



**OFFICIAL STATEMENT
SERIAL BONDS AND BOND ANTICIPATION NOTES**

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

The School District **WILL NOT** designate the Bonds and Notes as "qualified tax-exempt obligations" pursuant to Section 265(b)(3) of the Code.

**WALLKILL CENTRAL SCHOOL DISTRICT
ORANGE AND ULSTER COUNTIES, NEW YORK**

General Obligation Bonds
\$14,560,000 School District (Serial) Bonds, 2026
(the "Bonds")

Dated: June 23, 2026

Due: June 15, 2027-2040

\$11,345,000 Bond Anticipation Notes, 2026
(the "Notes")

Dated: June 24, 2026

Due: June 24, 2027

All the Bonds and Notes are general obligations of the Wallkill Central School District, Orange and Ulster Counties, New York. All the taxable real property within such School District is subject to the levy of ad valorem taxes to pay the Bonds and Notes and interest thereon without limitation as to rate or amount. See "Nature of Obligation" and "Tax Levy Limitation Law" herein. The faith and credit of said Wallkill Central School District are irrevocably pledged for the payment of said Bonds and Notes and the interest thereon.

The Bonds will be issued as registered bonds and, when issued, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York, ("DTC") which will act as securities depository for the Bonds. Individual purchases will be made in book-entry only form, in the principal amount of \$5,000 or integral multiples thereof. Purchasers will not receive certificates representing their ownership interest in the Bonds. The Bonds bear interest from June 23, 2026, with interest thereon payable on December 15, 2026 and semi-annually thereafter on June 15 and December 15. Principal and interest will be paid by the School District to DTC, which will in turn remit such principal and interest to its Participants for subsequent distribution to the Beneficial Owners of the Bonds as described herein. The Record Date for the Bonds shall be the last business day of the calendar month preceding each payment date. Such Bonds mature on June 15 each year as set forth below.

The below-stated annual principal installments, together with the interest thereon, are expected to provide for substantially level or declining annual debt service on the Bonds. **THE SCHOOL DISTRICT MAY, AFTER SELECTING THE LOW BIDDER, ADJUST SUCH INSTALLMENTS TO THE EXTENT NECESSARY TO MEET THE LEGAL REQUIREMENTS OF SUBSTANTIALLY LEVEL OR DECLINING ANNUAL DEBT SERVICE.**

MATURITIES

2027	\$ 1,050,000	:	2031	\$ 980,000	:	2035	\$ 990,000	:	2038	\$ 1,145,000
2028	1,085,000	:	2032	1,020,000	:	2036	1,035,000	:	2039	1,190,000
2029	1,135,000	:	2033	955,000	:	2037	1,090,000	:	2040	755,000
2030	1,170,000	:	2034	960,000	:			:		

Bonds maturing on or before June 15, 2034 are not subject to redemption prior to maturity. Bonds maturing on or after June 15, 2035 are subject to redemption, at the option of the School District, prior to maturity, in whole or in part, on any date on or after June 15, 2034, at par, plus accrued interest to the redemption date.

The Notes will be issued without the option of prepayment, with interest payable at maturity. The Notes will be issued in bearer form or non-book-entry registered form unless the winning bidder requests registered book-entry-only form as stated below. If issued in bearer or non-book-entry registered certificated form, the paying agent, acceptable to the School District, may be designated by and will be paid by the winning bidder. If issued in book-entry registered form, the School District Clerk will act as the paying agent on the Notes.

At the option of the purchaser(s), the Notes will be issued as book-entry only registered notes, and, if so issued, will be registered in the name of Cede & Co. as nominee of The Depository Trust Company ("DTC"), New York, New York, which will act as the securities depository for the Notes. Noteholders will not receive certificates representing their ownership interest in the note purchased. Under this option, payment of the principal of and interest on the Notes to the Beneficial Owner of the Notes will be made to DTC Participants and Indirect Participants in accordance with standing instructions and customary practices. Payment will be the responsibility of DTC, subject to any statutory and regulatory requirements as may be in effect from time to time. See "Book-Entry-Only System" herein.

Telefax (585-924-4636) or written proposals will be received by the President of the Board of Education on **TUESDAY, JUNE 2, 2026 until 12:00 p.m. Prevailing Time**, in accordance with the official Notices of Sale included herewith, at Bernard P. Donegan, Inc., 345 Woodcliff Drive, 2nd Floor, Fairport, New York 14450.

The Bonds and Notes are offered when, as and if issued and received by the Purchaser and subject to the receipt of a respective approving legal opinion as to the validity of the Bonds and Notes of Orrick, Herrington & Sutcliffe LLP, New York, New York, Bond Counsel. It is anticipated that the Bonds will be available for inspection in escrow at DTC one day in advance of the date of delivery of the Bonds subject to DTC operational limitations as of the date hereof. The closing will be in New York, New York or at such other place as may be agreed upon with the purchaser on or about June 23, 2026 at approximately 11:00 a.m. Prevailing Time. If issued in bearer form or non-book-entry registered form, closing on the Notes will be in Walkill or New York, New York; if issued in book-entry-only registered form, the closing will be in New York, New York on June 24, 2026, at approximately 11:00 a.m. Prevailing Time, against receipt of the purchase price of the Notes in Federal Funds.

May 18, 2026

APPROVING OPINION

Orrick, Herrington & Sutcliffe LLP
New York, New York

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

\$14,560,000*

**WALLKILL CENTRAL SCHOOL DISTRICT,
ORANGE AND ULSTER COUNTIES, NEW YORK
SCHOOL DISTRICT (SERIAL) BONDS, 2026
NOTICE OF BOND SALE**

Proposals will be received and considered by the undersigned President of the Board of Education of the Wallkill Central School District, Orange and Ulster Counties, New York, via iPreo's Parity Electronic Bids Submission System ("Parity") or by facsimile transmission at (585) 924-4636, at the offices of Bernard P. Donegan, Inc., 345 Woodcliff Drive, 2nd Floor, Fairport, New York 14450, until 12:00 P.M., Prevaling Time, on the 2nd day of June, 2026, at which time and place bids will be opened, for the purchase IN FEDERAL FUNDS at not less than par and accrued interest of

\$14,560,000* School District (Serial) Bonds, 2026, of said School District, dated June 23, 2026, and maturing in annual principal installments which, together with interest thereon, are expected to provide for substantially level or declining annual debt service on such bonds, as defined and described in paragraph d of Section 21.00 of the New York Local Finance Law, as follows: \$1,050,000 on June 15, 2027, \$1,085,000 on June 15, 2028, \$1,135,000 on June 15, 2029, \$1,170,000 on June 15, 2030, \$980,000 on June 15, 2031, \$1,020,000 on June 15, 2032, \$955,000 on June 15, 2033, \$960,000 on June 15, 2034, \$990,000 on June 15, 2035, \$1,035,000 on June 15, 2036, \$1,090,000 on June 15, 2037, \$1,145,000 on June 15, 2038, \$1,190,000 on June 15, 2039, and \$755,000 June 15, 2040, with interest thereon payable on December 15, 2026 and semi-annually thereafter on June 15 and December 15.

*The aggregate par amount of bonds may be decreased in an amount not in excess of the premium offered by the successful bidder, and the amount of each annual maturity, as set forth herein, may be adjusted to the extent necessary, in order that the total proceeds, which include the total par amount of the bonds plus all or a portion of the original issue premium, if any, received by the School District, may be used for the capital project financed by the bonds. The annual maturities of the bonds may also be adjusted for the purpose of attaining annual debt service that is substantially level or declining as provided in said Section 21.00(d) of the Local Finance Law. The bonds of each maturity, as adjusted, will bear interest at the same rate and must have the same initial reoffering yields as specified for that maturity by the successful bidder for the bonds. It is the intent of this provision to hold constant, on a per bond basis, the successful bidder's underwriting spread. However, award will be made to the bidder whose bid produces the lowest net interest cost, calculated as specified herein, solely on the basis of the bonds offered, without taking into account any adjustment in the amount of bonds pursuant to this paragraph. Such adjustments will be made within twenty-four (24) hours following the opening of the bids. The successful bidder may neither withdraw nor modify its bid as a result of any such post-bid adjustment. Any such adjustment shall be conclusive, and shall be binding upon the successful bidder.

The bonds will initially be issued in registered form in denominations such that one bond shall be issued for each maturity of bonds in such amounts as hereinafter set forth, and when issued will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), which will act as securities depository for the bonds. Ownership interest in the bonds will be transferred pursuant to the "Book-Entry-Only System" of DTC, as described in the Official Statement prepared by the School District with respect to the bonds. Principal and interest on the bonds will be payable by check or draft mailed by the School District to DTC, or to its nominee, Cede & Co., as the registered owner of the bonds. Principal and interest will be payable in lawful money of the United States of America. Bonds will be fully registered and will be valid and legally binding general obligations of said School District, all the taxable real property within which will be subject to the levy of ad valorem taxes to pay said bonds and interest thereon, without limitation as to rate or amount. The bonds may not be converted into coupon bonds or be registered to bearer.

Bonds maturing on or before June 15, 2034 are not subject to redemption prior to maturity. Bonds maturing on or after June 15, 2035 will be subject to redemption, at the option of the School District, prior to maturity, in whole or in part, on any date on or after June 15, 2034, at par, plus accrued interest to the date of redemption.

If less than all of the bonds of any maturity are to be redeemed, the particular bonds of such maturity to be redeemed shall be selected by the School District by lot in any customary manner of selection as determined by the President of the Board of Education. Notice of such call for redemption shall be given by transmitting such notice to the

registered holder not more than sixty (60) days nor less than thirty (30) days prior to such date. Notice of redemption having been given as aforesaid, the bonds so called for redemption shall, on the date for redemption set forth in such call for redemption, become due and payable, together with interest to such redemption date, and interest shall cease to be paid thereon after such redemption date.

The State Constitution requires the School District to pledge its faith and credit for the payment of the principal of the bonds and the interest thereon and to make annual appropriations for the amounts required for the payment of such interest and the redemption of such bonds. The State Constitution also provides that if at any time the appropriating authorities fail to make the required appropriations for the annual debt service on the bonds and certain other obligations of the School District, a sufficient sum shall be set apart from the first revenues thereafter received and shall be applied for such purposes; also that the fiscal officer of the School District may be required to set apart and apply such revenues as aforesaid at the suit of any holder of such obligations.

In the event of a default in the payment of the principal of and/or interest on the bonds, the State Comptroller is required to withhold, under certain conditions prescribed by Section 99-b of the State Finance Law, state aid and assistance to said School District and to apply the amount thereof so withheld to the payment of such defaulted principal and/or interest, which requirement constitutes a covenant by the State of New York with the holders from time to time of the bonds.

Each bid must be for all of said \$14,560,000 serial bonds and may state a single rate of interest or different rates of interest for bonds maturing in different calendar years; provided, however, that (i) only one rate of interest may be bid for all bonds maturing in any one calendar year, (ii) the maximum difference between the highest and lowest rate of interest bid for the bonds may not exceed three per centum per annum, (iii) variations in rates of interest so bid shall be in ascending progression in order of maturity so that the rate of interest on bonds maturing in any particular calendar year shall not be less than the rate of interest applicable to bonds maturing in any prior calendar year, and (iv) all rates of interest bid must be stated in a multiple of one-eighth or one-hundredth of one per centum per annum. Unless all bids are rejected, the award will be made to the bidder complying with the terms of sale and offering to purchase said bonds at such rate or rates of interest as will produce the lowest net interest cost computed in accordance with the net interest cost method of calculation, that being the rate or rates of interest which will produce the least interest cost over the life of the bonds, after accounting for the premium offered, if any; provided, however, that the School District reserves the right, in its sole discretion, after selecting the low bidder, to adjust the aforesaid maturity installments to the extent necessary as further described herein to meet the requirements of substantially level or annual declining debt service and the premium bid over par must remain unchanged after such possible changes. Any such adjustment by the School District shall be conclusive and shall be binding upon the successful bidder. If two or more such bidders offer to purchase the bonds at the same net interest cost, computed as described above, the bonds will be awarded to the bidder whose bid offers to purchase the bonds at the highest premium dollar amount. The right is reserved to reject any or all bids, and any bid not complying with this Notice of Bond Sale will be rejected.

Proposals may be submitted electronically via iPreo's Parity Electronic Bid Submission System ("Parity") or via facsimile transmission at (585) 924-4636, in accordance with this Notice of Bond Sale, until the time specified herein. No other form of electronic bidding services nor telephone proposals will be accepted. No proposal will be accepted after the time for receiving proposals specified above. Bidders submitting proposals via facsimile must use the "Proposal for Bonds" form attached hereto. Once the proposals are communicated electronically via Parity or via facsimile to the School District, each bid will constitute an irrevocable offer to purchase the bonds pursuant to the terms therein provided.

Prospective bidders wishing to submit an electronic bid via Parity must be contracted customers of Parity. Prospective bidders who do not have a contract with Parity must call (212) 849-5021 to become a customer. By submitting an electronic bid for the bonds, a bidder represents and warrants to the School District that such bidder's bid for the purchase of the bonds is submitted for and on behalf of such prospective bidder by an officer or agent who is duly authorized to bind the bidder to a legal, valid and enforceable contract for the purchase of the bonds.

Each prospective bidder who wishes to submit electronic bids shall be solely responsible to register to bid via Parity. Each qualified prospective bidder shall be solely responsible to make necessary arrangements to access Parity for purposes of submitting its bid in a timely manner and in compliance with the requirements of this Notice of Bond Sale. Neither the School District nor Parity shall have any duty or obligation to undertake such registration to bid for any prospective bidder or to provide or assure such access to any qualified prospective bidder, and neither the School District nor Parity shall be responsible for a bidder's failure to register to bid or for proper operation of, or have any liability for any delays or interruptions of, or any damages caused by Parity. The School District is using Parity as a communications mechanism, and not as the School District's agent, to conduct the electronic bidding for the School District's bonds. The School District is not bound by any advice or determination of Parity as to whether any bid

complies with the terms of this Notice of Bond Sale. All costs and expenses incurred by prospective bidders in connection with their registration and submission of bids via Parity are the sole responsibility of the bidders, and the School District is not responsible, directly or indirectly, for any such costs or expenses. If a prospective bidder encounters any difficulty in registering to bid, or submitting or modifying a bid for the bonds, it should telephone Parity and notify the School District's Municipal Advisor, Bernard P. Donegan, Inc. at (585) 924-2145 (provided that the School District shall have no obligation to take any action whatsoever upon receipt of such notice).

If any provisions of this Notice of Bond Sale shall conflict with information provided by Parity, as approved provider of electronic bidding services, the provisions of this Notice of Bond Sale shall control. Further information about Parity, including any fee charged, may be obtained from Parity at (212) 849-5021. The time maintained by Parity shall constitute the official time with respect to all bids submitted.

A good faith deposit (the "Deposit") in the form of a certified or cashier's check or a wire transfer in the amount of \$291,200 payable to the order of the Wallkill Central School District, New York is required for each bid to be considered. If a check is used, it must accompany each bid. If a wire transfer is issued, it must be sent to the account so designated by the School District for such purpose, not later than 11:00 A.M. on the date of the sale and the wire reference number must be provided on the "Proposal For Bonds" when the bid is submitted. Bidders are instructed to contact Bernard P. Donegan, Inc., 345 Woodcliff Drive, 2nd Floor, Fairport, New York 14450, the School District's Municipal Advisor, no later than 24 hours prior to the bid opening to obtain the School District's wire instruction. No interest on the Deposit will accrue to the Purchaser.

Said bonds are issued pursuant to the Constitution and statutes of the State of New York, including, among others, the Education Law and the Local Finance Law, and are issued for the reconstruction of and construction of improvements to various School District buildings and facilities.

THE SCHOOL DISTRICT RESERVES THE RIGHT TO CHANGE THE TIME AND/OR DATE FOR THE OPENING OF BIDS. NOTICE OF ANY SUCH CHANGE SHALL BE PROVIDED NOT LESS THAN ONE HOUR PRIOR TO THE TIME SET FORTH ABOVE FOR THE OPENING OF BIDS BY MEANS OF A SUPPLEMENTAL NOTICE OF BOND SALE TO BE TRANSMITTED OVER THE TM3.

If the bonds qualify for issuance of any policy of municipal bond insurance or commitment therefor at the option of a bidder, the purchase of any such insurance policy or the issuance of any such commitment therefor shall be at the sole option and expense of such bidder and any increased costs of issuance of the bonds resulting by reason of the same, unless otherwise paid, shall be paid by such bidder. Any failure of the bonds to be so insured or of any such policy of insurance to be issued, shall not constitute cause for a failure or refusal by the purchaser of the bonds to accept delivery of and pay for said bonds in accordance with the terms of the purchase contract.

In the event that prior to the delivery of the bonds, the income received by owners thereof from bonds of the same type and character becomes includable in the gross income of such owners for Federal income tax purposes, the successful bidder may, at his election, be relieved of his obligations under the contract to purchase the bonds, and in such case, the deposit accompanying his bid will be returned.

The purchase price of the bonds, in accordance with the purchaser's bid, shall be paid IN FEDERAL FUNDS or other funds available for immediate credit on the day of delivery, in an amount equal to the par amount of such bonds, plus the premium, if any, plus accrued interest from the date of such bonds until said day of delivery, less the amount of the good faith deposit submitted with the bid. The closing on said bonds will take place at the offices of Orrick, Herrington & Sutcliffe LLP, 51 West 52nd Street, New York, New York, on or about June 23, 2026.

The Municipal Advisor intends to provide the purchaser of the issue with CUSIP identification numbers as is discussed in the Official Statement, in compliance with MSRB Rule G-34, (a)(i) (A)-(H). As is further discussed in Rule G-34 the purchaser, as the "dealer who acquires" the issue, is responsible for the registration fee to the CUSIP Bureau for this service. It is anticipated that CUSIP identification numbers will be printed on the bonds. All expenses in relation to the printing of CUSIP numbers on the Bonds will be paid for by the School District, provided, however; that the School District assumes no responsibility for any CUSIP Service Bureau charge or other charges that may be imposed for the assignment of such numbers.

The bonds will be available for inspection by the purchaser at The Depository Trust Company, in Jersey City, New Jersey, not less than 24 hours prior to the time set for the delivery thereof. It shall be the responsibility of the purchaser to verify the CUSIP numbers at such time.

As a condition to the purchaser's obligation to accept delivery of and pay for the bonds, the purchaser will be furnished, without cost, the following, dated as of the date of the delivery of and payment for the bonds: (i) a certificate of the President of the Board of Education certifying that (a) as of the date of the Official Statement furnished by the School District in relation to said bonds (which Official Statement is deemed by the School District to be final for purposes of Securities and Exchange Commission Rule 15c2-12, except for the omission therefrom of those items allowable under said Rule), said Official Statement did not contain any untrue statements of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, subject to the condition that while information in said Official Statement obtained from sources other than the School District is not guaranteed as to accuracy, completeness or fairness, he has no reason to believe and does not believe that such information is materially inaccurate or misleading, and (b) to his knowledge, since the date of said Official Statement, there have been no material transactions not in the ordinary course of affairs entered into by the School District and no material adverse changes in the general affairs of the School District or in its financial condition as shown in said Official Statement other than as disclosed in or contemplated by said Official Statement; (ii) a Closing Certificate, constituting receipt for the bond proceeds and a signature certificate, which will include a statement that no litigation is pending or, to the knowledge of the signers, threatened affecting the bonds; (iii) an arbitrage certificate executed on behalf of the School District which includes, among other things, covenants, relating to compliance with the Internal Revenue Code of 1986 (the "Code"), with the owners of the bonds that the School District will, among other things, (A) take all actions on its part necessary to cause interest on the bonds not to be includable in the gross income of the owners thereof for Federal income tax purposes, including, without limitation, restricting, to the extent necessary, the yield on investments made with the proceeds of the bonds and investment earnings thereon, making required payments to the Federal government, if any, with regard to both the bonds and any obligations refunded with proceeds of the bonds, and maintaining books and records in a specified manner, where appropriate, and (B) refrain from taking any action which would cause interest on the bonds to be includable in the gross income of the owners thereof for Federal income tax purposes, including, without limitation, refraining from spending the proceeds of the bonds and investment earnings thereon on certain specified purposes; (iv) a Continuing Disclosure Undertaking Certificate of the School District, executed by the President of the Board of Education stating that the School District has agreed, in accordance with the Rule, to provide or cause to be provided during any succeeding fiscal year in which the bonds are outstanding a copy of the audited financial statement, if any, and certain annual financial information, operating data and material events notification as further described in the Official Statement; and (v) the approving legal opinion as to the validity of the bonds of Orrick, Herrington & Sutcliffe LLP, New York, New York, Bond Counsel. Reference should be made to said Official Statement for a description of the scope of Bond Counsel's engagement in relation to the issuance of the bonds and the matters covered by such legal opinion. Furthermore, reference should be made to the information under the heading "Legal Matters" in the Official Statement.

Following the sale of the bonds, on the Sale Date, the successful bidder will be required to provide to the School District and its Bond Counsel certain information regarding the reoffering price to the public of each maturity of the bonds. The successful bidder also must submit to the School District a certificate (the "Reoffering Price Certificate"), satisfactory to Bond Counsel, dated as of the day of the delivery of the bonds, which assuming at least three separate bids from three underwriters are received, states:

(a)(i) on the date of award, such successful bidder made a bona fide public offering of all bonds of all maturities at initial offering prices corresponding to the prices or yields indicated in the information furnished in connection with the successful bid, and (ii) as of such date, the first price or yield at which an amount equal to at least ten percent of each maturity of the bonds was reasonably expected to be sold to the public was, respectively, a price not higher or a yield not lower than indicated in the information furnished with the successful bid (the "first price rule"), and (iii) provides a copy of the pricing wire or equivalent communication for the bonds attached to the Reoffering Price Certificate. The public means any persons including an individual, trust, estate, partnership, association, company or corporation (other than the successful bidder or a related party to the successful bidder, being two or more persons who have greater than 50% common ownership directly or indirectly, or any person that agrees pursuant to a written contract or other agreement with the successful bidder to participate in the initial sale of the bonds to the public).

(b) the successful bidder was not given the opportunity to review other bids prior to submitting its bid.

(c) the bid submitted by the successful bidder constituted a firm offer to purchase the bonds.

In the event that at least three bids are not received by the School District on the Sale Date, and at least ten percent of each maturity of the bonds have been sold on the Sale Date, the successful bidder shall certify as to the first price or yield at which ten percent of each maturity was sold and provide a copy of the pricing wire or equivalent communication.

In addition, in the event that (1) at least three bids are not received by the School District on the Sale Date, and (2) ten percent of each maturity of the bonds have not been sold on the Sale Date (each an "Unsold Maturity"), the successful bidder (and any members of its underwriting group or syndicate) shall have the option (i) to provide to the School District (or its agents) ongoing pricing information, together with reasonable supporting documentation acceptable to bond counsel (such as the pricing wire), until 10% of each Unsold Maturity is sold (the "Follow-the-Price Requirement"), or (ii) shall be required to hold the initial reoffering price to the public of each such Unsold Maturity (as reported to the School District on the Sale Date) for the lesser of five (5) business days after the Sale Date or the date on which at least 10% of each such Unsold Maturity are sold (the "Hold-the-Offering-Price Requirement"). A certification as to the details of compliance with this requirement shall be part of the Reoffering Price Certificate.

The School District or its Municipal Advisor on its behalf shall advise the successful bidder on the Sale Date as to whether at least three bids were received. Delivery of a bid shall constitute the bidder's agreement to comply with the Hold-the-Offering-Price Requirement or the Follow-the-Price Requirement of this Notice of Bond Sale and to certify to compliance therewith under the circumstances described herein.

Such certificate shall state that it is made on the best knowledge, information and belief of the successful bidder after appropriate investigation.

Any party executing and delivering a bid for the bonds agrees, if its bid is accepted by the School District, to provide to the School District, in writing, within two business days after the date of such award, all information which said successful bidder determines is necessary for it to comply with SEC Rule 15c2-12, including all necessary pricing and sale information, information with respect to the purchase of municipal bond insurance, if any, and underwriter identification. Within five business days following receipt by the School District thereof the School District will furnish to the successful bidder, in reasonable quantities as requested by the successful bidder, copies of said Official Statement, updated as necessary, and supplemented to include said information. Failure by the successful bidder to provide such information will prevent the School District from furnishing such Official Statement as described above. The School District shall not be responsible or liable in any manner for the successful bidder's determination of information necessary to comply with SEC Rule 15c2-12 or the accuracy of any such information provided by the successful bidder or for failure to furnish such Official Statements as described above which results from a failure by the successful bidder to provide the aforementioned information within the time specified. Acceptance by the successful bidder of such final Official Statements shall be conclusive evidence of the satisfactory completion of the obligations of said School District with respect to the preparation and delivery thereof.

The population of the School District is estimated to be 22,783 (2024 U.S. Census estimate). The Debt Statement to be filed, pursuant to Section 109.00 of the Local Finance Law in connection with the sale of the bonds herein described, prepared as of May 18, 2026, will show the full valuation of real estate subject to taxation by the School District to be \$3,119,590,418, its debt limit to be \$311,959,041, and its total net indebtedness subject to the debt limit to be \$40,908,917. Bond anticipation notes in the amount of \$14,560,000 will be redeemed in full with proceeds of said bonds. The issuance of the bonds will not increase the net indebtedness subject to the debt limit. A detailed Official Statement will be furnished to any interested bidder upon request.

The School District will act as Paying Agent for the bonds. The School District's contact information is as follows: Brian Devincenzi, Assistant Superintendent for Support Services, Wallkill Central School District, 1500 Route 208, Wallkill, New York 12589, Phone: (845) 895-7102, Email: bdevincenzi@wallkillcsd.k12.ny.us.

Requests for additional information or additional copies of the Notice of Bond Sale and Official Statement may be directed to Bernard P. Donegan, Inc., 345 Woodcliff Drive, 2nd Floor, Fairport, New York 14450; phone (585) 924-2145, fax (585) 924-4636.

Dated: Wallkill, New York,
May 18, 2026.

President, Board of Education



PROPOSAL FOR BONDS

Tom Frisbie
 President, Board of Education
 Wallkill Central School District
 c/o Bernard P. Donegan, Inc.
 345 Woodcliff Drive, 2nd Floor
 Fairport, New York 14450
 Facsimile: (585) 924-4636

\$14,560,000 School District (Serial) Bonds, 2026
 Sale Date & Time: June 2, 2026 at 12:00 p.m.

(1)	<u>Year of Maturity</u>	<u>Interest Rate</u>		<u>Year of Maturity</u>	<u>Interest Rate</u>		<u>Year of Maturity</u>	<u>Interest Rate</u>		<u>Year of Maturity</u>	<u>Interest Rate</u>
	2027	_____ %		2030	_____ %		2033	_____ %		2036	_____ %
	2028	_____ %		2031	_____ %		2034	_____ %		2037	_____ %
	2029	_____ %		2032	_____ %		2035	_____ %		2038	_____ %

(2) Gross Interest \$	Net Interest \$
Premium Bid Over Par. \$	Net Interest Cost %

(3) Check one of the following:

- We enclose a certified or cashier's check for \$291,200 payable to the order of the Wallkill Central School District, New York. If the bid is accepted, the Deposit will be applied as part payment for the Bonds or, if the bidder does not purchase the Bonds in accordance with its proposal, the Deposit will be retained by the School District as and for liquidated damages. If the bid is not accepted, the Deposit will be returned to the bidder.
- We sent a fed wire transfer of \$291,200 to the account of said Wallkill Central School District, New York designated for such purpose in accordance with the Notice of Bond Sale and instructions provided by the School District's Municipal Advisor. The fed wire reference number is _____ sent at _____. If the bid is accepted, the Deposit will be applied as part payment for the Bonds or, if the bidder does not purchase the Bonds in accordance with its proposal, the Deposit will be retained by the School District as and for liquidated damages. If the bid is not accepted, the Deposit will be returned to the bidder.

(4) A) **ISSUE PRICE:**
THE BIDDER REPRESENTS THAT IT HAS AN ESTABLISHED INDUSTRY REPUTATION FOR UNDERWRITING NEW ISSUANCES OF MUNICIPAL BONDS SIMILAR TO THE BONDS. (Select one)

YES ___ NO ___

If the Competitive Sale Requirements are not met, the Bidder will use one or more of the following methods to determine the issue price of the Bonds:

Please select one of the following:

(if none are selected, then the method shall be assumed to be Follow the Price for each maturity with at least 10% sold on the Sale Date at the Initial Reoffering Price and Hold the Price for all unsold maturities):

_____ Follow the Price for all maturities -or- _____ Hold the Price for all maturities -or-

_____ Follow the Price for each maturity with at least 10% of each maturity sold on the Sale Date at the Initial Reoffering Price and Hold the Price Rule for all other maturities

B) **TO BE COMPLETED BY BIDDERS WHO ARE PURCHASING BONDS FOR THEIR OWN ACCOUNT:** The Bidder is not acting as an underwriter with respect to the Bonds or is not a related party to an underwriter with respect to the Bonds and has no present intention to sell, reoffer or otherwise dispose of the Bonds.

YES ___ NO ___

(5) **BIDDER:**

AGENT for Bidder:

Firm/Bank _____
 Individual _____
 Address _____
 Telephone () _____
 E-mail _____

 () _____

(6) **SIGNATURE** of Bidder or Agent _____



NOTICE OF SALE

\$11,345,000 BOND ANTICIPATION NOTES, 2026

WALLKILL CENTRAL SCHOOL DISTRICT ORANGE AND ULSTER COUNTIES, NEW YORK

SALE DATE:	JUNE 2, 2026 (TUESDAY)	Location:	Bernard P. Donegan, Inc.
Facsimile or			345 Woodcliff Dr., 2 nd Floor
Telephone Bids Until:	12:00 P.M. (Prevailing Time)		Fairport, New York 14450
Notes Dated:	June 24, 2026 (Wednesday)	Fax:	(585) 924-4636
Notes Mature:	June 24, 2027 (Thursday)	Phone:	(585) 924-2145

Facsimile, telephone bids or, at the option of the bidders, proposals delivered via the BiDCOMP®/Parity® Electronic Competitive Bidding System ("PARITY") of i-Deal LLC ("i-Deal") will be received as outlined above for the purchase at not less than par and accrued interest of \$11,345,000 Bond Anticipation Notes, 2026. Said Notes will be issued without the option of prepayment, with interest payable at maturity. The Notes will be issued in bearer form or non-book entry registered form unless the winning bidder requests book-entry-only registrable form as stated below.

The timely delivery of all proposals submitted by facsimile (FAX) must be in legible and completed form, signed by an authorized representative of the bidder, and shall be the sole responsibility of the bidder. The School District shall not be responsible for any errors and/or delays in transmission and/or receipt of such bids, mechanical or technical failures or disruptions, or any omissions or irregularities in any bids submitted in such manner.

Prospective bidders wishing to submit an electronic bid via PARITY must be contracted customers of PARITY. Prospective bidders who do not have a contract with PARITY must call (212) 849-5021 to become a customer. By submitting an electronic bid for the Notes, a bidder represents and warrants to the School District that such bidder's bid for the purchase of the Notes is submitted for and on behalf of such prospective bidder by an officer or agent who is duly authorized to bind the bidder to a legal, valid and enforceable contract for the purchase of the Notes.

Each prospective bidder who wishes to submit electronic bids shall be solely responsible to register to bid via PARITY. Each qualified prospective bidder is solely responsible for making necessary arrangements to access PARITY for purposes of submitting a timely bid in compliance with the requirements of this Notice of Sale. Neither the School District nor PARITY shall have any duty or obligation to undertake such registration to bid for any prospective bidder or to provide or assure such access to any qualified prospective bidder, and neither the School District nor PARITY shall be responsible for a bidder's failure to register to bid or for the proper operation of PARITY, or have any liability for any delays or interruptions of, or any damages caused by the use or attempted use of PARITY. The School District is using PARITY as a communications mechanism, and not as the School District's agent, to conduct the electronic bidding for the School District's Notes. The School District is not bound by any advice or determination of PARITY as to whether any bid complies with the terms of this Notice of Sale. The use of PARITY facilities are at the sole risk of the prospective bidders. The School District is not responsible for ensuring or verifying bidder compliance with PARITY's procedures. All costs and expenses incurred by prospective bidders in connection with their registration and submission of bids via PARITY are the sole responsibility of the bidders and the School District is not responsible, directly or indirectly, for any such costs or expenses. If a prospective bidder encounters any difficulty in registering to bid, or submitting or modifying a bid for the Notes, it should telephone PARITY and notify the School District's Municipal Advisor, Bernard P. Donegan, Inc. at (585) 924-2145 (provided that the School District shall have no obligation to take any action whatsoever upon receipt of such notice). If the bidder's bid is accepted by the School District, this Notice of Sale and the information that is submitted electronically through PARITY shall form a contract, and the bidder shall be bound by the terms of such contract. Information provided by PARITY to bidders shall form no part of any bid or of any contract between the successful bidder and the School District unless that information is included in this Notice of Sale.

If any provision of the complete official Notice of Sale shall conflict with the information provided by PARITY as the approved provider of electronic bidding services, the official Notice of Sale shall control.

The Notes **WILL NOT** be designated as "qualified tax-exempt obligations" pursuant to Section 265(b)(3) of the Internal Revenue Code of 1986.

The Notes are to be issued by the Wallkill Central School District, Orange and Ulster Counties, New York. The Notes are issued pursuant to the Constitution and statutes of the State of New York, including among others, the Education Law and the Local Finance Law, in anticipation of the sale of serial bonds to finance the cost of the reconstruction and construction of improvements to various School District buildings and facilities (\$6,950,000) and the cost of the School District's share of the cost of a certain capital project to be undertaken by the Board of Cooperative Educational Services of Ulster County (\$4,395,000).

Said Notes are general obligations of the Wallkill Central School District, Orange and Ulster Counties, New York, for the payment of which the School District has pledged its faith and credit. All the taxable real property in said School District is subject to the levy of ad valorem taxes to pay the principal of the Notes and the interest thereon, without limitation as to rate or amount.

In the event of a default in the payment of the principal of or interest on the Notes, the State Comptroller is required to withhold, under certain conditions prescribed by Section 99-b of the State Finance Law, state aid and assistance to the School District and to apply the amount thereof so withheld to the payment of such defaulted principal and/or interest, which requirement constitutes a covenant by the State with the holders from time to time of the Notes.

Principal and interest on the Notes are payable in lawful money of the United States of America in Federal Funds. If issued in bearer form, the paying agent will be a bank or trust company located or authorized to do business in the State of New York. Paying agent fees, if any, are to be paid by the purchaser(s). If issued in registered form, the paying agent on the Notes will be the School District Clerk.

THE TERMS OF THE BIDDING ARE AS FOLLOWS: Each bid must be for at least \$1,000,000 Notes and state, in a multiple of one-eighth or one-hundredth of one per centum per annum, a single rate of interest. The Notes will be awarded to the bidder or bidders offering to purchase the Notes at the lowest net interest cost, after accounting for the premium offered, if any, computed in accordance with the net interest cost method of calculation, and if two or more such bidders offer the same lowest net interest cost, then such award will be made to the bidder offering to purchase the greater principal amount of the Notes and in the event of identical bids, to one of said bidders selected by lot. The right is reserved to award to any bidder all or any part of the Notes which such bidder offers to purchase and, in such event, the premium, if any, will be pro-rated. In any event, award of the Notes will be made on the basis of the bid or combination of bids offering to purchase the Notes on the terms most favorable to the School District. The right is reserved to reject any or all bids. Interest will be computed on a 30-day month/360-day year basis (MSRB Rule G-33).

Denominations, in multiples of \$5,000 (minimum denomination \$5,000), may be determined by the purchaser.

If the purchaser notifies Bond Counsel by 3:00 P.M. Prevailing Time on the date of sale, such Notes may be issued in the form of a book-entry-only registered note, in a denomination corresponding to the principal amount of such Note bearing the same rate of interest and CUSIP number. In the event that the purchaser chooses such book-entry-only registered notes, as a condition to delivery of the Notes, the successful bidder will be required to cause such note certificates to be (i) registered in the name of Cede & Co., as nominee of The Depository Trust Company, Jersey City, New Jersey ("DTC"), and (ii) deposited with DTC to be held in trust until maturity. DTC is an automated depository for securities and clearinghouse for securities transactions, and will be responsible for establishing and maintaining a book-entry-only system for recording the ownership interests of its participants. The DTC participants will be responsible for establishing and maintaining records with respect to the Notes. Individual purchases of beneficial ownership interests in the Notes may only be made through book entries made on the books and records of DTC (or a successor depository) and its participants, in denominations of \$5,000 or integral multiples thereof. Principal of and interest on the Notes will be payable by the School District by wire transfer or in clearinghouse funds to DTC or its nominee as registered owner of the Notes.

Transfer of principal and interest payments to participants of DTC will be the responsibility of DTC; transfer of principal and interest payments to beneficial owners by participants of DTC will be the responsibility of such participants and other nominees of beneficial owners. The School District will not be responsible or liable for payments by DTC to its participants or by DTC participants to beneficial owners or for maintaining, supervising or reviewing the records maintained by DTC, its participants or persons acting through such participants.

In the event the Notes shall be issued under the DTC option described above, the School District agrees to deliver the Notes to DTC one day in advance of the date of delivery of the Notes.

Following the sale of the notes, on the Sale Date, the successful bidder(s) will be required to provide to the School District and its Bond Counsel certain information regarding the reoffering price to the public of the notes. If the winning bidder(s) is purchasing the notes for its own account and not with a view to distribute or resale, they should inform the municipal advisor at the time of award and a certificate to that effect will be required on or before closing. Otherwise, the successful bidder(s) also must submit to the School District a certificate (the "Reoffering Price Certificate"), satisfactory to Bond Counsel, dated as of the day of the delivery of the notes, which assuming three separate bids from three different underwriters are received, states:

- (a) (i) on the date of award, such successful bidder(s) made a bona fide public offering of the notes at the initial offering price corresponding to the price or yield indicated in the information furnished in connection with the successful bid, and (ii) as of such date, the first price or yield at which an amount equal to at least ten percent of the notes was reasonably expected to be sold to the public was, respectively, a price not higher or a yield not lower than indicated in the information furnished with the successful bid (the "first price rule"), and (iii) provides a copy of the pricing wire or equivalent communication for the notes attached to the Reoffering Price Certificate. The term "public" as used herein means any persons including an individual, trust, estate, partnership, association, company or corporation (other than the successful bidder(s) or a related party to the successful

bidder(s), being two or more persons who have greater than 50% common ownership directly or indirectly, or any person that agrees pursuant to a written contract or other agreement with a successful bidder(s) to participate in the initial sale of the notes to the public).

- (b) the successful bidder(s) was not given the opportunity to review other bids prior to submitting its bid.
- (c) the bid submitted by the successful bidder(s) constituted a firm offer to purchase the notes.

In the event that at least three bids are not received by the School District on the Sale Date, and at least ten percent of the notes have been sold on the Sale Date, the successful bidder(s) shall certify as to the first price or yield at which ten percent of the notes was sold in accordance with the first price rule and provide a copy of the pricing wire or equivalent communication.

In addition, in the event that (1) at least three bids are not received by the School District on the Sale Date, and (2) 10% of the notes have not been sold on the Sale Date, the successful bidder(s) (and any members of its underwriting group or syndicate) shall have the option (i) to provide to the School District (or its agents) ongoing pricing information, together with reasonable supporting documentation acceptable to bond counsel (such as the pricing wire), until 10% of the notes is sold (the "Follow-the-Price Requirement"), or (ii) shall be required to hold the initial reoffering price to the public of such notes (as reported to the School District on the Sale Date) for the lesser of five (5) business days after the Sale Date or the date on which at least 10% of such notes are sold (the "Hold-the-Offering-Price Requirement"). A certification as to the details of compliance with this requirement shall be part of the Reoffering Price Certificate.

The School District or its Municipal Advisor on its behalf shall advise the successful bidder(s) on the Sale Date as to whether at least three bids were received. Delivery of a bid shall constitute the bidder's agreement to comply with the Hold-the-Offering-Price Requirement or the Follow-the-Price Requirement of this Notice of Sale and to certify to compliance therewith under the circumstances described herein.

Such certificate shall state that it is made on the best knowledge, information and belief of the successful bidder(s) after appropriate investigation.

If issued in bearer form or non-book-entry registered form, closing on the Notes will be specified by the School District, after consultation with the purchaser(s), in Walkkill or New York, New York; if issued in book-entry-only registered form, the closing will be in Jersey City, New Jersey on June 24, 2026 at approximately 11:00 A.M. Prevailing Time, against receipt of the purchase price of the Notes in Federal Funds.

If applicable, CUSIP identification numbers will be printed on the Notes if the purchaser(s) provides Bond Counsel with such numbers by telefax or any other mode of written communication (verbal advice will not be accepted) by 3:00 P.M. on the next business day following the date of sale of the Notes, but neither the failure to print such number on any Note nor any error with respect thereto shall constitute cause for a failure or refusal by the purchaser(s) thereof to accept delivery of and pay for the Notes in accordance with the terms of the purchase contract. All expenses in relation to the printing of CUSIP numbers on the Notes shall be paid for by the School District; provided, however, that the CUSIP Service Bureau charge for the assignment of said numbers shall be the responsibility of and shall be paid for by the purchaser(s).

As a condition to the purchaser's obligation to accept delivery of and pay for the Notes, the purchaser will be furnished, without cost, the following, dated as of the date of the delivery of and payment for the Notes: (i) a certificate of the President of the Board of Education certifying that (a) as of the date of the Official Statement furnished by the School District in relation to the Notes (which Official Statement is deemed by the School District to be final for the purposes of Securities and Exchange Commission Rule 15c2-12 except for the omission therefrom of those items allowable under said Rule), the Official Statement did not contain any untrue statements of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, subject to the condition that while information in the Official Statement obtained from sources other than the School District is not guaranteed as to accuracy, completeness or fairness, he has no reason to believe and does not believe that such information is materially inaccurate or misleading, and (b) to his knowledge, since the date of the Official Statement, there have been no material adverse changes in the general affairs of the School District or in its financial condition as shown in the Official Statement other than as disclosed in or contemplated by the Official Statement; (ii) a Closing Certificate, constituting receipt for the note proceeds and a signature certificate, which will include a statement that no litigation is pending or, to the knowledge of the signers, threatened affecting the Notes; (iii) an arbitrage certificate executed on behalf of the School District which will include, among other things, covenants, relating to compliance with the Internal Revenue Code of 1986 (the "Code"), with the owners of the Notes that the School District will, among other things, (a) take all actions on its part necessary to cause interest on the Notes not to be includable in the gross income of the owners thereof for Federal income tax purposes, including without limitation, restricting, to the extent necessary, the yield on investments made with the proceeds of the Notes and investment earnings thereon, making required payments to the Federal government, if any, and maintaining books and records in a specified manner, where appropriate, and (b) refrain from taking any action which would cause interest on the Notes to be includable in the gross income of the owners thereof for Federal income tax purposes, including, without limitation, refraining from spending the proceeds of the notes and investment earnings thereon on certain specified purposes; (iv) a Certificate of the School District, executed by the President of the Board of Education, stating that the School District has agreed, in accordance with the Rule, to provide or cause to be provided timely notice of certain material events with respect to the Notes; and (v) the approving legal opinion as to the validity of the Notes of **Orrick, Herrington & Sutcliffe LLP, New York, New York**, Bond Counsel.

Reference should be made to said Official Statement for a description of the scope of Bond Counsel's engagement in relation to the issuance of the Notes and the matters covered by such legal opinion.

Any party executing or delivering a bid for the Notes agrees, if its bid is accepted by the School District, to provide to the School District in writing, within two business days after the date of such award, all information which said successful bidder(s) determines is necessary for it to comply with SEC Rule 15c2-12, including all necessary pricing and sale information, information with respect to the purchase of municipal bond insurance, if any, and underwriter identification. Within five business days following receipt by the School District thereof, the School District will furnish to the successful bidder(s), in reasonable quantities as requested by the successful bidder(s), copies of the Official Statement referenced above, updated as necessary, and supplemented to include said information. Failure by the successful bidder(s) to provide such information will prevent the School District from furnishing such Official Statement as described above. The School District shall not be responsible or liable in any manner for the successful bidder's(s') determination of information necessary to comply with SEC Rule 15c2-12 or the accuracy of any such information provided by the successful bidder(s) or for failure to furnish such Official Statements as described above which results from a failure by the successful bidder(s) to provide the aforementioned information within the time specified. Acceptance by the successful bidder(s) of such final Official Statements shall be conclusive evidence of the satisfactory completion of the obligations of said School District with respect to the preparation and delivery thereof.

Requests for additional information or additional copies of the Notice of Sale and Official Statement may be directed to Bernard P. Donegan, Inc., 345 Woodcliff Drive, 2nd Floor, Fairport, New York 14450; phone (585) 924-2145, fax (585) 924-4636. School District's contact information: Brian Devincenzi, phone: (845) 895-7102; email: bdevincenzi@wallkillcsd.k12.ny.us.

Dated: May 18, 2026
Walkkill, New York

Tom Frisbie
President, Board of Education



PROPOSAL FOR BOND ANTICIPATION NOTES

Tom Frisbie
 President, Board of Education
 Walkill Central School District
 c/o Bernard P. Donegan, Inc.
 345 Woodcliff Drive, 2nd Floor
 Fairport, New York 14450
 Fax: (585) 924-4636
 Phone: (585) 924-2145
 Email: team@bpdinc.net

\$11,345,000 Bond Anticipation Notes, 2026
 Sale Date & Time: June 2, 2026 at 12:00 p.m.

Block Size (Minimum \$1,000,000)	(1) Interest Rate	(1) Interest Rate	(2) Premium (Dollars)	Net Interest Cost
\$	%		\$	%
\$	%		\$	%
\$	%		\$	%
\$	%		\$	%
\$	%		\$	%

(3) Select One: **Book-Entry-Only** **Non-Book-Entry, Registered to Purchaser** **Bearer**

(4) A) TO BE COMPLETED BY UNDERWRITERS:

The Bidder represents that it has an established industry reputation for underwriting new issuances of municipal notes similar to the Notes.

YES ___ **NO** ___

If the Competitive Sale Requirements are not met, the Bidder will use one or more of the following methods to determine the issue price of the Notes:

Select one (if none are selected, then the method shall be assumed to be Hold the Price).

___ Follow the Price -or- ___ Hold the Price

B) TO BE COMPLETED BY BIDDERS WHO ARE PURCHASING NOTES FOR THEIR OWN ACCOUNT:

___ The Bidder is not acting as an underwriter with respect to the Notes or is not a related party to an underwriter with respect to the Notes and has no present intention to sell, reoffer or otherwise dispose of the Notes.

(5) BIDDER:

Firm/Bank _____
 Individual _____
 Address _____
 Telephone () _____
 E-Mail _____

AGENT for Bidder:

 () _____

(6) SIGNATURE of Bidder or Agent: _____

No person has been authorized by the Walkkill Central School District to give any information or to make any representations not contained in this Official Statement, and, if given or made, such information or representation must not be relied upon as having been authorized. This Official Statement does not constitute an offer to sell or solicitation of an offer to buy any of the Bonds or Notes in any jurisdiction to any person to whom it is unlawful to make such offer or solicitation or sale 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 Walkkill Central School District since the date hereof.

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Prepared with the Assistance of:

BERNARD P. DONEGAN, INC.
345 Woodcliff Drive, 2nd Floor
Fairport, New York 14450
(585) 924-2145
team@bpdinc.net

OFFICIAL STATEMENT

WALLKILL CENTRAL SCHOOL DISTRICT ORANGE AND ULSTER COUNTIES, NEW YORK

Relating to

\$14,560,000 School District (Serial) Bonds, 2026

\$11,345,000 Bond Anticipation Notes, 2026

This Official Statement (the "Official Statement"), which includes the cover page, has been prepared by the Wallkill Central School District, Orange and Ulster Counties, New York (the "School District", the "Counties" and the "State", respectively) in connection with the sale by the School District of \$14,560,000 School District (Serial) Bonds, 2026 (the "Bonds") and \$11,345,000 Bond Anticipation Notes, 2026 (the "Notes").

DESCRIPTION OF THE BONDS

The Bonds contain a pledge of faith and credit of the School District for the payment of the principal of and interest on the Bonds as required by the Constitution and laws of the State of New York (State Constitution, Article VIII, Section 2; Local Finance Law, Section 100.00). All the taxable real property within the School District is subject to the levy of ad valorem taxes to pay the Bonds and interest thereon, without limitation as to rate or amount. See "Nature of Obligation" and "Tax Levy Limitation Law" herein.

The Bonds comprise an issue in the principal amount of \$14,560,000, will be dated June 23, 2026, and mature in annual installments on June 15 in the following years and amounts:

MATURITIES

2027	\$	1,050,000	⋮	2031	\$	980,000	⋮	2035	\$	990,000	⋮	2038	\$	1,145,000
2028		1,085,000	⋮	2032		1,020,000	⋮	2036		1,035,000	⋮	2039		1,190,000
2029		1,135,000	⋮	2033		955,000	⋮	2037		1,090,000	⋮	2040		755,000
2030		1,170,000	⋮	2034		960,000	⋮				⋮			

The above-stated annual principal installments, together with the interest thereon, are expected to provide for substantially level or declining annual debt service on the Bonds. **THE SCHOOL DISTRICT MAY, AFTER SELECTING THE LOW BIDDER, ADJUST SUCH INSTALLMENTS TO THE EXTENT NECESSARY TO MEET THE LEGAL REQUIREMENTS OF SUBSTANTIALLY LEVEL OR DECLINING ANNUAL DEBT SERVICE.**

Bonds maturing on or before June 15, 2034 are not subject to redemption prior to maturity. Bonds maturing on or after June 15, 2035 are subject to redemption, at the option of the School District, prior to maturity, in whole or in part, on any date on or after June 15, 2034, at par, plus accrued interest to the redemption date. If less than all of the Bonds are to be redeemed, the particular maturity or maturities of Bonds to be redeemed shall be selected by the School District; and if less than all Bonds of any maturity are to be redeemed, the particular Bonds of such maturity to be redeemed shall be selected by the School District by lot in any customary manner of selection as determined by the President of the Board of Education. Notice of redemption shall be given by mailing such notice to the registered holder not more than sixty (60) nor less than thirty (30) days prior to the date of redemption. Notice of redemption having been given as aforesaid, the Bonds so called for redemption shall, on the date for redemption set forth in such notice, become due and payable, together with interest to such redemption date, and interest shall cease to be paid thereon after such redemption date.

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

Concluded on following page.

DESCRIPTION OF THE BONDS – Concluded

The Bonds bear interest from June 23, 2026, with interest thereon payable on December 15, 2026 and semi-annually thereafter on June 15 and December 15. Principal and interest will be paid by the School District to DTC, which will in turn remit such principal and interest to its Participants for subsequent distribution to the Beneficial Owners of the Bonds as described herein. The Record Date for the Bonds shall be the last business day of the calendar month preceding each payment date.

Bonds may be transferred or exchanged in the manner described on the Bonds and as referenced in certain proceedings of the School District referred to therein.

DESCRIPTION OF THE NOTES

The Notes contain a pledge of faith and credit of the School District for the payment of the principal of and interest on the Notes as required by the Constitution and laws of the State of New York (State Constitution, Article VIII, Section 2; Local Finance Law, Section 100.00). All the taxable real property within the School District is subject to the levy of ad valorem taxes to pay the Notes and interest thereon. "Nature of Obligation" and "Tax Levy Limitation Law" herein.

The Notes are anticipated to be redeemed at their maturity from the proceeds of a bond sale or from the sale of bond anticipation renewal notes to be issued in June of 2027. The ability of the School District to sell bonds or renewal notes at such time cannot now be predicted.

NATURE OF OBLIGATION

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

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

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

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

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

Concluded on following page.

NATURE OF OBLIGATION – Concluded

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

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

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

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

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

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

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

BOOK-ENTRY-ONLY SYSTEM

The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the Bonds. The Bonds will be issued as fully-registered Bonds 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. Upon issuance of the Bonds, one fully registered bond certificate will be issued for each maturity of the Bonds, in the aggregate principal amount of such issue, and will be deposited with DTC. The Depository Trust Company ("DTC"), Brooklyn, New York, will act as securities depository for the Notes, if so requested by the purchaser. The Notes will be issued as fully-registered Notes 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, only if requested by the purchaser prior to initial issuance of the Notes. Upon issuance of the Notes, a single note will be issued for all Notes bearing the same rate of interest and CUSIP number, and will be deposited with DTC.

DTC, the world's largest security depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation ("NSCC") and Fixed Income Clearing Corporation ("FICC"), 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.

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

To facilitate subsequent transfers, all Bonds or 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 Bonds or 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 Bonds or Notes; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds or 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.

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

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Bonds or Notes unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the School District as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Bonds or Notes are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Concluded on following page.

BOOK-ENTRY-ONLY SYSTEM - Concluded

Redemption proceeds, and principal and interest payments on the Bonds or 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 School District, on the 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 School District, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, principal and interest payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the School District, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

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

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

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

Source: The Depository Trust Company, Jersey City, New Jersey.

THE SCHOOL DISTRICT CANNOT AND DOES NOT GIVE ANY ASSURANCES THAT DTC, DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS OF DTC WILL DISTRIBUTE TO THE BENEFICIAL OWNERS OF THE BONDS OR NOTES (I) PAYMENTS OF PRINCIPAL OF OR INTEREST OR REDEMPTION PREMIUM ON THE BONDS OR NOTES, (II) CONFIRMATIONS OF THEIR OWNERSHIP INTERESTS IN THE BONDS OR NOTES, OR (III) OTHER NOTICES SENT TO DTC OR CEDE & CO., ITS PARTNERSHIP NOMINEE, AS THE REGISTERED OWNER OF THE BONDS OR 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 SCHOOL 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 (I) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS OF DTC; (II) THE PAYMENT BY DTC OR ANY DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS OF DTC OF ANY AMOUNT DUE TO ANY BENEFICIAL OWNER IN RESPECT OF THE PRINCIPAL AMOUNT OF OR INTEREST OR REDEMPTION PREMIUM ON THE BONDS OR NOTES; (III) THE DELIVERY BY DTC OR ANY DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS OF DTC OF ANY NOTICE TO ANY BENEFICIAL OWNER THAT IS REQUIRED OR PERMITTED TO BE GIVEN TO OWNERS; OR (IV) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC AS THE REGISTERED HOLDER OF THE BONDS OR NOTES.

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

CERTIFICATED BONDS

In the event that the book-entry-only system is discontinued, the following provisions will apply: the Bonds will be issued in fully registered form in denominations of \$5,000 each or any integral multiple thereof for any single maturity. Principal of the Bonds when due will be payable upon presentation at the office of a bank or trust company located and authorized to do business in the State of New York to be named as the fiscal agent by the School District upon termination of the book-entry-only system. Interest on the Bonds will remain payable December 15, 2026 and semi-annually thereafter on June 15 and December 15 in each year until maturity (or earlier redemption). Interest on the Bonds will be payable by check or draft mailed by the fiscal agent to the registered owners of the Bonds, as shown on the registration books of the School District maintained by the fiscal agent as of the close of business on the Record Date, being the last business day of the calendar month immediately preceding each interest payment date. Bonds may be transferred or exchanged at no cost to the registered owner for Bonds of the same maturity or any other authorized denomination or denominations in the same aggregate principal amount in the manner described on the Bonds and as referenced in certain proceedings of the School District referred to therein.

CERTIFICATED NOTES

In the event that the purchaser does not request that the DTC book-entry-only system apply to the Notes on the date of initial issuance thereof, or in the event that such book-entry-only system is so requested but subsequently discontinued, by either DTC or the School District, the following provisions will apply: the Notes will be issued without the option of prepayment, with interest payable at maturity; the Notes will be issued in bearer form or non-book entry certificated registered form in denominations of \$5,000 each or any integral multiple thereof. If issued in bearer form or non-book entry registered form, the paying agent, other than, and acceptable to the School District, may be designated by the purchaser. Principal and interest on the Notes, when due, are payable in lawful money of the United States of America in Federal Funds.

AUTHORIZATION AND PURPOSE

The Bonds and Notes are issued pursuant to the Constitution and statutes of the State of New York, including among others, the Education Law and the Local Finance Law, for the following purposes:

The reconstruction of and construction of improvements to various School District buildings and facilities, pursuant to a Bond Resolution dated June 15, 2022 authorizing the issuance of \$33,240,014 serial bonds, of which the School District is now issuing \$14,560,000 of serial bonds and \$6,950,000 of bond anticipation notes, and

The cost of the School District's share of the cost of a certain capital project to be undertaken by the Board of Cooperative Educational Services of Ulster County (the "BOCES"), pursuant to an Intermunicipal Agreement dated October 5, 2021 and was entered into by the School District on December 15, 2021 and a Bond Resolution dated January 19, 2022 authorizing the issuance of \$5,613,202 serial bonds, of which the School District is now issuing \$4,395,000 of Bond Anticipation Notes.

There are currently outstanding \$10,000,000 School District (Serial) Bonds, 2024 and \$10,000,000 Bond Anticipation Notes maturing June 25, 2026 against said June 15, 2022 Resolution. Said Notes will be paid in full at maturity with the proceeds of the bond issue together with \$1,265,000 available current funds appropriated therefor. A portion (\$6,950,000) of the Notes represents the fourth issuance of indebtedness against said June 15, 2022 Resolution.

There are currently outstanding \$3,390,497 Bond Anticipation Notes against said January 19, 2022 Resolution, maturing June 25, 2026. Said Notes will be paid in full at maturity with a portion (\$3,070,860) of the proceeds of the note issue together with \$319,637 available current funds appropriated therefor. The remaining portion of the Notes (\$1,324,140) represents the fifth and final issuance of indebtedness against said January 19, 2022 Resolution.

STATUS OF PROJECTS

On May 17, 2022, the voters of the School District approved a \$43,800,000 capital project consisting of construction and reconstruction of various School District buildings and facilities thereof. The School District has contributed \$10,559,986 of capital reserves for this project.

Renovations will consist of the construction of security vestibules, installation of security locking hardware, roof reconstruction, renovation of locker rooms, installation of a new HVAC system, and the replacement of ceilings at all five buildings. Additionally, at Wallkill High School work will include reconstruction of the parking lot, replacement of heating/cooling and ventilation units, renovation of team rooms, replacement of the gym floor, renovation of bathrooms, reconstruction of sidewalks and improvement to field drainage. At John G. Borden Middle School work will include the replacement of auditorium seating, and the reconstruction of building masonry. At Leptondale Elementary School, Ostrander Elementary, and Plattekill Elementary School work will consist of the replacement of heating/cooling and ventilation systems, installation of water softener and filtration system, upgrades to the water system, placement of booster pumps, replacement of windows, reconstruction of the building masonry, the reconstruction of sidewalks, and the replacement of playground equipment. The project will be completed in phases. Plans and specifications for all phases have been submitted to the State Education Department and have received approval. Construction for Phases 1 and 2 is complete. Construction for Phase 3 began in spring, 2026 and is estimated to be complete by the end of 2026.

On December 15, 2021 the School District entered into a Joint Agreement with the BOCES, which they approved on October 5, 2021, along with the other school districts of the BOCES, to provide for the construction of improvements to the BOCES school facilities designed to house services provided by the BOCES, at a maximum total cost of \$39,000,000. The amount of project costs allocated to the School District equals \$5,613,202.

REMAINING BOND AUTHORIZATIONS

After the issuance of the notes, the School District will have a remaining \$290,014 bond authorization pursuant to a bond resolution adopted by the Board of Education of the School District on June 15, 2022 for a capital improvements project. This is the project for which the Bonds and a portion of the Notes (\$6,950,000) are being issued. The School District anticipates issuing the remaining authorization in June, 2027.

FUTURE CAPITAL PLANS

The School District recent completed the required Building Condition Survey, which will inform future capital work. The School District may complete future capital work in 2030-31 if approved by the voters.

GENERAL INFORMATION

The Wallkill Central School District is located in the Towns of Montgomery and Newburgh in Orange County and the Towns of Gardiner, Plattekill and Shawangunk in Ulster County.

The School District is served by an excellent network of State highways. Rail service is available in Beacon approximately 15 minutes away. Air transportation is available in nearby Newburgh.

The School District residents enjoy the advantages of a beautiful environment combined with a location midway between New York City and Albany on the western side of the Hudson River. The School District is located in the Shawangunk Mountains, often referred to as "the Southern Catskills".

Water and sewer services are provided primarily by the Town of Shawangunk, as are fire and police protection. Electricity is provided by Central Hudson; telephone service by Frontier Telephone of New York, Inc. and Verizon New York, Inc. Additional police protection is provided by the County Sheriff's Departments and the New York State Police.

The School District provides public education for grades Pre-K-12. Opportunities for higher education include the State University of New Paltz, Marist and Mount Saint Mary Colleges, as well as the Community Colleges located in Ulster, Orange and Sullivan Counties.

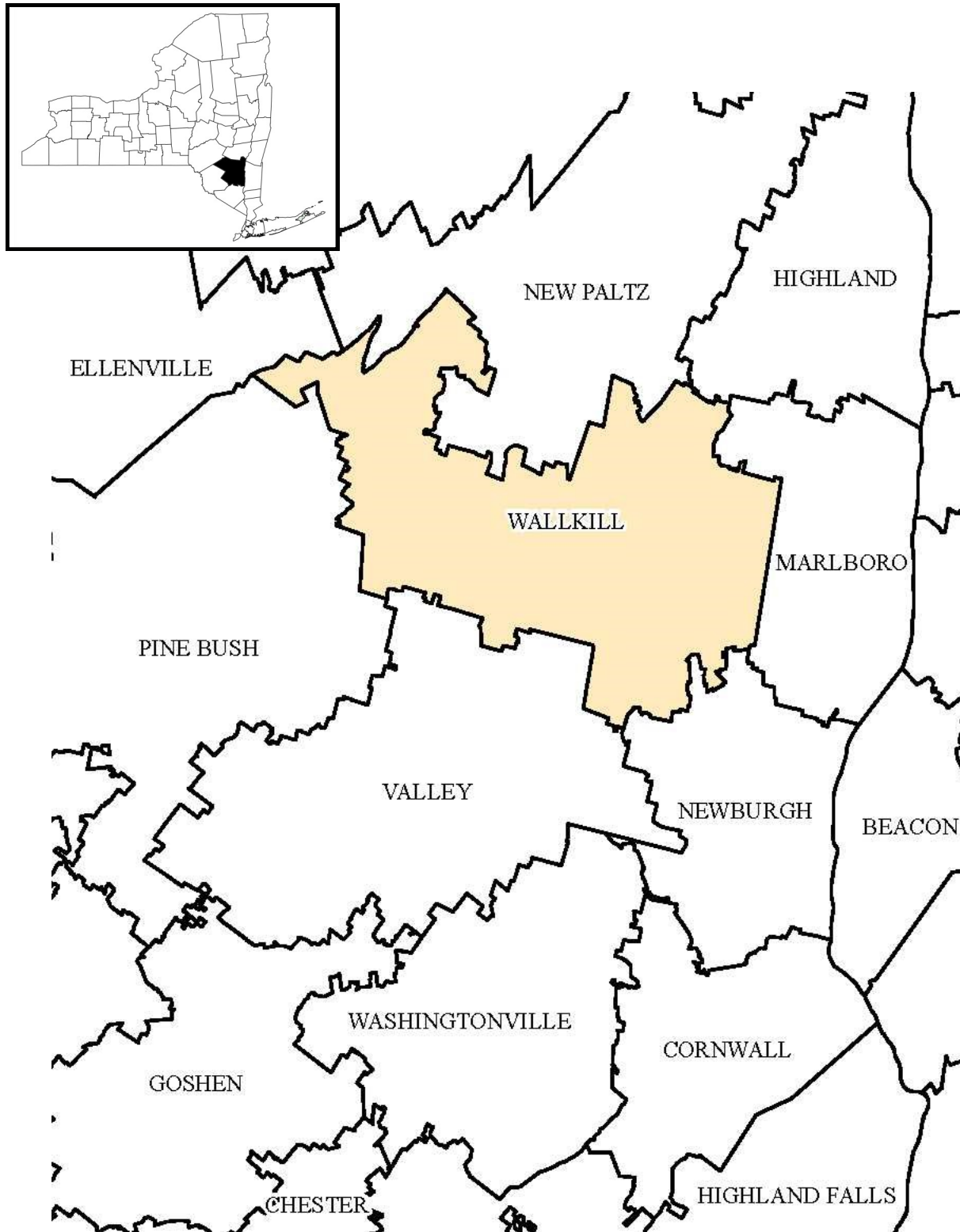
School District residents find commercial and financial services in the Town of Shawangunk. Recreational and cultural facilities are easily accessible including the close proximity to numerous resorts, camping, fishing, boating and skiing areas.

BOND RATING

The School District has applied to S&P Global Ratings, a division of S&P Global Inc., for a rating for the Bonds. The School District has not applied for a rating for the Notes.

The underlying rating assigned to the School District by S&P Global Ratings, a division of S&P Global Inc., is an AA rating, which was assigned in connection with the issuance by the School District of \$10,000,000 School District (Serial) Bonds dated June 26, 2024.

GENERAL LOCATION MAP - WALLKILL CENTRAL SCHOOL DISTRICT



SCHOOL DISTRICT OFFICIALS

The 2025-26 Board of Education consists of:

	<u>Term Expires</u>
Tom Frisbie, President	06-30-26
Dustin Palen, Vice President	06-30-28
Kathryn Anderson	06-30-26
David Bartolone	06-30-28
Donna Crowley	06-30-27
William Hecht	06-30-27
Erin McCartney	06-30-26
Thomas Nafey	06-30-27
Christopher Olson	06-30-28

The administrative officers and professional advisors of the School District consist of:

Anthony White	Superintendent of Schools
Brian Devincenzi	Assistant Superintendent for Support Services
Kelli Corcoran	School District Clerk
Loriann Penney	Treasurer
Thomas, Drohan, Waxman & Petigrow LLP	School District Attorney
Tetra Tech Architects & Engineers	Architect
Nugent & Haeussler, P.C.	Certified Public Accountant
Orrick, Herrington & Sutcliffe LLP	Bond Counsel
Bernard P. Donegan, Inc.	Municipal Advisor

HISTORICAL/PROJECTED ENROLLMENT¹

2021-22	2,785
2022-23	2,781
2023-24	2,780
2024-25	2,704
2025-26	2,711
2026-27	2,600
2027-28	2,583
2028-29	2,578
2029-30	2,604
2030-31	N/A

Notes: 1 Figures do not include Pre-K enrollment.
 N/A Not available as of the date of this Official Statement.

SCHOOL FACILITIES

<u>Name of School</u>	<u>Grades</u>	<u>Date of Construction</u>	<u>Date of Last Addition or Alteration</u>	<u>Current Maximum Capacity</u>
Plattekill Elementary	Pre-K - 6	1941	2026	565
Ostrander Elementary	Pre-K - 6	1954	2026	587
Leptondale Elementary	K - 6	1959	2026	605
John G. Borden Middle School	7 - 8	1921	2026	530
Wallkill Senior High School	9 - 12	1968	2026	<u>1,350</u>
Total Capacity				<u><u>2,485</u></u>

EMPLOYEE CONTRACTS

<u>Association</u>	<u>Periods Covered</u>	<u>Number of Employees Covered</u>	<u>Affiliation</u>
Wallkill Teachers' Association	07-01-26/06-30-29	265	NYSUT
Civil Service Employees' Association	07-01-22/06-30-27 ¹	185	CSEA
Wallkill Administrators' Association	07-01-23/06-30-27 ¹	10	SAANYS

The School District currently has 421 full-time and 43 part-time employees.

Note: 1 The School District is in negotiations with the Associations.

STATUS AND FINANCING OF EMPLOYEE PENSION BENEFITS

Substantially all employees of the School 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". 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 vest after ten years of credited service. The Retirement System Law generally provides that all participating employers in each retirement system are jointly and severally liable for any unfunded amounts. Such amounts are collected through annual billings to all participating employers. Generally, all employees, except certain part-time employees, participate in the Retirement Systems. The Retirement Systems are non-contributory with respect to members hired prior to July 27, 1976. All members hired on or after July 27, 1976 and before April 2, 2012, with less than 10 years of service must contribute 3% (ERS) or 3.5% (TRS) of gross annual salary toward the cost of retirement programs.

On December 12, 2009, a new Tier V was signed into law. The law became effective for new ERS and TRS hires beginning on January 1, 2010. New ERS employees will continue to contribute 3 percent of their salaries and new TRS employees to contribute 3.5%, but there is no provision for these contributions to cease after a certain period of service.

For the five years 2020-21 through 2024-25, the School District's contributions to the ERS and TRS together were: \$3,361,645, \$3,742,236, \$3,609,173, \$3,637,654 and \$3,952,943, respectively. In the Annual School Budget for 2025-26 the appropriations for payments to ERS and TRS are \$965,000 and \$3,395,147, respectively, and in the Annual School Budget for 2026-27 the appropriations for payments to ERS and TRS are \$1,120,000 and \$3,033,787, respectively.

The investment of monies, and assumptions underlying the same, of the Retirement Systems covering the School District's employees is not subject to the direction of the School 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 School District which could affect other budgetary matters. Concerned investors should contact the Retirement Systems administrative staff for further information on the latest actuarial valuations of the Retirement Systems.

The State's 2019-2020 Budget, which was signed into law on March 31, 2019, allows 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 fund.

In 2003, Chapter 49 of the Laws of 2003 amended the Retirement and Social Security Law and the Local Finance Law ("Chapter 49"). Chapter 49 empowered the State Comptroller to implement a comprehensive structural reform program for the 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 Chapter 49, a contribution for a given fiscal year is now 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.

On July 20, 2004, Chapter 260 of the Laws of 2004 ("Chapter 260") was enacted amending the New York State General Municipal Law, Local Finance Law and the Retirement and Social Security Law.

Chapter 260 contained three components which altered the way municipalities and school districts contribute to the State pension system: (1) revision of the payment due date, (2) extension of the period of time for pension debt amortization, and (3) authorization to establish a pension reserve fund. Prior to the effective date of Chapter 260, the annual retirement bill sent to municipalities and school districts from the State had reflected pension payments due between April 1 and March 31, consistent with the State fiscal year.

Continued on following page.

STATUS AND FINANCING OF EMPLOYEE PENSION BENEFITS - Continued

Chapter 260 provided for the following changes:

- Contribution Payment Date Change: The law changed the date on which local pension contributions are due to the State. The annual required contribution is now due February 1 annually instead of December 15.
- Pension Cost Amortization-Extension of Payout Period: The law also extended the ability of municipalities and school districts to amortize a portion of the current year pension cost over a period of 10 years, extending the term from five years as authorized under the 2003 Chapter 49 legislation. Municipalities and school districts could choose to amortize, either directly through the State retirement system at a fixed interest rate annually determined by the State Comptroller or through the capital markets, pension payments in excess of 9.5% in 2006 and 10.5% in 2007.
- Pension Contributions Reserve Fund: The law created special authorization to create a new category of reserve fund under the General Municipal Law. Municipalities and school districts may now establish a retirement contribution reserve fund that can be funded from other available current government resources.

On March 16, 2012, then Governor Cuomo signed into law a public employee pension reform that created a new Tier VI pension level. The Tier VI plan only applies to those employees hired on or after April 1, 2012.

Below is a brief summary (compiled from information provided by the Governor's office) highlighting a number of components from the Tier VI legislation:

- The employee contribution rates vary based on a salary sliding scale from 3% to 6% of salary.
- Under previous tiers, there was no limit to the number of public employers a public employee worked for from which retirement benefits could be calculated. Tier VI permits only two salaries to be included in the calculation.
- The legislation includes an optional defined contribution plan for new non-union employees with annual salaries of \$75,000 and over. The employer will make an 8% contribution to employee contribution accounts. This is a voluntary option for those employees.
- The new tier increases the minimum retirement age from 62 to 63 and allows for early retirement with penalties. There will be a permanent reduction of a pension payout for each year a person retires prior to age 63.
- The pension multiplier for Tier VI is 1.75% for the first 20 years of service and 2% starting in the 21st year.
- Employees will vest after 10 years of service. The State's 2022-23 Budget reduced the number of years of service to 5 years. This is not a change from Tier V.
- The number of sick and leave days that can be applied toward retirement service credit is reduced from 200 to 100.
- The final average salary is based on a five-year average instead of the previous Tiers' three-year average. The State's 2024-25 Budget revised the final average salary to be based on the highest consecutive three-year average. The annual growth in salary used to determine pension allowances is capped at 10% of the average salary of the previous four years (lump sum payments of unused sick and vacation time are eliminated from the calculation).
- Pension eligible overtime for civilian and non-uniformed employees will be capped at \$15,000 plus inflation. For uniformed employees (primarily police and fire) outside of New York City, the cap is set at 15% of base pay.
- The State is required to fund any pension enhancements on an ongoing basis. This is a potential future cost savings for local governments.

Chapter 57 of the Laws of 2010 (Part TT) amended the Retirement and Social Security Law to authorize participating local government 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 School District has opted not to amortize their ERS amounts.

Concluded on following page.

STATUS AND FINANCING OF EMPLOYEE PENSION BENEFITS - Concluded

The average contribution rate for the ERS for the 2025-26 fiscal year is 16.5%. The average contribution rate for the TRS for the 2025-26 fiscal year is 9.59%.

The 2013-14 State Enacted Budget included a provision that provides local governments and school districts, including the School District, with the option to "lock-in" long-term, stable rate pension contributions for a period of years determined by the State Comptroller and TRS. The stable rates were 12% for ERS and 14% for TRS for 2013-14 and 2014-15; 2015-16 and beyond were subject to adjustment. The pension contribution rates under this program reduced near-term payments for employers, but required higher than normal contributions in later years. This provision describes this savings as a "spin up" of future savings from the implementation of Tier VI of the State Retirement System last year. The School District did not avail itself of this option.

The School District and other municipal units of government in the State are 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.

The School District provides post-retirement healthcare benefits to various categories of former employees. These costs may be expected to rise substantially in the future. GASB Statement No. 75 ("GASB 75") of the Governmental Accounting Standards Board ("GASB") requires governmental entities, such as the School District, to account for the cost of certain non-pension post-employment benefits as it accounts for vested pension benefits.

GASB 75 and OPEB. OPEB refers to "other postemployment benefits," meaning other than pension benefits. OPEB consists primarily of health care benefits, and may include other benefits such as disability benefits and life insurance. Before GASB 75, OPEB costs were generally accounted for and managed as current expenses in the year paid and were not reported as a liability on governmental financial statements.

GASB 75 requires municipalities and school districts to account for OPEB liabilities much like they already account for pension liabilities, generally adopting the actuarial methodologies used for pensions, with adjustments for the different characteristics of OPEB and the fact that most municipalities and school districts have not set aside any funds against this liability. However, GASB 75 also addresses certain circumstances in which a non-employer entity provides financial support for OPEB of employees of another entity and requires: (a) explanations of how and why the OPEB liability changed from year to year (b) amortization and reporting of deferred inflows and outflows due to assumption changes, (c) use of a discount rate that takes into account resources of an OPEB plan and how they will be invested to maximize coverage of the liability (d) a single actual cost method and (e) immediate recognition of OPEB expense and effects of changes to benefit terms.

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

Based on the most recent actuarial valuation dated June 30, 2024 and financial data as of June 30, 2025, the School District's beginning year total OPEB liability was \$202,882,753, the net change for the year was (\$25,540,424), resulting in a total OPEB liability of \$177,342,329 for a fiscal year ending June 30, 2025. The aforementioned liability is recognized and disclosed in accordance with GASB 75 standards in the School District's June 30, 2025 financial statements.

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

There is no authority in current State law to establish a trust account or reserve fund for this liability.

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

MAJOR EMPLOYERS

<u>Name</u>	<u>Type of Product or Service</u>	<u>Approximate Number of Employees</u>
Wallkill Central School District	Public Education	464
Shawangunk Correctional Facility	Correctional Facility	312
Wallkill Correctional Facility	Correctional Facility	206
Fair-Rite Products Corporation	Semi-Conductors	120
Blue Chip Farms	Livestock & Products	27

UNEMPLOYMENT RATES¹

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

<u>Year</u>	<u>County Unemployment Rate</u>	<u>New York State Unemployment Rate</u>	<u>U.S. Unemployment Rate</u>
2016	4.6%	4.9%	4.9%
2017	4.6%	4.6%	4.4%
2018	3.9%	4.1%	3.9%
2019	3.7%	3.9%	3.7%
2020	7.9%	9.8%	8.1%
2021	4.8%	7.1%	5.3%
2022	3.3%	4.3%	3.6%
2023	3.4%	4.0%	3.6%
2024	3.6%	4.2%	4.0%
2025	3.6%	4.3%	4.3%

Note: 1 Unemployment rates for 2020 increased substantially over prior years as a result of the COVID-19 pandemic.

Source: New York State Department of Labor, abstracted April 2, 2026. Rates shown are not seasonally adjusted.

INVESTMENT POLICY

Pursuant to the statutes of the State of New York, the School District is permitted to invest only in the following investments: (1) special time deposit accounts in, certificates of deposit issued by or a deposit placement program (as provided by statute) with a bank or trust company located and authorized to do business in the State of New York; (2) obligations of the United States of America; (3) obligations guaranteed by agencies of the United States of America where the payment of principal and interest is guaranteed by the United States of America; (4) obligations of the State of New York; (5) obligations issued pursuant to Local Finance Law Sections 24.00 (tax anticipation notes) or 25.00 (revenue anticipation notes) with approval of the State Comptroller, by any municipality, school district or district corporation other than the School District; and (6) in the case of the School District moneys held in certain reserve funds established pursuant to law, obligations issued by the School District. These statutes further require that all bank deposits, in excess of the amount insured under the Federal Deposit Insurance Act, be secured by a pledge of eligible securities, an eligible letter of credit or an eligible surety bond, as each such term is defined in the law, or satisfy the statutory requirements of the deposit placement program.

Consistent with the above statutory limitations, it is the School District's current policy to invest in: (1) certificates of deposit or time deposit accounts that are fully secured as required by statute, (2) obligations of the United States of America or (3) obligations guaranteed by agencies of the United States of America where the payment of principal and interest is guaranteed by the United States of America. In the case of obligations of the United States government, the School District may purchase such obligations pursuant to a written repurchase agreement that requires the purchased securities to be delivered to a third party custodian. The School District is not authorized by State Law to invest in reverse repurchase agreements or similar derivative-type investments.

The School District has adopted its own Investment Policy, which, in addition to incorporating all of the provisions of statute enumerated above, further restricts trading partners to commercial banks or trust companies licensed and doing business in New York State. The Policy prohibits investing through any private entity or brokerage firm and provides for written security agreements and/or custodial agreements with each commercial bank or trust company.

BUDGETARY PROCEDURES

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

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

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

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

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

The School District's Budget for the 2025-26 fiscal year was adopted by the qualified voters on May 20, 2025. The School District's 2025-26 Budget remained within the School District Tax Cap imposed by Chapter 97. The School District's Budget for the 2026-27 fiscal year will be presented to the qualified voters on May 19, 2026. The School District's 2026-27 Budget will remain within the School District Tax Cap imposed by Chapter 97.

STATE AID

The School District receives financial assistance from the State. In its budgets for the 2025-26 and 2026-27 fiscal years, approximately 42.57% and 41.98% of the revenues of the School District, respectively, are estimated to be received in the form of State aid. If the State should experience difficulty in borrowing funds in anticipation of the receipt of State taxes in order to pay State aid to municipalities and school districts in the State, including the School District, in any year, the School District may be affected by a delay in the receipt of State aid until sufficient State taxes have been received by the State to make State aid payments. Additionally, should the State budget not be adopted in a timely manner, municipalities and school districts in the State, including the School District, may be affected by a delay in the payment of State aid.

The amount of State aid to school districts is dependent in part upon the financial condition of the State. Due to the outbreak of COVID-19 the State initially declared a state of emergency and the Governor took steps designed to mitigate the spread and impacts of COVID-19, including closing schools and non-essential businesses for an extended period. The use of federal stimulus funds has allowed the State to avoid gap closing measures; however, the State may be required to implement gap closing measures in the future for similar health emergencies. Such actions may include, but are not limited to: reductions in State agency operations and/or delays or reductions in payments to local governments or other recipients of State aid including school districts in the State. If this were to occur, reductions in the payment of State aid could adversely affect the financial condition of school districts in the State, including the School District.

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

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 Budget included a total of \$29.5 billion for school aid, a year-to-year funding increase of \$3 billion or 11.3%. The State's 2021-22 Budget provided a \$1.4 billion increase of additional funding for Foundation Aid, as well as a three-year Foundation Aid phase-in. Approximately 75 percent of the Foundation Aid increase was targeted to high-need school districts. The State's 2021-22 Budget included a \$105 million expansion of the State's full-day prekindergarten programs. The State's 2021-22 Budget also authorized aid for pandemic-related school district transportation costs. School districts were reimbursed for the cost of delivering school meals and instructional materials as well as the cost of keeping transportation employees and contractors on stand-by during the pandemic-related closures in spring 2020. The State's 2021-22 Budget included \$13 billion of federal Elementary and Secondary School Emergency Relief and Governor's Emergency Education Relief funds to public schools, to be used over multiple years. Of the \$13 billion, \$629 million was used as targeted grants to support efforts to address learning loss through activities such as summer enrichment and comprehensive after-school programs.

School district fiscal year (2022-2023): The State's 2022-23 Budget included a total of \$31.5 billion for school aid, an increase of \$2.1 billion or 7.2%. This increase was largely driven by the second year of the three-year phase in of full funding of the Foundation Aid formula. The State's 2022-23 Budget provided a \$1.5 billion increase in Foundation Aid, which included a 3% minimum annual increase to fully funded school districts. The State's 2022-23 Budget also included a \$451 million increase in all other school aid programs. The State's 2022-23 Budget provided an additional \$125 million in funding for full-day prekindergarten programs.

School district fiscal year (2023-2024): The State's 2023-24 Budget included \$34.5 billion for school aid, an increase of \$3.1 billion or 10%, which was the highest level of State aid to date. The State's 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 Budget provided \$134 million to increase access to free school meals. \$20 million in grant funding established 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 was made to promote job readiness. An additional \$150 million was used to expand high-quality full-day prekindergarten, resulting in universal prekindergarten to be phased into 95% of the State. In fiscal years 2022 and 2023, public school districts were awarded \$14 billion of federal elementary and secondary school emergency relief funds, available for use over multiple years.

Continued on following page.

STATE AID - Continued

School district fiscal year (2024-2025): The State's 2024-25 Budget provided \$35.9 billion in State funding to school districts for the 2024-25 school year, the highest level of State aid ever. This represented an increase of \$1.3 billion compared to the 2023-24 school year and included a \$934 million or 3.89% Foundation Aid increase. The State's 2024-25 Budget maintained the "save harmless" provision, which currently ensured a school district received at least the same amount of Foundation Aid as it received in the prior year. The State's 2024-25 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 Budget includes approximately \$37 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 provides 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. The State's 2025-26 Budget also makes a number of alterations to the Foundation Aid formula to more accurately reflect low-income student populations and provide additional aid to low-wealth districts.

Provisions in the State's 2025-26 Budget grant 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 Budget provides 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 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. No "general fund imbalance" occurred during the State's 2025-26 fiscal year and, therefore, the State Budget Director did not exercise his powers to withhold all of some of the amounts appropriated in the State's 2025-26 Enacted Budget.

School district fiscal year (2026-2027): The State's 2026-27 Executive Budget includes \$39.3 billion in State funding to school districts for the 2026-27 school year, an estimated year-to-year funding increase of \$1.6 billion. The State's 2026-27 Executive Budget includes \$27 billion in Foundation Aid, an increase of \$779 million from 2025-26, and includes a 1% minimum increase in Foundation Aid to all school districts. The State's 2026-27 Executive Budget also includes an increase of \$561 million in Universal Pre-Kindergarten Aid to ensure universal full-day Pre-K for all four-year-olds in the State by the start of the State's 2029 fiscal year.

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.

The State also 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. Current federal aid projections, and the assumptions on which they rely, are subject to revision.

In addition to the potential fiscal impact of policies that may be proposed and adopted by the federal 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 that directs the Secretary of Education to take all necessary steps to facilitate the closure of the U.S. Department of Education. The 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. The impact that the executive order will have on the State and school districts in the State is unknown at this time.

The School District presently anticipates an increase in its State Aid not related to building aid for its 2025-26 fiscal year in an amount of \$2,171,177. It should also be noted that the School District receives federal aid for certain programs. In its last audited fiscal year, the School District received \$3,118,476 in such direct federal aid. It is not possible to predict whether such aid will continue in the future, or if continued, whether it will be funded at present levels.

Concluded on following page.

STATE AID - Concluded

State Aid Litigation

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

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

In school district fiscal year 2009-2010, foundation aid funding was frozen by the State Legislature to the prior fiscal year level, and in the fiscal year thereafter foundation aid funding was reduced through a “gap elimination adjustment”, and other aid adjustments. The final phase-in of all foundation aid due as originally projected was included in the State’s 2023-24 Enacted Budget and is fully funded. See “School district fiscal year (2022-2023) and School district fiscal year (2023-2024)” above.

A case related to the *Campaign for Fiscal Equity, Inc. v. State of New York* was heard on appeal on May 30, 2017 in *New Yorkers for Students’ Educational Rights (“NYSER”) v. State of New York* and a consolidated case on the right to a sound basic education. The NYSER lawsuit asserts that the State has failed to comply with the original decision in the Court of Appeals in the *Campaign for Fiscal Equity* case, and asks the Court of Appeals to require the State to develop new methodologies, formulas and mechanisms for determining State aid, to fully fund the “foundation aid” formula, to eliminate the supermajority requirement for voter approval of budgets, which increase school district property tax levies above the property tax cap limitation, and related matters. On June 27, 2017, the Court of Appeals held that the plaintiffs causes of action were properly dismissed by the earlier Appellate Division decision except insofar as two causes of action regarding accountability mechanisms and sufficient state funding for a “sound basic education” as applicable solely to the school districts in New York City and Syracuse. The Court emphasized its previous ruling in the CFE case that absent “gross educational 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 lawsuit case. The settlement required New York State to phase-in full funding of Foundation Aid by the State’s 2024 fiscal year budget.

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

FISCAL STRESS MONITORING

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

The fiscal stress scores are based on financial information submitted as part of each school district’s ST-3 report filed yearly with the State Education Department. Using financial indicators that include June 30, 2025 year-end fund balance, cash position and patterns of operating deficits, the OSC system creates an overall fiscal stress score which classifies whether a district is in “significant fiscal stress”, in “moderate fiscal stress”, as “susceptible to fiscal stress” or “no designation”. Entities that do not accumulate the number of points that would place them in a stress category will receive a financial score but will be classified in a category of “no designation”. This classification should not be interpreted to imply that the entity is completely free of fiscal stress conditions. Rather, the entity’s financial information, when objectively scored according to the FSMS criteria, did not generate sufficient points to place them in one of the three established stress categories.

The report of the State Comptroller using financial indicators through June 30, 2025 designated the School District as “No Designation” (3.3%).

Note: See the official website of the New York State Comptroller for more information on FSMS. Reference to websites implies no warranty of accuracy of information therein nor inclusion herein by reference.

OTHER INFORMATION

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

The School District has complied with the procedure for the publication of the estoppel notice for the Bonds and Notes as provided in Title 6 of Article 2 of the Local Finance Law.

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

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

The population of the School District is currently estimated to be 22,783 (2024 U.S. Census estimate).

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

FINANCIAL AUDITS

The School District retains an independent public accountant, whose most recent report covers the period ended June 30, 2025. Copies of the report have been duly delivered to the Electronic Municipal Market Access ("EMMA") system maintained by the Municipal Securities Rulemaking Board (<https://emma.msrb.org/P11895730-P21519578-P11894928.pdf>) and may be examined at the School District office. Such report was prepared as of the date thereof and has not been updated in connection with the preparation and dissemination of this Official Statement, which Official Statement itself was not audited. Any interested person is hereby referred to such report and any other report that may be filed with the EMMA system from time to time to determine whether there is, or has been, any material qualification to the opinion or opinions of such accountants that may have been provided therein.

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

Nugent & Haeussler, P.C., the independent auditor for the School District, has not been engaged to perform and has not performed, since the date of its report, any procedures on the financial statements addressed in that report. Nugent & Haeussler, P.C. also has not performed any procedures relating to this Official Statement.

The Office of the State Comptroller completed an audit of Claims Auditing of the School District on September 29, 2023. For more information see: <https://www.osc.ny.gov/files/local-government/audits/2023/pdf/wallkill-central-school-district-2022-52.pdf>.

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

FINANCIAL INFORMATION¹

Fiscal Year Ended <u>June 30:</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
Assessed Valuation:						
Montgomery	\$ 2,898,048	\$ 2,911,893	\$ 2,898,769	\$ 2,890,691	\$ 2,887,120	\$ 2,890,889
Newburgh	133,875,741	135,163,731	136,515,765	137,697,419	138,975,489	139,715,235
Gardiner	220,859,818	221,489,407	222,398,848	223,500,461	230,117,970	230,249,322
Plattekill	528,134,600	532,310,851	536,953,174	543,350,641	548,536,362	555,283,113
Shawangunk	96,518,985	97,547,399	98,046,938	98,933,597	99,474,598	100,143,168
Total Assessed Value	\$ 982,287,192	\$ 989,423,281	\$ 996,813,494	\$ 1,006,372,809	\$ 1,019,991,539	\$ 1,028,281,727
Equalization Rates:						
Montgomery	58.00%	56.00%	49.00%	42.00%	40.00%	37.00%
Newburgh	29.95%	28.25%	24.70%	21.59%	20.60%	17.30%
Gardiner	94.00%	89.50%	72.00%	67.00%	62.00%	57.50%
Plattekill	88.50%	84.00%	67.00%	61.00%	58.00%	55.00%
Shawangunk	19.00%	18.06%	15.00%	12.50%	12.30%	11.20%
Equalized Value:						
Montgomery	\$ 4,996,634	\$ 5,199,808	\$ 5,915,855	\$ 6,882,597	\$ 7,217,800	\$ 7,813,213
Newburgh	446,997,465	478,455,684	552,695,404	637,783,320	674,638,296	807,602,514
Gardiner	234,957,253	247,474,197	308,887,288	333,582,777	371,158,016	400,433,603
Plattekill	596,762,259	633,703,394	801,422,647	890,738,755	945,752,348	1,009,605,660
Shawangunk	507,994,657	540,129,562	653,646,253	791,468,776	808,736,569	894,135,428
Total Equalized Value	\$ 1,791,708,268	\$ 1,904,962,645	\$ 2,322,567,447	\$ 2,660,456,225	\$ 2,807,503,029	\$ 3,119,590,418
Tax Levy for All Purposes	\$ 44,043,069	\$ 44,687,581	\$ 45,810,236	\$ 46,738,899	\$ 47,869,103	\$ 48,820,860
Tax Rate/\$1,000 Equalized Value	\$ 24.58	\$ 23.46	\$ 19.72	\$ 17.57	\$ 17.05	\$ 15.65
Tax Levy as a Percentage of Equalized Value	2.46%	2.35%	1.97%	1.76%	1.71%	1.56%
Outstanding Debt:						
Serial Bonds	\$ 6,910,000	\$ 5,230,000	\$ 3,500,000	\$ 12,410,000	\$ 11,250,000	\$ N/A
Bond Anticipation Notes	0	0	1,373,045	13,832,318	19,215,497	N/A
Energy Performance Contracts	4,072,414	3,670,757	3,257,245	2,831,529	2,393,248	N/A
Leases ²	0	177,382	97,322	314,940	295,038	N/A
Total Debt	\$ 10,982,414	\$ 9,078,139	\$ 8,227,612	\$ 29,388,787	\$ 33,153,783	\$ N/A
Per Capita Debt	\$ 482.04	\$ 398.46	\$ 361.13	\$ 1,289.94	\$ 1,455.20	\$ N/A
Debt/\$1,000 Equalized Value	\$ 6.13	\$ 4.77	\$ 3.54	\$ 11.05	\$ 11.81	\$ N/A
Debt as a Percentage of Equalized Value	0.61%	0.48%	0.35%	1.10%	1.18%	N/A%

Notes: 1 Equalized values shown here are those used by the School District for tax levy purposes as provided in the Real Property Tax Law. In some cases, equalization rates established specifically for school tax apportionment may have been used, as is also provided in the Real Property Tax Law.

2 Implementation of GASB 87 beginning fiscal year ending June 30, 2022.

N/A Not available until June 30, 2026.

STATEMENT OF NET POSITION

As of June 30, 2025

<u>ASSETS:</u>	
Unrestricted Cash	\$ 14,394,886
Restricted Cash	39,558,289
State & Federal Aid Receivable	4,432,024
Due from Fiduciary Funds	767
Other Receivables, Net	1,620
Inventories	1,459
Net Pension Asset, Proportionate Share (TRS)	4,682,072
Right to Use Assets, Net	371,767
Non Depreciable Capital Assets	10,191,995
Depreciable Capital Assets, Net	<u>53,921,515</u>
TOTAL ASSETS	\$ 127,556,394
<u>DEFERRED OUTFLOWS OF RESOURCES:</u>	
Pensions	13,010,992
Other Postemployment Benefits	<u>19,806,668</u>
TOTAL ASSETS & DEFERRED OUTFLOWS	\$ 160,374,054
<u>LIABILITIES:</u>	
Accounts Payable	\$ 688,648
Accrued Liabilities	237,600
Bond Interest on Matured Bonds	16,177
Bond Anticipation Notes Payable	19,215,497
Due to Other Governments	35,926
Due to Fiduciary Funds	298
Due to Teachers' Retirement System	3,522,545
Due to Employees' Retirement System	298,214
Other Liabilities	96
Unearned Revenue	35,704
Long-Term Liabilities:	
Due & Payable Within One Year	
Bonds Payable (Including Deferred Amount on Refunding)	982,964
Installment Purchase Debt	451,217
Compensated Absences	2,097,884
Lease Liability	106,269
Due & Payable in More Than One Year	
Bonds Payable (Including Deferred Amount on Refunding)	10,315,000
Installment Purchase Debt	1,942,031
Compensated Absences	7,857,508
Lease Liability	188,769
Net Pension Liability, Proportionate Share (ERS)	2,650,905
Other Postemployment Benefits	<u>177,342,329</u>
TOTAL LIABILITIES	\$ 227,985,581
<u>DEFERRED INFLOWS OF RESOURCES:</u>	
Deferred Revenue	11,342
Pensions	5,896,484
Other Postemployment Benefits	<u>70,117,364</u>
TOTAL LIABILITIES & DEFERRED INFLOWS	\$ 304,010,771
<u>NET POSITION:</u>	
Net Investment in Capital Assets	\$ 27,094,174
Restricted	44,240,361
Unassigned (Deficit)	<u>(214,971,252)</u>
TOTAL NET POSITION	\$ (143,636,717)

Source: Annual Financial Report prepared by Certified Public Accountants. Summary itself not audited.

STATEMENT OF ACTIVITIES

As of June 30, 2025

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue & Changes in Net Position
		Charges for Services	Operating Grants	
General Support	\$ 11,041,964	\$ 0	\$ 0	\$ (11,041,964)
Instruction	64,152,044	7,410	3,110,437	(61,034,197)
Pupil Transportation	10,320,882	0	0	(10,320,882)
Community Services	616,045	0	0	(616,045)
Debt Service - Interest	1,157,593	0	0	(1,157,593)
Capital Outlay	1,406,750	0	0	(1,406,750)
School Lunch Program	4,222,590	284,501	1,953,112	(1,984,977)
Total Functions & Programs	\$ 92,917,868	\$ 291,911	\$ 5,063,549	\$ (87,562,408)
 General Revenues:				
Real Property Taxes				\$ 45,215,879
Other Tax Items				2,790,712
Use of Money & Property				2,030,813
Sale of Property & Compensation for Loss				(3,280)
Miscellaneous				1,586,040
State Sources				37,038,800
Federal Sources				44,906
Total General Revenues				\$ 88,703,870
Change in Net Position				1,141,462
NET POSITION, BEGINNING OF YEAR - As Previously Stated				\$(136,536,814)
Prior Period Adjustment - Change in Accounting Principles				(8,241,365)
NET POSITION, BEGINNING OF YEAR - As Restated				\$(144,778,179)
TOTAL NET POSITION, END OF YEAR				\$(143,636,717)

Source: Annual Financial Report prepared by Certified Public Accountants. Summary itself not audited.

GENERAL FUND

COMPARATIVE BALANCE SHEET

Fiscal Year Ended June 30:	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
ASSETS:					
Unrestricted Cash	\$ 5,183,153	\$ 5,095,429	\$ 4,819,157	\$ 6,887,270	\$ 6,531,149
Restricted Cash	28,864,878	33,107,921	26,496,520	33,721,803	37,323,158
Other Receivables	0	0	223,622	0	1,620
Due from Other Funds	1,793,518	2,001,938	1,989,052	1,934,521	1,529,364
Due from State & Federal	<u>2,065,074</u>	<u>1,831,875</u>	<u>2,021,144</u>	<u>3,161,742</u>	<u>3,479,140</u>
Total Assets	<u>\$ 37,906,623</u>	<u>\$ 42,037,163</u>	<u>\$ 35,549,495</u>	<u>\$ 45,705,336</u>	<u>\$ 48,864,431</u>
LIABILITIES:					
Accounts Payable	\$ 347,081	\$ 394,212	\$ 313,860	\$ 354,890	\$ 524,977
Accrued Liabilities	230,513	227,783	132,864	168,921	214,280
Other Liabilities	0	163	0	0	96
Due to Other Funds	425,364	369,927	435,323	3,174,426	1,595,950
Due to Other Governments	0	0	0	0	596
Due to State Teachers' Retirement System	2,892,268	3,027,851	3,284,029	3,273,917	3,522,545
Due to Employees' Retirement System	251,854	175,571	179,443	265,914	298,214
Compensated Absences	203,516	141,900	133,214	58,566	61,318
Bond Interest on Matured Bonds	16,177	16,177	16,177	16,177	16,177
Deferred Revenues	0	0	0	21,837	11,342
FUND BALANCE:					
Restricted:					
Reserves for:					
Capital	\$ 10,559,986	\$ 14,478,296	\$ 4,318,310	\$ 4,318,310	\$ 8,732,536
Employee Benefits					
Accrued Liability	0	0	0	540,000	744,890
Property Loss & Liability	256,229	256,229	256,229	256,229	256,229
Repairs	33	33	33	33	33
Retirement Contribution for State Teachers' Retirement System	1,080,006	1,080,006	1,080,006	1,120,006	1,160,006
Retirement Contribution for Employees' Retirement System	11,795,703	12,140,703	15,235,704	21,222,726	20,347,727
Risks	50,439	50,444	50,591	50,794	50,998
Tax Certiorari	395,277	395,277	395,277	395,277	395,277
Unemployment	429,043	428,606	427,414	377,414	327,414
Workers' Compensation	4,177,577	3,992,283	4,725,331	5,444,331	5,163,331
Assigned:					
Encumbrances	371,373	613,145	366,980	346,926	209,633
Appropriated Fund Balance	1,250,000	980,000	780,000	720,000	1,500,000
Unassigned:					
Unappropriated Fund Balance	<u>3,174,184</u>	<u>3,268,557</u>	<u>3,418,710</u>	<u>3,578,642</u>	<u>3,730,862</u>
Total Fund Balance	<u>33,539,850</u>	<u>37,683,579</u>	<u>31,054,585</u>	<u>38,370,688</u>	<u>42,618,936</u>
Total Liabilities & Fund Balance	<u>\$ 37,906,623</u>	<u>\$ 42,037,163</u>	<u>\$ 35,549,495</u>	<u>\$ 45,705,336</u>	<u>\$ 48,864,431</u>

Source: Annual Financial Reports prepared by Certified Public Accountants. Summary itself not audited.

GENERAL FUND

REVENUES, EXPENSES AND FUND BALANCE

Modified Accrual Double-Entry Basis

Fiscal Year Ended June 30:	Actual					Adopted Budget	Proposed Budget
	2021	2022	2023	2024	2025	2026	2027
Balance July 1	\$ 29,828,737	\$ 33,539,850	\$ 37,683,579	\$ 31,054,585	\$ 38,370,688	\$ 42,618,936 ¹	\$ N/A
REVENUES:							
Real Property Taxes	\$ 44,021,248	\$ 44,667,346	\$ 45,784,030	\$ 46,695,000	\$ 47,850,000	\$ 48,802,215	\$ 50,119,875
Other Tax Items	134,371	124,794	136,409	168,338	156,591	0	0
Charges for Services	113,157	201,719	33,230	48,730	7,410	0	0
Use of Money & Property Sale of Property/	21,103	11,373	682,658	1,359,734	1,802,042	0	0
Compensation for Loss	5,266	200,250	250	0	4,628	0	0
Miscellaneous	1,153,233	1,219,799	1,296,250	1,014,159	942,037	1,150,000	1,500,000
State Aid	30,085,622	30,459,125	32,191,461	36,848,716	37,038,800	39,703,380	40,350,000
Federal Aid	523,798	82,371	79,995	47,218	44,906	0	0
Interfund Transfers	3,249	70,163	154,178	310,001	83,743	0	0
Total Revenues	\$ 76,061,047	\$ 77,036,940	\$ 80,358,461	\$ 86,491,896	\$ 87,930,157	\$ 89,655,595	\$ 91,969,875 ²
Total Revenues & Beginning Balance	\$ 105,889,784	\$ 110,576,790	\$ 118,042,040	\$ 117,546,481	\$ 126,300,845	\$ 132,274,531	\$ N/A
EXPENSES:							
General Support	\$ 6,793,013	\$ 7,233,381	\$ 7,433,090	\$ 7,438,270	\$ 7,668,089	\$ 8,489,144	\$ 8,590,563
Instruction	39,322,869	38,302,973	39,436,513	41,012,961	43,521,196	47,250,932	48,902,285
Transportation	5,011,697	6,010,066	7,153,797	7,335,910	7,040,874	7,502,400	7,777,200
Community Services	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Employee Benefits	18,400,298	18,573,889	19,216,438	20,243,130	21,648,485	25,169,831	26,406,606
Debt Service - Principal	2,065,142	2,147,811	2,361,773	2,016,145	2,229,244	2,440,854	2,313,680
Debt Service - Interest	414,766	364,269	308,991	695,247	1,180,463	2,293,434	2,010,541
Capital Outlay	227,044	59,559	270,005	290,858	193,542	0	0
Interfund Transfers	110,105	196,263	10,746,030	138,272	195,016	120,000	120,000
Total Expenses	\$ 72,349,934	\$ 72,893,211	\$ 86,931,637	\$ 79,175,793	\$ 83,681,909	\$ 93,271,595	\$ 96,125,875
Adjustments	0	0	(55,818) ³	0	0	0	0
Balance June 30	\$ 33,539,850	\$ 37,683,579	\$ 31,054,585	\$ 38,370,688	\$ 42,618,936	\$ 39,002,936 ^E	\$ N/A
Fund Balance as a Percentage of Total Revenues	44.10%	48.92%	38.65%	44.36%	48.47%	43.50% ^E	N/A%

Source: Annual Financial Reports prepared by Certified Public Accountants and Annual Budgets. Summary itself not audited.

- Notes: 1 Appropriated Fund Balance equals \$1,500,000 plus \$2,116,000 of Reserves.
 2 Appropriated Fund Balance equals \$1,925,000 plus \$2,231,000 of Reserves.
 3 Other changes in Fund Balance.
 E Estimated based on 2025-26 Budget.
 N/A Not available.

CHANGES IN REMAINING FUND BALANCES

Modified Accrual Double-Entry Basis

Fiscal Year Ended <u>June 30:</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
<u>SPECIAL AID FUND:</u>					
Balance July 1	\$ 16,936	\$ 16,936	\$ 16,936	\$ 16,936	\$ 16,936
Revenues	1,766,912	3,915,833	4,370,211	5,039,451	3,305,453
Expenses	1,766,912	3,915,833	4,370,211	5,039,451	3,305,453
Adjustments	0	0	0	0	0
Balance June 30	\$ 16,936	\$ 16,936	\$ 16,936	\$ 16,936	\$ 16,936
<u>SCHOOL LUNCH FUND:</u>					
Balance July 1	\$ 391,195	\$ 401,853	\$ 764,944	\$ 695,638	\$ 877,183
Revenues	885,680	2,029,724	1,508,948	2,086,468	2,237,613
Expenses	875,022	1,666,633	1,578,254	1,904,923	2,084,165
Adjustments	0	0	0	0	0
Balance June 30	\$ 401,853	\$ 764,944	\$ 695,638	\$ 877,183	\$ 1,030,631
<u>CAPITAL FUND:</u>¹					
Balance July 1	\$ 575,000	\$ 0	\$ (229,550)	\$ 7,016,692	\$ 4,149,910
Revenues	121,360	0	10,773,221	10,426,230	527,318
Expenses	696,360	229,550	3,582,797	13,293,012	15,388,471
Adjustments	0	0	55,818 ²	0	0
Balance June 30	\$ 0	\$ (229,550)	\$ 7,016,692	\$ 4,149,910	\$ (10,711,243)
<u>DEBT SERVICE FUND:</u>					
Balance July 1	\$ 178,909	\$ 178,909	\$ 178,909	\$ 35,209	\$ 833,364
Revenues	0	0	10,478	798,155	228,771
Expenses	0	0	154,178	0	0
Adjustments	0	0	0	0	0
Balance June 30	\$ 178,909	\$ 178,909	\$ 35,209	\$ 833,364	\$ 1,062,135
<u>MISCELLANEOUS SPECIAL REVENUE FUND:</u>					
Balance July 1	\$ 200,390	\$ 173,009	\$ 185,469	\$ 229,560	\$ 238,646
Revenues	78,643	402,706	605,014	615,033	644,003
Expenses	106,024	390,246	560,923	605,947	611,045
Adjustments	0	0	0	0	0
Balance June 30	\$ 173,009	\$ 185,469	\$ 229,560	\$ 238,646	\$ 271,604

Source: Annual Financial Reports prepared by Certified Public Accountants. Summary itself not audited.

Notes: 1 The Governmental Accounting Standards Boards NCGA Interpretation #9 requires proceeds of short-term obligations (including bond anticipation notes) to be recorded as a "liability" on the balance sheet. Revenue may only be recognized as subsequent principal reductions are made to the short-term liability. Consequently, capital projects financed with short-term obligations appear to be overspent until permanent bonds are sold or the short-term obligation is liquidated.

2 Other changes in Fund Balance.

TAX COLLECTION PROCEDURE

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

STAR - SCHOOL TAX EXEMPTION

The STAR (School Tax Relief) program provides State-funded exemptions from school property taxes to homeowners for their primary residences. School districts receive full reimbursement from the State for real property taxes exempted pursuant to the STAR program by the first business day in January of each year.

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 \$107,300 or less in 2025 and \$110,750 or less in 2026, increased annually according to a cost-of-living adjustment, are eligible for a "full value" exemption of the first \$86,100 for the 2025-26 school year and 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. However, a new homeowner may receive a new personal income tax credit in the form of a check. The dollar benefit to eligible taxpayers will not change. 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 State Budget made several changes to the STAR program, which went into effect immediately. The changes are intended to encourage home owners to switch from the STAR exemption to the STAR credit. The income limit for the exemption has been lowered to \$250,000, compared with a \$500,000 limit for the credit. Homeowners with STAR Adjusted Gross Income of \$250,000 or less have the option to elect the credit or exemption. The amount received for the STAR exemption will remain the same each year, while the amount of the STAR credit can increase up to two percent annually.

The 2020-21 State Budget included a provision that provides that property owners with property tax delinquencies greater than one year are not eligible for the Basic STAR exemption or the Basic STAR credit. Recipients of the Enhanced STAR exemption and credits are not impacted by this program; they may continue to receive their STAR benefits even if their property taxes are delinquent.

TAX LEVY LIMITATION LAW

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

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

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

Chapter 97 restricts, among other things, the amount of real property taxes that may be levied by or on behalf of a school district in a particular year. On April 12, 2019, the enacted State budget legislation for fiscal year 2020 made the Tax Levy Limitation Law permanent. Pursuant to the Tax Levy Limitation Law, the tax levy of a school district cannot increase by more than the lesser of (i) two percent (2%) or (ii) the annual increase in the CPI, over the amount of the prior year’s tax levy. Certain adjustments would be permitted for taxable real property full valuation increases due to changes in physical or quantity growth in the real property base as defined in Section 1220 of the Real Property Tax Law. A school district could exceed the tax levy limitation for the coming fiscal year only if the voters of such school district first approve a tax levy by at least 60% affirmative vote of those voting to override such limitation for such coming fiscal year only. Tax levies that do not exceed the limitation will only require approval by at least 50% of those voting. In the event that the voters reject a tax levy and the district does not go out for a second vote, or if a second vote is likewise defeated, Chapter 97 provides that the tax levy for the new fiscal year may not exceed the tax levy for the prior fiscal year.

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

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

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

On February 20, 2013, the New York State United Teachers (“NYSUT”) filed a lawsuit against the State challenging the Tax Levy Cap Law, as applied to school districts, on multiple Federal and State constitutional grounds. On September 23, 2014, a Justice of the State Supreme Court dismissed each of NYSUT’s causes of action but granted NYSUT’s motion to amend the complaint. After the ruling, NYSUT amended its complaint to include a challenge to the Real Property Tax Rebate (discussed below), also on Federal and State constitutional grounds. On March 16, 2015, all causes of action contained in the amended complaint were dismissed. On May 5, 2016, the Appellate Division upheld the lower court dismissal, noting that while the State is required to provide the opportunity of a sound basic education, the Constitution “does not require that equal educational offerings be provided to every student”, and further noted “the legitimate government interest of restraining crippling property tax increases”. An appeal by NYSUT was dismissed on October 20, 2016 by the Court of Appeals, New York’s highest court, on the ground that no substantial constitutional question was directly involved and thereafter leave to appeal was denied on January 14, 2017 by the Court of Appeals.

TAX COLLECTION RECORD

Fiscal Year Ended June 30:	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
General Fund Tax Levy	\$ 44,021,248	\$ 44,667,346	\$ 45,784,030	\$ 46,695,000	\$ 47,850,000	\$ 48,802,215
Omissions/Loss of Exemptions - Prior Years	21,821	20,235	26,206	43,899	19,103	18,645
Total Levy for All Purposes	\$ 44,043,069	\$ 44,687,581	\$ 45,810,236	\$ 46,738,899	\$ 47,869,103	\$ 48,820,860
Excess/(Deficit) on Tax Rolls	(10,001)	(994)	(757)	(1,010)	0	0
Taxes Cancelled	0	0	0	0	0	(5,107)
Net Taxes on Roll	\$ 44,033,068	\$ 44,686,587	\$ 45,809,479	\$ 46,737,889	\$ 47,869,103	\$ 48,815,753
STAR Program	3,870,833	3,598,684	3,247,217	2,917,397	2,651,885	2,522,959
Net Taxes After STAR Program	\$ 40,162,235	\$ 41,087,903	\$ 42,562,262	\$ 43,820,492	\$ 45,217,218	\$ 46,292,794
Taxes Collected Prior to Return	37,580,396	38,285,225	40,358,378	41,492,169	42,582,793	43,658,793
Uncollected Date of Return	\$ 2,581,839	\$ 2,802,678	\$ 2,203,884	\$ 2,328,323	\$ 2,634,425	\$ 2,634,001
Percentage Collected Prior to Return	93.57%	93.18%	94.82%	94.69%	94.17%	94.31%

MAJOR TAXPAYERS

2025 Assessment Roll Used for 2025-26 Taxes

<u>Name</u>	<u>Type</u>	<u>Equalized Value</u>
Central Hudson Gas & Electric	Utility	\$ 54,130,954
New York State	State Land/Correctional Facility	18,262,355
Blind-O-Corp	Manufactured Homes	17,650,807
Blue Chip Farms	Agriculture	15,730,134
Forest Park Association	Manufactured Homes	11,470,013
Palisades Interstate Park Comm	State Land	10,381,913
Modena MHC LLC	Manufactured Homes	10,336,880
The Dembroski Family LLC	Agriculture	6,628,727
Martins Foods	Supermarket	6,316,364
Fair Rite Products	Manufacturer	<u>4,453,866</u>
Total.....		<u>\$ 155,362,013</u> ¹

Note: 1 The above taxpayers represent 4.98% of the School District's 2025-26 equalized value of \$3,119,590,418.

SCHOOL DISTRICT INDEBTEDNESS - CONSTITUTIONAL REQUIREMENTS

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

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

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

SCHOOL DISTRICT INDEBTEDNESS - STATUTORY PROCEDURE

In general, the State Legislature has authorized the power and procedure for the School District to borrow and incur indebtedness by the enactment of the Local Finance Law 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 School District is generally required by such laws to submit propositions for the expenditure of money for capital purposes to the qualified electors of the School District. Upon approval thereby, the Board of Education may adopt a bond resolution authorizing the issuance of bonds, and notes in anticipation of the bonds.

The School District has the power to contract indebtedness for any school district purpose so long as the principal amount thereof shall not exceed ten per centum of the full valuation of the taxable real estate of the School District and subject to certain enumerated deductions and exclusions set forth in the Local Finance Law. The constitutional and statutory method for determining full valuation is by taking the assessed valuation of taxable real estate for the last completed assessment roll and applying thereto the rate which such assessed valuation bears to the full valuation as determined by the State Office of Real Property Services. The State Legislature is required to prescribe the manner by which such rate shall be determined.

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

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

- 1 Such obligations are authorized for a purpose for which the School District is not authorized to expend money, or
- 2 There has not been substantial compliance with the provisions of law which should have been complied with in the authorization of such obligations

and an action contesting such validity is commenced within twenty days after the date of such publication, or

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

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

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

Statutory law in New York permits bond anticipation notes to be renewed each year provided annual principal installments are made in reduction of the total amount of such notes outstanding, commencing no later than two years from the date of the first of such notes and provided that such renewals do not exceed five years beyond the original date of borrowing. (See "Payment and Maturity" under "Constitutional Requirements" herein, and "Status of Short-Term Indebtedness" herein.)

In general, the Local Finance Law contains provisions providing the School District with power to issue certain other short-term general obligation indebtedness including revenue and tax anticipation notes and budget notes (see "Status of Short-Term Indebtedness" herein).

STATUS OF OUTSTANDING BOND ISSUES

Original Amount:	\$6,769,340	\$3,640,000	\$10,000,000
Dated Date:	06/27/18	05/20/20	06/26/24
Purpose:	Reconstruction	Current	Cosntruction & Reconstruction
Last Maturity:	06/15/32	06/15/26	06/15/39
Call Option:	June 15, 2026	Non-Callable	June 15, 2032
Interest Rate/ Instrument:	2.4968% - SB	1.5917% - RSB	3.4213% - SB
Balance Principal 06-30-25:	<u>\$1,810,000</u>	<u>\$195,000</u>	<u>\$9,245,000</u>
Fiscal Year Ending June 30:	<u>Principal</u> <u>Interest</u>	<u>Principal</u> <u>Interest</u>	<u>Principal</u> <u>Interest</u>
2026	\$ 235,000 \$ 54,300	\$ 195,000 \$ 7,800	\$ 505,000 \$ 369,800
2027	235,000 47,250		560,000 349,600
2028	250,000 40,200		545,000 327,200
2029	255,000 32,700		560,000 305,400
2030	270,000 25,050		585,000 283,000
2031	280,000 16,950		635,000 259,600
2032	<u>285,000</u> <u>8,550</u>		655,000 234,200
2033			660,000 208,000
2034			700,000 181,600
2035			720,000 153,600
2036			745,000 124,800
2037			770,000 95,000
2038			790,000 64,200
2039			<u>815,000</u> <u>32,600</u>
Totals	<u>\$ 1,810,000</u> <u>\$ 225,000</u>	<u>\$ 195,000</u> <u>\$ 7,800</u>	<u>\$ 9,245,000</u> <u>\$ 2,988,600</u>

Fiscal Year Ending June 30:	Totals		Total Debt Service	Year-End Outstanding Principal
	Principal	Interest		
2026	\$ 935,000	\$ 431,900	\$ 1,366,900	\$ 10,315,000
2027	795,000	396,850	1,191,850	9,520,000
2028	795,000	367,400	1,162,400	8,725,000
2029	815,000	338,100	1,153,100	7,910,000
2030	855,000	308,050	1,163,050	7,055,000
2031	915,000	276,550	1,191,550	6,140,000
2032	940,000	242,750	1,182,750	5,200,000
2033	660,000	208,000	868,000	4,540,000
2034	700,000	181,600	881,600	3,840,000
2035	720,000	153,600	873,600	3,120,000
2036	745,000	124,800	869,800	2,375,000
2037	770,000	95,000	865,000	1,605,000
2038	790,000	64,200	854,200	815,000
2039	<u>815,000</u>	<u>32,600</u>	<u>847,600</u>	0
Totals	<u>\$ 11,250,000</u>	<u>\$ 3,221,400</u>	<u>\$ 14,471,400</u>	

Source: School District Bond Records.

STATUS OF OUTSTANDING ENERGY PERFORMANCE CONTRACTS

Original Amount: \$6,251,000
 Dated Date: 06/15/04
 Purpose: Lease Financing of
 EPC Equipment
 Last Maturity: 06/15/30
 Call Option: December 15, 2015
 Interest Rate/
 Instrument: 2.9300% - EPC

Balance Principal 06-30-25:	\$2,393,248		Total Debt Service	Year-End Outstanding Principal
Fiscal Year Ending June 30:	<u>Principal</u>	<u>Interest</u>		
2026	\$ 451,217 *	\$ 66,841	\$ 518,058	\$ 1,942,031
2027	464,534	53,524	518,058	1,477,497
2028	478,245	39,813	518,058	999,252
2029	492,360	25,698	518,058	506,892
2030	<u>506,892</u>	<u>11,166</u>	<u>518,058</u>	0
Totals	<u>\$ 2,393,248</u>	<u>\$ 197,041</u>	<u>\$ 2,590,289</u>	

Source: School District Records.

Note: * December principal reduction made prior to date of this Official Statement.

BOND PRINCIPAL MATURING IN CURRENT AND SUBSEQUENT FISCAL YEARS

Fiscal Year Ending June 30:	Prior Issues	This Issue	Total Maturing Principal	Year-End Outstanding Principal
2026	\$ 935,000	\$ 0	\$ 935,000	\$ 24,875,000
2027	795,000	1,050,000	1,845,000	23,030,000
2028	795,000	1,085,000	1,880,000	21,150,000
2029	815,000	1,135,000	1,950,000	19,200,000
2030	855,000	1,170,000	2,025,000	17,175,000
2031	915,000	980,000	1,895,000	15,280,000
2032	940,000	1,020,000	1,960,000	13,320,000
2033	660,000	955,000	1,615,000	11,705,000
2034	700,000	960,000	1,660,000	10,045,000
2035	720,000	990,000	1,710,000	8,335,000
2036	745,000	1,035,000	1,780,000	6,555,000
2037	770,000	1,090,000	1,860,000	4,695,000
2038	790,000	1,145,000	1,935,000	2,760,000
2039	815,000	1,190,000	2,005,000	755,000
2040		755,000	755,000	0
Totals	<u>\$ 11,250,000</u>	<u>\$ 14,560,000</u>	<u>\$ 25,810,000</u>	

STATUS OF SHORT-TERM INDEBTEDNESS

As of May 18, 2026

<u>Bond Anticipation Notes</u>	<u>Dated Date</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Amount Outstanding</u>
2022 Capital Project	06/25/25	06/25/26	4.00%	\$ 15,825,000 ¹
BOCES Capital Project	06/25/25	06/25/26	4.00%	<u>3,390,497</u> ²
Total.....				<u>\$ 19,215,497</u>

Source: School District Note Records

Notes: 1 To be paid in full at maturity with the proceeds of the Bonds, together with \$1,265,000 current available funds appropriated therefor.

2 To be paid in full at maturity with a portion (\$3,070,860) of the proceeds of the Notes, together with \$319,637 current available funds appropriated therefor.

OPERATIONAL BORROWINGS

Within the past ten years, the School District has not issued Revenue or Tax Anticipation Notes, nor budget or deficiency notes.

BUILDING AID ESTIMATE

Pursuant to the provisions of Chapter 760 of the Laws of 1963, the School District is eligible to receive a Building Aid Estimate from the New York State Department of Education. The School District has not applied for a Building Aid Estimate, but anticipates that aid may be received on its outstanding indebtedness at their Building Aid Ratio of 74.1%.

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

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

DEBT STATEMENT SUMMARY

As of May 18, 2026

<u>Town</u>	<u>2025-26 Assessed Valuation</u>	<u>Final 2025 Equalization Rate</u>	<u>Equalized Value</u>
Montgomery	\$ 2,890,889	37.00%	\$ 7,813,213
Newburgh	139,715,235	17.30%	807,602,514
Gardiner	230,249,322	57.50%	400,433,603
Plattekill	555,283,113	55.00%	1,009,605,660
Shawangunk	100,143,168	11.20%	<u>894,135,428</u>
Total			<u>\$ 3,119,590,418</u>
Debt Limit (10% thereof)			\$ 311,959,041
<u>Borrowings:</u>			
Serial Bonds		\$ 11,055,000	
Refunding Serial Bonds		195,000	
Bond Anticipation Notes		1,584,637	
Energy Performance Contract Financing		<u>2,169,280</u> ¹	
Total Inclusions			\$ 15,003,917
<u>Proposed Issue:</u>			
Serial Bonds		\$ 14,560,000	
Bond Anticipation Notes		<u>11,345,000</u>	<u>\$ 25,905,000</u>
Total Indebtedness			\$ 40,908,917
<u>Exclusions:</u>			
Building Aid Estimate		<u>\$ 0</u> ²	
Total Exclusions			<u>\$ 0</u>
Total Net Indebtedness			\$ 40,908,917
Net Debt-Contracting Margin			\$ 271,050,124
Percentage of Debt-Contracting Power Exhausted			13.11%

Notes: 1 Does not constitute general obligation debt but does count toward the debt limit.

2 Pursuant to the provisions of Chapter 760 of the Laws of New York State of 1963, the School District receives aid on existing building debt. Since the Gross Indebtedness of the School District is within the debt limit, the School District has not applied for a Building Aid Estimate.

ESTIMATED CALCULATION OF OVERLAPPING INDEBTEDNESS

Overlapping Unit	Applicable Equalized Value	Percent	Gross Indebtedness ¹	Exclusions	Net Indebtedness	Estimated Applicable Overlapping Indebtedness
Orange County	\$ 636,084,112 \$ 53,195,255,847	1.20%	\$ 210,100,000	\$ N/A	\$ 210,100,000	\$ 2,521,200
Ulster County	\$ 2,004,403,070 \$ 30,993,176,559	6.47%	191,057,970	N/A	191,057,970	12,361,451
Town of Montgomery	\$ 6,842,592 \$ 3,558,633,233	0.19%	11,472,456	N/A	11,472,456	22,059
Town of Newburgh	\$ 629,241,519 \$ 5,009,119,458	12.56%	12,845,000	N/A	12,845,000	1,613,578
Town of Gardiner	\$ 332,411,539 \$ 1,342,740,516	24.76%	320,777	N/A	320,777	79,412
Town of Plattekill	\$ 884,081,170 \$ 1,124,487,407	78.62%	286,446	N/A	286,446	225,206
Town of Shawangunk	\$ 787,910,360 \$ 1,554,608,496	50.68%	2,696,463	N/A	2,696,463	<u>1,366,628</u>
Total						<u>\$ 18,189,535</u>

Source: Office of the State Comptroller Local Government Data for Fiscal Years Ended in 2024.

Notes: 1 Bonds and bond anticipation notes as of 2024 fiscal year. Not adjusted to include subsequent bond and note sales.
N/A Information not available from source document.

LITIGATION

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

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

Source: School District Attorney.

SPECIAL PROVISIONS AFFECTING REMEDIES UPON DEFAULT

State Aid Intercept for School Districts.

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

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

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

General Municipal Law Contract Creditors' Provision.

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

Execution/Attachment of Municipal Property.

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

Continued on following page.

SPECIAL PROVISIONS AFFECTING REMEDIES UPON DEFAULT - Continued

Authority to File for Municipal Bankruptcy.

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

State Debt Moratorium Law.

There are separate State law provisions regarding debt service moratoriums enacted into law in 1975.

At the Extraordinary Session of the State Legislature held in November, 1975, legislation was enacted which purported to suspend the right to commence or continue an action in any court to collect or enforce certain short-term obligations of The City of New York. The effect of such act was to create a three-year moratorium on actions to enforce the payment of such obligations. On November 19, 1976, the Court of Appeals, the State's highest court, declared such act to be invalid on the ground that it violates the provisions of the State Constitution requiring a pledge by such City of its faith and credit for the payment of obligations.

As a result of the Court of Appeals decision in Flushing National Bank v. Municipal Assistance Corporation for the City of New York, 40 N.Y.2d 731 (1976), the constitutionality of that portion of Title 6-A of Article 2 of the Local Finance Law described below 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 School District.

Right of Municipality or State to Declare a Municipal Financial Emergency and Stay Claims Under State Debt Moratorium Law.

The State Legislature is authorized to declare by special act that a state of financial emergency exists in any county, city, town or village. (The provision does not by its terms apply to school districts or fire districts.) In addition, the State Legislature may authorize by special act establishment of an "emergency financial control board" for any county, city, town or village upon determination that such a state of financial emergency exists. Thereafter, unless such special act provides otherwise, a voluntary petition to stay claims may be filed by any such municipality (or by its emergency financial control board in the event said board requests the municipality to petition and the municipality fails to do so within five days thereafter). A petition filed in supreme court in county in which the municipality is located in accordance with the requirements of Title 6-A of the Local Finance Law ("Title 6-A") effectively prohibits the doing of any act for ninety days in the payment of claims, against the municipality including payment of debt service on outstanding indebtedness. This includes staying the commencement or continuation of any court proceedings seeking payment of debt service due, the assessment, levy or collection of taxes by or for the municipality or the application of any funds, property, receivables or revenues of the municipality to the payment of debt service. The stay can be vacated under certain circumstances with provisions for the payment of amounts due or overdue upon a demand for payment in accordance with the statutory provisions set forth therein. The filing of a petition may be accompanied with a proposed repayment plan which upon court order approving the plan, may extend any stay in the payment of claims against the municipality for such "additional period of time as is required to carry out fully all the terms and provisions of the plan with respect to those creditors who accept the plan or any benefits thereunder." Court approval is conditioned, after a hearing, upon certain findings as provided in Title 6-A.

A proposed plan can be modified prior to court approval or disapproval. After approval, modification is not permissible without court order after a hearing. If not approved, the proposed plan must be amended within ten days or else the stay is vacated and claims including debt service due or overdue must be paid. It is at the discretion of the court to permit additional filings of amended plans and continuation of any stay during such time. A stay may be vacated or modified by the court upon motion of any creditor if the court finds after a hearing, that the municipality has failed to comply with a material provision of an accepted repayment plan or that due to a "material change in circumstances" the repayment plan is no longer in compliance with statutory requirements.

Continued on following page.

SPECIAL PROVISIONS AFFECTING REMEDIES UPON DEFAULT - Continued

Once an approved repayment plan has been completed, the court, after a hearing upon motion of any creditor, or a motion of the municipality or its emergency financial control board, will enter an order vacating any stay then in effect and enjoining of creditors who accepted the plan or any benefits thereunder from commencing or continuing any court action, proceeding or other act described in Title 6-A relating to any debt included in the plan.

Title 6-A requires notice to all creditors of each material step in the proceedings. Court determinations adverse to the municipality or its financial emergency control board are appealable as of right to the appellate division in the judicial department in which the court is located and thereafter, if necessary, to the Court of Appeals. Such appeals stay the judgment or appealed from and all other actions, special proceedings or acts within the scope of Section 85.30 of Title 6-A pending the hearing and determination of the appeals.

Whether Title 6-A is valid under the Constitutional provisions regarding the payment of debt service is not known. However, based upon the decision in the Flushing National Bank case described above, its validity is subject to doubt.

While the State Legislature has from time to time adopted legislation in response to a municipal fiscal emergency and established public benefit corporations with a broad range of financial control and oversight powers to oversee such municipalities, generally such legislation has provided that the provisions of Title 6-A are not applicable during any period of time that such a public benefit corporation has outstanding indebtedness issued on behalf of such municipality.

Fiscal Stress and State Emergency Financial Control Boards.

Pursuant to Article IX Section 2(b)(2) of the State Constitution, any local government in the State may request the intervention of the State in its "property, affairs and government" by a two-thirds vote of the total membership of its legislative body or on request of its chief executive officer concurred in by a majority of such membership. This has resulted in the adoption of special acts for the establishment of public benefit corporations with varying degrees of authority to control the finances (including debt issuance) of the cities of Buffalo, Troy and Yonkers and the County of Nassau. The specific authority, powers and composition of the financial control boards established by these acts varies based upon circumstances and needs. Generally, the State legislature has granted such boards the power to approve or disapprove budget and financial plans and to issue debt on behalf of the municipality, as well as to impose wage and/or hiring freezes and approve collective bargaining agreements in certain cases. Implementation is left to the discretion of the board of the public benefit corporation. Such a State financial control board was first established for New York City in 1975. In addition, on a certificate of necessity of the governor reciting facts which in the judgment of governor constitute an emergency requiring enactment of such laws, with the concurrences of two-thirds of the members elected in each house of the State legislature the State is authorized to intervene in the "property, affairs and governments" of local government units. This occurred in the case of the County of Erie in 2005. The authority of the State to intervene in the financial affairs of local government is further supported by Article VIII, Section 12 of the Constitution which declares it to be the duty of the State legislature to restrict, subject to other provisions of the Constitution, the power of taxation, assessment, borrowing money and contracting indebtedness and loaning the credit of counties, cities, towns and villages so as to prevent abuses in taxation and assessment and in contracting indebtedness by them.

In 2013, the State established a new state advisory board to assist counties, cities, towns and villages in financial distress. The Financial Restructuring Board for Local Governments (the "FRB"), is authorized to conduct a comprehensive review of the finances and operations of any such municipality deemed by the FRB to be fiscally eligible for its services upon request by resolution of the municipal legislative body and concurrence of its chief executive. The FRB is authorized to make recommendations for, but cannot compel improvement of fiscal stability, management and delivery of municipal services, including shared services opportunities and is authorized to offer grants and/or loans of up to \$5,000,000 through a Local Government Performance and Efficiency Program to undertake certain recommendations. If a municipality agrees to undertake the FRB recommendations, it will be automatically bound to fulfill the terms in order to receive the aid.

The FRB is also authorized to serve as an alternative arbitration panel for binding arbitration.

Although from time to time, there have been proposals for the creation of a statewide financial control board with broad authority over local governments in the State, the FRB does not have emergency financial control board powers to intervene such as the public benefit corporations established by special acts as described above.

Several municipalities in the State are presently working with the FRB. The School District has not requested FRB assistance. School districts and fire districts are not eligible for FRB assistance.

Concluded on following page.

SPECIAL PROVISIONS AFFECTING REMEDIES UPON DEFAULT - Concluded

Constitutional Non-Appropriation Provision.

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

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

Default Litigation.

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

No Past Due Debt.

No principal of or interest on the School District's indebtedness is past due to the best knowledge of current officers. The School District has never defaulted in the payment of the principal of and interest on any indebtedness.

LEGAL MATTERS

Legal matters incident to the authorization, issuance and sale of the Bonds and Notes are subject to the approving legal opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel. Bond Counsel expects to deliver an opinion at the time of issuance of the Bonds and Notes in substantially the forms attached hereto as Appendix A-1 and B-1, respectively.

MARKET AND RISK FACTORS

There are various forms of risk associated with investing in the Bonds and Notes. The following is a discussion of certain events that could affect the risk of investing in the Bonds and 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 investment risk.

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

The School District is dependent in part on financial assistance from the State. However, if the State should experience difficulty in borrowing funds in anticipation of the receipt of State taxes and revenues in order to pay State aid to municipalities and school districts in the State, including the School District, in any year, the School District may be affected by a delay, until sufficient taxes have been received by the State to make State aid payments to the School District. In some years, the School District has received delayed payments of State aid which resulted from the State's delay in adopting its budget and appropriating State aid to municipalities and school districts, and consequent delay in State borrowing to finance such appropriations. (See also "State Aid".)

There are a number of general factors which could have a detrimental effect on the ability of the School District to continue to generate revenues, particularly property taxes. For instance, the termination of a major commercial enterprise or an unexpected increase in tax certiorari proceedings could result in a significant reduction in the assessed valuation of taxable real property in the School District. Unforeseen developments could also result in substantial increases in School District expenditures, thus placing strain on the School District's financial condition. These factors may have an effect on the market price of the Bonds and Notes.

If a holder elects to sell his investment prior to its scheduled maturity date, market access or price risk may be incurred. If and when a holder of any of the Bonds or Notes should elect to sell a Bond or Note prior to its maturity, there can be no assurance that a market shall have been established, maintained and be in existence for the purchase and sale of any of the Bonds or Notes. Recent global financial crises have included limited periods of significant disruption. In addition, the price and principal value of the Bonds and Notes is dependent on the prevailing level of interest rates; if interest rates rise, the price of a bond or note will decline, causing the bondholder or noteholder to incur a potential capital loss if such bond or note is sold prior to its maturity.

Amendments to U.S. Internal Revenue Code could reduce or eliminate the favorable tax treatment granted to municipal debt, including the Bonds and other debt issued by the School District. Any such future legislation would have an adverse effect on the market value of the Bonds and Notes. (See "Tax Matters" herein.)

The Tax Levy Limitation Law, which imposes a tax levy limitation upon municipalities, school districts and fire districts in the State, including the School District and continuing technical and constitutional issues raised by its enactment and implementation could have an impact upon the finances and operations of the School District and hence upon the market price of the Bonds and Notes. (See "Tax Levy Limitation Law" herein.)

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. To mitigate the risks of impact on the School District operations and/or damage from cyber incidents or cyber-attacks, the School District has invested in cybersecurity and other operational controls. While the School District continues to review its policies and practices in this regard, there can be no assurances that such security and operational control measures 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.

Concluded on following page.

MARKET AND RISK FACTORS - Concluded

COVID-19. Since early calendar year 2020, the COVID-19 pandemic has had a notable impact on the School District and the world. With the conclusion of public health emergency statuses by the United States government and the World Health Organization in May 2023, it is expected that the pandemic's most notable impacts are in the past. However, a resurgence of COVID-19 or the emergence of a new pandemic or public health emergency could have a material adverse effect on the State, the municipalities and the school districts located in the State. To date, the School District has received significant funding from federal stimulus packages and reinstatement of State Foundation Aid, however the additional federal funding is anticipated to cease after the 2023-24 fiscal year. There can be no assurances that a resurgence of COVID-19 or the emergence of a new pandemic or public health emergency would not result in delays and/or reductions in State aid paid to school districts, including the School District, or that such delays and/or reductions would be sufficiently counterbalanced by federal aid. Any delay or reduction in State aid payments to the School District would have a negative impact on the School District's finances and operations. (See "State Aid" and "State Aid History" herein).

TAX MATTERS

In the opinion of Orrick, Herrington & Sutcliffe LLP ("Bond Counsel"), based upon an analysis of existing laws, regulations, rulings, and court decisions, and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the Bonds and Notes is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 (the "Code") and is exempt from personal income taxes imposed by the State of New York or any political subdivision thereof (including The City of New York). Bond Counsel is of the further opinion that interest on the Bonds and Notes is not a specific preference item for purposes of the federal individual alternative minimum tax. Interest on the Bonds and Notes included in adjusted financial statement income of certain corporations is not excluded from the federal corporate alternative minimum tax. A complete copy of the proposed form of opinion of Bond Counsel is set forth in "APPENDIX A-1" and "APPENDIX B-1".

To the extent the issue price of any maturity of the Bonds or Notes is less than the amount to be paid at maturity of such Bonds or Notes (excluding amounts stated to be interest and payable at least annually over the term of such Bonds or Notes), the difference constitutes "original issue discount," the accrual of which, to the extent properly allocable to each owner thereof, is treated as interest on the Bonds or Notes which is excluded from gross income for federal income tax purposes and exempt from State of New York personal income taxes. For this purpose, the issue price of a particular maturity of the Bonds or Notes is the first price at which a substantial amount of such maturity of the Bonds or Notes is sold to the public (excluding bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers). The original issue discount with respect to any maturity of the Bonds or Notes accrues daily over the term to maturity of such Bonds or Notes on the basis of a constant interest rate compounded semiannually (with straight-line interpolations between compounding dates). The accruing original issue discount is added to the adjusted basis of such Bonds or Notes to determine taxable gain or loss upon disposition (including sale, redemption, or payment on maturity) of such Bonds or Notes. Owners of the Bonds and Notes should consult their own tax advisors with respect to the tax consequences of ownership of Bonds or Notes with original issue discount, including the treatment of owners who do not purchase such Bonds or Notes in the original offering to the public at the first price at which a substantial amount of such Bonds or Notes is sold to the public.

Bonds or Notes purchased, whether at original issuance or otherwise, for an amount higher than their principal amount payable at maturity (or, in some cases, at their earlier call date) ("Premium Bonds or Notes") will be treated as having amortizable bond premium. No deduction is allowable for the amortizable bond premium in the case of bonds, like the Premium Bonds or Notes, the interest on which is excluded from gross income for federal income tax purposes. However, the amount of tax-exempt interest received, and an owner's basis in a Premium Bond or Note, will be reduced by the amount of amortizable bond premium properly allocable to such owner. Owners of Premium Bonds or Notes should consult their own tax advisors with respect to the proper treatment of amortizable bond premium in their particular circumstances.

Continued on following page.

TAX MATTERS - Continued

Bond Counsel is of the further opinion that the amount treated as interest on the Notes and excluded from gross income will depend upon the taxpayer's election under Internal Revenue Notice 94-84. Notice 94-84, 1994-2 C.B. 559, states that the Internal Revenue Service (the "IRS") is studying whether the amount of the stated interest payable at maturity on short-term debt obligations (i.e., debt obligations with a stated fixed rate of interest which mature not more than one year from the date of issue) that is excluded from gross income for federal income tax purposes should be treated (i) as qualified stated interest or (ii) as part of the stated redemption price at maturity of the short-term debt obligation, resulting in treatment as accrued original issue discount (the "original issue discount"). The Notes will be issued as short-term debt obligations. Until the IRS provides further guidance with respect to tax-exempt short-term debt obligations, taxpayers may treat the stated interest payable at maturity either as qualified stated interest or as includable in the stated redemption price at maturity, resulting in original issue discount as interest that is excluded from gross income for federal income tax purposes. However, taxpayers must treat the amount to be paid at maturity on all tax-exempt short-term debt obligations in a consistent manner. Taxpayers should consult their own tax advisors with respect to the tax consequences of ownership of Notes if the taxpayer elects original issue discount treatment.

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

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

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

Current and future legislative proposals, if enacted into law, clarification of the Code or court decisions may cause interest on the Bonds and Notes to be subject, directly or indirectly, to federal income taxation or to be subject to or exempted from state income taxation, or otherwise prevent owners from realizing the full current benefit of the tax status of such interest. The introduction or enactment of any such legislative proposals, clarification of the Code or court decisions may also affect the market price for, or marketability of, the Bonds and Notes. Prospective purchasers of the Bonds and Notes should consult their own tax advisors regarding any pending or proposed federal or state tax legislation, regulations or litigation, as to which Bond Counsel expresses no opinion.

The opinion of Bond Counsel is based on current legal authority, covers certain matters not directly addressed by such authorities, and represents Bond Counsel's judgment as to the proper treatment of the Bonds and Notes for federal income tax purposes. It is not binding on the Internal Revenue Service ("IRS") or the courts. Furthermore, Bond Counsel cannot give and has not given any opinion or assurance about the future activities of the School District, or about the effect of future changes in the Code, the applicable regulations, the interpretation thereof or the enforcement thereof by the IRS. The School District has covenanted, however, to comply with the requirements of the Code.

Concluded on following page.

TAX MATTERS - Concluded

Bond Counsel's engagement with respect to the Bonds and Notes ends with the issuance of the Bonds and Notes, and, unless separately engaged, Bond Counsel is not obligated to defend the School District or the owners regarding the tax-exempt status of the Bonds and Notes in the event of an audit examination by the IRS. Under current procedures, owners would have little, if any, right to participate in the audit examination process. Moreover, because achieving judicial review in connection with an audit examination of tax-exempt bonds is difficult, obtaining an independent review of IRS positions with which the School District legitimately disagrees, may not be practicable. Any action of the IRS, including but not limited to selection of the Bonds or Notes for audit, or the course or result of such audit, or an audit of bonds presenting similar tax issues may affect the market price for, or the marketability of, the Bonds and Notes, and may cause the School District or the owners to incur significant expense.

Payments on the Bonds and Notes generally will be subject to U.S. information reporting and possibly to "backup withholding." Under Section 3406 of the Code and applicable U.S. Treasury Regulations issued thereunder, a non-corporate owner of Bonds or Notes may be subject to backup withholding with respect to "reportable payments," which include interest paid on the Bonds or Notes and the gross proceeds of a sale, exchange, redemption, retirement or other disposition of the Bonds or Notes. The payor will be required to deduct and withhold the prescribed amounts if (i) the payee fails to furnish a U.S. taxpayer identification number ("TIN") to the payor in the manner required, (ii) the IRS notifies the payor that the TIN furnished by the payee is incorrect, (iii) there has been a "notified payee underreporting" described in Section 3406(c) of the Code or (iv) the payee fails to certify under penalty of perjury that the payee is not subject to withholding under Section 3406(a)(1)(C) of the Code. Amounts withheld under the backup withholding rules may be refunded or credited against an owner's federal income tax liability, if any, provided that the required information is timely furnished to the IRS. Certain owners (including among others, corporations and certain tax-exempt organizations) are not subject to backup withholding. The failure to comply with the backup withholding rules may result in the imposition of penalties by the IRS.

CONTINUING DISCLOSURE UNDERTAKING

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

- (i) to the Electronic Municipal Market Access ("EMMA") system of the Municipal Securities Rulemaking Board ("MSRB") or any other entity designated or authorized by the Commission to receive reports pursuant to the Rule, during each fiscal year in which the Bonds are outstanding, (i) certain annual financial information and operating data for the preceding fiscal year in a form generally consistent with the information contained or cross-referenced in the final Official Statement of the School District relating to the Bonds under the headings "Bond Rating", "School District Officials", "Historical/Projected Enrollment", "School Facilities", "Employee Contracts", "Status and Financing of Employee Pension Benefits", "Major Employers", "Unemployment Rates", "Investment Policy", "Budgetary Procedures", "State Aid", "Fiscal Stress Monitoring", "Other Information", "Financial Audits", "Financial Information", "Statement of Net Position", "Statement of Activities", "General Fund - Comparative Balance Sheet", "General Fund - Revenues, Expenses and Fund Balance", "Changes in Remaining Fund Balances", "Tax Collection Procedure", "STAR - School Tax Exemption", "Tax Levy Limitation Law", "Tax Collection Record", "Major Taxpayers", "Status of Short-Term Indebtedness", "Status of Outstanding Bond Issues", "Building Aid Estimate", "Debt Statement Summary", "Estimated Calculation of Overlapping Indebtedness" and "Litigation" (other than any related to bond insurance) by the end of the sixth month following the end of each succeeding fiscal year, commencing with the fiscal year ending June 30, 2026, and (ii) a copy of the audited financial statement, if any, (prepared in accordance with accounting principles generally accepted in the United States of America in effect at the time of the audit) for the preceding fiscal year, commencing with the fiscal year ending June 30, 2026, such audit, if any, will be so provided on or prior to the later of either the end of the sixth month of each such succeeding fiscal year or, if an audited financial statement is not available at that time, within sixty days following receipt by the School District of its audited financial statement for the preceding fiscal year, but, in any event, not later than the last business day of each such succeeding fiscal year; and provided further, in the event that the audited financial statement for any fiscal year is not available by the end of the sixth month following the end of any such succeeding fiscal year, unaudited financial statements in the form provided to the State, if available, will be provided no later than said date; provided however, that provision of unaudited financial statements in any year shall be further conditioned upon a determination by the School District of whether such provision is compliant with the requirements of federal securities laws including Rule 10b-5 of the Securities Exchange Act of 1934 and Rule 17(a)(2) of the Securities Act of 1933;
- (ii) In a timely manner not in excess of ten (10) business days after the occurrence of the event, during the period in which the Bonds are outstanding, to EMMA, notice of the occurrence of any of the following events with respect to the Bonds:
 - (a) principal and interest payment delinquencies
 - (b) non-payment related defaults, if material
 - (c) unscheduled draws on debt service reserves reflecting financial difficulties
 - (d) in the case of credit enhancement, if any, provided in connection with the issuance of the Bonds, unscheduled draws on credit enhancements reflecting financial difficulties
 - (e) substitution of credit or liquidity providers, or their failure to perform
 - (f) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701 TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds
 - (g) modifications to rights of Bond holders, if material
 - (h) bond calls, if material and tender offers
 - (i) defeasances
 - (j) release, substitution, or sale of property securing repayment of the Bonds, if material
 - (k) rating changes

Continued on the following page.

CONTINUING DISCLOSURE UNDERTAKING – Continued

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

Note to clause (l): For the purposes of the event identified in clause (l) 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 School District in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or government authority has assumed jurisdiction over substantially all of the assets or business of the School District, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the School District.

- (m) the consummation of a merger, consolidation, or acquisition involving the School District or the sale of all or substantially all of the assets of the School District, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material
- (n) appointment of a successor or additional trustee or the change of name of a trustee, if material
- (o) incurrence of a financial obligation of the School District, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the School District, any of which affect security holders, if material
- (p) default, event of acceleration, termination event, modification of terms, or other similar events under the term of a financial obligation of the School District, any of which reflect financing difficulties.

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

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

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

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

- (iii) As an issuer of outstanding bonds subject to the Rule, the School District shall provide in a timely manner, to EMMA, notice of its failure to provide the aforescribed annual financial information and operating data and such audited financial statement, if any, on or before the date specified.

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

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

Concluded on the following page.

CONTINUING DISCLOSURE UNDERTAKING – Concluded

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

The School District within the previous five years has complied to the best of its understanding, in all material respects, with any previous undertakings pursuant to Rule 15c2-12.

MATERIAL EVENT NOTICES

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

- (a) principal and interest payment delinquencies
- (b) non-payment related defaults, if material
- (c) unscheduled draws on debt service reserves reflecting financial difficulties
- (d) in the case of credit enhancement, if any, provided in connection with the issuance of the Notes, unscheduled draws on credit enhancements reflecting financial difficulties
- (e) substitution of credit or liquidity providers, or their failure to perform
- (f) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701 TEB) or other material notices or determinations with respect to the tax status of the Notes, or other material events affecting the tax status of the Notes
- (g) modifications to rights of Note holders, if material
- (h) note calls, if material and tender offers
- (i) defeasances
- (j) release, substitution, or sale of property securing repayment of the Notes, if material
- (k) rating changes
- (l) bankruptcy, insolvency, receivership or similar event of the School District

Note to clause (l): For the purposes of the event identified in clause (l) 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 School District in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or government authority has assumed jurisdiction over substantially all of the assets or business of the School District, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the School District.

Concluded on following page.

MATERIAL EVENT NOTICES – Concluded

- (m) the consummation of a merger, consolidation, or acquisition involving the School District or the sale of all or substantially all of the assets of the School District, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material
- (n) appointment of a successor or additional trustee or the change of name of a trustee, if material
- (o) incurrence of a financial obligation of the School District, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the School District, any of which affect security holders, if material
- (p) default, event of acceleration, termination event, modification of terms, or other similar events under the term of a financial obligation of the School District, any of which reflect financing difficulties.

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

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

As an issuer of outstanding notes subject to the Rule, the School District shall provide, in a timely manner, to EMMA, notice of its failure to provide the aforescribed annual financial information and operating data and such audited financial statement, if any, on or before the date specified.

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

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

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

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

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

The School District within the previous five years has complied to the best of its understanding, in all material respects, with any previous undertakings pursuant to Rule 15c2-12.

MISCELLANEOUS

Statements in the Official Statement, and the documents included by specific reference, that are not historical facts are “forward-looking statements”, within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, and as defined in the Private Securities Litigation Reform Act of 1995, which involve a number of risks and uncertainties, and which are based on the School District’s management beliefs as well as assumptions made by, and information currently available to, the School 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 School District files with the repositories. When used in School District documents or oral presentation, the words “anticipate”, “believe”, “intend”, “plan”, “foresee”, “likely”, “estimate”, “expect”, “objective”, “projection”, “forecast”, “goal”, “will”, or “should”, or similar words or phrases are intended to identify forward-looking statements.

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

Orrick, Herrington & Sutcliffe LLP, New York, New York, Bond Counsel to the School District, expresses no opinion as to the accuracy or completeness of information in any documents prepared by or on behalf of the School District for use in connection with the offer and sale of the Bonds and 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 Bonds and Notes, the School 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 limitation as to information in the Official Statement obtained from sources other than the School District, as to which no representation can be made.

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

The School 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.

Information pertaining to the Final Official Statement may be obtained upon request after the date of the Final Official Statement from the Office of Bernard P. Donegan, Inc., 345 Woodcliff Drive, 2nd Floor, Fairport, New York 14450; telephone (585) 924-2145; fax (585) 924-4636.

This Official Statement has been duly executed and delivered by the President of the Board of Education of the School District, on behalf thereof.

The School District will act as Paying Agent for the Bonds. The School District’s contact information is as follows: Brian Devincenzi, phone: (845) 895-7102; email: bdevincenzi@walkkillcsd.k12.ny.us. Requests for additional information or additional copies of the Notice of Sale and Official Statement may be directed to Bernard P. Donegan, Inc., 345 Woodcliff Drive, 2nd Floor, Fairport, New York 14450; phone (585) 924-2145, fax (585) 924-4636.

Dated: May 18, 2026
Walkkill, New York

Tom Frisbie
President, Board of Education

FORM OF BOND COUNSEL'S LEGAL OPINION – THE BONDS

June 23, 2026

Wallkill Central School District
Orange and Ulster Counties
State of New York

Re: WALLKILL CENTRAL SCHOOL DISTRICT, ORANGE AND ULSTER COUNTIES, NEW YORK
\$14,560,000 SCHOOL DISTRICT (SERIAL) BONDS, 2026

Ladies and Gentlemen:

We have been requested to render our opinion as to the validity of an issue of \$14,560,000 School District (Serial) Bonds, 2026 (the "Obligations"), of the Wallkill Central School District, Orange and Ulster Counties, State of New York (the "Obligor"), dated June 23, 2026, initially issued in registered form in denominations such that one bond shall be issued for each maturity of bonds in such amounts as hereinafter set forth, bearing interest at the rate of _____ per centum (____%) per annum, payable on December 15, 2026 and semi-annually thereafter on June 15 and December 15, and maturing in the amount of \$1,050,000 on June 15, 2027, \$1,085,000 on June 15, 2028, \$1,135,000 on June 15, 2029, \$1,170,000 on June 15, 2030, \$980,000 on June 15, 2031, \$1,020,000 on June 15, 2032, \$955,000 on June 15, 2033, \$960,000 on June 15, 2034, \$990,000 on June 15, 2035, \$1,035,000 on June 15, 2036, \$1,090,000 on June 15, 2037, \$1,145,000 on June 15, 2038, \$1,190,000 on June 15, 2039, \$755,000 on June 15, 2040.

Bonds maturing on or before June 15, 2034 are not subject to redemption prior to maturity. Bonds maturing on or after June 15, 2035 are subject to redemption, at the option of the School District, in whole or in part, prior to maturity, on any date on or after June 15, 2034, at par, plus accrued interest to the redemption date.

We have examined:

- (1) the Constitution and statutes of the State of New York;
- (2) the Internal Revenue Code of 1986, including particularly Sections 103 and 141 through 150 thereof, and the applicable regulations of the United States Treasury Department promulgated thereunder (collectively, the "Code");
- (3) an arbitrage certificate executed on behalf of the Obligor which includes, among other things, covenants, relating to compliance with the Code, with the owners of the Obligations that the Obligor will, among other things, (i) take all actions on its part necessary to cause interest on the Obligations not to be includable in the gross income of the owners thereof for Federal income tax purposes, including, without limitation, restricting, to the extent necessary, the yield on investments made with the proceeds of the Obligations and investment earnings thereon, making required payments to the Federal government, if any, and maintaining books and records in a specified manner, where appropriate, and (ii) refrain from taking any action which would cause interest on the Obligations to be includable in the gross income of the owners thereof for Federal income tax purposes, including, without limitation, refraining from spending the proceeds of the Obligations and investment earnings thereon on certain specified purposes (the "Arbitrage Certificate"); and
- (4) a certificate executed on behalf of the Obligor which includes, among other things, a statement that compliance with such covenants is not prohibited by, or violative of, any provision of local or special law, regulation or resolution applicable to the Obligor.

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

In our opinion:

- (a) The Obligations have been authorized and issued in accordance with the Constitution and statutes of the State of New York and constitute valid and legally binding general obligations of the Obligor, all the taxable real property within which is subject to the levy of ad valorem taxes to pay the Obligations and interest thereon, without limitation as to rate or amount, provided, however, that the enforceability (but not the validity) of the Obligations: (i) may be limited by any applicable bankruptcy, insolvency or other law now existing or hereafter enacted by said State or the Federal government affecting the enforcement of creditors' rights, and (ii) may be subject to the exercise of judicial discretion in appropriate cases.
- (b) The Obligor has the power to comply with its covenants with respect to compliance with the Code as such covenants relate to the Obligations; provided, however, that the enforceability (but not the validity) of such covenants may be limited by any applicable bankruptcy, insolvency or other law now existing or hereafter enacted by said State or the Federal government affecting the enforcement of creditors' rights.
- (c) Interest on the Obligations is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, and is exempt from personal income taxes imposed by the State of New York and any political subdivision thereof (including The City of New York). Interest on the Obligations is not a specific preference item for purposes of the federal individual alternative minimum tax. Interest on the Bonds included in adjusted financial statement income of certain corporations is not excluded from the federal corporate alternative minimum tax. We express no opinion regarding other tax consequences related to the ownership or disposition of, or the amount, accrual or receipt of interest on, the Obligations.

Certain agreements, requirements and procedures contained or referred to in the Arbitrage Certificate and other relevant documents may be changed and certain actions (including, without limitation, economic defeasance of the Obligations) may be taken or omitted under the circumstances and subject to the terms and conditions set forth in such documents.

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

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

Very truly yours,

/s/ Orrick, Herrington & Sutcliffe LLP

FORM OF BOND COUNSEL'S LEGAL OPINION – THE NOTES

June 24, 2026

Wallkill Central School District
Orange and Ulster Counties
State of New York

Re: WALLKILL CENTRAL SCHOOL DISTRICT, ORANGE AND ULSTER COUNTIES, NEW YORK
\$11,345,000 BOND ANTICIPATION NOTES, 2026

Ladies and Gentlemen:

We have been requested to render our opinion as to the validity of an issue of \$11,345,000 Bond Anticipation Notes, 2026 (the "Obligations"), of the Wallkill Central School District, Orange and Ulster Counties, State of New York (the "Obligor"), dated June 24, 2026, and initially issued in the denomination of \$ _____, bearing interest at the rate of _____% per annum, payable at maturity, and maturing June 24, 2027.

We have examined:

- (1) the Constitution and statutes of the State of New York;
- (2) the Internal Revenue Code of 1986, including particularly Sections 103 and 141 through 150 thereof, and the applicable regulations of the United States Treasury Department promulgated thereunder (collectively, the "Code");
- (3) an arbitrage certificate executed on behalf of the Obligor which includes, among other things, covenants, relating to compliance with the Code, with the owners of the Obligations that the Obligor will, among other things, (i) take all actions on its part necessary to cause interest on the Obligations not to be includable in the gross income of the owners thereof for Federal income tax purposes, including, without limitation, restricting, to the extent necessary, the yield on investments made with the proceeds of the Obligations and investment earnings thereon, making required payments to the Federal government, if any, and maintaining books and records in a specified manner, where appropriate, and (ii) refrain from taking any action which would cause interest on the Obligations to be includable in the gross income of the owners thereof for Federal income tax purposes, including, without limitation, refraining from spending the proceeds of the Obligations and investment earnings thereon on certain specified purposes (the "Arbitrage Certificate"); and
- (4) a certificate executed on behalf of the Obligor which includes, among other things, a statement that compliance with such covenants is not prohibited by, or violative of, any provision of local or special law, regulation or resolution applicable to the Obligor.

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

In our opinion:

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

- (b) The Obligor has the power to comply with its covenants with respect to compliance with the Code as such covenants relate to the Obligations; provided, however, that the enforceability (but not the validity) of such covenants may be limited by any applicable bankruptcy, insolvency or other law now existing or hereafter enacted by said State or the Federal government affecting the enforcement of creditors' rights.
- (c) Interest on the Obligations is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, and is exempt from personal income taxes imposed by the State of New York and any political subdivision thereof (including The City of New York). Interest on the Obligations is not a specific preference item for purposes of the federal individual alternative minimum tax. Interest on the Obligations included in adjusted financial statement income of certain corporations is not excluded from the federal corporate alternative minimum tax. We express no opinion regarding other tax consequences related to the ownership or disposition of, or the amount, accrual or receipt of interest on, the Obligations.

Certain agreements, requirements and procedures contained or referred to in the Arbitrage Certificate and other relevant documents may be changed and certain actions (including, without limitation, economic defeasance of the Obligations) may be taken or omitted under the circumstances and subject to the terms and conditions set forth in such documents.

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

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

Very truly yours,

/s/ Orrick, Herrington & Sutcliffe LLP