151,690**	

Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets/right to use assets used in governmental activities are not financial resources and therefore are not reported in the funds.	119,943,078
Interest is accrued on outstanding bonds in the Statement of Net Position but not in the funds.	(263,039)
The following long-term obligations are not due and payable in the current period and therefore are not reported in the governmental funds:	
Serial bonds payable	(38,580,000)
Lease liability	(733,238)
OPEB liability	(35,242,052)
Compensated absences	(13,629,922)
Unamortized bond premiums	(4,463,532)
Energy performance contract	(2,540,501)
Net pension asset	5,392,603
Deferred outflow - pension	15,242,569
Deferred outflow - OPEB	9,274,320
Net pension liability	(4,303,890)
Deferred inflow - advanced refunding	(1,196,637)
Deferred inflow - pension	(7,539,199)
Deferred inflow - OPEB	(36,767,664)
Net Position of Governmental Activities	**$ 50,425,808**

(See accompanying notes to financial statements)

VICTOR CENTRAL SCHOOL DISTRICT, NEW YORK

Statement of Revenues, Expenditures and Changes in Fund Balances

Governmental Funds

For The Year Ended June 30, 2025

	General Fund	Special Aid Fund	Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES					
Real property taxes and tax items	$ 62,573,246	$ -	$ -	$ -	$ 62,573,246
Non-property taxes	57,991	-	-	-	57,991
Charges for services	339,337	-	-	-	339,337
Use of money and property	2,559,797	-	-	264,020	2,823,817
Sale of property and compensation for loss	14,235	-	-	-	14,235
Miscellaneous	1,066,804	-	-	7,483	1,074,287
Interfund revenues	16,611	-	-	-	16,611
State sources	38,727,567	1,874,835	-	1,239,804	41,842,206
Federal sources	87,130	1,645,070	-	1,359,570	3,091,770
Sales	-	-	-	360,235	360,235
TOTAL REVENUES	**$ 105,442,718**	**$ 3,519,905**	**$ -**	**$ 3,231,112**	**$ 112,193,735**
EXPENDITURES					
General support	$ 10,384,993	$ -	$ -	$ -	$ 10,384,993
Instruction	51,268,185	3,263,668	-	-	54,531,853
Pupil transportation	4,462,709	74,396	1,170,376	-	5,707,481
Community services	41,559	-	-	-	41,559
Employee benefits	24,460,041	348,541	-	379,577	25,188,159
Debt service - principal	5,097,902	-	-	-	5,097,902
Debt service - interest	2,312,294	-	-	-	2,312,294
Cost of sales	-	-	-	1,487,214	1,487,214
Other expenses	-	-	-	1,096,270	1,096,270
Capital outlay	-	-	2,268,759	-	2,268,759
TOTAL EXPENDITURES	**$ 98,027,683**	**$ 3,686,605**	**$ 3,439,135**	**$ 2,963,061**	**$ 108,116,484**
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	$ 7,415,035	$ (166,700)	$ (3,439,135)	$ 268,051	$ 4,077,251
OTHER FINANCING SOURCES (USES)					
Transfers - in	$ -	$ 166,700	$ 28,431,861	$ -	$ 28,598,561
Transfers - out	(28,598,561)	-	-	-	(28,598,561)
Proceeds from obligations	-	-	733,631	-	733,631
BAN's redeemed from appropriations	-	-	792,014	-	792,014
Premium on obligations issued	-	-	-	14,595	14,595
TOTAL OTHER FINANCING SOURCES (USES)	**$ (28,598,561)**	**$ 166,700**	**$ 29,957,506**	**$ 14,595**	**$ 1,540,240**
NET CHANGE IN FUND BALANCE	**$ (21,183,526)**	**$ -**	**$ 26,518,371**	**$ 282,646**	**$ 5,617,491**
FUND BALANCE, BEGINNING OF YEAR	39,501,439	-	(2,948,341)	3,662,323	40,215,421
FUND BALANCE, END OF YEAR	**$ 18,317,913**	**$ -**	**$ 23,570,030**	**$ 3,944,969**	**$ 45,832,912**

VICTOR CENTRAL SCHOOL DISTRICT, NEW YORK

Reconciliation of Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to Statement of Activities

For The Year Ended June 30, 2025

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS			$ 5,617,491
Amounts reported for governmental activities in the Statement of Activities are different because:			
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. The following are the amounts by which capital outlays and additions of assets in excess depreciation in the current period:			
	Capital Outlay	$ 2,268,759	
	Additions to Assets, Net	2,221,144	
	Depreciation and Amortization	(5,973,039)	
			(1,483,136)
Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term obligations in the Statement of Net Position. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term obligations in the Statement of Net Position. The following details these items as they effect the governmental activities:			
	Debt Repayments	$ 5,097,902	
	Proceeds from Obligations-Leases	(733,631)	
	Proceeds from BAN Redemption	(792,014)	
	Unamortized Bond Premium	293,083	
			3,865,340
In the Statement of Activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due.			5,263
The net OPEB liability does not require the use of current financial resources and, therefore, is not reported as an expenditure in the governmental funds.			1,878,729
(Increase) decrease in proportionate share of net pension asset/liability reported in the Statement of Activities do not provide for or require the use of current financial resources and therefore are not reported as revenues or expenditures in the governmental funds			
	Teachers' Retirement System		746,593
	Employees' Retirement System		442,413
Portion of deferred (inflow) / outflow recognized in long term debt			239,327
In the Statement of Activities, vacation pay, teachers' retirement incentive and judgments and claims are measured by the amount accrued during the year. In the governmental funds, expenditures for these items are measured by the amount actually paid. The following provides the differences of these items as presented in the governmental activities:			
	Compensated Absences		(816,157)
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES			**$ 10,495,863**

(See accompanying notes to financial statements)

VICTOR CENTRAL SCHOOL DISTRICT, NEW YORK

Statement of Fiduciary Net Position

June 30, 2025

		Custodial Funds
ASSETS		
Cash and cash equivalents	$	157,320
TOTAL ASSETS	**$**	**157,320**
LIABILITIES		
Due to other governments	$	837
TOTAL LIABILITIES	**$**	**837**
NET POSITION		
Restricted for individuals, organizations and other governments	$	156,483
TOTAL NET POSITION	**$**	**156,483**

Statement of Changes in Fiduciary Net Position

For The Year Ended June 30, 2025

		Custodial Funds
ADDITIONS		
Taxes	$	913,400
Student activity		240,483
TOTAL ADDITIONS	**$**	**1,153,883**
DEDUCTIONS		
Student activity	$	221,467
Taxes		913,400
TOTAL DEDUCTIONS	**$**	**1,134,867**
CHANGE IN NET POSITION	$	19,016
NET POSITION, BEGINNING OF YEAR		137,467
NET POSITION, END OF YEAR	**$**	**156,483**

(See accompanying notes to financial statements)

I. Summary of Significant Accounting Policies

The financial statements of the Victor Central School District, New York (the District) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the District's accounting policies are described below.

A. Reporting Entity

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

The reporting entity of the District is based upon criteria set forth by GASB Statement 14, *The Financial Reporting Entity*, as amended by GASB Statement 39, *Component Units* and GASB Statement 61, *The Financial Reporting Entity*. The financial reporting entity consists of the primary government, organizations for which the primary government is financially accountable and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The District is not a component unit of another reporting entity. The decision to include a potential component unit in the District's reporting entity is based on several criteria including legal standing, fiscal dependency, and financial accountability. Based on the application of these criteria, the following is a brief review of certain entities included in the District's reporting entity.

1. Extraclassroom Activity Funds

The extraclassroom activity funds of the District represent funds of the students of the District. The Board of Education exercises general oversight of these funds. The extraclassroom activity funds are independent of the District with respect to its financial transactions, and the designation of student management. Separate audited 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 agency for various student organizations in the Custodial Fund.

(I.) (Continued)

B. Joint Venture

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

BOCES are organized under §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)). 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 school district's share of administrative and capital cost is determined by resident public school district enrollment as defined in Education Law, Section 1950(4)(b)(7). In addition, component districts pay tuition or a service fee for programs in which its students participate.

During the year, the District was billed $8,650,345 for BOCES administrative and program costs.

The District's share of BOCES aid amounted to $3,213,168.

Financial statements for the BOCES are available from the Wayne-Finger Lakes BOCES administrative office.

C. Basis of Presentation

1. District-wide Statements

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

The Statement of 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. Indirect expenses, principally employee benefits, are allocated to functional areas in proportion to the payroll expended for those areas. Program revenues include charges paid by the recipients of goods or services offered by the programs, and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

2. Fund Statements

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

The District reports the following governmental funds:

a. Major Governmental Funds

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

Capital Projects Fund - Used to account for the financial resources used for acquisition, construction, or major repair of capital facilities.

Special Aid Fund - This fund accounts for the proceeds of specific revenue sources, such as federal and state grants, that are legally restricted to expenditures for specified purposes. These legal restrictions may be imposed either by governments that provide the funds, or by outside parties.

b. Nonmajor Governmental Funds- The other funds which are not considered major are aggregated and reported as nonmajor governmental funds as follows:

School Lunch Fund - Used to account for transactions of the District's lunch, breakfast and milk programs.

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

c. 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.

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 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.

(I.) (Continued)

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

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

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

E. Property Taxes

Real property taxes are levied annually by the Board of Education no later than September 1, and become a lien on August 8, 2024. Taxes are collected during the period September 1 to November 1, 2024.

Uncollected real property taxes are subsequently enforced by the Counties in which the District is located. The Counties pay an amount representing uncollected real property taxes transmitted to the Counties for enforcement to the District no 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.

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

H. <u>Estimates</u>

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, and deferred inflows of resources and disclosure of contingent assets and liabilities at the date of the financial statements and the reported revenues and expenses/expenditures during the reporting period. Actual results could differ from those estimates. Estimates and assumptions are made in a variety of areas, including computation of encumbrances, compensated absences, potential contingent liabilities and useful lives of long-lived assets.

I. <u>Cash and Cash Equivalents</u>

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

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

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

J. <u>Receivables</u>

Receivables are shown net of an allowance for uncollectible accounts, when applicable.

In addition, the District will report a receivable relating to a lease arrangement. The receivable is recorded at the present value of the future payments and recognized over the life of the lease.

No allowance for uncollectible accounts has been provided since it is believed that such allowance would not be material.

K. <u>Inventory and Prepaid Items</u>

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

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

L. Capital Assets

In the District-wide financial statements, capital assets are accounted for at historical cost or estimated historical cost if actual is unavailable, except for donated capital assets which are recorded at their acquisition value at the date of donation.

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives and capitalization threshold by type of assets is as follows:

Class	Capitalization Threshold	Depreciation Method	Estimated Useful Life
Buildings	$ 50,000	SL	15-50 Years
Machinery and Equipment	$ 5,000	SL	5-25 Years

The investment in infrastructure type assets have not been segregated for reporting purposes since all costs associated with capital projects are consolidated and reported as additions to buildings and improvements.

M. Right To Use Assets

The District-wide financial statements, right-to-use-assets are reported within the major class of the underlying asset and valued at the future minimum lease payment. Amortization is between 3 and 10 years based on the contract terms and/or estimated replacement of the assets.

N. Unearned Revenue

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

O. Deferred Outflows and Inflows of Resources

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expenses/expenditure) until that time.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

P. Vested Employee Benefits

1. Compensated Absences

The District, based on policy and/or various negotiated labor or employment contracts, recognizes a liability for compensated absences for leave time that:

(i) has been earned for services previously rendered by employees.
(ii) has accumulated and is allowed to be carried over into subsequent years.
(iii) is more likely than not to be used as time off or settled (for example paid in cash to the employee or as a payment to an employee 403b or medical spending account) during or upon separation from employment.

Based on the criteria listed, only vacation leave, sick leave and sick leave banks meet the qualifications to be recognized as a liability for compensated absences. The total long-term estimated liability for compensated absences is reported as incurred in the District-wide financial statements. The short-term liability for compensated absences is recorded in the governmental funds only if the liability has matured because of employee resignations or retirements. The liability for compensated absences includes salary-related benefits, where applicable.

Consistent with GASB Statement 101, Compensated Absences, the liability has been calculated using the more likely than not to be used as leave or settled at separation method with the compensated absences liability being calculated based on the pay rates in effect at year end.

Q. Other Benefits

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

R. Short-Term Debt

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 a BAN issued for capital purposes be converted to long-term financing within five years after the original issue date.

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

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

T. Equity Classifications

1. District-wide Statements

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

a. Net Investment in Capital Assets - consists of net capital assets (cost less accumulated depreciation) reduced by outstanding balances of related debt obligations from the acquisition, constructions or improvements of those assets.

b. 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, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.

On the Statement of Net Position the following balances represent the restricted for other purposes:

	Total
Workers' Compensation Reserve	$ 571,137
Unemployment Costs	412,867
Retirement Contribution - ERS	1,229,178
Tax Certiorari Reserve	60,062
Liability Reserve	904,472
Employee Benefit Accrued Liability Reserve	1,140,403
Total Net Position - Restricted for Other Purposes	**$ 4,318,119**

c. Unrestricted Net Position - reports the balance of net position that does not meet the definition of the above two classifications. The reported deficit of $58,927,018 at year end is the result of full implementation of GASB #75 regarding retiree health obligations.

(I.) (Continued)

2. **Fund Statements**

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

a. **Nonspendable Fund Balance** – Includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. Nonspendable fund balance includes the following:

	Total
Inventory in School Lunch	$ 67,802
Total Nonspendable Fund Balance	**$ 67,802**

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

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

Name of Reserve	Maximum Funding	Total Funding Provided	Total Year to Date Balance
2021 Technology Reserve	$ 750,000	$ 250,000	$ 286,822
2021 Capital Reserve	$ 10,000,000	$ 9,890,196	$ -
2022 Capital Bus Reserve	$ 6,000,000	$ 10,000	$ 11,431
2022 Capital Reserve	$ 10,000,000	$ 8,759,141	$ -
Capital Reserve Fund 2024	$ 20,000,000	$ 10,667,879	$ 2,995,317

Reserve for Debt Service - According to General Municipal Law §6-1, the Reserve for Debt Service must be established for the purpose of retiring the outstanding obligations upon the sale of District property or capital improvement that was financed by obligations that remain outstanding at the time of the sale. Also, earnings on project monies invested together with unused proceeds are reported here.

(I.) (Continued)

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

Teachers' Retirement Reserve – General Municipal Law §6-r was amended to include a Teachers' Retirement Reserve (TRS) sub-fund. The reserve has an annual funding limit of 2% of the prior year TRS salaries and a maximum cumulative total balance of 10% of the previous year's TRS salary.

Liability Reserve - According to General Municipal Law §1709(8)(c), must be used to pay for property loss and liability claims incurred. Separate funds for property loss and liability claims are required, and this reserve may not in total exceed 3% of the annual budget or $15,000, whichever is greater.

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

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

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

Workers' Compensation Reserve - According to General Municipal Law §6-j, must be used to pay for compensation benefits and other expenses authorized by Article 2 of the Workers' Compensation Law, and for payment of expenses of administering this self-insurance program. The reserve may be established by Board action and is funded by budgetary appropriations and such other funds as may be legally appropriated. Within sixty days after the end of any fiscal year, excess amounts may either be transferred to another reserve or the excess applied to the appropriations of the next succeeding fiscal year's budget.

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

Restricted fund balances include the following:

	Total
General Fund -	
Workers' Compensation Reserve	$ 571,137
Unemployment Costs	412,867
Retirement Contribution - ERS	1,229,178
Retirement Contribution - TRS	2,490,748
Tax Certiorari Reserve	60,062
Liability Reserve	904,472
Capital Reserves	3,293,570
Employee Benefit Accrued Liability Reserve	1,140,403
Capital Fund -	
Capital Projects	26,896,889
Debt Service Fund -	
Debt Service Reserve	3,251,189
Total Restricted Fund Balance	**$ 40,250,515**

c. **Committed** - Includes amounts that can only be used for the specific purposes pursuant to constraints imposed by formal action of the school districts highest level of decision making authority, i.e., the Board of Education. The District has no committed fund balances as of June 30, 2025.

d. **Assigned Fund Balance** – Includes amounts that are constrained by the District's intent to be used for specific purposes but are neither restricted nor committed. All encumbrances of the General Fund are classified as assigned fund balance. Encumbrances represent purchase commitments made by the District's purchasing agent through their authorization of a purchase order prior to year-end. The District assignment is based on the functional level of expenditures.

Management has determined significant encumbrances for the General Fund to be $135,284, Capital Projects Fund to be $6,536 and Special Aid Fund to be $8,437.

Capital Projects Fund -	
Capital Improvements	$ 4,460,931

Assigned fund balances include the following:

	Total
General Fund - Encumbrances	$ 166,310
General Fund - Appropriated for Taxes	3,658,310
School Lunch Fund - Year End Equity	625,978
Total Assigned Fund Balance	**$ 4,450,598**

e. **Unassigned Fund Balance** –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 school district and could report a surplus or deficit. In funds other than the General Fund, the unassigned classification is used to report a deficit fund balance resulting from overspending for specific purposes for which amounts had been restricted or assigned.

3. **Order of Use of Fund Balance**

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

U. **New Accounting Standards**

The District has adopted all current Statements of the Governmental Accounting Standards Board (GASB) that are applicable. At June 30, 2025, the District implemented the following new standards issued by GASB:

GASB has issued Statement No. 101, *Compensated Absences*.

GASB has issued Statement No. 102, *Certain Risk Disclosures*.

(I.) (Continued)

V. Future Changes in Accounting Standards

GASB has issued Statement No. 103, *Financial Reporting Model Improvements*, which will be effective for fiscal years beginning after June 15, 2025.

GASB has issued Statement No. 104, *Disclosure of Certain Capital Assets*, which will be effective for fiscal years beginning after June 15, 2025.

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

II. Restatement of Net Position/Fund Balance

For the year ended June 30, 2025, the District implemented GASB Statement No. 101, *Compensated Absences*. The restatement is noted on the Statement of Activities and Statement of Revenue, Expenditures, and Changes in Fund Balance.

III. Changes in Accounting Principles

For the year ended June 30, 2025, the District implemented GASB Statement No. 101, *Compensated Absences*. The implementation of the statement changes the reporting for compensated absences. See Note II for the financial statement impact of implementation of the Statement.

IV. Stewardship, Compliance and Accountability

By its nature as a local government unit, the District is subject to various federal, state and local laws and contractual regulations. An analysis of the District's compliance with significant laws and regulations and demonstration of its stewardship over District resources follows.

A. Budgets

The District administration prepares a proposed budget for approval by the Board of Education for the General Fund.

The voters of the District approved the proposed appropriation budget.

Appropriations established by adoption of the budget constitute a limitation on expenditures (and encumbrances) which 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 restriction, if the Board approves them because of a need which exists which was not determined at the time the budget was adopted. During the 2024-25 fiscal year, the budget was amended by $430,439 for carryover encumbrances and $28,431,861 for use of capital reserves to fund $99M project.

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

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

B. 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.

C. Deficit Fund Balance – Capital Projects Fund

The Capital Projects Fund had a deficit fund balance of $3,326,859 at June 30, 2025, which is a result of bond anticipation notes which are used as a temporary means of financing capital projects. These proceeds are not recognized as revenue but merely serve to provide cash to meet expenditures. This results in the creation of a fund deficit which will remain until the notes are replaced by permanent financing (i.e., bonds, grants-in-aid, or redemption from current appropriations).

V. Cash and Cash Equivalents

Credit Risk – In compliance with the State Law, District investments are limited to obligations of the United States of America, obligations guaranteed by agencies of the United States of America where the payment of principal and interest are guaranteed by the United States of America, obligations of the State, time deposit accounts and certificates of deposit issued by a bank or trust company located in, and authorized to do business in, the State, and obligations used by other municipalities and authorities within the State.

Concentration of Credit Risk – To promote competition in rates and service costs, and to limit the risk of institutional failure, District deposits and investments are placed with multiple institutions. The District's investment policy limits the amounts that may be deposited with any one financial institution.

Interest Rate Risk – The District has an investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from rising interest rates.

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

Uncollateralized	$	-
Collateralized with Securities held by the Pledging Financial Institution		9,990,703
Total	**$**	**9,990,703**

Restricted cash represents cash 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 $40,250,515 within the governmental funds and $157,230 in the Fiduciary Fund.

VI. Investment Pool

The District participates in a multi-municipal cooperative investment pool agreement pursuant to New York State General Municipal Law Article 5-G, §119-O, whereby it holds a portion of the investments in cooperation with other participants. The investments are highly liquid and are considered to be cash equivalents.

Total investments of the cooperative as of year end are $43,022,575, which consisted of $11,646,212 in repurchase agreements, $29,612,438 in U.S. Treasury Securities, $391,505 in FDIC insured deposits and $1,372,420 in collateralized bank deposits, with various interest rates and due dates.

The following amounts are included as unrestricted and restricted cash:

Fund	Bank Balance	Carrying Amount	Type of Invesment
General	$ 12,313,670	$ 12,313,670	NYCLASS
Debt Service	$ 3,039,158	$ 3,039,158	NYCLASS
Capital	$ 27,669,747	$ 27,669,747	NYCLASS

VII. Receivables

Receivables at June 30, 2025 for individual major funds and nonmajor funds, including the applicable allowances for uncollectible accounts, are as follows:

	Governmental Activities			
Description	**General Fund**	**Special Aid Fund**	**Nonmajor Funds**	**Total**
Accounts Receivable	$ 35,001	$ -	$ 3,621	$ 38,622
Due From State and Federal	747,700	1,721,859	185,704	2,655,263
Due From Other Governments	1,861,785	-	-	1,861,785
Total Receivables	**$ 2,644,486**	**$ 1,721,859**	**$ 189,325**	**$ 4,555,670**

District management has deemed the amounts to be fully collectible.

VIII. Interfund Receivables, Payables, Revenues and Expenditures

Interfund Receivables, Payables, Revenues and Expenditures at June 30, 2025 were as follows:

	Interfund			
	Receivables	Payables	Revenues	Expenditures
General Fund	$ 3,069,002	$ 928,778	$ -	$ 28,598,561
Special Aid Fund	6,050	2,051,728	166,700	-
Capital Fund	-	933,302	28,431,861	-
Nonmajor Funds	945,420	106,664	-	-
Total	**$ 4,020,472**	**$ 4,020,472**	**$ 28,598,561**	**$ 28,598,561**

Interfund receivables and payables between governmental activities are eliminated on the Statement of Net Position. The District typically loans resources between funds for the purpose of mitigating the effects of transient cash flow issues. All interfund payables are not necessarily expected to be repaid within one year.

Transfers are used to finance certain special aid programs and support capital project expenditures.

IX. Capital Assets and Lease Assets

A. Capital Assets

Capital asset balances and activity were as follows:

Type	Balance 7/1/2024	Additions	Deletions	Balance 6/30/2025
Governmental Activities:				
Capital Assets that are not Depreciated -				
Land	$ 767,156	$ -	$ -	$ 767,156
Work in progress	-	2,268,759	733,631	1,535,128
Total Nondepreciable	$ 767,156	$ 2,268,759	$ 733,631	$ 2,302,284
Capital Assets that are Depreciated -				
Buildings and Improvements	$ 172,920,811	$ -	$ -	$ 172,920,811
Machinery and equipment	15,729,819	1,645,810	520,738	16,854,891
Total Depreciated Assets	$ 188,650,630	$ 1,645,810	$ 520,738	$ 189,775,702
Less Accumulated Depreciation -				
Buildings and Improvements	$ 59,840,121	$ 3,438,308	$ -	$ 63,278,429
Machinery and equipment	11,385,595	1,104,389	520,738	11,969,246
Total Accumulated Depreciation	$ 71,225,716	$ 4,542,697	$ 520,738	$ 75,247,675
Total Capital Assets Depreciated, Net of Accumulated Depreciation	$ 117,424,914	$ (2,896,887)	$ -	$ 114,528,027
Total Capital Assets	**$ 118,192,070**	**$ (628,128)**	**$ 733,631**	**$ 116,830,311**

(IX.) (Continued)

B. Lease Assets

A summary of the lease and subscription IT asset activity during the year ended June 30, 2025 is as follows:

Type	Balance 7/1/2024	Additions	Deletions	Balance 6/30/2025
Lease Assets:				
Equipment	$ 5,069,438	$ 1,308,966	$ 358,908	$ 6,019,496
Total Lease Assets	$ 5,069,438	$ 1,308,966	$ 358,908	$ 6,019,496
Less Accumulated Amortization -				
Equipment	$ 1,835,294	$ 1,071,435	$ -	$ 2,906,729
Total Accumulated Amortization	$ 1,835,294	$ 1,071,435	$ -	$ 2,906,729
Total Lease Assets, Net	**$ 3,234,144**	**$ 237,531**	**$ 358,908**	**$ 3,112,767**

C. Other capital assets (net of depreciation and amortization):

Depreciated capital assets (net)	$ 114,528,027
Amortized lease assets (net)	3,112,767
Total Other Capital Assets (net)	**$ 117,640,794**

D. Depreciation/Amortization expense for the period was charged to functions/programs as follows:

Governmental Activities:	Depreciation	Amortization	Total
General Government Support	$ 70,188	$ -	$ 70,188
Instruction	3,263,740	1,071,435	4,335,175
Pupil Transportation	1,033,299	-	1,033,299
School Lunch	175,470	-	175,470
Total Depreciation and Amortization Expense	**$ 4,542,697**	**$ 1,071,435**	**$ 5,614,132**

X. Short-Term Debt

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

	Maturity	Interest Rate	Balance 7/1/2024	Additions	Deletions	Balance 6/30/2025
Bus BAN	9/12/2025	4.00%	$ -	$ 3,207,755	$ -	$ 3,207,755
Bus BAN	9/13/2024	4.25%	2,737,768	-	2,737,768	-
Total Short-Term Debt			**$ 2,737,768**	**$ 3,207,755**	**$ 2,737,768**	**$ 3,207,755**

A summary of the short-term interest expense for the year is as follows:

Interest Paid	$ 116,032
Less: Interest Accrued in the Prior Year	(92,438)
Plus: Interest Accrued in the Current Year	102,648
Total Short-Term Interest Expense	**$ 126,242**

XI. Long-Term Debt Obligations

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

	Balance 7/1/2024	Additions	Deletions	Balance 6/30/2025	Due Within One Year
Governmental Activities:					
Bonds and Notes Payable -					
Serial Bonds Payable	$ 42,450,000	$ -	$ 3,870,000	$ 38,580,000	$ 4,050,000
Unamortized Bond Premium	4,756,615	-	293,083	4,463,532	293,083
Lease Liability	197,043	733,631	197,436	733,238	234,121
Energy Performance Contracts	2,778,952	-	238,451	2,540,501	246,456
Total Bonds and Notes Payable	$ 50,182,610	$ 733,631	$ 4,598,970	$ 46,317,271	$ 4,823,660
Other Liabilities -					
Net Pension Liability	$ 6,361,515	$ -	$ 2,057,625	$ 4,303,890	$ -
OPEB Liability	52,625,256	-	17,383,204	35,242,052	-
Compensated Absences	12,813,765	816,157	-	13,629,922	210,090
Total Other Liabilities	$ 71,800,536	$ 816,157	$ 19,440,829	$ 53,175,864	$ 210,090
Total Long-Term Obligations	**$ 121,983,146**	**$ 1,549,788**	**$ 24,039,799**	**$ 99,493,135**	**$ 5,033,750**

* The change in compensated absences above is a net change for the year.

Description	Original Amount	Issue Date	Final Maturity	Interest Rate	Amount Outstanding 6/30/2025
Serial Bonds -					
Refunding	$ 18,605,000	2013	2027	2.0%-5.0%	$ 1,150,000
Construction	$ 14,815,000	2016	2029	2.0%-5.0%	5,650,000
DASNY	$ 14,250,000	2020	2034	5.00%	10,370,000
Construction	$ 23,065,000	2023	2050	4.0%-5.0%	21,410,000
Total Serial Bonds					**$ 38,580,000**
Energy Performance Contract -					
Energy Performance Contract	$ 3,882,717	2018	2034	3.357%	**$ 2,540,501**
Leases -					
Equipment	$ 18,291	2021	2025	0.005%-1.200%	$ 2,046
Equipment	$ 72,586	2022	2026	0.005%-1.200%	26,936
Equipment	$ 55,028	2023	2028	0.005%-1.200%	32,568
Equipment	$ 37,666	2023	2027	0.005%-1.200%	21,336
Equipment	$ 3,966	2023	2026	0.005%-1.200%	1,952
Equipment	$ 6,558	2024	2026	0.005%-1.200%	2,540
Equipment	$ 4,372	2024	2026	0.005%-1.200%	1,693
Equipment	$ 32,070	2023	2025	0.005%-1.200%	11,214
Equipment	$ 45,083	2024	2028	0.005%-1.200%	34,416
Equipment	$ 315,176	2024	2028	0.005%-1.200%	265,257
Equipment	$ 73,464	2024	2028	0.005%-1.200%	63,299
Equipment	$ 299,909	2025	2029	0.005%-1.200%	269,981
Total Leases					**$ 733,238**

(XI.) (Continued)

The following is a summary of debt service requirements:

	Serial Bonds		Energy Performance Contract		Leases	
Year	**Principal**	**Interest**	**Principal**	**Interest**	**Principal**	**Interest**
2026	$ 4,050,000	$ 1,887,850	$ 246,456	$ 85,285	$ 234,121	$ 26,249
2027	4,075,000	1,691,800	254,730	77,011	213,419	18,057
2028	3,750,000	1,498,150	263,281	68,460	202,604	7,922
2029	3,555,000	1,310,650	272,120	59,621	83,094	968
2030	2,430,000	1,132,900	281,255	50,486	-	-
2031-25	12,670,000	3,713,250	1,222,659	104,306	-	-
2036-40	4,745,000	1,195,250	-	-	-	-
2041-45	1,480,000	565,350	-	-	-	-
2046-50	1,825,000	225,000	-	-	-	-
Total	**$ 38,580,000**	**$ 13,220,200**	**$ 2,540,501**	**$ 445,169**	**$ 733,238**	**$ 53,196**

In prior years, the District defeased certain general obligations and other bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the District's financial statements. The balance of the defeased debt totaled $1,235,000.

Interest on long-term debt for June 30, 2025 was composed of:

Interest Paid	$ 2,196,262
Less: Interest Accrued in the Prior Year	(175,864)
Plus: Interest Accrued in the Current Year	160,391
Less: unamortized bond interest	(293,083)
Total Long-Term Interest Expense	**$ 1,887,706**

XII. Deferred Outflows/Inflows of Resources

The following is a summary of the deferred outflow/inflows of resources:

	Deferred Outflows	Deferred Inflows
Pension	$ 15,242,569	$ 7,539,199
Bonds	-	1,196,637
OPEB	9,274,320	36,767,664
Total	**$ 24,516,889**	**$ 45,503,500**

XIII. Pension Plans

A. General Information

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

B. Provisions and Administration

A 10-member Board of Trustees of the New York State Teachers' Retirement Board administers TRS. TRS provides benefits to plan members and beneficiaries as authorized by the Education Law and the New York State Retirement and Social Security Law (NYSRSSL). Membership is mandatory and automatic for all full-time teachers, teaching assistants, guidance counselors and administrators employed in New York Public Schools and BOCES who elected to participate in TRS. Once a public employer elects to participate in the system, the election is irrevocable. The New York State Constitution provides that pension 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. TRS issues a publicly available financial report that contains financial statements and required supplementary information. The report may be obtained by writing to NYSTRS, 10 Corporate Woods Drive, Albany, New York 12211-2395 or by referring to the TRS Comprehensive Annual Financial report, which can be found on the System's website at www.nystrs.org.

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

C. Funding Policies

The Systems are noncontributory except for employees who joined after July 27, 1976, who contribute 3.0% of their salary for the first ten years of membership, and employees who joined on or after January 1, 2010 who generally contribute 3.0% to 3.5% of their salary for their entire length of service. In addition, employee contribution rates under ERS Tier 6 vary based on a sliding salary scale. For TRS, contribution rates are established annually by the New York State Teachers' Retirement Board pursuant to Article 11 of the Education Law. For ERS, the Comptroller annually certifies the actuarially determined rates expressly used in computing the employers' contributions for the ERS' fiscal year ended March 31. The District paid 100% of the required contributions as billed by the TRS and ERS for the current year.

(XIII.) (Continued)

The District's share of the required contributions, based on covered payroll paid for the District's year ended June 30, 2025:

Contributions	ERS	TRS
2025	$ 1,383,700	4,112,530

D. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources related to Pensions

At June 30, 2025, 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, 2025 for ERS and June 30, 2024 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 TRS and ERS Systems in reports provided to the District.

	ERS	TRS
Measurement date	March 31, 2025	June 30, 2024
Net pension asset/(liability)	$ (4,303,890)	$ 5,392,603
District's portion of the Plan's total net pension asset/(liability)	0.0251018%	0.180741%

For the year ended June 30, 2025, the District recognized pension expenses of $1,000,793 for ERS and $2,832,414 for TRS. At June 30, 2025, the District's reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources		Deferred Inflows of Resources	
	ERS	TRS	ERS	TRS
Differences between expected and actual experience	$ 1,068,255	$ 5,806,843	$ 50,390	$ -
Changes of assumptions	180,497	3,225,869	-	542,621
Net difference between projected and actual earnings on pension plan investments	337,671	-	-	5,991,641
Changes in proportion and differences between the District's contributions and proportionate share of contributions	446,480	63,137	461,828	492,719
Subtotal	$ 2,032,903	$ 9,095,849	$ 512,218	$ 7,026,981
District's contributions subsequent to the measurement date	433,969	3,679,848	-	-
Grand Total	**$ 2,466,872**	**$ 12,775,697**	**$ 512,218**	**$ 7,026,981**

District contributions subsequent to the measurement date which will be recognized as a reduction of the net pension liability in the year ended June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year	ERS	TRS
2025	$ -	$ (2,893,604)
2026	782,474	6,514,669
2027	1,132,025	(1,148,796)
2028	(363,001)	(1,275,698)
2029	(30,813)	634,365
Thereafter	-	237,932
Total	**$ 1,520,685**	**$ 2,068,868**

E. **Actuarial Assumptions**

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

	ERS	TRS
Measurement date	March 31, 2025	June 30, 2024
Actuarial valuation date	April 1, 2024	June 30, 2023
Interest rate	5.90%	6.95%
Salary scale	4.30%	4.40%
Decrement tables	April 1, 2016- March 31, 2020 System's Experience	July 1, 2015- June 30, 2020 System's Experience
Inflation rate	2.90%	2.40%
COLA's	1.50%	1.30%

For ERS, annuitant mortality rates are based on April 1, 2010 – March 31, 2015 System experience with adjustments for mortality improvements based on the Society of Actuaries' Scale MP-2021. For TRS, annuitant mortality rates are based on plan member experience adjustments for mortality improvements based on Society of Actuaries Scale MP-2021.

The long-term rate of return on pension plan investments was determined using a building block method in which best estimate ranges of expected future real rates of return (expected returns net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of the arithmetic real rates of return for each major asset class included in the target asset allocation as of March 31, 2025 for ERS and June 30, 2024 for TRS are summarized as follows:

(XIII.) (Continued)

Long Term Expected Rate of Return		
	ERS	**TRS**
Measurement date	March 31, 2025	June 30, 2024
Asset Type -		
Domestic equity	3.54%	6.60%
International equity	6.57%	7.40%
Global equity	n/a	6.90%
Private equity	7.25%	10.00%
Real estate	4.95%	6.30%
Opportunistic portfolios	5.25%	n/a
Real assets	5.55%	n/a
Global bonds	n/a	2.50%
Cash	25.00%	0.50%
Private debt	n/a	5.90%
Real estate debt	n/a	3.90%
High-yield bonds	n/a	4.80%
Domestic fixed income	n/a	2.60%
Fixed income	2.00%	n/a
Credit	5.40%	n/a

The real rate of return is net of the long-term inflation assumption of 2.90% for ERS and 2.40% for TRS.

F. 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.

G. Sensitivity 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 assumption :

ERS	**1% Decrease (4.90%)**	**Current Assumption (5.90%)**	**1% Increase (6.90%)**
Employer's proportionate share of the net pension asset (liability)	$ (12,456,000)	$ (4,303,890)	$ 2,503,127

TRS	**1% Decrease (5.95%)**	**Current Assumption (6.95%)**	**1% Increase (7.95%)**
Employer's proportionate share of the net pension asset (liability)	$ (24,908,744)	$ 5,392,603	$ 30,876,849

H. 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:

	(In Thousands)	
	ERS	**TRS**
Measurement date	March 31, 2025	June 30, 2024
Employers' total pension liability	$ 247,600,239	$ 142,837,827
Plan net position	230,454,512	145,821,435
Employers' net pension asset/(liability)	$ (17,145,727)	$ 2,983,608
Ratio of plan net position to the employers' total pension asset/(liability)	93.08%	102.10%

I. 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, 2025 represent the projected employer contribution for the period of April 1, 2025 through June 30, 2025 based on paid ERS wages multiplied by the employer's contribution rate, by tier. Accrued retirement contributions as of June 30, 2025 amounted to $433,696.

For TRS, employer and employee contributions for the fiscal year ended June 30, 2025 are paid to the System in September, October and November 2025 through a state aid intercept. Accrued retirement contributions as of June 30, 2025 represent employee and employer contributions for the fiscal year ended June 30, 2025 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, 2025 amounted to $4,112,530.

XIV. Postemployment Benefits

A. General Information About the OPEB Plan

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

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

Employees Covered by Benefit Terms – At June 30, 2025, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	554
Active Employees	227
Total	**781**

B. Total OPEB Liability

The District's total OPEB liability of $35,242,052 was measured as of June 30, 2025, and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and Other Inputs – The total OPEB liability in the June 30, 2025 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.40%
Salary Increases	2.40%, average, including inflation
Discount Rate	5.20%
Healthcare Cost Trend Rates	Initial rate of 6.60%, decreasing to an ultimate rate of 3.80% pre-65 and initial rate of 7.30% decreasing to an ultimate rate of 3.80% for post-65
Retirees' Share of Benefit-Related Costs	Varies depending on contract

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

Mortality rates were based on the Mortality Improvement Scale MP-2021 ultimate scale.

C. Changes in the Total OPEB Liability

Balance at June 30, 2024	$ 52,625,256
Changes for the Year -	
Service cost	$ 1,885,642
Interest	2,108,564
Effect of demographic gains or losses	(15,088,913)
Changes in assumptions or other inputs	(4,556,006)
Benefit payments	(1,732,491)
Net Changes	$ (17,383,204)
Balance at June 30, 2025	**$ 35,242,052**

Changes of assumptions and other inputs reflect a change in the discount rate from 3.93% in 2024 to 5.20% in 2025. Overall membership remained consistent at 781.

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 (4.20%) or 1-percentage-point higher (6.20%) than the current discount rate:

	1% Decrease (4.20%)	Discount Rate (5.20%)	1% Increase (6.20%)
Total OPEB Liability	$ 38,850,743	$ 35,242,052	$ 32,016,017

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates – The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (5.60% decreasing to 2.80%) or 1-percentage-point higher (7.60% decreasing to 4.80%) than the current healthcare cost trend rate:

	1% Decrease (5.60% Decreasing to 2.80%)	Healthcare Cost Trend Rates (6.60% Decreasing to 3.80%)	1% Increase (7.60% Decreasing to 4.80%)
Total OPEB Liability	$ 30,962,748	$ 35,242,052	$ 40,372,227

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

For the year ended June 30, 2025, the District recognized OPEB expense of $(146,239). At June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 2,200,278	$ 22,427,463
Changes of assumptions	7,074,042	14,340,201
Total	**$ 9,274,320**	**$ 36,767,664**

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

Year	
2026	$ (4,140,445)
2027	(4,140,445)
2028	(4,140,445)
2029	(4,140,445)
2030	(2,817,503)
Thereafter	(8,114,061)
Total	**$ (27,493,344)**

XV. Risk Management

A. General Information

The District is exposed to various risks of loss related to injuries to employees, theft, damages, natural disasters, etc. 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.

B. Health Plan

For its employee health and dental insurance coverage the Victor Central School District is a Participant in the Finger Lakes Area School Health Plan (FLASHP). FLASHP was formed under Article 5-G of the New York State Municipal Law. FLASHP is a non-risk-retained public entity risk pool for its employees' health and dental insurance coverage. The pool is operated for the benefit of municipal corporations (city, town, village, fire district, school district or board of cooperative educational services - BOCES) and community colleges located within the Finger Lakes Region in New York. Current membership includes thirty-seven (37) Participants.

FLASHP contracts with an insurance company to provide services for all of its members. FLASHP negotiates and approves annual contracts from the insurance company for the Participants' health and dental insurance coverage. The District is billed directly by and pays the monthly premiums to the insurance carrier for this coverage. The District has essentially transferred all related risks to the insurance carrier. During the year ended June 30, 2025, the District incurred premiums or contribution expenditures totaling $15,124,532.

C. <u>Workers' Compensation</u>

The District is a Participant in the Wayne-Finger Lakes School Workers' Compensation Plan (Plan). The Plan is sponsored by the Ontario-Seneca-Yates-Cayuga-Wayne Counties Board of Cooperative Educational Services (Wayne-Finger Lakes BOCES). The Plan's objectives are to furnish workers' compensation benefits at a significant cost savings and to provide for risk management to reduce future liability for workers compensation. Membership in the Plan may be offered to any component district of Wayne-Finger Lakes BOCES with the approval of the Board of Trustees. Such membership shall become effective on the first day of the calendar month following the adoption by the Board of Trustees of the resolution to accept a new Participant. Current membership of the Plan includes Participants from twenty-three (23) municipal corporations.

Voluntary withdrawal from the Plan is subject to the following constraints:

1. Effective only once annually on the last day of the Plan year.
2. Notice on intention to withdraw must be given in writing to the Chairperson of the Board of Trustees and Treasurer not less than one (1) year prior to the end of the Plan year. Failure to provide at least one (1) years' notice will result in continued membership in the plan for another year unless all other Participants consents to such withdrawal.
3. Participant is responsible for their pro-rata share of exit fees (claim liability fee, administrative fee, and insurance cost) or entitled to any pro-rata share of surplus at the end of the Plan year in which withdrawal occurs including actual expenses and recognition of any claims/expenses incurred at the time of withdrawal but not yet paid.

The Plan is administered by Wayne-Finger Lakes BOCES. The Plan Participants are charged an annual assessment which is allocated in light of comparative experience and relative exposure based on the estimated total liability of the participating members actuarially computed each year. However, if the Board of Trustees determines that the liabilities of the Plan will exceed its cash assets, after taking into account any "excess insurance", the Board of Trustees shall determine the amount needed to meet such deficiency and shall assess such amount against all Participants their pro-rata share, such additional assessment is due within sixty (60) days after written notification from the Chairperson of the Board of Trustees.

The Plan purchases, on an annual basis, stop-loss insurance to limit exposure for claims paid. The Plan establishes a liability for both reported and unreported insured events, which includes estimates of both future payments of losses and related claim adjustment expenses. However, because actual claims costs depend on complex factors, the process used in computing claims liabilities does not necessarily result in an exact amount. Such claims are based on the ultimate cost of claims (including future claim adjustment expenses) that have been reported but not settled and claims that have been incurred but not reported. Adjustments to claims liabilities are charged or credited to expenses in the period in which they are made. During the year ended June 30, 2025, the District incurred premiums or contribution expenditures totaling $308,441.

The Plan is audited on an annual basis and is available at the Wayne-Finger Lakes BOCES administrative offices. The most recent audit available for the year ended June 30, 2024, revealed that the Plan is fully funded.

D. Unemployment

District employees are entitled to coverage under the New York State Unemployment Insurance Law. The District has elected to discharge its liability to the New York State Unemployment Insurance Fund (the Fund) by the benefit reimbursement method, a dollar-for-dollar reimbursement to the fund for benefits paid from the fund to former employees. The District has established a self-insurance fund to pay these claims. The claim and judgment expenditures of this program for the 2024-25 fiscal year totaled $39,762. The balance of the fund at June 30, 2025 was $412,867 and is recorded in the General Fund as an Unemployment Insurance Reserve. In addition, as of June 30, 2025, no loss contingencies existed or were considered probable or estimable for incurred but not reported claims payable.

XVI. Commitments and Contingencies

A. Litigation

There is no material litigation pending against the District that would not be covered by insurance.

B. Grants

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

XVII. Tax Abatement

The County of Ontario IDA, and the District enter into various property tax abatement programs for the purpose of Economic Development. As a result, the District property tax revenue was reduced $4,693,294. The District received payment in lieu of tax (PILOT) payment totaling $3,590,060 to help offset the property tax reduction.

XVIII. Subsequent Event

On September 11, 2025, the District issued a $3,582,015 bus bond anticipation note at a rate of 3.50% and will mature September 11, 2026.

Required Supplementary Information

VICTOR CENTRAL SCHOOL DISTRICT, NEW YORK

Schedule of Changes in District's Total OPEB Liability and Related Ratio

For The Year Ended June 30, 2025

TOTAL OPEB LIABILITY

	2025	2024	2023	2022	2021	2020	2019	2018
Service cost	$ 1,885,642	$ 2,606,467	$ 2,273,172	$ 3,454,029	$ 3,228,530	$ 2,502,775	$ 2,913,364	$ 2,731,796
Interest	2,108,564	1,942,257	1,881,029	1,318,350	1,469,566	1,888,114	1,575,605	1,477,166
Changes in benefit terms	-	-	-	-	-	-	3,274,391	-
Effect of demographic gains or losses	(15,088,913)	-	(5,742,739)	-	(10,869,534)	-	5,380,598	296,954
Changes of assumptions or other inputs	(4,556,006)	(1,611,751)	3,146,375	(9,755,512)	2,149,048	8,946,612	(9,971,503)	-
Benefit payments	(1,732,491)	(1,819,220)	(1,811,415)	(1,664,056)	(1,664,846)	(1,358,958)	(1,314,811)	(1,496,311)
Net Change in Total OPEB Liability	**$ (17,383,204)**	**$ 1,117,753**	**$ (253,578)**	**$ (6,647,189)**	**$ (5,687,236)**	**$ 11,978,543**	**$ 1,857,644**	**$ 3,009,605**
Total OPEB Liability - Beginning	**$ 52,625,256**	**$ 51,507,503**	**$ 51,761,081**	**$ 58,408,270**	**$ 64,095,506**	**$ 52,116,963**	**$ 50,259,319**	**$ 47,249,714**
Total OPEB Liability - Ending	**$ 35,242,052**	**$ 52,625,256**	**$ 51,507,503**	**$ 51,761,081**	**$ 58,408,270**	**$ 64,095,506**	**$ 52,116,963**	**$ 50,259,319**
Covered Employee Payroll	$ 32,705,260	$ 28,197,936	$ 28,197,936	$ 27,760,795	$ 27,760,795	$ 22,994,408	$ 22,994,408	$ 25,948,333
Total OPEB Liability as a Percentage of Covered Employee Payroll	107.76%	186.63%	182.66%	186.45%	210.40%	278.74%	226.65%	193.69%

10 years of historical information is not available, and will be added each year subsequent to the year of implementation until 10 years of historical data is present.

Required Supplementary Information

VICTOR CENTRAL SCHOOL DISTRICT, NEW YORK

Schedule of the District's Proportionate Share of the Net Pension Liability

For The Year Ended June 30, 2025

NYSERS Pension Plan

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Proportion of the net pension liability (assets)	0.0251%	0.0298%	0.0261%	0.0238%	0.0234%	0.0234%	0.0212%	0.0216%	0.0214%	0.0223%
Proportionate share of the net pension liability (assets)	$ 4,303,890	$ 4,382,461	$ 5,596,671	$ (1,943,376)	$ 23,349	$ 6,200,188	$ 1,500,379	$ 696,989	$ 2,012,546	$ 3,572,328
Covered-employee payroll	$ 9,972,507	$ 9,593,606	$ 8,294,590	$ 7,605,939	$ 7,793,996	$ 7,153,767	$ 6,601,450	$ 6,416,905	$ 6,159,037	$ 7,009,341
Proportionate share of the net pension liability (assets) as a percentage of its covered-employee payroll	43.158%	45.681%	67.474%	(25.551%)	0.300%	86.670%	22.728%	10.862%	32.676%	50.965%
Plan fiduciary net position as a percentage of the total pension liability	93.08%	93.88%	90.78%	103.65%	99.95%	86.39%	96.27%	98.24%	94.70%	90.70%

NYSTRS Pension Plan

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Proportion of the net pension liability (assets)	0.1807%	0.1731%	0.1705%	0.1724%	0.1691%	0.1665%	0.1637%	0.1628%	0.1606%	0.1587%
Proportionate share of the net pension liability (assets)	$ (5,392,603)	$ 1,979,054	$ 3,272,372	$ (29,876,478)	$ 4,673,728	$ (2,708,924)	$ (2,959,590)	$ (1,237,520)	$ 1,719,664	$ (16,480,448)
Covered-employee payroll	$ 36,398,398	$ 35,745,438	$ 32,877,492	$ 30,975,956	$ 29,374,320	$ 28,420,843	$ 27,630,514	$ 26,623,688	$ 25,741,349	$ 24,697,342
Proportionate share of the net pension liability (assets) as a percentage of its covered-employee payroll	(14.815%)	5.537%	9.953%	(96.451%)	15.911%	(9.531%)	(10.711%)	(4.648%)	6.681%	(66.730%)
Plan fiduciary net position as a percentage of the total pension liability	102.10%	99.20%	98.60%	113.20%	97.80%	102.20%	101.53%	100.66%	99.01%	110.46%

Required Supplementary Information
VICTOR CENTRAL SCHOOL DISTRICT, NEW YORK
Schedule of District Contributions
For The Year Ended June 30, 2025

NYSERS Pension Plan

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Contractually required contributions	$ 1,383,700	$ 1,146,669	$ 892,690	$ 1,125,835	$ 1,039,856	$ 962,095	$ 915,938	$ 927,484	$ 923,767	$ 1,092,738
Contributions in relation to the contractually required contribution	(1,383,700)	(1,146,669)	(892,690)	(1,125,835)	(1,039,856)	(962,095)	(915,938)	(927,484)	(923,767)	(1,092,738)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Covered-employee payroll	$ 9,972,507	$ 9,593,606	$ 8,294,590	$ 7,605,939	$ 7,793,996	$ 7,153,767	$ 6,601,450	$ 6,416,905	$ 6,159,037	$ 7,009,341
Contributions as a percentage of covered-employee payroll	13.88%	11.95%	10.76%	14.80%	13.34%	13.45%	13.87%	14.45%	15.00%	15.59%

NYSTRS Pension Plan

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Contractually required contributions	4,112,530	$ 3,851,513	$ 3,677,708	$ 3,269,878	$ 3,008,768	$ 2,708,924	$ 3,144,786	$ 2,787,779	$ 3,217,121	$ 3,484,308
Contributions in relation to the contractually required contribution	(4,112,530)	(3,851,513)	(3,677,708)	(3,269,878)	(3,008,768)	(2,708,924)	(3,144,786)	(2,787,779)	(3,217,121)	(3,484,308)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Covered-employee payroll	$ 36,398,398	$ 35,745,438	$ 32,877,492	$ 30,975,956	$ 29,374,320	$ 28,420,843	$ 27,630,514	$ 26,623,688	$ 25,741,349	$ 24,697,342
Contributions as a percentage of covered-employee payroll	11.30%	10.77%	11.19%	10.56%	10.24%	9.53%	11.38%	10.47%	12.50%	14.11%

Required Supplementary Information

VICTOR CENTRAL SCHOOL DISTRICT, NEW YORK

Schedule of Revenues, Expenditures and Changes in Fund Balance -

Budget (Non-GAAP Basis) and Actual - General Fund

For The Year Ended June 30, 2025

	Original Budget	Amended Budget	Current Year's Revenues	Over (Under) Revised Budget
REVENUES				
Local Sources -				
Real property taxes	$ 58,737,559	$ 56,589,086	$ 56,589,086	$ -
Real property tax items	3,528,225	5,707,556	5,984,160	276,604
Non-property taxes	100,000	57,991	57,991	-
Charges for services	205,000	216,152	339,337	123,185
Use of money and property	150,000	1,475,000	2,559,797	1,084,797
Sale of property and compensation for loss	-	-	14,235	14,235
Miscellaneous	500,000	500,000	1,066,804	566,804
Interfund revenues	-	-	16,611	16,611
State Sources -				
Basic formula	36,409,744	26,625,955	26,641,415	15,460
Lottery aid	-	8,439,291	8,439,291	-
BOCES	3,094,276	3,127,110	3,213,168	86,058
Textbooks	247,223	254,203	254,203	-
All Other Aid -				
Computer software	127,536	128,562	128,562	-
Library loan	25,356	26,143	26,143	-
Other aid	-	2,870	24,785	21,915
Federal Sources	100,000	75,000	87,130	12,130
TOTAL REVENUES	$ 103,224,919	$ 103,224,919	$ 105,442,718	$ 2,217,799
Appropriated reserves	$ -	$ 28,431,861		
Prior year encumbrances	$ 430,439	$ 430,439		
TOTAL REVENUES AND APPROPRIATED RESERVES/ FUND BALANCE	**$ 103,655,358**	**$ 132,087,219**		

Required Supplementary Information
VICTOR CENTRAL SCHOOL DISTRICT, NEW YORK
Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual - General Fund
For The Year Ended June 30, 2025

	Original Budget	Amended Budget	Current Year's Expenditures	Encumbrances	Unencumbered Balances
EXPENDITURES					
General Support -					
Board of education	$ 96,591	$ 120,903	$ 118,489	$ 817	$ 1,597
Central administration	297,190	291,698	291,263	-	435
Finance	643,917	792,304	782,362	-	9,942
Staff	879,082	874,571	860,920	733	12,918
Central services	6,742,532	7,230,297	7,010,459	119,391	100,447
Special items	1,299,330	1,321,503	1,321,500	-	3
Instructional -					
Instruction, administration and improvement	2,903,256	3,261,502	3,192,706	4,455	64,341
Teaching - regular school	25,917,283	26,068,483	25,219,132	16,207	833,144
Programs for children with handicapping conditions	13,242,750	13,114,139	12,480,311	396	633,432
Occupational education	835,000	967,095	967,095	-	-
Teaching - special schools	38,800	111,616	110,256	-	1,360
Instructional media	2,888,741	3,433,077	3,417,862	-	15,215
Pupil services	6,400,025	6,539,306	5,880,823	18,765	639,718
Pupil Transportation	4,515,385	4,808,950	4,462,709	5,546	340,695
Community Services	44,900	46,459	41,559	-	4,900
Employee Benefits	29,525,724	27,063,207	24,460,041	-	2,603,166
Debt service - principal	4,900,430	5,097,902	5,097,902	-	-
Debt service - interest	2,284,422	2,312,346	2,312,294	-	52
TOTAL EXPENDITURES	$ 103,455,358	$ 103,455,358	$ 98,027,683	$ 166,310	$ 5,261,365
Other Uses -					
Transfers - out	$ 200,000	$ 28,631,861	$ 28,598,561	$ -	$ 33,300
TOTAL EXPENDITURES AND OTHER USES	$ 103,655,358	$ 132,087,219	$ 126,626,244	$ 166,310	$ 5,294,665
NET CHANGE IN FUND BALANCE	**$ -**	**$ -**	**$ (21,183,526)**		
FUND BALANCE, BEGINNING OF YEAR	39,501,439	39,501,439	39,501,439		
FUND BALANCE, END OF YEAR	**$ 39,501,439**	**$ 39,501,439**	**$ 18,317,913**		

Note to Required Supplementary Information:

A reconciliation is not necessary since encumbrances are presented in a separate column on this schedule.

Supplementary Information

VICTOR CENTRAL SCHOOL DISTRICT, NEW YORK

Schedule of Change From Adopted Budget To Final Budget
And The Real Property Tax Limit
For The Year Ended June 30, 2025

CHANGE FROM ADOPTED BUDGET TO FINAL BUDGET:

Adopted budget	$ 103,224,919
Prior year's encumbrances	430,439
Original Budget	$ 103,655,358
Budget revisions -	
Voter approved capital reserve use	28,431,861
FINAL BUDGET	**$ 132,087,219**

SECTION 1318 OF REAL PROPERTY TAX LAW LIMIT CALCULATION:

2024-25 voter approved expenditure budget		$ 109,771,405
Unrestricted fund balance:		
Assigned fund balance	$ 3,824,620	
Unassigned fund balance	4,390,856	
Total Unrestricted fund balance	$ 8,215,476	
Less adjustments:		
Appropriated fund balance	$ 3,658,310	
Encumbrances included in assigned fund balance	166,310	
Total adjustments	$ 3,824,620	
General fund fund balance subject to Section 1318 of Real Property Tax Law		4,390,856
ACTUAL PERCENTAGE		**4.00%**

Supplementary Information

VICTOR CENTRAL SCHOOL DISTRICT, NEW YORK

CAPITAL PROJECTS FUND

Schedule of Project Expenditures

For The Year Ended June 30, 2025

			Expenditures				Methods of Financing			
Project Title	Original Appropriation	Revised Appropriation	Prior Years	Current Year	Total	Unexpended Balance	Obligations	Local Sources	Total	Fund Balance
Bus Purchases 2019-20	$ 879,000	$ 878,844	$ 878,844	$ -	$ 878,844	$ -	$ 879,000	$ -	$ 879,000	$ 156
Bus Purchases 2020-21	865,000	859,819	859,819	-	859,819	-	687,731	-	687,731	(172,088)
Bus Purchase 2021-22	977,036	829,881	829,881	-	829,881	-	519,000	-	519,000	(310,881)
Bus Purchase 2022-23	1,052,000	1,052,000	995,534	-	995,534	56,466	390,814	-	390,814	(604,720)
Bus Purchase 2023-24	1,185,000	1,185,000	1,076,958	-	1,076,958	108,042	210,400	-	210,400	(866,558)
Bus Purchase 2024-25	1,375,000	1,375,000	-	1,170,376	1,170,376	204,624	-	-	-	(1,170,376)
2024 $99M Capital Project	99,419,031	99,419,031	-	1,535,128	1,535,128	97,883,903	-	28,431,861	28,431,861	26,896,733
Vehicle Purchase 2023-24	210,000	210,000	202,236	-	202,236	7,764	-	-	-	(202,236)
Campus Improvement 2019	29,287,427	29,287,427	29,287,427	-	29,287,427	-	26,787,427	2,500,000	29,287,427	-
Leases	733,631	733,631	-	733,631	733,631	-	733,631	-	733,631	-
TOTAL	**$ 135,983,125**	**$ 135,830,633**	**$ 34,130,699**	**$ 3,439,135**	**$ 37,569,834**	**$ 98,260,799**	**$ 30,208,003**	**$ 30,931,861**	**$ 61,139,864**	**$ 23,570,030**

(See Independent Auditors' Report)

Supplementary Information

VICTOR CENTRAL SCHOOL DISTRICT, NEW YORK

Combining Balance Sheet - Nonmajor Governmental Funds

June 30, 2025

	Special Revenue Fund		
	School Lunch Fund	Debt Service Fund	Total Nonmajor Governmental Funds
ASSETS			
Cash and cash equivalents	$ (90,015)	$ 3,039,158	$ 2,949,143
Receivables	189,325	-	189,325
Inventories	67,802	-	67,802
Due from other funds	733,389	212,031	945,420
TOTAL ASSETS	**$ 900,501**	**$ 3,251,189**	**$ 4,151,690**
LIABILITIES AND FUND BALANCES			
Liabilities -			
Accounts payable	$ 18,103	$ -	$ 18,103
Accrued liabilities	23,756	-	23,756
Due to other funds	106,664	-	106,664
Due to other governments	583	-	583
Unearned revenue	57,615	-	57,615
TOTAL LIABILITIES	**$ 206,721**	**$ -**	**$ 206,721**
Fund Balances -			
Nonspendable	$ 67,802	$ -	$ 67,802
Restricted	-	3,251,189	3,251,189
Assigned	625,978	-	625,978
TOTAL FUND BALANCE	**$ 693,780**	**$ 3,251,189**	**$ 3,944,969**
TOTAL LIABILITIES AND FUND BALANCES	**$ 900,501**	**$ 3,251,189**	**$ 4,151,690**

Supplementary Information

VICTOR CENTRAL SCHOOL DISTRICT, NEW YORK

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Governmental Funds

For The Year Ended June 30, 2025

	Special Revenue Fund		
	School Lunch Fund	**Debt Service Fund**	**Total Nonmajor Governmental Funds**
REVENUES			
Use of money and property	$ 1,447	$ 262,573	$ 264,020
Miscellaneous	7,483	-	7,483
State sources	1,239,804	-	1,239,804
Federal sources	1,359,570	-	1,359,570
Sales	360,235	-	360,235
TOTAL REVENUES	**$ 2,968,539**	**$ 262,573**	**$ 3,231,112**
EXPENDITURES			
Employee benefits	$ 379,577	$ -	$ 379,577
Cost of sales	1,487,214	-	1,487,214
Other expenses	1,096,270	-	1,096,270
TOTAL EXPENDITURES	**$ 2,963,061**	**$ -**	**$ 2,963,061**
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	$ 5,478	$ 262,573	$ 268,051
OTHER FINANCING SOURCES (USES)			
Premium on obligations issued	$ -	$ 14,595	$ 14,595
TOTAL OTHER FINANCING SOURCES (USES)	**$ -**	**$ 14,595**	**$ 14,595**
NET CHANGE IN FUND BALANCE	**$ 5,478**	**$ 277,168**	**$ 282,646**
FUND BALANCE, BEGINNING OF YEAR	688,302	2,974,021	3,662,323
FUND BALANCE, END OF YEAR	**$ 693,780**	**$ 3,251,189**	**$ 3,944,969**

Supplementary Information

VICTOR CENTRAL SCHOOL DISTRICT, NEW YORK

Net Investment in Capital Assets/Right to Use Assets

For The Year Ended June 30, 2025

Capital Assets/Right to Use Assets, net		$ 119,943,078
Deduct:		
Serial bond payable	$ 38,580,000	
Lease liability	733,238	
Energy performance contract	2,540,501	
Unamortized bond premium	4,463,532	
Assets purchased with short-term financing	3,326,859	
Other debt related to capital assets	1,196,637	
		50,840,767
Net Investment in Capital Assets/Right to Use Assets		**$ 69,102,311**

Supplementary Information

VICTOR CENTRAL SCHOOL DISTRICT, NEW YORK

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For The Year Ended June 30, 2025

Grantor / Pass - Through Agency Federal Award Cluster / Program	Assistance Lising Number	Pass-Through Agency Number		Total Expenditures
U.S. Department of Education:				
Passed Through NYS Education Department -				
Special Education Cluster IDEA -				
Special Education - Grants to States (IDEA, Part B)	84.027	0032-25-0673	$	969,453
Special Education - Preschool Grants (IDEA Preschool)	84.173	0033-25-0673		23,430
Total Special Education Cluster IDEA			$	992,883
Education Stabilization Fund -				
ARP - ESSER 3-COVID-19	84.425U	5880-21-2215	$	2,947
ARP - SLR Learning Loss-COVID-19	84.425U	5884-21-2215		138,205
ARP - Homeless-COVID-19	84.425W	5218-21-2215		1,028
Total Education Stabilization Fund			$	142,180
Title IIA - Supporting Effective Instruction State Grant	84.367	0147-25-2215		92,863
Title IIIA - Immigant Education	84.365	0293-25-2215		13,562
Title IVA - Student Support and Academic Enrichment Grants	84.424	0204-25-2215		29,579
Title I - Grants to Local Educational Agencies	84.010	0021-24-2215		2,370
Title I	84.010	0021-25-2215		371,633
Total U.S. Department of Education			**$**	**1,645,070**
U.S. Department of Agriculture:				
Passed Through NYS Education Department -				
Child Nutrition Cluster -				
National School Lunch Program	10.555	26170106	$	859,607
National School Lunch Program-Non-Cash Assistance (Commodities)	10.555	26170106		149,110
Supply Chain Assistance-COVID-19	10.555	26170106		89,576
National School Breakfast Program	10.553	26170106		232,016
Total Child Nutrition Cluster			$	1,330,309
Local Food for Schools	10.185	26170107		29,261
Total U.S. Department of Agriculture			**$**	**1,359,570**
TOTAL EXPENDITURES OF FEDERAL AWARDS			**$**	**3,004,640**

Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards*

<u>Independent Auditors' Report</u>

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

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Victor Central School District, New York (the District) as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated October 6, 2025.

Report on Internal Control over Financial Reporting

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

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards.*

Purpose of this Report

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

Mengel, Metzger, Barr & Co. LLP

Rochester, New York
October 6, 2025