REFUNDING BONDS **Ratings: See "Ratings" herein**

In the opinion of Hodgson Russ LLP, Albany, New York, Bond Counsel, under existing statutes, regulations, rulings and court decisions and assuming the accuracy of certain representations and continuing compliance with certain covenants described in "Tax Exemption" herein, interest on the Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"). Bond Counsel is further of the opinion that interest on the Bonds is not treated as a specific preference item for purposes of the federal alternative minimum tax imposed on individuals. Furthermore, Bond Counsel is of the opinion that, under existing statutes, interest on the Bonds is exempt from personal income taxes imposed by the State of New York and any political subdivision thereof (including The City of New York).

The Bonds ***will be*** *be designated as "qualified tax-exempt obligations" pursuant to Section 265(b)(3) of the Code. Bond Counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of, or the accrual or receipt of interest on, the Bonds. See "TAX EXEMPTION" herein.*

CITY SCHOOL DISTRICT OF THE CITY OF ELMIRA
CHEMUNG COUNTY, NEW YORK

$3,460,000*
SCHOOL DISTRICT REFUNDING (SERIAL) BONDS, 2021
(the "Bonds")

Dated Date: May 26, 2021 **Maturity Date: June 15, 2021-25**

The Bonds will be general obligations of the the City School District of the City of Elmira, in Chemung County, New York (the "District"), and will contain a pledge of the faith and credit of the District for the payment of the principal of and interest on the Bonds and, unless paid from other sources, the Bonds are payable from *ad valorem* taxes which may be levied upon all the taxable real property within the District, without limitation as to rate or amount (subject to certain statutory limitations imposed by Chapter 97 of the 2011 Laws of New York [the "Tax Levy Limitation Law"]; see "TAX INFORMATION-Tax Levy Limitation Law," herein).

The Bonds will be issued as registered bonds, and at the option of initial purchaser, may be registered to The Depository Trust Company ("DTC" or the "Securities Depository") or may be registered in the name of such purchaser.

If the Bonds will be issued through DTC, the Bonds will be registered in the name of Cede & Co., as nominee of DTC in New York, New York, which will act as Securities Depository for the Bonds (see "Book-Entry-Only System" herein). Individual purchases will be made in book-entry-only form, in the principal amount of $5,000 or integral multiples thereof. Purchasers of the Bonds will not receive certificates representing their ownership interest in the Bonds. Payments of principal of and interest on the Bonds will be made by the District to DTC, which will in turn remit such principal and interest to its Participants, for subsequent distribution to the Beneficial Owners of the Bonds.

If the Bonds are registered in the name of the purchaser, principal of and interest on the Bonds will be payable in Federal Funds at such bank or trust company located and authorized to do business in the State of New York as may be selected by the successful bidder. In such case, the Bonds will be issued in registered form in denominations of $5,000 or integral multiples thereof.

The Bonds are dated their date of delivery and will bear interest from that date at the annual rate or rates as specified by the purchaser of the Bonds, payable on June 15, 2021, December 15, 2021 and semi-annually thereafter on each June 15 and December 15 until maturity. The Bonds will mature on June 15 of each year until maturity, as shown on the inside cover page hereof. The Bonds are not subject to optional redemption as described herein (See "THE BONDS – Optional Redemption").

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

The Bonds are offered when, as and if issued and received by the purchaser and subject to the receipt of the final approving opinion of Hodgson Russ LLP, of Albany, New York, Bond Counsel. It is anticipated that the Bonds will be available for delivery on or about May 26, 2021.

THE DISTRICT DEEMS THIS OFFICIAL STATEMENT TO BE FINAL FOR PURPOSES OF SECURITIES AND EXCHANGE COMMISSION RULE 15c2-12 (THE "RULE"), EXCEPT FOR CERTAIN INFORMATION THAT HAS BEEN OMITTED HEREFROM IN ACCORDANCE WITH THE RULE AND THAT WILL BE SUPPLIED WHEN THIS OFFICIAL STATEMENT IS UPDATED FOLLOWING THE SALE OF THE BONDS. THIS OFFICIAL STATEMENT WILL BE SO UPDATED UPON REQUEST OF THE SUCCESSFUL BIDDER AS MORE FULLY DESCRIBED IN THE NOTICE OF BOND SALE UNLESS THE BONDS ARE PURCHASED FOR THE BUYER'S OWN ACCOUNT AS PRINCIPAL FOR INVESTMENT AND NOT FOR RESALE, THE DISTRICT WILL COVENANT IN AN UNDERTAKING TO PROVIDE CONTINUING DISCLOUSURE AS REQUIRED BY THE RULE. SEE "DISCLOSURE UNDERTAKING AND "APPENDIX D – FORM UNDERTAKING TO PROVIDE CONTINUING DISCLOSURE" HEREIN.

Dated: May 4, 2021

*Preliminary, subject to change

The Bonds mature on June 15 in each year as set forth below:

Year	Amount*	Rate	Yield	CUSIP Number**
2021	$25,000			
2022	850,000			
2023	860,000			
2024	860,000			
2025	865,000			

* Preliminary, subject to change.

** CUSIP numbers have been assigned by an independent company not affiliated with the District and are included solely for the convenience of the holders of the Bonds. The District is not responsible for the selection or uses of these CUSIP numbers and no representation is made as to their correctness on the Bonds or as indicated above.

CITY SCHOOL DISTRICT OF THE CITY OF ELMIRA
CHEMUNG COUNTY, NEW YORK

BOARD OF EDUCATION

Ms. Sara Lattin
President

Randy Reid..Vice President
Ron Shaw ....Board Member
Ruth Bruning...Board Member
Scott Moore...Board Member
Josh Palmer ....Board Member
Ron Shaw ....Board Member
Deborah White ....Board Member
Jonathan Wilbur. ....Board Member
Julie A. Wray ....Board Member

Hillary J. Austin ....Superintendent of Schools
Melissa Mendolera.. School District Business Official
Lindsey Tice...District Treasurer
Jacalyn Eldridge.. District Clerk

BOND COUNSEL

HODGSON RUSS LLP
Albany, New York

MUNICIPAL ADVISOR

CMA
CapitalMarketsAdvisors,LLC

Capital Markets Advisors, LLC
Hudson Valley * Long Island * Southern Tier * Western New York
(716) 662-3910

No dealer, broker, salesman or other person has been authorized by the District or the Municipal Advisor to give any information or to make any representations other than those contained in this Official Statement and, if given or made, such information or representations must not be relied upon as having been authorized by the foregoing. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information set forth herein has been obtained from the District from sources which are believed to be reliable, but it is not to be guaranteed as to accuracy or completeness. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the District since the date hereof.

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APPENDIX A

OFFICIAL STATEMENT

CITY SCHOOL DISTRICT OF THE CITY OF ELMIRA
CHEMUNG COUNTY, NEW YORK

relating to

$3,460,000*
SCHOOL DISTRICT REFUNDING (SERIAL) BONDS, 2021
(the “Bonds”)

This Official Statement (the "Official Statement"), which includes the cover page and appendices hereto, presents certain information relating to the City School District of the City of Elmira, in the State of New York (the “District” and "State" respectively), in connection with the sale of $3,460,000* School District Refunding (Serial) Bonds, 2021 (the “Bonds”).

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

The presentation of information is intended to show recent historical trends and is not intended to indicate future or continuing trends in the financial or other information presented herein has been provided by the District.

THE BONDS

Description

The Bonds will be issued as registered bonds, and at the option of initial purchaser, may be registered to The Depository Trust Company (“DTC” or the “Securities Depository”) or may be registered in the name of such purchaser.

If the Bonds will be issued through DTC, the Bonds will be registered in the name of Cede & Co., as nominee of DTC in New York, New York, which will act as Securities Depository for the Bonds (see "Book-Entry-Only System" herein). Individual purchases will be made in book-entry-only form, in the principal amount of $5,000 or integral multiples thereof. Purchasers of the Bonds will not receive certificates representing their ownership interest in the Bonds. Payments of principal of and interest on the Bonds will be made by the District to DTC, which will in turn remit such principal and interest to its Participants, for subsequent distribution to the Beneficial Owners of the Bonds.

If the Bonds are registered in the name of the purchaser, principal of and interest on the Bonds will be payable in Federal Funds at such bank or trust company located and authorized to do business in the State of New York as may be selected by the successful bidder. In such case, the Bonds will be issued in registered form in denominations of $5,000 or integral multiples thereof.

The Bonds will be dated May 26, 2021 and will bear interest from such date payable semiannually on June 15 and December 15 in each year until maturity commencing June 15, 2021. The Bonds will mature on June 15 in the years and amounts as set forth on the inside cover page hereof.

The record date for payment of principal and interest on the Bonds is the last business day of the calendar month preceding each respective interest payment date.

*Preliminary, subject to change

Authority for and Purpose of the Bonds

The Bonds are issued pursuant to the Constitution, the laws of the State, including the Local Finance Law and a refunding bond resolution duly adopted by the Board of Education of the District (the "Board") on April 14, 2021. A refunding financial plan has been prepared and is described below (the "Refunding Plan").

The amount of the Refunded Bonds, set forth below, may be changed by the District in its sole discretion due to market or other factors considered relevant by the District at the time of pricing of the Bonds and no assurance can be given that any particular maturity thereof will be refunded.

The Bonds are being issued to refund all of the outstanding principal of the District's $10,785,000 School District Serial Bonds - 2012 originally issued on May 15, 2012 as listed below (collectively, the "Refunded Bonds"):

Maturity	Coupon	Maturity Value	Call Date	Call Price	CUSIP Base
06/15/2022	2.500%	800,000	06/25/2021	100.00%	289605 WC7
06/15/2023	2.750%	825,000	06/25/2021	100.00%	289605 WD5
06/15/2024	3.000%	845,000	06/25/2021	100.00%	289605 WE3
06/15/2025	3.000%	870,000	06/25/2021	100.00%	289605 WF0
		$3,340,000			

The Bonds are being issued to effect the refunding of the Refunded Bonds pursuant to the District's Refunding Financial Plan (the "Refunding Financial Plan"). The Refunding Financial Plan calls for the refunding of the Refunded Bonds through the sale, issuance and the application of the proceeds of the Bonds.

The proceeds of the Bonds after the payment of the issuance costs for the Bonds, will be held in an escrow fund (the "Escrow Deposit Fund") with Manufacturers and Traders Trust Company, Buffalo, New York (the "Escrow Holder") pursuant to the terms of an escrow contract (the "Escrow Contract") to be entered into between the District and the Escrow Holder.

The Refunding Financial Plan calls for the Escrow Holder, pursuant to the Escrow Contract, to provide to DTC sufficient moneys from the Escrow Deposit Fund to pay the principal of, interest payable with respect to Refunded Bonds when due, and redemption premiums, if any, in accordance with the terms of the Refunded Bonds.

The holders of the Refunded Bonds will have a first lien on all investment income from, and maturing principal of the Government Obligations, along with other available monies held in the Escrow Fund. The Escrow Contract shall terminate upon final payment by the Escrow Holder to the paying agents/fiscal agent for the Refunded Bonds amounts from the Escrow Fund adequate for the payment, in full, of the Refunded Bonds, including interest and the redemption premium payable with respect thereto.

The Refunding Plan will permit the District to realize, as a result of the issuance of the Bonds, cumulative dollar and present value debt service savings.

Under the Refunding Plan, the Refunded Bonds will continue to be general obligations of the District. However, inasmuch as the Government Obligations held in the Escrow Fund will be sufficient to meet all required payments of principal, interest and redemption premium requirements when required in accordance with the Refunding Plan, it is not anticipated that any other source of payment will be required.

Optional Redemption for the Bonds

The Bonds will not be subject to optional redemption prior to maturity.

Sources and Uses of Proceeds of the Bonds

Sources:		
	Par Amount	$
	Net Original Issue Premium/Discount	
	Total:	
Uses:		
	Refunding Escrow Deposit	$
	Costs of Issuance and Contingency	
	Underwriter's Discount	
	Total:	$

Verification of Mathematical Computations

Causey Demgen and Moore P.C. will verify from the information provided to them, the mathematical accuracy, as of the date of the closing of the Bonds, of: (1) the computations contained in the provided schedules to determine that the anticipated receipts from the Government Obligations and cash deposits, to be held in escrow, will be sufficient to pay, when due, the principal of and interest on the Refunded Bonds, and (2) the computations of the yield on both the Government Obligations and the Bonds contained in the provided schedules to be used by Bond Counsel in its determination that the interest on the Bonds is excludable from gross income for Federal income tax purposes. Causey, Demgen, and Moore P.C. will express no opinion on the assumptions provided to them, nor as to the exclusion from taxation of the interest on the Bonds.

Nature of Obligation

The Bonds, when duly issued and paid for, will constitute a contract between the District and the holder(s) thereof.

The Bonds will be general obligations of the District and will contain a pledge of the faith and credit of the District for the payment of the principal thereof and the interest thereon. For the payment of such principal and interest, the District has the power and statutory authorization to levy ad valorem taxes on all taxable real property in the District, without limitation as to rate or amount (subject to certain statutory limitations imposed by the Tax Levy Limitation Law); see "TAX INFORMATION-Tax Levy Limitation Law," herein.

Under the Constitution of the State, the District is required to pledge its faith and credit for the payment of the principal of and interest on the Bonds, and the State is specifically precluded from restricting the power of the District to levy taxes on real estate therefor. On June 24, 2011, the Tax Levy Limitation Law was adopted in the State. The Tax Levy Limitation Law established certain limitations on the power of local governments and school districts to increase the property tax levy beyond certain prescribed limits (without following certain prescribed procedures). The Tax Levy Limitation Law had its first application with respect to the District's budget for fiscal year 2012-13. The Tax Levy Limitation Law does make certain allowances for the exclusion of tax levy increases associated with capital expenses by school districts. See "TAX INFORMATION-Tax Levy Limitation Law," herein. Also, certain special protective procedures and remedies available to holders of school district debt remain in place and are not affected by the Tax Levy Limitation Law. See "DISTRICT INDEBTEDNESS—Remedies Upon Default," herein.

Book-Entry-Only System

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

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

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

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Redemption notices shall be sent to DTC. If less than all of the securities 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 unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the 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 the Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

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

Payment of principal and interest payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the District, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

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

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

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

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

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

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

Source: The Depository Trust Company.

Certificated Bonds

In the event the purchaser elects to receive certificated bonds or if the District discontinues the use of the book-entry only system through DTC the Bonds will be issued as certificated Bonds.

DTC may discontinue providing its services with respect to the Bonds at any time by giving notice to the District and discharging its responsibilities with respect thereto under applicable law, or the District may terminate its participation in the system of book-entry-only transfers through DTC at any time. In the event that such book-entry-only system is discontinued, the following provisions would apply:

The Bonds will be issued in registered certificated form in denominations of $5,000 or integral multiples thereof. Principal of and interest on the Bonds would be payable, upon presentation, at the principal corporate trust office of a fiscal agent bank located and authorized to do business in the State of New York: (i) as selected by the initial purchaser of the Bonds if such purchaser elects to receive certificated bonds; or (ii) as appointed by the District if the DTC system is discontinued.

MARKET FACTORS

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

Disease outbreaks or similar public health threats could have an adverse impact on the District's financial condition and operating results. The outbreak of COVID-19, a respiratory disease caused by a new strain of coronavirus, has been declared a pandemic by the World Health Organization on March 11, 2020. See "COVID-19" herein for a further discussion of the impacts of the COVID-19 pandemic, which is expected to have a significant adverse effect on the District's finances.

The District is dependent to a substantial degree on financial assistance from the State in the form of State aid. No delay in payment of State aid for the remainder of the District's current fiscal year is presently anticipated although no assurance can be given that there will not be a delay in payment thereof. 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 District, in this year or future years, the District may be affected by such a delay, until sufficient State taxes have been received by the State to make State aid payments to the District.

The City of New York was an early epicenter of the COVID-19 pandemic in the United States, and as a result the State suffered significant revenue shortfalls and unanticipated expenses beginning at the end of the State's 2019-2020 fiscal year, and continuing during the State's 2020-2021 fiscal year.

In response, the enacted State budget for the 2020-21 fiscal year allowed the State to reduce expenditures (including aid to local school districts and municipalities) if tax receipts were lower than anticipated. Accordingly, in June, 2020 the State Division of the Budget ("DOB") began withholding 20 percent of most local aid payments, although such aid has generally since been restored.

Many of the State's 2020-2021 budget decisions were based on the uncertainty of future federal aid. In the period of time since such decisions were made, the $1.9 trillion American Rescue Plan Act was signed into law (on March 11, 2021), which legislation includes almost $24 billion in funding for various levels of government in the State, including approximately $12.5 billion for the State, $6 billion for New York City, and $4 billion to be divided among counties in the State; another $12 billion is intended to be used toward the safe reopening of K-12 schools as well as colleges and universities.

Accordingly, the State enacted budget for the 2021-2022 fiscal year is more expansive (about 10% higher) than the prior budget, including significantly increased funding for schools and local governments. School districts will benefit from a $1.4 billion increase in Foundation Aid and a three-year Foundation Aid full restoration phase-in that will allow all school districts to receive the increased level of Foundation Aid that was originally promised in 2007, along with a $105 million expansion of full-day prekindergarten. Local governments will receive a full restoration of proposed cuts to Aid and Incentives for Municipalities (AIM) funding. Further, municipalities that host Video Lottery Terminal (VLT) facilities will receive a full restoration of $10.3 million in proposed VLT aid cuts.

Although the 2021-2022 budget contains additional aid for school districts and municipalities, it is uncertain whether the State will have future budget shortfalls necessitating cuts to State aid. Reductions in the payment of State aid could adversely affect the financial condition of school districts in the State, including the District. See "COVID-19," herein, for further details on the COVID-19 pandemic and its effects on the State.

Should the District fail to receive moneys expected from the State in the amounts and at the times expected, the District is authorized by the Local Finance Law to provide operating funds by borrowing in anticipation of the receipt of uncollected State aid.

The market for the Bonds could also be affected if the Code were to be amended to reduce or eliminate the favorable tax treatment granted to municipal debt, including the Bonds and other debt issued by the District. See the discussion in "TAX EXEMPTION" herein.

COVID-19

The outbreak of COVID-19, a serious respiratory disease caused by a novel strain of coronavirus, was declared a pandemic by the World Health Organization on March 11, 2020.

Economic Impacts

The outbreak of COVID-19 has drastically affected travel, commerce and financial markets globally. As almost all nations have experienced a rise in infections and implemented containment measures that in the case of some nations (including the United States) have been drastic, economies have suffered in the extreme. While several vaccines have been developed and are now being deployed world-wide, the full impact of the pandemic is difficult to predict due to uncertainties regarding its duration and severity.

While initially the hospitality and tourism industries were hardest hit, within a short period of time there was widespread unemployment across all economic sectors in the United States.

Uncertainty regarding the short, medium and long-term effects of the COVID-19 pandemic initially caused extreme volatility across all financial markets, including the primary and secondary markets for municipal bonds. In the United States, Congress and the Federal Reserve took significant steps to backstop those markets and to provide much-needed liquidity, and markets have since generally stabilized. Still, given these conditions, it is possible that the process of trading the Bonds in the secondary market could be affected in ways that are difficult to predict.

Federal Response

The federal government has passed several pieces of legislation in response to the COVID-19 pandemic including the $2.3 trillion Coronavirus Aid, Relief, and Economic Security ("CARES") Act of 2020 and the $1.9 trillion American Rescue Plan Act ("ARP") Act of 2021, both of which provide funding for pandemic-related expenses and attempt to address financial stability and liquidity issues through a variety of stimulus measures.

Stimulus Efforts for State and Local Governments: The CARES Act included a $150 billion Coronavirus Relief Fund, which provided funds to states, tribal governments and local governments with populations exceeding 500,000 (local governments with smaller populations could receive monies from the amount allocated to their state). This money was intended for programs that were necessary expenditures incurred due to the public health emergency resulting from the pandemic. This money was not intended to be used to directly account for revenue shortfalls due to the COVID-19 pandemic, but it could indirectly assist with revenue shortfalls in cases where the expenses that were covered by this fund would otherwise create a further budget shortfall.

The CARES Act also included an Education Stabilization Fund, which provided $30.75 billion for K-12 and higher education systems. There were three main forms of relief: $13.2 billion for K-12 schools that was administered on a state-by-state basis, $14 billion for public and private colleges and universities, and $3 billion in emergency relief that governors could distribute to schools, colleges and universities that were particularly affected by COVID-19 and the ensuing crisis.

The ARP Act includes an additional $350 billion for states, tribal governments and local governments. Notably, in addition to the uses allowed under the CARES Act, ARP funds can be used to replace revenues lost due to COVID-19 and to make necessary investments in water, sewer or broadband infrastructure. These broader categories allow such governments much more flexibility utilizing such funds.

The ARP Act also includes a total of $170.3 billion in funding for education, including more than $122.8 billion for the Elementary and Secondary School Emergency Relief Fund ("ESSER"). The largest portion of such ESSER funds will be distributed to school districts based on their relative share of Title I funding, but additional moneys are also allocated to help schools address learning time lost by students, after-school and summer enrichment programs, and administration costs.

Municipal Liquidity Facility: The Federal Reserve established a "Municipal Liquidity Facility" ("MLF") in 2020 that offered up to $500 billion in direct federal lending to certain larger issuers, which were in turn able to use their own loan proceeds to make loans to included smaller governmental units that would not otherwise qualify for this program. The MLF expired on December 31, 2020. Most municipal issuers did not have to resort to the MLF because rates have been conducive to issuing debt through the conventional municipal bond market; however, it is notable that the MLF existed as a market backstop if needed.

State Response

Executive orders: Pursuant to emergency powers granted by the State Legislature, Governor Cuomo has released a number of executive orders in response to the COVID-19 pandemic.

Pursuant to State Executive Order 202.4, every school in the State was directed to close no later than March 18, 2020. While schools were originally ordered closed until April 1, the time period was later extended to May 15, and then through the end of the school year. School districts must normally maintain 180-day in-class attendance for State aid; however, this requirement was waived to the extent attributable to COVID-19 related closures during the 2019-20 school year. Additionally, pursuant to State Executive Orders Nos. 202.13 and 202.26, the school district elections and budget votes that normally would have been held in-person on May 19, 2020 were postponed and conducted by absentee ballot, with such ballots being counted on June 16, 2020.

While initially "non-essential" employees were mandated to work from home, starting on May 15, 2020, regions of the State that met certain criteria were allowed to begin reopening. Reopening occurred in phases, with different businesses and industries allowed to open in each phase.

As COVID-19 cases began to rise again in the fall of 2020, the State shifted to a strategy based on identifying areas with higher positivity rates and implementing successively higher restrictions in such areas. Such areas were labeled "yellow", "orange" or "red." When COVID-19 cases dropped again, affected areas could be removed from the list. As of March 22, 2021, all remaining yellow zone cluster restrictions were lifted; therefore, there were no longer any areas of the State subject to special restrictions under such system.

Since increased supplies of COVID-19 vaccine have become available, the State is encouraging residents to get vaccinated and, as of April 6, 2021, all New Yorkers 16 years of age and older are eligible to receive a vaccine.

Up-to-date information on the State's COVID-19 response can be found at https://forward.ny.gov. Reference to website implies no warranty of accuracy of information therein.

State budget: The City of New York was an early epicenter of the COVID-19 pandemic in the United States, and as a result the State suffered significant revenue shortfalls and unanticipated expenses beginning at the end of the State's 2019-2020 fiscal year, and continuing during the State's 2020-2021 fiscal year.

In response, the enacted State budget for the 2020-21 fiscal year allowed the State to reduce expenditures (including aid to local school districts and municipalities) if tax receipts were lower than anticipated. Accordingly, in June, 2020 the State Division of the Budget ("DOB") began withholding 20 percent of most local aid payments, although such aid has generally since been restored.

Many of the State's 2020-2021 budget decisions were based on the uncertainty of future federal aid. In the period of time since such decisions were made, the $1.9 trillion American Rescue Plan Act was signed into law (on March 11, 2021), which legislation includes almost $24 billion in funding for various levels of government in the State, including approximately $12.5 billion for the State, $6 billion for New York City, and $4 billion to be divided among counties in the State; another $12 billion is intended to be used toward the safe reopening of K-12 schools as well as colleges and universities.

Accordingly, the State enacted budget for the 2021-2022 fiscal year is more expansive (about 10% higher) than the prior budget, including significantly increased funding for schools and local governments. School districts will benefit from a $1.4 billion increase in Foundation Aid and a three-year Foundation Aid full restoration phase-in that will allow all school districts to receive the increased level of Foundation Aid that was originally promised in 2007, along with a $105 million expansion of full-day prekindergarten. Local governments will receive a full restoration of proposed cuts to Aid and Incentives for Municipalities (AIM) funding. Further, municipalities that host Video Lottery Terminal (VLT) facilities will receive a full restoration of $10.3 million in proposed VLT aid cuts.

Although the 2021-2022 budget contains additional aid for school districts and municipalities, it is uncertain whether the State will have future budget shortfalls necessitating cuts to State aid. Reductions in the payment of State aid could adversely affect the financial condition of school districts in the State, including the District.

Legislation Allowing Financial Flexibility for Municipalities and School Districts

On August 24, 2020, Governor Cuomo signed legislation allowing municipalities and school districts additional financial flexibility in response to the COVID-19 pandemic. Whereas municipalities and school districts in the State typically may only pursue short-term financing for five years, under certain circumstances the new legislation allows note financing for up to an additional two years prior to converting to long-term bonds.

The new legislation also allows municipalities and school districts additional flexibility related to the use of reserve funds or inter-fund transfers for costs associated with COVID-19. The typical mandatory or permissive referendum requirements for the expenditure of funds from a capital reserve fund have been waived for capital costs attributable to the COVID-19 pandemic. Moneys from a capital reserve fund can also be temporarily advanced for operating costs or other costs attributable to the COVID-19 pandemic, so long as such moneys are repaid within five fiscal years, with interest. Additionally, while inter-fund transfers must typically be repaid by the end of the fiscal year in which the transfer is made, inter-fund advances for costs attributable to the COVID-19 pandemic do not need to be repaid until the close of the following fiscal year.

Local Response

The State Executive Law Section 24 contains procedures for local governments to declare local states of emergency and issue orders to implement the same. Specifically, in the event of a qualifying disaster or reasonable apprehension of immediate danger to the public safety, the municipal chief executive has the authority to declare a local state of emergency for a period of up to 30 days and issue orders to protect life and property or to bring the emergency situation under control.

While the District itself is not able to declare a local state of emergency, the County has done so. The District closed in mid-March 2020 and did not resume session for the rest of the 2019-20 school year. During the timeframe of the closure the District provided education to students remotely and was responsible for providing meal deliveries to students.

The District is continuing to monitor this situation and will attempt to mitigate any such adverse effects through program cuts or staffing reductions, as needed.

While the impacts of COVID-19 on the global, federal, State and local economy cannot be predicted with any certainty, the pandemic could have a significant adverse effect on the District's finances.

TAX EXEMPTION

Hodgson Russ LLP, of Albany, New York, Bond Counsel, will deliver an opinion that, under existing law, the interest on the Bonds is excluded from gross income of the holders thereof for federal income tax purposes and is not an item of tax preference for the purpose of the individual alternative minimum tax imposed by the Code. However, such opinion will note that the District, by failing to comply with certain restrictions contained in the

Code, may cause interest on the Bonds to become subject to federal income taxation from the date of issuance of the Bonds. Prospective purchasers should consult their tax advisers as to any possible collateral consequences from their ownership of, or receipt of interest on, or disposition of, the Bonds. Bond Counsel expresses no opinion regarding any such collateral federal income tax consequences.

Tax Requirements

In rendering the foregoing opinions, Hodgson Russ LLP will note that the exclusion of the interest on the Bonds from gross income for federal income tax purposes is subject to, among other things, continuing compliance by the District with the applicable requirements of Code Sections 141, 148, and 149, and the regulations promulgated thereunder (collectively, the "Tax Requirements"). In the opinion of Hodgson Russ LLP, the tax certificate and nonarbitrage certificate that will be executed and delivered by the District in connection with the issuance of the Bonds (collectively, the "Tax Certificates") establish the requirements and procedures, compliance with which will satisfy the Tax Requirements.

The Tax Requirements referred to above, which must be complied with in order that interest on the Bonds remains excluded from gross income for federal income tax purposes, include, but are not limited to:

1 The requirement that the proceeds of the Bonds be used in a manner so that the Bonds are not obligations which meet the definition of a "private activity bond" within the meaning of Code Section 141;

2 The requirements contained in Code Section 148 relating to arbitrage bonds; and

3 The requirements that payment of principal or interest on the Bonds not be directly or indirectly guaranteed (in whole or in part) by the United States (or any agency or instrumentality thereof) as provided in Code Section 149(b).

In the Tax Certificates, the District will covenant to comply with the Tax Requirements, and to refrain from taking any action which would cause the interest on the Bonds to be includable in gross income for federal income tax purposes. Any violation of the Tax Requirements may cause the interest on the Bonds to be included in gross income for federal income tax purposes from the date of issuance of the Bonds. Hodgson Russ LLP expresses no opinion regarding other federal tax consequences arising with respect to the Bonds.

Bank Qualified

The Bonds will be designated as "qualified tax-exempt obligations" pursuant to Code Section 265.

Other Impacts

Prospective purchasers of the Bonds should be aware that ownership of, accrual or receipt of interest on, or disposition of, the Bonds may have collateral federal income tax consequences for certain taxpayers, including financial institutions, property and casualty insurance companies, S corporations, certain foreign corporations, individual recipients of Social Security or Railroad Retirement benefits, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry such obligations. Prospective purchasers should consult their tax advisors as to any possible collateral consequences from their ownership of, or receipt of interest on, or disposition of, the Bonds. Bond Counsel expresses no opinion regarding any such collateral federal income tax consequences.

Information Reporting and Backup Withholding

In general, information reporting requirements will apply to non-corporate holders with respect to payments of principal, payments of interest, and the proceeds of the sale of a bond or note before maturity within the United States. Backup withholding may apply to a holder of the Bonds under Code Section 3406, if such holder fails to provide the information required on Internal Revenue Service ("IRS") Form W-9, Request for Taxpayer

Identification Number and Certification, or the IRS has specifically identified the holder as being subject to backup withholding because of prior underreporting. Any amounts withheld under the backup withholding rules from a payment to a beneficial owner, and which constitutes over-withholding, would be allowed as a refund or a credit against such beneficial owner's United States federal income tax provided the required information is furnished to the IRS. Neither the information reporting requirement nor the backup withholding requirement affects the excludability of interest on the Bonds from gross income for federal income tax purposes.

Future Legislation

Bond Counsel has not undertaken to advise in the future whether any events occurring after the date of issuance of the Bonds may affect the tax status of interest on the Bonds. The Code has been continuously subject to legislative modifications, amendments, and revisions, and proposals for further changes are regularly submitted by leaders of the legislative and executive branches of the federal government.

No representation is made as to the likelihood of such proposals being enacted in their current or similar form, or if enacted, the effective date of any such legislation, and no assurances can be given that such proposals or amendments will not materially and adversely affect the economic value of the Bonds or the tax consequences of ownership of the Bonds.

New York State Taxes

In the opinion of Bond Counsel, interest on the Bonds is exempt, under existing statutes, from New York State and New York City personal income taxes.

Miscellaneous

All quotations from and summaries and explanations of provisions of laws do not purport to be complete and reference is made to such laws for full and complete statements of their provisions.

ALL PROSPECTIVE PURCHASERS OF THE BONDS SHOULD CONSULT WITH THEIR TAX ADVISORS IN ORDER TO UNDERSTAND THE IMPLICATIONS OF THE CODE AS TO THE TAX CONSEQUENCES OF PURCHASING OR HOLDING THE BONDS.

DOCUMENTS ACCOMPANYING DELIVERY OF THE BONDS

Absence of Litigation

Upon delivery of the Bonds, the District shall furnish a certificate of the District Attorney, dated the date of delivery of the Bonds, to the effect that there is no controversy or litigation of any nature pending or threatened to restrain or enjoin the issuance, sale, execution or delivery of the Bonds, or in any way contesting or affecting the validity of the Bonds or any of the proceedings taken with respect to the issuance and sale thereof or the application of moneys to the payment of the Bonds, and further stating that there is no controversy or litigation of any nature now pending or threatened by or against the District wherein an adverse judgment or ruling could have a material adverse impact on the financial condition of the District or adversely affect the power of the District to levy, collect and enforce the collection of taxes or other revenues for the payment of its Bonds, which has not been disclosed in this Official Statement.

Legal Matters

Legal matters incident to the authorization, issuance and sale of the Bonds will be subject to the final approving opinion of Hodgson Russ LLP, Bond Counsel. Such opinion will be available at the time of delivery of the Bonds and will be to the effect that the Bonds are valid and legally binding general obligations of the District for which the District has validly pledged its faith and credit, and all the taxable real property within the District is subject to the levy of ad valorem real estate taxes to pay the Bonds and interest thereon without limitation of rate or amount (subject to certain statutory limitations imposed by the Tax Levy Limit Law; see "TAX INFORMATION-Tax Levy

Limit Law," herein). Said opinion shall also contain further statements to the effect that (a) the enforceability of rights or remedies with respect to such Bonds may be limited by bankruptcy, insolvency, or other laws affecting creditors' rights or remedies heretofore or hereafter enacted, and (b) said law firm has not been requested to examine or review and has not examined or reviewed the accuracy or sufficiency of the Official Statement, or any additional proceedings, reports, correspondence, financial statements or other documents, containing financial or other information relative to the District which have been or may have been furnished or disclosed to purchasers of the Bonds, and expresses no opinion with respect to such financial or other information, or the accuracy or sufficiency thereof.

Closing Certificates

Upon the delivery of the Bonds, the Purchasers will be furnished with the following items: (i) Certificates of the President of the Board of Education and certain officers of the District to the effect that as of the date of this Official Statement and at all times subsequent thereto, up to and including the time of the delivery of the Bonds, this Official Statement did not and does 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, and further stating that there has been no adverse material change in the financial condition of the District since the date of this Official Statement to the date of issuance of the Bonds; and having attached thereto a copy of this Official Statement; (ii) Certificates signed by an officer of the District evidencing payment for the Bonds; and (iii) Signature Certificates evidencing the due execution of the Bonds, including statements that (a) no litigation of any nature is pending or, to the knowledge of the signers, threatened, restraining or enjoining the issuance and delivery of the Bonds or the collection of revenues to pay the principal of and interest thereon, nor in any manner questioning the proceedings and authority under which the Bonds were authorized or affecting the validity of the Bonds thereunder, (b) neither the corporate existence or boundaries of the District nor the title of the signers to their respective offices is being contested, and (c) no authority or proceedings for the issuance of the Bonds have been repealed, revoked or rescinded, and (iv) Tax Certificates executed by the chief fiscal officer of the District, as described under "TAX EXEMPTION" herein.

DISCLOSURE UNDERTAKING

In order to assist the purchasers in complying with Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended ("Rule 15c2-12") with respect to the Bonds, the District will execute an Undertaking to Continuing Disclosure, the form of which is attached hereto as Appendix D.

Prior Disclosure History

The District has established procedures to ensure that future filings of continuing disclosure information will be in compliance with existing continuing disclosure obligations, including transmitting such filings to the Municipal Securities Rulemaking Board ("MSRB") established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934 through the Electronic Municipal Market Access System ("EMMA").

MUNICIPAL ADVISOR

Capital Markets Advisors, LLC, Orchard Park, New York, (the "Municipal Advisor") is an independent municipal advisor registered with the United States Securities and Exchange Commission and the Municipal Securities Rulemaking Board. The Municipal Advisor has served as the independent financial advisor to the District in connection with this transaction.

In preparing the Official Statement, the Municipal Advisor has relied upon governmental officials, and other sources, who have access to relevant data to provide accurate information for the Official Statement. The Municipal Advisor has not been engaged, nor has it undertaken, to independently verify the accuracy of such information. The Municipal Advisor is not a public accounting firm and has not been engaged by the District to compile, review, examine or audit any information in the Official Statement in accordance with accounting standards. The Municipal Advisor is not a law firm and does not provide legal advice with respect to this or any debt offerings of the District. The Municipal Advisor is an independent advisory firm and is not engaged in the business of underwriting, trading or distributing municipal securities or other public securities and therefore will not participate in the underwriting of the Bonds.

RATINGS

Moody's Investors Services, Inc. ("Moody's") has assigned a rating of "A1" to the Bonds and outstanding uninsured bonds of the District.

With respect to the rating, such rating reflects only the view of such organization, and an explanation of the significance of such rating may be obtained only from such rating agency. There can be no assurance that such rating will continue for any specified period of time or that such rating will not be revised or withdrawn, if in the judgment of Moody's, circumstances so warrant. Any such change or withdrawal of such rating may have an adverse effect on the market price of the Bonds or the availability of a secondary market for the Bonds.

ADDITIONAL INFORMATION

Additional information may be obtained from the School Business Administrator and Paying Agent Contact, Ms. Melissa Mendolera, City School District of the City of Elmira, 951 Hoffman Street, Elmira, New York, 14905, phone: (607) 735-3057, email: mmendolera@elmiracityschools.com or from the District's Financial Advisor, Capital Markets Advisors, LLC, (716) 662-3910.

Any statements in this Official Statement involving matters of opinion or estimates, whether or not expressly so stated, are intended as such and not as representations of fact. No representation is made that any of such statements will be realized. This Official Statement is not to be construed as a contract or agreement between the District and the original purchasers or holders of any of the Bonds.

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

CITY SCHOOL DISTRICT OF THE CITY OF ELMIRA
CHEMUNG COUNTY, NEW YORK

By: /s/ *Sara Lattin*
Ms. Sara Lattin
Board of Education President

Dated: May 4, 2021

APPENDIX A

THE DISTRICT

General Information

The District, with a population of approximately 48,734 according to the 2010 U.S. Census, is located in the City of Elmira (the "City"). The District has a land area of approximately 110 square miles and is situated in the Counties of Chemung and Steuben.

Elmira is located at the crossroads of Interstate 86, the east-west "Southern Tier Expressway" and NYS Route 14, which runs north-south. The District is served by airlines operating out of the Elmira-Corning Regional Airport. Rail service is provided by Conrail. Public utilities serving the District include NYS Electric & Gas Corporation and Verizon New York Inc. Major employers of the city are the Arnot Ogden Medical Center, the District, Harding Brothers, Inc. and St. Joseph's Hospital. Residents of the District also commute to nearby Corning, working for Corning Inc. and Ingersoll Rand.

District Organization

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

The legislative power of the District is vested in the Board of Education, which consists of nine members including the President and Vice President. Board members are elected for overlapping terms of three years. The administrative officers of the District, whose duty it is to implement the policies of the Board of Education and who are appointed by such Board, include the Superintendent of Schools, School Business Official, District Clerk and District Treasurer.

District Facilities

The District currently operates the following facilities:

TABLE 1
School Statistics

Name of School	Grades	Year of Construction	Year of Last Addition	State Rated Capacity
Thomas K. Beecher	3-6	1934	2005	370
Parley Coburn	3-6	1931	2005	437
George M. Diven	Pre-K - 2	1930	2004	492
Pine City Elementary	Pre-K - 2	1961	2004	492
Riverside School	Pre-K - 5	1940	2005	492
Hendy Avenue	3-6	1929	2005	480
George Washington*	K - 5	1940	2005	370
Broadway School	3-6	1962	2003	1,331
Ernie Davis	6-8	1913	2003	883
J. Sloat Fassett	Pre-K - 2	1950	2005	228
Elmira High School	10-12	1979	2004	1,479
Total Capacity				7,702

** George Washington will be permanently used as the administration building.*

Source: School Officials

Financial Organization

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

Employees

There are approximately 1,321 people employed by the District including approximately 260 part-time temporary employees and personnel not represented by any bargaining group. The collective bargaining agents, if any, which represent District employees and the dates of expirations of the various collective bargaining agreements are as follows:

TABLE 2
Employees

Approximate # of Employees	Union	Contract Expiration Date
517	Elmira Teachers Association (NYSUT)	6/30/21
310	Instructional Support Employee's Association (NYSUT)	6/30/23
154	Custodial, Maintenance & Cafeteria Workers (NYSUT)	6/30/22
36	Elmira Schools Supervisory & Administrative Counsel (SAANYS)	6/30/22
73	Communication Workers of America (CWA)	6/30/23

Source: School Officials

Employee Pension Benefits

All non-teaching and non-certified administrative employees of the District are eligible for pension or retirement benefits under the Retirement and Social Security Law of the State of New York are members of the New York and Local Employees' Retirement System ("ERS").

Teachers and certified administrators are members of the New York State Teachers' Retirement System ("TRS"). Payments to the Retirement System (ERS and TRS) are deducted from the School District's State aid payments.

Both the New York State and Local Employees' Retirement System and the New York State Teachers Retirement System (together, the "Retirement Systems") are non-contributing with respect to members hired prior to July 27, 1976. The Retirement Systems are non-contributory with respect to members working ten or more years except for Tiers V and VI as described below. Employees hires on or after April 1, 2013 have a variable contribution amount. See further details herein.

The following table details the actual contributions to ERS and TRS for the past three audited fiscal years and the current budgeted fiscal years:

Year Ended	ERS	TRS
2021 *Budgeted*	$1,850,000	$3,200,000
2020	1,776,067	3,824,839
2019	1,808,339	3,610,501
2018	1,829,633	4,033,081

On December 10, 2009, then Governor Paterson signed into law a new Tier 5. The law is effective for new ERS and TRS employees hired after January 1, 2010. New ERS employees will now contribute 3% of their salaries and new TRS employees will contribute 3.5% of their salaries. There is no provision for these contributions to cease after a certain period of service.

On March 16, 2012, Governor Cuomo signed into law the new Tier 6 pension program, effective for new ERS and TRS employees hired after April 1, 2012. The Tier 6 legislation provides for increased employee contribution rates of between 3% and 6%, an increase in the retirement age from 62 years to 63 years, a readjustment of the pension multiplier, and a change in the time period for final average salary calculation from 3 years to 5 years. Tier 6 employees will vest in the system after ten years of employment and will continue to make employee contributions throughout employment.

Pension reform legislation enacted in 2003 and 2004 changed the cycle of ERS billing to match budget cycles of the District. Under the previous method, the District was unsure of how much it paid to the system until after its budget was implemented. Under the current method the contribution for a given fiscal year will be based on the value of the pension fund on the prior April 1 instead of the following April 1 so that the District will be able to more accurately include the cost of the contribution into its budget. The reform legislation also (i) required the District to make a minimum contribution of 4.5% of payroll every year, including years in which the investment performance of the fund would make a lower contribution possible and (ii) moved the annual payment date for contributions from December 15th to February 1st, effective December 15, 2004.

The New York State ERS rate for the 2020-21 fiscal year was 14.6%. The 2021-22 ERS rate will increase to 16.2%. The 2019-20 TRS rate was 8.86%. The 2020-21 TRS rate is 9.53%.

Due to poor performance of the investment portfolio of the State Retirement System in the wake of the 2008-2009 financial crisis, the employer contribution rates for required pension payments to the TRS and ERS increased substantially, although have stabilized and actually reduced in recent years. To help mitigate the impact of such increases, legislation was enacted that permitted a school district to amortize a portion of its annual employer pension payment to the ERS only. Under such legislation, school districts that chose to amortize were required to set aside and reserve funds with the ERS for certain future rate increases. The District has not amortized any of its employer pension payments pursuant to this legislation, and expects to continue to pay all payments in full when due.

In Spring 2013, the State and TRS approved a Stable Contribution Option ("SCO") that gives school districts the ability to better manage the spikes in Actuarially Required Contribution rates ("ARCs"). ERS followed suit and modified its existing SCO, which was adopted in 2010. Each plan allows school districts to pay the SCO amount in lieu of the ARC amount, which is higher, and defer the difference in payment amounts as described below. The plan, which was approved in Governor Cuomo's 2014-15 budget would let districts contribute 14.13% of employee costs toward pensions.

The TRS SCO deferral plan is available to school districts for the next 7 years. Under the TRS SCO plan, payment of the deferred amount will commence in year six of the program (2018-19) and continue for five years. School districts can elect to no longer participate in the plan at any time, resume paying the ARC and begin repayment of deferred amounts over five years. Under the ERS SCO, payment of deferred amounts begins the year immediately following the deferral and the repayment period is 12 years. Once made, the election to participate in the ERS SCO is permanent. However, the school districts can choose not to defer payment in any given year. In both plans, interest on the deferred amounts is based on the yield of 10-year U.S. Treasury securities plus 1%.

The primary benefit of participation in the SCO plans is the elimination of the uncertainty in the volatility of future pension contribution ARCs in the near term, thereby providing school districts with significant assistance in its ability to create a stable and reliable fiscal plan. The District has not and does not plan to participate in the ERS or TRS SCO program.

Other Post Employment Benefits

During the year ended June 30, 2018, the School District adopted Government Accounting Standards Board (GASB) Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other than Pensions." As a result, beginning net position was reduced by $(242,742,485). GASB Statement No. 75 requires the School District to record its total OPEB liability, as well as deferred outflows and deferred inflows related to the OPEB plan.

See “Note 11” of the District’s Financial Statements for the Fiscal Year ended June 30, 2020 for a presentation of the District’s OPEB valuation. The following table summarizes the District’s annual OPEB for the years ending June 30, 2020:

	Total OPEB Liability
Changes for the year	
Service Cost	$9,363,034
Interest Cost	11,386,435
Changes in assumptions or other inputs	40,038,084
Benefit payments	(11,243,055)
	49,544,498
Total OPEB Liability - Beginning	310,800,806
Total OPEB Liability - Ending	$360,345,404

Source: Audited Financial Statements. Table itself not audited.

Investment Policy/Permitted Investments

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

The District may also temporarily invest monies in: (1) obligations of the United States of America; (2) obligations guaranteed by agencies of the United States of America where the payment of principal and interest are guaranteed by the United States of America; (3) obligations of the State of New York; (4) with the approval of the New York State Comptroller, tax anticipation notes or revenue anticipation notes issued by any municipality, school district, or district corporation, other than those notes issued by the District; (5) certificates of participation issued by political subdivisions of the State pursuant to Section 109-b(10) of the GML; (6) obligations of a New York public benefit corporation which are made lawful investments for municipalities pursuant to the enabling statute of such public benefit corporation; or (7) in the case of monies held in certain reserve funds established by the District pursuant to law, in obligations of the District.

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

FINANCIAL FACTORS

Revenues

The District receives most of its revenue from a real property tax on all non-exempt real property situated within the District and State aid.

Property Tax

The following table sets forth total general fund revenues and real property tax revenues including other property tax items during the last five audited fiscal years and budgeted for the current and ensuing fiscal years.

TABLE 3
Property Taxes

Fiscal Year	Total Revenues	Real Property Taxes and Tax Items	Real Property Taxes to Revenues
2016	$121,452,692	$33,162,934	27.3%
2017	126,493,775	33,184,230	26.2%
2018	128,759,658	33,304,997	25.9%
2019	128,967,089	33,976,572	26.3%
2020	129,836,172	34,222,540	26.3%
2021 *Budget*	132,577,631	35,226,122	26.6%
2022 *Proposed Budget*	134,480,427	35,226,122	26.2%

Source: District's audited financial statements and 2021 and 2022 budgets. Table itself not audited.

State Aid

The District also receives a portion of its revenues in the form of State aid. However, there is no assurance that the State appropriation for State aid to school districts will continue, either pursuant to existing formulas or in any form whatsoever. The State is not constitutionally obligated to maintain or continue such aid. State budgetary restrictions which eliminate or substantially reduce State aid could have a material adverse effect upon the District, requiring either a counterbalancing increase in revenues from other sources to the extent available, or a curtailment of expenditures.

In addition to the amount of State Aid budgeted by the District in its 2018-19 fiscal year, the State is expected to make payments of STAR aid representing tax savings provided by school districts to their taxpayers under the STAR (see "STAR-School Tax Exemption") Program. The District expects to receive timely receipt of STAR aid for the remainder of the current fiscal year.

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

A case related to the Campaign for Fiscal Equity 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 asserted that the State has failed to comply with the original decision in the Court of Appeals in the Campaign for Fiscal Equity case, and asked the Court of Appeals to require the State to develop new methodologies, formulas and mechanisms for determining State aid, to fully fund the "foundation aid" formula, to eliminate the supermajority requirement for voter approval of budgets which increase school district property tax levies above the property tax cap limitation, and related matters. On June 27, 2017, the Court of Appeals held that the plaintiff's 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.

While the increases in State aid following this case have been targeted to high needs schools and other schools did share in the overall increase of State aid. The District is unable to predict whether this pattern of distribution will continue beyond that which is included in later legislation dealing with foundation aid. Increased State aid for New York City schools and other high needs schools may result in reductions in the future of State aid to certain school districts, including the District.

In any event, the outcome of this matter does not affect the validity of any obligations issued by the District, including the Bond, nor the ability of the District to levy taxes on the taxable real property in the District to pay the Bonds and the interest thereon as the same shall become due and payable.

The Smart Schools Bond Act was passed as part of the Enacted 2014-15 State Budget. The Smart Schools Bond Act authorizes the issuance of $2 billion of general obligation bonds to financed improved educational technology and infrastructure to improve learning and opportunity for students throughout the State. The District's estimated allocation of funds is $7,090,526.

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

On December 22, 2017, President Trump signed into law the significant tax reform legislation that is generally referred to as the "Tax Cuts and Jobs Act of 2017" (the "TCJA"). The TCJA made significant changes to the Code, most of which became effective for the 2018 tax year. The TCJA made extensive changes to the deductibility of various taxes, including placing a cap of $10,000 on a taxpayer's deduction of state and local taxes (the "SALT Deduction Limitation"). While it cannot yet be predicted what precise effects the SALT Deduction Limitation will have for the State, it is possible that government officials at both the State and local level may find it politically more difficult to raise new revenues via tax increases, since the deduction thereof, for taxpayers who itemize deductions, is now limited.

The following table sets forth total general fund revenues and State aid revenues during the last five fiscal years and budgeted for the current and ensuring fiscal years.

TABLE 4
State Aid Revenue

Fiscal Year	**Total Revenues**	**State Aid**	**State Aid to Revenues**
2016	$121,452,692	$83,844,643	69.0%
2017	126,493,775	90,016,840	71.2%
2018	128,759,658	91,542,531	71.1%
2019	128,967,089	90,564,013	70.2%
2020	129,836,172	91,160,698	70.2%
2021 *Budget*	132,577,631	90,153,786	68.0%
2022 *Proposed Budget*	134,480,427	94,569,305	70.3%

Source: District's audited financial statements and 2021 and 2022 budgets. Table itself not audited.

Recent Events Affecting New York School Districts

School district fiscal year (2016-17): The State budget included an increase of $991 million in State aid for school districts over the 2015-16 budget, $863 million of which consisted of traditional operating aid. In addition to the $408 million of expense based aid, the budget included a $266 million increase in Foundation Aid and $100 million in Community Schools Aid, a newly adopted aid category, to support school districts that wish to create community schools. Community Schools Aid funds may only be used for certain purposes such as providing health, mental health and nutritional services to students and their families. The budget also featured the elimination of the Gap Elimination Adjustment ("GEA") that had been instituted in the State's 2010-11 to 2012-13 fiscal years to address State funding shortfalls due to the ongoing effects of a recession. Under the GEA legislation, a portion of the funding shortfall was divided among all school districts across the State, resulting in a reduction in school district general aid funds.

School district fiscal year (2017-18): The State budget included an increase of $1.1 billion in State Aid to school districts, including a $700 million increase in Foundation Aid. The budget included School Aid spending of $25.8 billion, an increase of 4.4% from the prior fiscal year.

School district fiscal year (2018-19): The budget increased Education Aid by $1 billion, including a $619 million increase in Foundation Aid, without revision to the formula, bringing the new Education Aid total to $26.7 billion or an increase of 3.9 percent.

School district fiscal year (2019-20): The budget increased Education aid by more than $1 billion which included a $618 million dollar increase in Foundation Aid. The new Education Aid total is $27.9 billion — an increase of 3.8%. The budget direct a majority of such additional funding (over 70%) to the State's more economically disadvantaged school districts.

School district fiscal year (2020-21): Due to the below-described decrease in State revenues as a result of the COVID-19 pandemic, the State budget included an increase of only $95 million in State Aid (0.035% increase from the prior budget year), and Foundation Aid the same as the 2019-2020 fiscal year. While the budget actually included a decrease in State Aid (referred to as a "Pandemic Adjustment"), the decrease in State aid be fully offset by the State's allocation of federal stimulus funds. Absent the federal stimulus funds, there would have been a $1.127 billion decrease in State Aid from the 2019-2020 year.

School district fiscal year (2021-22): The State budget includes large-scale increases in State aid to school districts, including a $105 million expansion of full-day prekindergarten that will provide funding to 200 school districts that didn't previously receive state funding for such full-day prekindergarten programs. In contrast to the 2020-21 budget, this budget provides that additional federal aid would supplement, not supplant, State funding. Most notably, Foundation Aid is increased by $1.4 billion (7.6%), and the State has committed to a three-year phase-in of the restoration of the full Foundation Aid formula to finally fulfill the State's commitments from the Campaign for Fiscal Equity case from the early 2000s.

The City of New York was an early epicenter of the COVID-19 pandemic in the United States, and as a result the State suffered significant revenue shortfalls and unanticipated expenses beginning at the end of the State's 2019-2020 fiscal year, and continuing during the State's 2020-2021 fiscal year.

In response, the enacted State budget for the 2020-21 fiscal year allowed the State to reduce expenditures (including aid to local school districts and municipalities) if tax receipts were lower than anticipated. Accordingly, in June, 2020 the State Division of the Budget ("DOB") began withholding 20 percent of most local aid payments, although such aid has generally since been restored.

Many of the State's 2020-2021 budget decisions were based on the uncertainty of future federal aid. In the period of time since such decisions were made, the $1.9 trillion American Rescue Plan Act was signed into law (on March 11, 2021), which legislation includes almost $24 billion in funding for various levels of government in the State, including approximately $12.5 billion for the State, $6 billion for New York City, and $4 billion to be divided among counties in the State; another $12 billion is intended to be used toward the safe reopening of K-12 schools as well as colleges and universities.

Accordingly, the State enacted budget for the 2021-2022 fiscal year is more expansive (about 10% higher) than the prior budget, including significantly increased funding for schools and local governments. School districts will benefit from a $1.4 billion increase in Foundation Aid and a three-year Foundation Aid full restoration phase-in that will allow all school districts to receive the increased level of Foundation Aid that was originally promised in 2007, along with a $105 million expansion of full-day prekindergarten. Local governments will receive a full restoration of proposed cuts to Aid and Incentives for Municipalities (AIM) funding. Further, municipalities that host Video Lottery Terminal (VLT) facilities will receive a full restoration of $10.3 million in proposed VLT aid cuts.

Although the 2021-2022 budget contains additional aid for school districts and municipalities, it is uncertain whether the State will have future budget shortfalls necessitating cuts to State aid. Reductions in the payment of State aid could adversely affect the financial condition of school districts in the State, including the District. See "COVID-19," herein, for further details on the COVID-19 pandemic and its effects on the State.

See "COVID-19," herein, for further details on such pandemic and its effects on the State

The State budget for the 2021-22 fiscal year provides $93.95 million of State Aid to the District, a 6.02% increase from the District's 2020-21 fiscal year.

The School District presently anticipates an increase in its State Aid not related to building aid for its 2021-2022 fiscal year in an amount of $749,092.

It should also be noted that the District receives federal aid for certain programs. In its last audited fiscal year, the District received $136,072 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.

The District cannot predict at this time whether there will be any reductions in and/or delays in the receipt of State aid during the District's 2020-21 and 2021-22 fiscal years. The District believes that it would mitigate the impact of any delays or the reduction in State aid by reducing expenditures, increasing revenues, appropriating other available funds on hand, and/or by any combination of the foregoing.

The State Comptroller's Fiscal Stress Monitoring System

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

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

The most current applicable report of the State Comptroller designates the District as "No Designation" (see https://www.osc.state.ny.us/files/local-government/fiscal-monitoring/pdf/2020-school-summary-list.pdf).

Independent Audit

The District retains Insero & Co. CPAs, LLP as independent certified public accountants to audit its financial statements. Appendix C to the Official Statement presents a copy of the District's most recent audited financial report. In addition, the District is subject to audit by the State Comptroller to review compliance with legal requirements and the rules and regulations established by the State.

New York State Comptroller's Audit

Many school districts throughout the state can be subject to an audit of the New York State Office of the Comptroller ("OSC") pursuant to Article V, Section 1 of the State Constitution and the State Comptroller's authority as set forth in Article 3 of the New York State General Municipal Law.

On March 6, 2015, OSC, Division of Local Government and School Accountability released an audit of the District to review selected District's financial condition for the period July 1, 2011 to September 24, 2014. The audit found that the Board and District officials had not appropriately budgeted revenues and appropriations, nor had the District included sufficient detail or information related to funding and use of reserves. The OSC audit recommended that the District adopt budgets that more appropriately reflect the District's needs and that the District set up a more comprehensive reserve policy.

The link to the most recent OSC report is as follows:
https://www.osc.state.ny.us/localgov/audits/schools/2015/elmira.pdf.

The OSC has not conducted any other audits of the District in the past three years.

Fund Structure and Accounts

The General Fund is the general operating fund for the District and is used to account for substantially all revenues and expenditures of the District. The District also maintains a special aid fund, school lunch fund and debt service fund. In addition, a capital projects fund is used to record capital facilities while a trust and agency fund accounts for assets received by the District in a fiduciary capacity.

Basis of Accounting

The District's governmental funds are accounted for on a modified accrual basis whereby revenues, other than those susceptible ("measurable" and "available" to finance current operations) to accrual, are recorded when received in cash. Revenues susceptible to accrual include real property taxes and State aid. The District generally records expenditures on the accrual basis when fund liabilities are incurred, except as follows: Interest on general obligation debt which is recorded when it becomes due. Unfunded pension costs are recognized as expenditure when billed by the State. Accumulated vacation and sick leave are also accounted for in the general long-term debt account group. Inventories are generally not recorded but expensed at the time of purchase; food and supplies in school lunch are inventoried and carried at values which approximate market. Fixed assets are recorded at replacement cost as determined by appraisal; there is no provision for depreciation expense.

Budgetary Procedure

The District's fiscal year begins on July 1 and ends on June 30. Starting in the fall or winter of each year, the District's financial plan and enrollment projection are reviewed and updated and the first draft of the next year's proposed budget is developed by the central office staff. During winter and early spring the budget is developed and refined in conjunction with the school building principals and department supervisors. Under current law, the budget is submitted to voter referendum on the third Tuesday in May each year. A summary of the 2020-21 adopted budget and the 2021-22 proposed budget are shown in Appendix B.

The 2021-22 budget will be voted on by the qualified voters of the District on May 18, 2021.

The District has not exceeded the tax cap in the last three years as defined in the Tax Levy Limit Law herein.

TAX INFORMATION

Real Property Tax Assessments and Rates

The District derives its power to levy an *ad valorem* real property tax from the State Constitution; methods and procedures to levy, collect and enforce this tax are governed by the Real Property Tax Law. Real property assessment rolls used by the District are prepared by the City of Elmira. Assessment valuations are determined by the City assessor and the State Board of Equalization and Assessment which is responsible for certain utility and railroad property. In addition, the State Office of Equalization and Assessment annually establishes State Equalization Rates for all localities in the State, which are determined by statistical sampling of market sales/assessment studies. The equalization rates are used in the calculation and distribution of certain State aids and are used by many localities in the calculation or debt contracting and real property taxing limitations. The District is not subject to constitutional real property taxing limitations.

Table 5
Assessed and Full Valuation
(Fiscal Years Ending June 30)
Based on Regular Equalization Rates

Assessment Roll Year:	**2016**	**2017**	**2018**	**2019**	**2020**
For Fiscal Year Ended:	**2017**	**2018**	**2019**	**2020**	**2021**
City of Elmira					
Assessed Value	$584,763,311	$581,172,418	$574,739,356	$572,018,644	$577,681,768
Equalization Rate	83.00%	83.00%	81.00%	83.00%	83.00%
Full Value	$704,534,110	$700,207,733	$709,554,760	$689,179,089	$696,002,130
Tax Rate (1)	23.84%	23.98%	24.80%	24.82%	25.05%
Town of Ashland					
Assessed Value	$1,025,295	$1,024,321	$1,022,827	$1,024,247	$1,025,181
Equalization Rate	1.55%	1.53%	1.53%	1.50%	1.44%
Full Value	$66,148,065	$66,949,085	$66,851,438	$68,283,133	$71,193,125
Tax Rate (1)	1278.62%	1302.65%	1314.82%	1375.55%	1445.90%
Town of Baldwin					
Assessed Value	$593,585	$590,438	$589,538	$584,670	$578,539
Equalization Rate	1.65%	1.65%	1.63%	1.50%	1.50%
Full Value	$35,974,848	$35,784,121	$36,167,975	$38,978,000	$38,569,267
Tax Rate (1)	1199.37%	1203.14%	1232.44%	1373.53%	1386.03%
Town of Big Flats					
Assessed Value	$39,025,457	$39,084,976	$39,059,477	$39,345,003	$39,229,173
Equalization Rate	100.00%	100.00%	100.00%	100.00%	96.50%
Full Value	$39,025,457	$39,084,976	$39,059,477	$39,345,003	$40,651,993
Tax Rate (1)	19.79%	19.90%	20.09%	20.60%	21.54%
Town of Caton					
Assessed Value	$1,200,300	$1,180,386	$1,155,733	$1,143,836	$1,163,232
Equalization Rate	100.00%	100.00%	100.00%	96.00%	93.00%
Full Value	$1,200,300	$1,180,386	$1,155,733	$1,191,496	$1,250,787
Tax Rate (1)	19.79%	19.90%	20.09%	21.46%	22.35%

Town of Chemung					
Assessed Value	$8,308,936	$8,412,776	$8,315,790	$8,855,066	$9,435,248
Equalization Rate	97.00%	100.00%	100.00%	100.00%	100.00%
Full Value	$8,565,913	$8,412,776	$8,315,790	$8,855,066	$9,435,248
Tax Rate (1)	20.40%	19.90%	20.09%	20.60%	20.79%
Town of Elmira					
Assessed Value	$342,278,804	$340,744,899	$340,993,375	$341,018,647	$342,156,462
Equalization Rate	96.00%	97.00%	97.00%	97.00%	96.00%
Full Value	$356,540,421	$351,283,401	$351,539,562	$351,565,615	$356,412,981
Tax Rate (1)	20.61%	20.51%	20.71%	21.24%	21.65%
Town of Erin					
Assessed Value	$262,988	$252,375	$250,627	$250,015	$249,955
Equalization Rate	79.00%	74.50%	74.00%	74.00%	74.00%
Full Value	$332,896	$338,758	$338,685	$337,858	$337,777
Tax Rate (1)	25.05%	26.71%	27.15%	27.84%	28.09%
Town of Horseheads					
Assessed Value	$51,400	$51,400	$51,400	$54,000	$43,501
Equalization Rate	95.00%	91.00%	95.00%	95.00%	91.00%
Full Value	$54,105	$56,484	$54,105	$56,842	$47,803
Tax Rate (1)	20.83%	21.87%	21.15%	21.68%	22.84%
Town of Southport					
Assessed Value	$454,909,571	$454,144,053	$454,208,650	$460,025,812	$461,527,714
Equalization Rate	100.00%	100.00%	100.00%	100.00%	100.00%
Full Value	$454,909,571	$454,144,053	$454,208,650	$460,025,812	$461,527,714
Tax Rate (1)	19.79%	19.90%	20.09%	20.60%	20.79%
Total:					
Assessed Value	$1,432,419,647	$1,426,658,042	$1,420,386,773	$1,424,319,940	$1,433,090,773
Full Value	$1,667,285,686	$1,657,441,773	$1,667,246,176	$1,657,817,915	$1,675,428,825
Tax Levy	$33,001,508	$32,985,241	$33,492,837	$34,156,129	$34,835,584

Source: School Officials and State Office of Real Property Services.

(1) Per $1,000 Assessed Value.

Assessed and Full Valuation

(Fiscal Years Ending June 30)

Based on Special Equalization Rates

Assessment Roll Year:	**2015**	**2016**	**2017**	**2018**	**2019**
For Fiscal Year Ended:	**2017**	**2018**	**2019**	**2020**	**2021**
City of Elmira					
Assessed Value	$584,941,505	$584,763,311	$581,172,418	$574,739,356	$577,687,768
Equalization Rate	83.27%	81.84%	83.86%	82.45%	81.41%
Full Value	$702,463,678	$714,520,175	$693,026,971	$697,076,235	$709,602,958

Town of Ashland					
Assessed Value	$1,026,216	$1,025,295	$1,024,321	$1,022,827	$1,025,181
Equalization Rate	1.53%	1.54%	1.50%	1.45%	1.40%
Full Value	$67,072,941	$66,577,597	$68,288,067	$70,539,793	$73,227,214
Town of Baldwin					
Assessed Value	$604,785	$593,585	$590,438	$589,538	$578,539
Equalization Rate	1.64%	1.62%	1.50%	1.46%	1.41%
Full Value	$36,877,134	$36,641,049	$39,362,533	$40,379,315	$41,031,135
Town of Big Flats					
Assessed Value	$39,098,747	$39,025,457	$39,084,976	$39,059,477	$39,229,173
Equalization Rate	99.30%	100.16%	100.53%	98.54%	97.25%
Full Value	$39,374,368	$38,963,116	$38,878,918	$39,638,195	$40,338,481
Town of Caton					
Assessed Value	$1,135,324	$1,200,300	$1,180,386	$1,155,733	$1,163,232
Equalization Rate	89.38%	102.25%	98.05%	93.83%	92.38%
Full Value	$1,270,222	$1,173,888	$1,203,861	$1,231,731	$1,259,182
Town of Chemung					
Assessed Value	$8,282,378	$8,308,936	$8,412,776	$8,315,790	$9,435,248
Equalization Rate	97.91%	98.42%	93.99%	91.83%	96.09%
Full Value	$8,459,175	$8,442,325	$8,950,714	$9,055,635	$9,819,178
Town of Elmira					
Assessed Value	$342,660,871	$342,278,804	$340,744,899	$340,993,375	$342,156,462
Equalization Rate	97.36%	97.15%	96.78%	95.81%	94.76%
Full Value	$351,952,415	$352,319,922	$352,081,937	$355,905,829	$361,076,891
Town of Erin					
Assessed Value	$263,385	$262,988	$252,375	$350,627	$249,955
Equalization Rate	75.57%	73.40%	74.16%	72.61%	70.55%
Full Value	$348,531	$358,294	$340,311	$482,891	$354,295
Town of Horseheads					
Assessed Value	$51,400	$51,400	$51,400	$51,400	$43,501
Equalization Rate	89.52%	94.02%	91.03%	89.90%	92.22%
Full Value	$57,417	$54,669	$56,465	$57,175	$47,171

Town of Southport					
Assessed Value	$454,409,552	$454,909,571	$454,144,053	$454,208,650	$461,527,714
Equalization Rate	99.23%	99.16%	97.94%	95.71%	94.73%
Full Value	$457,935,657	$458,763,182	$463,696,195	$474,567,600	$487,203,329
Total:					
Assessed Value	$1,432,474,163	$1,432,419,647	$1,426,658,042	$1,420,486,773	$1,433,096,773
Full Value	$1,665,811,537	$1,677,814,217	$1,665,885,972	$1,688,934,399	$1,723,959,834

Source:School Officials and State Office of Real Property Services.

Tax Limit

The Constitution does not limit the amount that may be raised by the District-wide tax levy on real estate in any fiscal year. The District is not subject to constitutional real property taxing limitations. See, however, the discussion under the sub-heading — "Tax Levy Limit Law," below.

Tax Levy Limit Law

On June 24, 2011, the State Senate and the State Assembly both enacted, and Governor Andrew Cuomo signed (as Chapter 97 of the 2011 Laws of the State), significant and complex legislation relating to real property tax levies, rent regulation, exemption from local taxation and mandate relief (the "Legislation"). Part A of the Legislation amends the General Municipal Law and the Education Law in order to impose a limit upon real property tax levies by local governments (excluding the City of New York and the counties contained therein) and almost all school districts in the State, including the District (the "Tax Levy Limit Law").

The District is subject to the new Legislation, with the Tax Levy Limit Law first applying to the District's budget for its 2013-2014 fiscal year. The Tax Levy Limit Law will restrict, among other things, the amount of real property taxes that may be levied by or on behalf of the District in a particular year. Under the Legislation, the tax levy of the District may not increase by more than the lesser of (i) two percent (2%) or (ii) the annual increase in a designated measure of the consumer price index ("CPI") over the amount of the District's prior year's tax levy. The exceptions for a tax levy above two percent or the CPI increase are (i) funds needed to pay judgments arising out of tort actions that exceed 5% of the total tax levied by the District in the prior fiscal year, (ii) required pension payments (but only that portion of such payments attributable to the average actuarial contribution rate exceeding two percentage points) and (iii) a capital tax levy. "Capital tax levy" is defined to mean the tax levy necessary to support capital local expenditures by a school district. "Capital local expenditures" means the taxes associated with budgeted expenditures resulting from the financing, refinancing, acquisition, design, construction, reconstruction, rehabilitation, improvement, furnishing and equipping of, or otherwise providing for school district capital facilities or school district capital equipment, including debt service and lease expenditures, and transportation capital debt service, subject to the approval of the qualified voters where required by law.

The Tax Levy Limit Law also allows for growth in the District's tax levy due to physical and quantitative changes in the District. If the District does not levy an amount up to the cap in any one year, it would be allowed to carry over unused tax levy capacity into future years. However, this carryover levy capacity may not be used to increase its tax levy by more than an additional 1.5 percent above the cap in any single year. If the District' actual tax levy exceeds its authorized levy due to clerical or technical errors, the erroneous excess levy must be placed in reserve to offset the levy for the next budget year.

The Board of Education of the District may propose a budget that requires a tax levy that exceeds the tax levy limit for a given fiscal year, but such proposed budget must then be adopted by the District's voters by at least a 60% supermajority. In the event that the original proposed budget is not approved by the voters, the Board of Education has the option of levying a tax no greater than the tax that was levied for the prior school year or re-submitting the same or a revised budget. If a proposed budget is defeated in the second vote, the Board of Education must adopt a final budget that includes a tax levy no greater than the tax that was levied for the prior school year. In such a situation involving two budget defeats, the Tax Levy Limit Law does not provide for the exclusion of a capital tax levy (or for the other allowed exceptions).

It is reasonably certain that the Legislation will come under legal challenge alleging that the Legislation violates several provisions of Article VIII of the New York State Constitution. Although the Constitution recognizes the power of the State Legislature to restrict local government taxation of property, it also expressly states that "the legislature shall not, however, restrict the power to levy taxes on real estate for the payment of interest on or principal of indebtedness theretofore contracted." Although New York courts (including the State's highest court—the Court of Appeals) have traditionally been very protective of the rights of the holders of municipal debt obligations, the outcome of any such legal challenge cannot be predicted. In any event, certain special protective procedures and remedies available to holders of school district debt remain in place and are not affected by the Tax Levy Limit Law. See "DISTRICT INDEBTEDNESS--Remedies Upon Default" herein.

Prospective investors in the Bonds are encouraged to consult with their own legal and tax advisors and review the provisions of the Tax Levy Limit Law in its entirety.

Tax Collection Procedure

Taxes of the District on all properties are collected by the Receiver of Taxes of the District during the collection periods. Taxes remaining uncollected after the expiration of the second collection period are returned to the Chemung and Steuben County Treasurers and the Elmira City Chamberlain, who by law must reimburse the District in full for uncollected taxes prior to the end of the second fiscal year for which the taxes are levied.

School tax is due October 1, and may be paid in full until October 31 without penalty. This tax may be paid in two equal installments, with the first installment payable from October 1 through October 31 inclusive without penalty. After October 31, a penalty will be added to the first installment. The penalties on the first installment are 2% in November, 3% in December, 4% in January, 5% in February and 6% in March. The second installment may be paid any time between October 1 and March 31 inclusive without penalty. Uncollected taxes are returned to the County Treasurer and City Chamberlain on or about April 15 of each year.

The burden of delinquent tax collection is placed on the Counties and City subsequent to advancing the school taxes to the District. The Counties and City may pay moneys due to the District from funds on hand or may borrow moneys pursuant to the Local Finance Law.

STAR – School Tax Exemption

The STAR (School Tax Relief) program provides State-funded exemptions from school property taxes to homeowners for their primary residences. School districts are reimbursed by the State for real property taxes exempted pursuant to the STAR Program.

For the 2021-22 school levy year, homeowners subject to certain household income limitations are eligible for an enhanced exemption and basic exemption as follows:

TABLE 6

Municipality	Enhanced Exemption	Basic Exemption
City of Elmira	$58,680	$24,900
Town of Ashland	1,020	430
Town of Baldwin	1,060	430
Town of Big Flats	68,230	28,950
Town of Canton	68,230	29,400
Town of Chemung	70,700	30,000
Town of Elmira	67,870	28,800
Town of Erin	52,230	22,200
Town of Horseheads	64,340	27,300
Town of Southport	70,700	30,000

Date Certified: 04/9/2021
Source: Department of Taxation and Finance

The enhanced or basic STAR exemption is the amount that an assessment will be reduced prior to the levy of school taxes. For example, if a home is assessed at $150,000 and the enhanced STAR exemption for a municipality is $50,000, the school taxes on the property would be paid on a taxable assessment of $100,000 ($150,000 - $50,000 = $100,000).

The District expects to receive full reimbursement of such exempt taxes from the State during the current fiscal year.

Since the 2011-12 school tax bills, there has been a 2% limit on STAR savings increases, the savings results from the Basic or Enhanced STAR exemptions are limited to a 2% increase over the prior year. When school district initially calculates their tax bills, for each municipal segment they will compare the amount of STAR savings to the maximum. If the STAR savings exceeded the maximum, the school district will use the maximum when calculating tax bills for the segment.

The maximum savings for each of the municipalities within the District for the 2021-22 are as follows:

Municipality	Basic Maximum Savings	Enhanced Maximum Savings
City of Elmira	$630	$1,330
Town of Ashland	605	1,341
Town of Baldwin	599	1,297
Town of Big Flats	603	1,330
Town of Caton	603	1,330
Town of Chemung	603	1,330
Town of Elmira	603	1,316
Town of Erin	607	1,351
Town of Horseheads	577	1,285
Town of Southport	603	1,330

Date Updated: 03/26/2021
Source: Department of Taxation and Finance

The District received full reimbursement of such exempt taxes from the State during the current fiscal year and expects to receive full reimbursement of such exempt taxes from the State during the upcoming fiscal year.

Largest Taxpayers for the 2020-21 Fiscal Year

The following table presents the taxable assessments of the District's largest taxpayers from the 2019 tax roll for the 2020-21 fiscal year.

TABLE 7
Top Ten Largest Taxable Properties

Name	Type	Assessed Valuation	Taxable Assessed Valuation [1]
NYS Electric & Gas Corporation	Utility	$82,422,625	5.75%
Chemung Canal Trust Company	Commercial Bank	6,009,000	0.42%
Greenridge Apartments LLC	Housing	5,845,800	0.41%
Wegmans Food Markets Inc.	Food	5,190,000	0.36%
Verizon New York Inc.	Utility	4,872,279	0.34%
Dewittsburg Housing	Housing	4,565,000	0.32%
FM Howell & Company	Manufacturing	4,241,000	0.30%
Pennsylvania Lines LLC	Railroad	4,131,794	0.29%
County of Chemung	Government	3,891,290	0.27%
McWane Inc.	Manufacturing	3,851,000	0.27%
		$125,019,788	8.72%

(1) The District's total assessed valuation for the roll year 2020-2021 is $1,433,096,773.

Source: Assessor's Office

DISTRICT INDEBTEDNESS

Constitutional and Statutory Requirements

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

Purpose and Pledge

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

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

Payment and Maturity

Except for certain short-term indebtedness contracted in anticipation of taxes or to be paid 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 period of probable usefulness of the object or purpose determined by statute; no installment may be more than fifty per centum in excess of the smallest prior installment, unless the District has authorized the issuance of indebtedness having substantially level or declining annual debt service. The District is required to provide an annual appropriation for the payment of interest due during the year on its indebtedness and for the amounts required in such year for amortization and redemption of its serial bonds, bond anticipation notes and capital notes.

General

The District is further subject to constitutional limitation by the general constitutionally imposed duty on the State Legislature to restrict the power of taxation and contracting indebtedness to prevent abuses in the exercise of such power; however, as has been noted previously under "Nature of Obligation", the State Legislature is prohibited by a specific constitutional provision from restricting the power of the District to levy taxes on real estate for the payment of interest on or principal of indebtedness theretofore contracted. (Subject to certain statutory limitations imposed by Chapter 97 of the 2011 Laws of New York, see “Tax Levy Limit Law” herein).

Statutory Procedure

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

The Board of Education may adopt a bond resolution authorizing the expenditure of money for capital purposes and the issuance of bonds and notes in anticipation of the bonds, but such bond resolution shall be subject to the approval of the qualified electors of the District. With respect to certain school building construction projects, the District is not permitted to spend in excess of $100,000 until the plans and specifications for such projects have been approved by the Commissioner of Education of the State.

The Local Finance Law also provides a twenty-day statute of limitations after publication of a bond resolution, together with a statutory form of notice which, in effect, estops legal challenges to the validity of obligations authorized by such bond resolution except for alleged constitutional violations.

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

Debt Limit

The District has the power to contract indebtedness for any District purpose so long as the principal amount thereof shall not exceed five per centum of the average full valuation of taxable real estate of the District. 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 special equalization ratio 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 ratio shall be determined.

Table 8
Computation of Debt Limit

Tax Year:	Full Valuation (1)
2015-16	$1,655,811,537
2016-17	1,677,814,217
2017-18	1,665,885,972
2018-19	1,688,934,399
2019-20	1,723,959,834
Total Five Year Valuation	$8,422,405,960
Average Five Year Full Valuation	$1,684,481,192
Debt Limit - 5% of Average Full Valuation	$84,224,060

(1) The amounts shown as full valuation have been computed with the use of Special Equalization Ratios (See Table 5). Chapter 280 of the Laws of 1978 provides for the determination of special equalization ratios for city school districts, which normally has the effect of increasing the tax base of a city school district for the purpose of computing debt limits of such city school districts. Regular state equalization rates are also established by the State Board of Real Property Services and are used for all other purposes.

Statutory Debt Limit and Net Indebtedness

The following table sets forth the computation of the debt limit of the District and its debt contracting margin.

TABLE 9
Statutory Debt Limit and Net Indebtedness
(as of May 4, 2021)

Average Full Valuation of Taxable Real Property	$1,684,481,192
Debt Limit (5% of Average Full Valuation)	$84,224,060
Inclusions:	
Outstanding Bonds	$ 32,100,000
BANs	35,555,000
Gross Indebtedness	67,655,000
Exclusions and Deductions:	
Bond Appropriations	4,570,000
BAN Appropriations	1,900,000
Estimated Building Aid (1)	0
Gross Exclusions and Deductions	6,470,000
Total Net Indebtedness	$61,185,000
Net Debt-Contracting Margin	$23,039,060
Percentage of Debt Contracting Margin Exhausted	72.65%

(1) The District has received and expects to continue to receive State Aid on a portion of existing indebtedness contracted for school building purposes pursuant to Section 121.20 of the Local Finance Law, but, under the Local Finance Law, as a small city school district, it is not permitted to deduct such anticipated State building aid from its outstanding indebtedness. However, as a matter of information, State aid for building purposes is currently estimated by District officials at 94.0%.

Remedies Upon Default

Section 99-b of the State Finance Law (the "SFL") provides for a covenant between the State of New York (the "State") and the purchasers and the holders and owners from time to time of the bonds and notes issued by school districts in the State for school purposes that it will not repeal, revoke or rescind the provisions of Section 99-b of the SFL, or amend or modify the same so as to limit, impair or impede the rights and remedies granted thereby.

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

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

Under current law, provision is made for contract creditors (including the holders of the Bonds) of the District to enforce payments upon such contracts, if necessary, through court action, although the present statute limits interest on the amount adjudged due to creditors to nine per centum per annum from the date due to the date of payment. As a general rule, property and funds of a municipal corporation servicing 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 current funds or the proceeds of a tax levy.

Remedies for enforcement of payment are not expressly included in the District's contract with holders of its bonds and notes, although any permanent repeal by statute or constitutional amendment of a Bondholder remedial right to judicial enforcement of the contract should, in the opinion of Bond Counsel, be held unconstitutional.

In recent times, certain events and legislation affecting remedies on 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 municipalities of the State require the exercise by the State of its emergency and police powers to assure the continuation of essential public services.

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

Short-Term Debt

The District has $35,555,000 of bond anticipation notes outstanding which will mature on June 25, 2021.

Authorized but Unissued Indebtedness

The District has authorized but unissued debt in the amount of $992,215 from a May 20, 2014 bus purchase vote. The District is not expected to finance for this purpose.

Trend of Outstanding Indebtedness

The following table provides information relating to direct capital outstanding indebtedness as follows:

TABLE 10
Outstanding Long-Term Bond Indebtedness

FYE June 30:	Bonds	Bond Anticipation Notes	Total Outstanding
2016	78,226,895	3,588,318	81,815,213
2017	69,590,000	4,588,318	74,178,318
2018	54,255,000	21,000,000	75,255,000
2019	44,125,000	38,245,000	82,370,000
2020	35,405,000	35,555,000	70,960,000

Source: Audited Financial Statements for 2016-2020. Table itself is not audited.

Overlapping and Underlying Debt

In addition to the District, other political subdivisions have the power to issue bonds and to levy taxes or cause taxes to be levied on taxable real property in the District. The real property taxpayers of the District are responsible for a proportionate share of outstanding debt obligations of these subdivisions. Such taxpayers' share of overlapping and underlying debt is based on the amount of the District's equalized property values taken as a percentage of each separate unit's total values. The following table presents the amount of overlapping and underlying debt and the District's share of this debt. Authorized but unissued debt has not been included.

TABLE 11
Statement of Direct and Overlapping Indebtedness

Overlapping Units	Total Net Indebtedness	As of	Percentage Applicable	Applicable Net Indebtedness
County of Chemung	$52,335,675	9/23/20	38.15%	$19,966,060
County of Steuben	4,625,000	06/28/20	2.98%	137,825
City of Elmira	19,431,885	06/23/20	100.00%	19,431,885
Town of Ashland	0	12/31/19	99.00%	0
Town of Baldwin	0	12/31/19	74.44%	0
Town of Big Flats	2,745,000	02/27/20	5.03%	138,074
Town of Caton	230,404	12/31/19	0.71%	1,636
Town of Chemung	0	12/31/19	6.16%	0
Town of Elmira	186,500	12/31/19	78.99%	147,316
Town of Erin	0	12/31/19	0.29%	0
Town of Horseheads	509,750	12/31/19	0.00%	0
Town of Southport	675,000	12/31/19	99.65%	672,638
Total Net Overlapping Debt				$40,495,434
Net Direct Debt				61,185,000
Total Net Direct and Overlapping Debt				$101,680,433

Source: State Comptroller's Special Report on Municipal Affairs or more recently published Official Statements.

Debt Ratios

The following table presents certain debt ratios relating to the District's direct and overlapping indebtedness.

TABLE 12
Debt Ratios

	Amount	Debt Per Capita (1)	Debt to Full Value (2)
Net Direct Debt	$61,185,000	$1,255	3.55%
Net Direct and Overlapping Debt	$101,680,433	$2,086	5.09%

(1) The population of the District is estimated by District officials to be approximately 48,734.
(2) The District's full value of taxable real property based on Special Equalization Rates for fiscal year 2020-21 is $1,723,959,834.

Debt Service Schedule

The following table shows the debt service requirements to maturity on the District's outstanding bonded indebtedness as of May 4, 2021.

TABLE 13
Schedule of Principal and Interest on Long-Term Bond Indebtedness

Fiscal Year Ending June 30	Total Principal	Total Interest	Total
2021	$4,570,000	$220,400	$4,790,400
2022	7,590,000	915,280	8,505,280
2023	6,870,000	641,355	7,511,355
2024	6,395,000	401,481	6,796,481
2025	6,230,000	185,315	6,415,315
2026	445,000	12,794	457,794
Total:	$32,100,000	$2,376,625	$34,476,625

Note: Columns may not sum due to rounding.
Source: District Officials.

ECONOMIC AND DEMOGRAPHIC DATA

School Enrollment Trends

The following table presents the past and projected school enrollment for the District.

TABLE 14
School Enrollment Trends

Fiscal Year	Actual Enrollment	Fiscal Year	Projected Enrollment
2018-19	5,972	2021-22	5,890
2019-20	5,900	2022-23	5,880
2020-21	5,900	2023-24	5,750

Source: District Officials.

TABLE 15
Largest Employers

Business	Type	Approx. # of Employees
Elmira City School District	Education	1,516
Arnot Ogden Medical Center	Health Care Facility	1,400
State of New York	Correctional Facilities	1,250
Chemung County	Municipality	950
St. Joseph's Hospital	Health Care Facility	780

Source: District Officials.

Population

The District estimates its population to be approximately 48,734. The following table presents population trends for the City, County and State, based upon recent census data.

TABLE 16
Population Trend

	2000	2010	Percentage Change 00/10
City	30,940	29,200	(5.6%)
County	84,254	88,830	(2.4%)
State	18,976,457	19,378,102	2.1%

Source: U.S. Census Bureau

Employment and Unemployment

The following tables provide information concerning employment and unemployment in the County. Data provided for the County is not necessarily representative of the District.

TABLE 17
Civilian Labor Force
(Thousands)

	2016	2017	2018	2019	2020
City of Elmira	9.9	9.7	9.6	9.5	9.8
Chemung County	36.2	35.6	35.3	35.1	35.34
New York State	9,062.9	9,106.0	9,121.6	9,143.3	8,361.0

Source: New York State Department of Labor

Unemployment rates are not compiled for the District but are available for the County and State. The following table is not necessarily representative of the District.

TABLE 18
Yearly Average Unemployment Rates

Year	City	County	State
2016	7.6%	5.8%	4.9%
2017	6.9%	5.5%	4.6%
2018	6.0%	4.6%	4.1%
2019	5.2%	4.0%	3.8%
2020	11.6%	8.8%	10.0%

Source: New York State Department of Labor

TABLE 19
Monthly Unemployment Rates

Month	City	County	State
April 2020	21.4%	17.8%	16.2%
May	17.1%	13.8%	15.7%
June	15.7%	12.3%	14.8%
July	15.7%	11.9%	14.8%
August	12.7%	9.1%	11.6%
September	8.9%	6.2%	9.9%
October	9.1%	6.1%	8.3%
November	9.5%	6.6%	8.3%
December	9.8%	7.0%	8.5%
January 2021	10.0%	7.3%	9.4%
February	10.2%	7.6%	9.7%
March	9.6%	6.9%	8.5%

Source: New York State Department of Labor

Note: Unemployment has drastically increased since mid-March due to the COVID-19 global pandemic. See "COVID-19" herein.

LITIGATION

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

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

END OF APPENDIX A

END OF APPENDIX A

APPENDIX B

SUMMARY OF FINANCIAL

STATEMENTS AND BUDGETS

CITY SCHOOL DISTRICT OF THE CITY OF ELMIRA
General Fund
Balance Sheets
Fiscal Year Ended June 30:

	2019	2020
Assets:		
Cash and cash equivalents	$5,352,063	$11,254,357
Restricted Cash	29,454,028	20,508,492
Taxes Receivable	1,477,101	1,891,626
Due From Other Funds	2,109,873	10,636,206
State and Federal Aid Receivable	2,792,544	2,235,644
Due From Other Governments	4,171,777	4,711,898
Due from Fiduciary Funds	14,793	14,957
Other Receivables - net	548,959	558,874
Prepaid Items	3,231,330	3,116,790
Total Assets	$49,152,468	$54,928,844
Liabilities:		
Accounts Payable	$2,342,884	$1,827,358
Accured Liabilities	498,400	428,062
Due to Other Funds	0	10,000,000
Due to Other Governments	940,288	940,288
Due to Teacher's Retirement Systems	4,422,633	3,398,073
Due to Employee's Retirement Systems	0	457,960
Compensated Absenses	773,999	935,753
Total Liabilities	$8,978,204	$17,987,494
Deferred Inflows of Resources		
Unavailable Revenue	$1,900,713	$2,221,735
Total deferred inflows of resources	1,900,713	2,221,735
Fund Balance:		
Nonspendable	$3,231,330	$3,116,790
Restricted	29,013,480	20,002,057
Assigned	368,899	5,819,122
Unassigned (deficit)	5,659,842	5,781,646
Total Fund Balance	$38,273,551	$34,719,615
Total Liabilities, Deferred Inflows and Fund Balance	$49,152,468	$54,928,844

Source: Audited Financial Statements

CITY SCHOOL DISTRICT OF THE CITY OF ELMIRA
General Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Fiscal Year Ended June 30:

	2016	2017	2018	2019	2020
Revenues:					
Real Property Taxes & Tax Items	$33,162,934	$33,184,230	$33,304,997	$33,976,572	$34,222,540
Charges for Services	572,036	489,784	428,548	502,867	356,393
Use of Money & Property	384,915	237,494	295,979	670,218	506,892
Sale of Prop. & Comp. for Loss	474,826	53,044	138,522	56,991	62,428
Miscellaneous	2,373,453	1,865,316	2,102,980	2,671,831	2,917,317
State Aid	83,844,643	90,016,840	91,542,531	90,564,013	91,160,698
Federal Aid	207,219	91,106	172,476	154,590	136,072
Medicaid Reimbursement	432,666	365,710	651,714	267,122	367,810
Intergovermental revenues	0	190,251	121,911	102,885	106,022
Total Revenues	121,452,692	126,493,775	128,759,658	128,967,089	129,836,172
Expenditures:					
General Support	$15,434,587	$15,759,246	$15,844,901	$16,304,256	$17,103,928
Instruction	51,603,851	53,229,603	55,733,222	57,599,368	57,953,577
Pupil Transportation	4,043,604	4,404,857	4,937,847	4,737,982	4,438,446
Community Services	142,524	244,744	304,375	419,534	550,191
Employee Benefits	27,487,150	28,366,348	31,390,891	28,461,810	29,426,480
Debt Service	16,180,901	17,849,030	17,713,804	13,130,949	13,757,779
Total Expenditures	114,892,617	119,853,828	125,925,040	120,653,899	123,230,401
Excess of Revenues (Expenditures)	6,560,075	6,639,947	2,834,618	8,313,190	6,605,771
Other Financing Sources (Uses)					
Operating Transfer In	0	0	268,993	104	0
Operating Transfer Out	(8,200,094)	(778,767)	(94,025)	(207,334)	(10,159,707)
Total Other Financing Sources (Uses)	(8,200,094)	(778,767)	174,968	(207,230)	(10,159,707)
Net Change in Fund Balances	(1,640,019)	5,861,180	3,009,586	8,105,960	(3,553,936)
Fund Balance - Beg. of Year	22,936,844	21,296,825	27,158,005	30,167,591	38,273,551
Fund Balance - End of Year	$21,296,825	$27,158,005	$30,167,591	$38,273,551	$34,719,615

Source: Audited Financial Statements
Summary not Audited

CITY SCHOOL DISTRICT OF THE CITY OF ELMIRA
General Fund
Statement of Estimated Revenues and Budget Appropriations
Fiscal Year Ending June 30:

	Adopted Budget 2020-21	Preliminary Budget 2021-22
Estimated Revenues:		
Real Property Tax	$35,226,122	$35,226,122
State Aid	$90,153,786	$94,569,305
Other	$7,278,641	$4,685,000
Subtotal	$132,577,631	$134,480,427
Reserves	$663,474	$0
Total Estimated Revenues	$133,322,023	$134,480,427
Appropriations:		
General Support	$19,421,037	$19,577,418
Instruction	$59,676,307	$61,925,134
Public Safety and Transportation	$5,057,738	$4,388,855
Employee Benefits	$34,674,848	$36,422,066
Miscellaneous	$858,000	$828,000
Debt Service	$13,634,093	$11,338,954
Total Appropriations :	$133,322,023	$134,480,427

Source: School District Officials

<u>APPENDIX C</u>

INDEPENDENT AUDITORS' REPORT
FOR THE FISCAL YEAR ENDED
JUNE 30, 2020

Can be accessed on the Electronic Municipal Market Access ("EMMA") website of the Municipal Securities Rulemaking Board ("MSRB") at the following link:

https://emma.msrb.org/P21417323-P21101322-P21510734.pdf

The audited financial statements referenced above are hereby incorporated into the attached Official Statement.

*** Such Financial Statements and opinion are intended to be representative only as of the date thereof. Insero & Co. CPAs, LLP has not been requested by the District to further review and/or update such Financial Statements or opinion in connection with the preparation and dissemination of this Official Statement.**

APPENDIX D

FORM UNDERTAKING TO PROVIDE CONTINUING DISCLOSURE

This undertaking to provide continuing disclosure (the "Disclosure Undertaking") is executed and delivered by the City School District of the City of Elmira, a municipal corporation of the State of New York (the "Issuer") in connection with the issuance of its **$_________ School District Refunding (Serial) Bonds, 2021** (the "Security"). The Issuer hereby covenants and agrees as follows:

Section 1. Obligation to Provide Continuing Disclosure. (a) The Issuer hereby undertakes (for the benefit of Security Holders) to provide (or cause to be provided either directly or through a dissemination agent) to EMMA (or any successor thereto) in an electronic format (as prescribed by the MSRB):

(i) no later than the following March 31 after the end of each fiscal year, commencing with the fiscal year ending June 30, 2021, the Annual Financial Information relating to such fiscal year, unless Audited Financial Statements are prepared, in which case the Annual Financial Information will be provided on or prior to the following March 31 after the end of each fiscal year or within 60 days following receipt by the Issuer of Audited Financial Statements (whichever is later) (the "Report Date"), but in no event later than one year after the end of each fiscal year;

(ii) if not provided as part of the Annual Financial Information, Audited Financial Statements within 60 days of their receipt, but in no event later than one year after the end of each fiscal year;

(iii) in a timely manner (not in excess of ten business days after the occurrence of any such event), notice of any of the following events with respect to the Security:

(1) Principal and interest payment delinquencies;

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

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

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

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

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

(7) Modifications to rights of Security Holders, if material;

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

(9) Defeasances;

(10) Release, substitution, or sale of property securing repayment of the Security, if material;

(11) Rating changes;

(12) Bankruptcy, insolvency, receivership or similar event of the obligated person;

Note to paragraph (12): For the purposes of the event identified in paragraph (12) of this Section 1, the event is considered to occur when any of the following occur: The appointment of a receiver, fiscal agent or similar officer for an obligated person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the obligated person, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the obligated person.

(13) The consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, 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;

(14) Appointment of a successor or additional trustee or the change of name of a trustee, if material;

(15) Incurrence of a Financial Obligation of the obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the obligated person, any of which affect Security Holders, if material; and

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

(iv) in a timely manner (not in excess of ten business days after the occurrence of such event), notice of a failure to provide by the date set forth in Section 1(a)(i) hereof any Annual Financial Information required by Section 3 hereof.

(b) The Issuer may choose to disseminate other information in addition to the information required as part of this Disclosure Undertaking. Such other information may be disseminated in any manner chosen by the Issuer. If the Issuer disseminates any such additional information, the Issuer shall have no obligation to update such information or include it in any future materials disseminated pursuant to this Disclosure Undertaking.

(c) The Issuer may choose to provide notice of the occurrence of certain other events, in addition to those listed in Section 1(a)(ii) above, if the Issuer determines that any such other event is material with respect to the Security; but the Issuer does not undertake to commit to provide any such notice of the occurrence of any material event except those events listed above.

Section 2. Definitions

“Annual Financial Information” means the information specified in Section 3 hereof.

“Audited Financial Statements” means the Issuer’s annual financial statements, prepared in accordance with GAAP for governmental units as prescribed by GASB, which financial statements shall have been audited by such auditor as shall be then required or permitted by the laws of the State of New York.

“EMMA” means the Electronic Municipal Market Access System implemented by the MSRB.

“Financial Obligation” means a (A) debt obligation; (B) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (C) guarantee of (A) or (B). Financial Obligation shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with Rule 15c2-12.

“GAAP” means generally accepted accounting principles as in effect from time to time in the United States.

“MSRB” means the Municipal Securities Rulemaking Board established in accordance with the provisions of Section 15B(b)(1) of the Securities Exchange Act of 1934, or any successor thereto or to the functions of the MSRB contemplated by this Disclosure Undertaking.

“Purchaser” means the financial institution referred to in a certain Certificate of Determination that is being delivered by the Issuer in connection with the issuance of the Security.

“Rule 15c2-12” means Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended through the date of this Disclosure Undertaking, including any official interpretations thereof issued either before or after the effective date of this Disclosure Undertaking which are applicable to this Disclosure Undertaking.

“Security Holder” means any registered owner of the Security and any beneficial owner of the Security within the meaning of Rule 13d-3 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934.

Section 3. Annual Financial Information. (a) The required Annual Financial Information shall consist of the financial information and operating data for the preceding fiscal year, in a form generally consistent with the information contained or cross-referenced in the Issuer’s final official statement relating to the Security in Appendix A under the headings: “THE DISTRICT,” “FINANCIAL FACTORS,” “TAX INFORMATION,” “DISTRICT INDEBTEDNESS,” “ECONOMIC AND DEMOGRAPHIC DATA,” and “LITIGATION”; and in Appendix B; which Annual Financial Information may, but it is not required to, include audited financial statements.

(b) All or any portion of the Annual Financial Information may be incorporated in the Annual Financial Information by cross reference to any other documents which are (i) available to the public on EMMA or (ii) filed with the Securities and Exchange Commission. If such a document is a final official statement, it must be available on EMMA.

(c) Annual Financial Information for any fiscal year containing any modified operating data or financial information (as contemplated by Section 6(f) hereof) for such fiscal year shall explain, in narrative form, the reasons for such modification and the effect of such modification on the Annual Financial Information being provided for such fiscal year. If a change in accounting principles is included in any such modification, such Annual Financial Information shall present a comparison between the financial statements or information prepared on the basis of the modified accounting principles and those prepared on the basis of the former accounting principles.

Section 4. Remedies. If the Issuer fails to comply with any provision of this Disclosure Undertaking, then any Security Holder may enforce, for the equal benefit and protection of all Security Holders similarly situated, by mandamus or other suit or proceeding at law or in equity, this Disclosure Undertaking against the Issuer and any of the officers, agents and employees of the Issuer, and may compel the Issuer or any such officers, agents or employees to perform and carry out their duties under this Disclosure Undertaking; provided that the sole and exclusive remedy for breach of this Disclosure Undertaking shall be an action to compel specific performance of the obligations of the Issuer hereunder and no person or entity shall be entitled to recover monetary damages hereunder under any circumstances. Failure to comply with any provision of this Disclosure Undertaking shall not constitute an event of default on the Security.

Section 5. Parties in Interest. This Disclosure Undertaking is executed to assist the Purchaser to comply with paragraph (b)(5) of Rule 15c2-12 and is delivered for the benefit of the Security Holders. No other person has any right to enforce the provisions hereof or any other rights hereunder.

Section 6. Amendments. Without the consent of any Security Holders, at any time while this Disclosure Undertaking is outstanding, the Issuer may enter into any amendments or changes to this Disclosure Undertaking for any of the following purposes:

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

(b) to add a dissemination agent for the information required to be provided as part of this Disclosure Undertaking and to make any necessary or desirable provisions with respect thereto;

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

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

(e) to adjust the Report Date if the Issuer changes its fiscal year; provided that such new date shall be within nine months after the end of the new fiscal year and provided further that the period between the final Report Date relating to the former fiscal year and the initial Report Date relating to the new fiscal year shall not exceed one year in duration;

(f) to modify the contents, presentation and format of the Annual Financial Information from time to time to conform to changes in accounting or disclosure principles or practices and legal requirements followed by or applicable to the Issuer or to reflect changes in the identity, nature or status of the Issuer or in the business, structure or operations of the Issuer or any mergers, consolidations, acquisitions or dispositions made by or affecting any such person; provided that any such modifications shall comply with the requirements of Rule 15c2-12 or Rule 15c2-12 as in effect at the time of such modification; or

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

provided that no such action pursuant to this Section 7 shall adversely affect the interests of the Security Holders in any material respect. In making such determination, the Issuer shall rely upon an opinion of nationally recognized bond counsel.

Section 7. Termination. (a) This Disclosure Undertaking shall remain in full force and effect until such time as all principal, redemption premiums, if any, and interest on the Security shall have been paid in full or the Security shall have otherwise been paid or legally defeased in accordance with their terms. Upon any such legal defeasance, the Issuer shall provide notice of such defeasance to EMMA. Such notice shall state whether the Security has been defeased to maturity or to redemption and the timing of such maturity or redemption.

(b) In addition, this Disclosure Undertaking, or any provision hereof, shall be null and void in the event that those portions of Rule 15c2-12 which require this Disclosure Undertaking, or such provision, as the case may be, do not or no longer apply to the Security, whether because such portions of Rule 15c2-12 are invalid, have been repealed, or otherwise.

Section 8. Undertaking to Constitute Written Agreement or Contract. This Disclosure Undertaking shall constitute the written agreement or contract for the benefit of Security Holders, as contemplated under Rule 15c2-12.

Section 9. Governing Law. This Disclosure Undertaking shall be governed by the laws of the State of New York determined without regard to principles of conflict of law.

IN WITNESS WHEREOF, the undersigned has duly authorized, executed and delivered this Disclosure Undertaking as of **May __, 2021.**

CITY SCHOOL DISTRICT OF THE CITY OF ELMIRA
CHEMUNG COUNTY, NEW YORK

By: /s/:______________________________
Board of Education President