

PRELIMINARY OFFICIAL STATEMENT DATED SEPTEMBER 12, 2025

NEW& RENEWAL ISSUE

**See “RATINGS” herein
BOND ANTICIPATION NOTES**

In the opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel, based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the Notes (i) is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the “Code”), and (ii) is not treated as a preference item in calculating the alternative minimum tax on individuals under the Code, however interest on the Notes is included in the “adjusted financial statement income” of certain corporations that are subject to the alternative minimum tax under Section 55 of the Code. Bond Counsel is also of the opinion that interest on the Notes is exempt from personal income taxes imposed by the State of New York or any political subdivision thereof (including The City of New York). Bond Counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of, or the amount, accrual or receipt of interest on, the Notes. See “TAX MATTERS” herein.

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

**VILLAGE OF ARDSLEY
WESTCHESTER COUNTY, NEW YORK**

**\$4,360,500
BOND ANTICIPATION NOTES, 2025
(the “Notes”)**

Date of Issue: October 1, 2025

Maturity Date: October 1, 2026

The Notes are general obligations of the Village of Ardsley, Westchester County, New York (the “Village”), and will contain a pledge of the faith and credit of the Village for the payment of the principal thereof and interest thereon and, unless paid from other sources, the Notes are payable from ad valorem taxes which may be levied upon all the taxable real property within the Village, subject to applicable statutory limitations. (See “NATURE OF OBLIGATION” and “*Tax Levy Limitation Law*” herein.)

The Notes are dated their Date of Issue and bear interest from that date until the Maturity Date, at the annual rate(s) as specified by the purchaser(s) of the Notes. The Notes will not be subject to redemption prior to maturity.

At the option of the purchaser(s), the Notes will be (i) registered in the name of the successful bidder(s) or (ii) registered to Cede & Co., as the partnership nominee for The Depository Trust Company, New York, New York (“DTC”) as book entry notes.

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

DTC will act as securities depository for the Notes issued in book-entry form. Individual purchases of such Notes will be made in book-entry form only, in principal amounts of \$5,000 or integral multiples thereof, except for one necessary odd denomination in the amount of \$5,500. Purchasers will not receive certificates representing their ownership interests in book-entry notes. Principal of and interest on such Notes will be paid by the Village to DTC, which will in turn remit such principal and interest to its Participants, for subsequent distribution to Beneficial Owners of the Notes, as described herein. (See “*Book-Entry-Only System*” herein.)

The Notes are offered when, as and if issued and received by the purchaser(s) subject to the receipt of the final approving opinion of Orrick, Herrington & Sutcliffe LLP, New York, New York, Bond Counsel. It is anticipated that the Notes will be available for delivery through the facilities of DTC in Jersey City, New Jersey or as otherwise agreed with the purchaser(s) on or about October 1, 2025.

THIS OFFICIAL STATEMENT IS IN A FORM DEEMED FINAL BY THE VILLAGE 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 NOTES. FOR A DESCRIPTION OF THE VILLAGE’S AGREEMENT TO PROVIDE CONTINUING DISCLOSURE AS DESCRIBED IN THE RULE, SEE “*DISCLOSURE UNDERTAKING FOR THE NOTES*,” HEREIN.

DATED: September __, 2025

**VILLAGE OF ARDSLEY
WESTCHESTER COUNTY, NEW YORK**

**Nancy Kaboolian
Mayor**

BOARD OF TRUSTEES

Steven Edelstein..... Trustee, Deputy Mayor
Barry McGoeyTrustee
Sheila NarayananTrustee
Michael Wiskind.....Trustee

David Venditti, Esq.....Village Attorney
Leslie Tillotson Village Treasurer
Joseph L. CerretaniVillage Manager
Ann Marie Rocco..... Village Clerk

INDEPENDENT AUDITORS

**PKF O'Connor Davies, LLP
Harrison, New York**

BOND COUNSEL

**Orrick, Herrington & Sutcliffe LLP
New York, New York**

MUNICIPAL ADVISOR



**Capital Markets Advisors, LLC
Long Island & Western New York
(516) 274-4502**

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

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OFFICIAL STATEMENT
**VILLAGE OF ARDSLEY,
WESTCHESTER COUNTY, NEW YORK**

relating to

\$4,360,500
BOND ANTICIPATION NOTES, 2025
(the “Notes”)

This Official Statement (the “Official Statement”), which includes the cover pages and appendices hereto, presents certain information relating to the Village of Ardsley, in the County of Westchester, in the State of New York (the “Village,” “County,” and “State,” respectively), in connection with the sale of \$4,360,500 Bond Anticipation Notes, 2025 (the “Notes”).

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

THE NOTES

Description of the Notes

The Notes will be dated and will mature as reflected on the cover page hereof.

The Notes will not be subject to redemption prior to maturity. Interest will be calculated on a 30-day month and 360-day year basis, payable at maturity.

At the option of the purchaser(s), the Notes will be (i) registered in the name of the successful bidder(s) or (ii) registered to Cede & Co., as the partnership nominee for The Depository Trust Company, New York, New York (“DTC”) as book entry notes. The Village will act as Paying Agent for the Notes. The Village contact information is as follows: Leslie Tillotson, Village Treasurer, 507 Ashford Avenue, Ardsley, New York 10502, (914) 693-1550, e-mail: ltillotson@ardsleyvillage.com.

Authority for and Purpose of the Notes

The Notes shall be issued pursuant to the Constitution and the Laws of the State, and bond resolutions duly adopted by the Village’s Board on various dates, authorizing the issuance of serial bonds. A portion of the proceeds of the Notes in the amount of \$3,485,500, together with \$38,760 in available Village funds, will be used to redeem the Village’s \$3,524,260 Bond Anticipation Notes, 2024 which mature on October 2, 2025. The remaining proceeds from the sale of the Notes in the amount of \$875,000 will be used to provide original financing for various projects as detailed in the schedule on the following page:

Purpose	Date of Authorization	Amount Outstanding	Principal Paydown	New Money	Amount Funded with Note Proceeds
Curb Improvements	08/07/2023	\$ 133,760	\$11,760	\$ 0	\$ 122,000
Improvements to Village Hall	08/07/2023	50,000	1,000	0	49,000
Purchase and Installation of HVAC at Community Center	08/07/2023	35,000	3,000	0	32,000
Purchase of Apparatus and Fire Pumper Vehicle	06/05/2023	100,000	3,000	0	97,000
Purchase of Construction Vehicle	08/07/2023	390,000	20,000	0	370,000
Improvements to Bicentennial Park	07/15/2024	50,000	0	0	50,000
Construction of New Parking Lot	07/15/2024	350,000	0	0	350,000
Improvements to Community Center	07/15/2024	80,000	0	0	80,000
Reconstruction of Curbs	07/15/2024	400,000	0	0	400,000
Improvements to Justice Court	07/15/2024	30,000	0	0	30,000
Purchase of Maintenance Equipment	07/15/2024	390,000	0	0	390,000
Improvements to Pascone Park	07/15/2024	1,300,000	0	0	1,300,000
Purchase and Installation of Police Lockers	07/15/2024	25,500	0	0	25,500
Purchase of Police Computers	07/15/2024	40,000	0	0	40,000
Purchase and Installation of HVAC at Village Hall	07/15/2024	150,000	0	0	150,000
Reconstruction of Curbs	05/05/2025	0	0	425,000	425,000
Rehabilitation of Pascone Park Comfort Station	07/07/2025	0	0	150,000	150,000
Rehabilitation of Bicentennial Park (Phase 1)	07/07/2025	0	0	300,000	300,000
		\$3,524,260	\$38,760	\$875,000	\$4,360,500

Optional Redemption

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

Book-Entry-Only System

The Depository Trust Company (“DTC”), New York, New York, will act as securities depository for the Notes issued in book-entry form. Said Notes will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered note certificate will be issued for the Notes, 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 Notes under the DTC system must be made by or through Direct Participants, which will receive a credit for the Notes on DTC's records. The ownership interest of each actual purchaser of each 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 Notes are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Notes, except in the event that use of the book-entry system for the Notes is discontinued.

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

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

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 Notes unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the County 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 Notes are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments on the Notes will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the County, 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 Village, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Village, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

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

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

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

Source: The Depository Trust Company

THE INFORMATION CONTAINED IN THE ABOVE SECTION CONCERNING DTC AND DTC'S BOOK-ENTRY SYSTEM HAS BEEN OBTAINED FROM SAMPLE OFFERING DOCUMENT LANGUAGE SUPPLIED BY DTC, BUT THE VILLAGE TAKES NO RESPONSIBILITY FOR THE ACCURACY THEREOF. IN ADDITION, THE VILLAGE WILL NOT HAVE ANY RESPONSIBILITY OR OBLIGATION TO PARTICIPANTS, TO INDIRECT PARTICIPANTS OR TO ANY BENEFICIAL OWNER WITH RESPECT TO: (I) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC, ANY PARTICIPANT OR ANY INDIRECT PARTICIPANT; (II) THE PAYMENTS BY DTC OR ANY PARTICIPANT OR ANY INDIRECT PARTICIPANT OF ANY AMOUNT WITH RESPECT TO THE PRINCIPAL OF, OR PREMIUM, IF ANY, OR INTEREST ON THE NOTES OR (III) ANY NOTICE WHICH IS PERMITTED OR REQUIRED TO BE GIVEN TO OWNERS.

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

THE VILLAGE WILL NOT HAVE ANY RESPONSIBILITY OR OBLIGATIONS TO DTC, THE DIRECT PARTICIPANTS, THE INDIRECT PARTICIPANTS OF DTC OR THE BENEFICIAL OWNERS WITH RESPECT TO (1) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS OF DTC; (2) THE PAYMENT BY DTC OR ANY DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS OF DTC OF ANY AMOUNT DUE TO ANY BENEFICIAL OWNER IN RESPECT OF THE PRINCIPAL AMOUNT OF OR INTEREST OR REDEMPTION PREMIUM ON THE NOTES; (3) THE DELIVERY BY DTC OR ANY DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS OF DTC OF ANY NOTICE TO ANY BENEFICIAL OWNER 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 NOTES.

NATURE OF OBLIGATION

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

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

The Notes will be general obligations of the Village and will contain a pledge of the faith and credit of the Village for the payment of the principal thereof and the interest thereon as required by the Constitution and laws of the State. For the payment of such principal and interest, the Village has power and statutory authorization to levy ad valorem taxes on all real property within the Village, subject to applicable statutory limitations.

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

Under the Constitution of the State, the Village is required to pledge its faith and credit for the payment of the principal of and interest on the Notes and is required to raise real estate taxes, and without specification, other revenues, if such levy is necessary to repay such indebtedness. While the Tax Levy Limitation Law imposes a statutory limitation on

the Village's power to increase its annual tax levy with the amount of such increase limited by the formulas set forth in the Tax Levy Limitation Law, it also provides the procedural method to surmount that limitation. See "Tax Levy Limitation Law," herein.

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

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

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

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

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

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

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

Tax Levy Limitation Law

On June 24, 2011, Chapter 97 of the New York Laws of 2011 was signed into law by the Governor (as amended, the “Tax Levy Limitation Law”). The Tax Levy Limitation Law applies to all local governments, including school districts (with the exception of New York City, the counties comprising New York City and school districts in New York City, Buffalo, Rochester, Syracuse and Yonkers, the latter four of which are affected indirectly by applicability to their respective city). It also applies to independent special districts and to town and county improvement districts as part of their parent municipalities tax levies.

The Tax Levy Limitation Law restricts, among other things, the amount of real property taxes (including assessments of certain special improvement districts) that may be levied by or on behalf of a municipality in a particular year, beginning with fiscal years commencing on or after January 1, 2012. While the Tax Levy Limitation Law was scheduled to expire in 2020, it was made permanent by legislation enacted in 2019. Pursuant to the Tax Levy Limitation Law, the tax levy of a municipality cannot increase by more than the lesser of (i) two percent (2%) or (ii) the annual increase in the consumer price index (“CPI”), over the amount of the prior year’s tax levy. Certain adjustments would be permitted for taxable real property full valuation increases due to changes in physical or quantity growth in the real property base as defined in Section 1220 of the Real Property Tax Law. A municipality may exceed the tax levy limitation for the coming fiscal year only if the governing body of such municipality first enacts, by at least a sixty percent vote of the total voting strength of the board, a local law (resolution in the case of fire districts and certain special districts) to override such limitation for such coming fiscal year only. There are permissible exceptions to the tax levy limitation provided in the Tax Levy Limitation Law, including expenditures made on account of certain tort settlements and certain increases in the average actuarial contribution rates of the New York State and Local Employees’ Retirement System, the Police and Fire Retirement System, and the Teachers’ Retirement System. Municipalities are also permitted to carry forward a certain portion of their unused levy limitation from a prior year. Each municipality prior to adoption of its fiscal year budget must submit for review to the State Comptroller any information that is necessary in the calculation of its tax levy for such fiscal year.

The Tax Levy Limitation Law does not contain an exception from the levy limitation for the payment of debt service on either outstanding general obligation debt of municipalities or such debt incurred after the effective date of the Tax Levy Limitation Law (June 24, 2011).

While the Tax Levy Limitation Law may constrict an issuer’s power to levy real property taxes for the payment of debt service on debt contracted after the effective date of the Tax Levy Limitation Law, it is clear that no statute is able (1) to limit an issuer’s pledge of its faith and credit to the payment of any of its general obligation indebtedness or (2) to limit an issuer’s levy of real property taxes to pay debt service on general obligation debt contracted prior to the effective date of the Tax Levy Limitation Law. Whether the Constitution grants a municipality authority to treat debt service payments as a constitutional exception to such a statutory tax levy limitation is not clear.

SPECIAL PROVISIONS AFFECTING REMEDIES UPON DEFAULT

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

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

Authority to File for Municipal Bankruptcy. The Federal Bankruptcy Code allows public bodies, such as counties, cities, towns and villages, recourse to the protection of a Federal Court for the purpose of adjusting outstanding indebtedness. Section 85.80 of the Local Finance Law contains specific authorization for any municipality in the State or its emergency control board to file a petition under any provision of Federal bankruptcy law for the composition or adjustment of municipal indebtedness.

The State has consented that any municipality in the State may file a petition with the United States District Court or court of bankruptcy under any provision of the laws of the United States, now or hereafter in effect, for the composition or adjustment of municipal indebtedness. Subject to such State consent, under the United States Constitution, Congress has jurisdiction over such matters and has enacted amendments to the existing federal bankruptcy statute, being Chapter 9 thereof, generally to the effect and with the purpose of affording municipal corporations, under certain circumstances, with easier access to judicially approved adjustment of debt, including judicial control over identifiable and unidentifiable creditors.

No current state law purports to create any priority for holders of the Notes should the Village be under the jurisdiction of any court, pursuant to the laws of the United States, now or hereafter in effect, for the composition or adjustment of municipal indebtedness.

The rights of the owners of the Notes to receive interest and principal from the Village could be adversely affected by the restructuring of the Village's debt under Chapter 9 of the Federal Bankruptcy Code. No assurance can be given that any priority of holders of debt obligations issued by the Village (including the Notes) to payment from monies retained in any debt service fund or from other cash resources would be recognized if a petition were filed by or on behalf of the Village under the Federal Bankruptcy Code or pursuant to other subsequently enacted laws relating to creditors' rights; such monies might, under such circumstances, be paid to satisfy the claims of all creditors generally.

Under the Federal Bankruptcy Code, a petition may be filed in the Federal Bankruptcy court by a municipality which is insolvent or unable to meet its debts as they mature. Generally, the filing of such a petition operates as a stay of any proceeding to enforce a claim against the municipality. The Federal Bankruptcy Code also requires that a plan be filed for the adjustment of the municipality's debt, which may modify or alter the rights of creditors and which could be secured. Any plan of adjustment confirmed by the court must be approved by the requisite number of creditors. If confirmed by the bankruptcy court, the plan would be binding upon all creditors affected by it.

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

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

As a result of the Court of Appeals decision in Flushing National Bank v. Municipal Assistance Corporation for the City of New York, 40 N.Y.2d 731 (1976), the constitutionality of that portion of Title 6-A of Article 2 of the Local Finance Law, as described below, enacted at the 1975 Extraordinary Session of the State legislature authorizing any county, city, town or village with respect to which the State has declared a financial emergency to petition the State Supreme Court to stay the enforcement against such municipality of any claim for payment relating to any contract, debt or obligation of the municipality during the emergency period, is subject to doubt. In any event, no such emergency has been declared with respect to the Village.

Right of Municipality or State to Declare a Municipal Financial Emergency and Stay Claims Under State Debt Moratorium Law. The State Legislature is authorized to declare by special act that a state of financial emergency exists in any county, city, town or village. (The provision does not by its terms apply to school districts or fire districts.) In addition, the State Legislature may authorize by special act establishment of an "emergency financial control board" for any county, city, town or village upon determination that such a state of financial emergency exists. Thereafter, unless such special act provides otherwise, a voluntary petition to stay claims may be filed by any such

municipality (or by its emergency financial control board in the event said board requests the municipality to petition and the municipality fails to do so within five days thereafter). A petition filed in supreme court in the county in which the municipality is located in accordance with the requirements of Title 6-A of the Local Finance Law ("Title 6-A") effectively prohibits the doing of any act for ninety days in the payment of claims against the municipality, including payment of debt service on outstanding indebtedness.

This includes staying the commencement or continuation of any court proceedings seeking payment of debt service due, the assessment, levy or collection of taxes by or for the municipality or the application of any funds, property, receivables or revenues of the municipality to the payment of debt service. The stay can be vacated under certain circumstances with provisions for the payment of amounts due or overdue upon a demand for payment in accordance with the statutory provisions set forth therein. The filing of a petition may be accompanied with a proposed repayment plan which, upon court order approving the plan, may extend any stay in the payment of claims against the municipality for such "additional period of time as is required to carry out fully all the terms and provisions of the plan with respect to those creditors who accept the plan or any benefits thereunder." Court approval is conditioned, after a hearing, upon certain findings as provided in Title 6-A.

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

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

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

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

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

Fiscal Stress and State Emergency Financial Control Boards. Pursuant to Article IX Section 2(b)(2) of the State Constitution, any local government in the State may request the intervention of the State in its "property, affairs and government" by a two-thirds vote of the total membership of its legislative body or on request of its chief executive officer concurred in by a majority of such membership. This has resulted in the adoption of special acts for the establishment of public benefit corporations with varying degrees of authority to control the finances (including debt issuance) of the cities of Buffalo, Troy and Yonkers and the County of Nassau. The specific authority, powers and composition of the financial control boards established by these acts varies based upon circumstances and needs. Generally, the State legislature has granted such boards the power to approve or disapprove budget and financial plans and to issue debt on behalf of the municipality, as well as to impose wage and/or hiring freezes and approve collective bargaining agreements in certain cases. Implementation is left to the discretion of the board of the public benefit corporation. Such a State financial control board was first established for New York City in 1975. In addition, on a certificate of necessity of the governor reciting facts which in the judgment of governor constitute an emergency

requiring enactment of such laws, with the concurrences of two-thirds of the members elected in each house of the State legislature, the State is authorized to intervene in the “property, affairs and governments” of local government units. This occurred in the case of the County of Erie in 2005. The authority of the State to intervene in the financial affairs of local government is further supported by Article VIII, Section 12 of the Constitution, which declares it to be the duty of the State legislature to restrict, subject to other provisions of the Constitution, the power of taxation, assessment, borrowing money and contracting indebtedness and loaning the credit of counties, cities, towns and villages so as to prevent abuses in taxation and assessment and in contracting indebtedness by them.

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

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

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

Several municipalities in the State are presently working with the FRB. The Village has not applied to the FRB and does not reasonably expect to do so in the foreseeable future. School districts and fire districts are not eligible for FRB assistance.

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

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

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

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

RISK FACTORS

There are certain potential risks associated with an investment in the Notes, and investors should be thoroughly familiar with this Official Statement, including its appendices, in order to make an informed investment decision. Investors should consider, in particular, the following factors:

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

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

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

The Village is dependent in part upon financial assistance from the State in the form of State aid as well as grants and loans to be received ("State Aid"). The availability of such monies and the timeliness of such payment may be affected by a delay in the adoption of the State budget and other circumstances, including State fiscal stress. State aid appropriated and apportioned to the Village can be paid only if the State has such monies available therefore. The Village's receipt of State aid may be delayed as a result of the State's failure to adopt its budget timely and/or to appropriate State Aid to municipalities and school districts. Should the Village fail to receive all or a portion of the amounts of State Aid expected to be received from the State in the amounts and at the times anticipated, occasioned by a delay in the payment of such moneys or by a reduction in State Aid or its elimination, the Village is authorized pursuant to the Local Finance Law ("LFL") to provide operating funds by borrowing in anticipation of the receipt of such uncollected State Aid, however, there can be no assurance that, in such event, the Village will have market access for any such borrowing on a cost effective basis. (See also "*COVID-19 Stimulus and Uses*" and "*Revenues*" herein.)

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

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

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

An outbreak of disease or similar public health threat, such as the COVID-19 outbreak, or fear of such an event, could have an adverse impact on the Village's financial condition and operating results by potentially delaying the receipt of real property taxes or resulting in a delay or reduction by the State in the payment of State aid.

Cybersecurity

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

LITIGATION

The Village from time to time receives notices of claim and is party to litigation. In the opinion of the Village Attorney, except as set forth below and apart from matters provided for by applicable insurance coverage, there are no claims or actions pending which, if determined against the Village, would have an adverse material effect on the financial condition of the Village.

Certain property owners have filed certiorari petitions under Article 7 of the Real Property Tax Law. Such petitions allege that property values as presently determined are excessive and request assessment reductions for one or more years and, in most actions, a refund of property taxes previously paid. For the fiscal years ended May 31, 2024 and 2025, the Village paid tax refunds in the amounts of \$70,115 and \$57,986, respectively. It is difficult to predict at this time the outcome of current cases, however, pursuant to State law, the Village may issue debt to pay tax certiorari refunds should the amount of such refunds exceed the amount on hand therefore, which is an unlikely event.

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

TAX MATTERS

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

To the extent the issue price of any maturity of the Notes is less than the amount to be paid at maturity of such Notes (excluding amounts stated to be interest and payable at least annually over the term of such Notes), the difference constitutes “original issue discount,” the accrual of which, to the extent properly allocable to each owner thereof, is treated as interest on the Notes which is excluded from gross income for federal income tax purposes and exempt from State of New York personal income taxes. For this purpose, the issue price of a particular maturity of the Notes is the first price at which a substantial amount of such maturity of the Notes is sold to the public (excluding bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers). The original issue discount with respect to any maturity of the Notes accrues daily over the term to maturity of such Notes on the basis of a constant interest rate compounded semiannually (with straight-line interpolations between

compounding dates). The accruing original issue discount is added to the adjusted basis of such Notes to determine taxable gain or loss upon disposition (including sale, redemption, or payment on maturity) of such Notes. Owners of the Notes should consult their own tax advisors with respect to the tax consequences of ownership of Notes with original issue discount, including the treatment of owners who do not purchase such Notes in the original offering to the public at the first price at which a substantial amount of such Notes is sold to the public.

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

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

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

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

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

Current and future legislative proposals, if enacted into law, clarification of the Code or court decisions may cause interest on the Notes to be subject, directly or indirectly, to federal income taxation or to be subject to or exempted from state income taxation, or otherwise prevent owners from realizing the full current benefit of the tax status of such

interest. The introduction or enactment of any such legislative proposals, clarification of the Code or court decisions may also affect the market price for, or marketability of, the Notes. Prospective purchasers of the Notes should consult their own tax advisors regarding any pending or proposed federal or state tax legislation, regulations or litigation, as to which Bond Counsel expresses no opinion.

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

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

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

LEGAL MATTERS

Legal matters incident to the authorization, issuance and sale of the Notes are subject to the approving legal opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel. Bond Counsel's opinion will be in substantially the form attached hereto as Appendix D.

DISCLOSURE UNDERTAKINGS

This Official Statement is in a form "deemed final" by the Village for the purposes of Securities and Exchange Commission Rule 15c2-12 (the "Rule"). At the time of the delivery of the Notes, the Village will provide an executed copy of its "Undertaking to Provide Notice of Certain Material Events" (the "Undertaking"). Said Undertaking will constitute a written agreement or contract of the Village for the benefit of holders of and owners of beneficial interests in the Notes, to provide, or cause to be provided, timely notice not in excess of ten (10) business days after the occurrence of any of the following events with respect to the Notes:

(i) principal and interest payment delinquencies; (ii) non-payment related defaults, if material; (iii) unscheduled draws on debt service reserves reflecting financial difficulties; (iv) unscheduled draws on credit

enhancements reflecting financial difficulties; (v) substitution of credit or liquidity providers, or their failure to perform; (vi) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices of determinations with respect to the tax status of the Notes, or other material events affecting the tax status of the Notes; (vii) modifications to rights of Noteholders, if material; (viii) Note calls, if material, and tender offers; (ix) defeasances; (x) release, substitution, or sale of property securing repayment of the Notes, if material; (xi) rating changes; (xii) bankruptcy, insolvency, receivership or similar event of the Village; (xiii) the consummation of a merger, consolidation, or acquisition involving the Village or the sale of all or substantially all of the assets of the Village, 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; (xiv) appointment of a successor or additional trustee or the change of name of a trustee, if material; (xv) incurrence of a “financial obligation” (as defined in the Rule) of the Village, if material, or agreement to covenants, events of default, remedies, priority rights or other similar terms of a financial obligation, any of which affect security holders, if material; and (xvi) default, event of acceleration, termination event, modification of terms or other similar events under a financial obligation of the Village, if any such event reflects financial difficulties.

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

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

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

With respect to events (xv) and (xvi) above, the term “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). The term Financial Obligation shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

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

The Village’s Undertaking shall remain in full force and effect until such time as the principal of, redemption premiums, if any, and interest on the Notes shall have been paid in full. The sole and exclusive remedy for breach or default under the Undertaking is an action to compel specific performance of the undertakings of the Village, and no person or entity, including a holder of the Notes, shall be entitled to recover monetary damages thereunder under any circumstances. Any failure by the Village to comply with the Undertaking will not constitute a default with respect to the Notes.

The Village reserves the right to amend or modify the Undertaking under certain circumstances set forth therein; provided that, any such amendment or modification will be done in consultation with nationally recognized bond counsel in a manner consistent with Rule 15c2-12 as then in effect.

MUNICIPAL ADVISOR

Capital Markets Advisors, LLC, Great Neck, 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 Village 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 Village 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 Village. 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 Notes.

RATINGS

The Village has not applied to Moody’s Investors Service (“Moody’s”) for a rating on the Notes.

The Village’s underlying rating by Moody’s Investors Service is currently “Aa1.”

With respect to the Moody’s rating applicable to uninsured debt, such rating reflects only the views of Moody’s and any desired explanation of the significance of such rating should be obtained from Moody’s, at the following address: Moody’s Investors Service, Inc., 7 World Trade Center at 250 Greenwich Street, New York, New York 10007. 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 Notes or the availability of a secondary market for the Notes.

ADDITIONAL INFORMATION

Additional information may be obtained from the Village Treasurer, Leslie Tillotson, 507 Ashford Avenue, Ardsley, New York 10502, (914) 693-1550, e-mail: ltillotson@ardsleyvillage.com or from the Village’s Municipal Advisor, Capital Markets Advisors, LLC, 11 Grace Avenue – Suite 308, Great Neck, New York, 11021, (516) 274-4502.

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 Village and the original purchasers or holders of any of the Notes.

Statements in the Official Statement, and the documents included by specific reference, that are not historical facts are “forward-looking statements”, within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, and as defined in the Private Securities Litigation Reform Act of 1995, which involve a number of risks and uncertainties, and which are based on the Village management’s beliefs as well as assumptions made by, and information currently available to the Village’s management and staff. Because the statements are based on expectations about future events and economic performance and are not statements of fact, actual results may differ materially from those projected. Important factors that could cause future results to differ include legislative and regulatory changes, changes in the economy, and other factors discussed in this and other documents that the Village’s files with the MSRB. When used in Village documents or oral presentations, the words “anticipate,” “believe,” “intend,” “plan,” “foresee,” “likely,” “estimate,” “expect,” “objective,” “projection,” “forecast,” “goal,” “will,” or “should,” or similar words or phrases are intended to identify forward-looking statements.

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

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

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

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

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 Village nor Capital Markets Advisors, LLC assumes any liability or responsibility for errors or omissions on such website. Further, Capital Markets Advisors, LLC and the Village 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 Village also assume no liability or responsibility for any errors or omissions or for any updates to dated website information.

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

VILLAGE OF ARDSLEY
WESTCHESTER COUNTY, NEW YORK

By: /s/ _____
Leslie Tillotson
Treasurer and Chief Fiscal Officer

DATED: September __, 2025

APPENDIX A

THE VILLAGE

THE VILLAGE

General Information

The Village was incorporated by an act of the State Legislature in 1896. The Village encompasses an area of approximately 1.3 square miles wholly situated in the Town of Greenburgh (the “Town”). New York City is about 15 miles south of the Village. The Village is primarily residential in character with light commercial development along its main street area (U.S. Route 9A). The residential areas of the Village are predominantly single family except for several townhouse and condominium complexes. Commercial properties are mainly small stores and shopping centers, with small service businesses interspersed.

According to data obtained from the US Census Bureau, the population of the Village was 5,079 as of the 2020 US Census, which represents an increase of 14.1%, or 627 persons, since the 2010 US Census. (See “*Population*,” herein.)

Wealth levels in the Town (which is not necessarily representative of the Village) well exceed those of the County and State. (See “*Income*,” herein.)

Village residents find employment throughout the New York Metropolitan and are generally less dependent on manufacturing related employment than residents of the County or State. Many residents are employed in management or professional positions. Unemployment statistics are not maintained for the Village; however, the number of unemployed persons in the Town, which encompasses the Village, has historically been lower than the County, State or the United States taken as a whole. (See “*Employment*,” herein.)

Form of Government

The Village was established as a municipal government by the State and is vested with the powers and responsibilities inherent in the operation of municipal governments, including the adoption of rules and regulations to govern its affairs. In addition, the Village may tax real property within its boundaries and issue general obligation indebtedness, subject to the provisions of the State’s Real Property Tax Law and Local Finance Law (see “*Tax Levy Limitation Law*” herein). There is one school district in the Village that has independent power with respect to taxation and debt issuance. Village residents also pay real property taxes to the Town and the County to support programs administered by such governmental entities.

Government operations of the Village are subject to the provisions of the State Constitution and various State statutes affecting village governments, including the Village Law, the General Municipal Law and the Local Finance Law. Real property assessment, collection, and enforcement procedures are determined by the Real Property Tax Law.

Elected and Appointed Officials

The Village Board of Trustees is the legislative, appropriating, governing and policy determining body of the Village and consists of four trustees and a Mayor, all of whom are elected at large to serve two-year terms. The number of terms which may be served is not limited.

The Village operates with a Village Manager who is appointed by the Village Board of Trustees. The Manager is the Chief Administrative Officer of the Village and is responsible for day-to-day operations. The Manager appoints certain department heads and hires employees. The Manager also serves as the Budget Officer of the Village.

The Mayor is elected for a two-year term of office with the right to succeed herself. In addition, the Mayor is a full member of and the presiding officer of the Village Board of Trustees.

The Village Clerk is appointed by the Board of Trustees for a two-year term. The responsibilities of the Clerk are many and varied. The Clerk has custody of the corporate seal, books, records, and papers of the Village, and all the official reports and communications of the Board of Trustees. In addition, the Clerk serves as the clerk to the Board of Trustees and various village boards and keeps the records of their proceedings. The Village Clerk is responsible

for maintaining the Village code of laws and ordinances as it relates to the codes for building, plumbing, electric, zoning, vehicle and traffic regulations.

The Village Treasurer is appointed by the Board of Trustees for a two-year term. The Treasurer is the Chief Fiscal Officer of the Village. Duties and responsibilities of the position are as follows: maintain the Village's accounting systems and records including the responsibility to prepare and file an annual financial report with the State Comptroller, custody and investment of Village funds, and debt management. In addition, the Treasurer is the tax collector responsible for collecting and enforcing delinquent Village taxes.

Services

The Village provides its residents with many of the services traditionally provided by village governments in the State. In addition, the Town and County furnish certain other services. A list of these services provided by the Village are as follows: police protection and law enforcement; sanitary and storm sewer maintenance; refuse collection (the Village is included within the County Refuse District No. 1); highway and public facilities maintenance; a local justice court that is responsible for enforcing provisions of the State's Vehicle and Traffic Law and local ordinances as well as having jurisdiction over certain civil and criminal matters; cultural and recreational activities; building code enforcement; and planning and zoning administration. Fire protection is furnished by a volunteer fire department.

Pursuant to State law, the County is responsible for funding and providing various social service and health care programs such as Medicaid, aid to the families with dependent children, home relief and mental health programs. The County is also responsible for certain sewer services for which purpose special county districts were established. A community college offering associates degrees in various areas of study is operated by the County.

Employees

The Village employed approximately 47 full-time employees and 20 part-time employees. Certain employees are represented by one of two unions. The below table summarizes the size and contract status of each unit.

<u>Employees Represented</u>	<u>Bargaining Agent</u>	<u>Contract Expiration Date</u>
19	Ardsley Police Benevolent Association	5/31/27
14	International Brotherhood of Teamsters, Local 887	5/31/26

Source: Village Officials.

Employee Benefits

Substantially all employees of the Village are members of the New York State and Local Employees Retirement System ("ERS") or the New York State and Local Police and Fire Retirement System ("PFRS") (ERS and PFRS are referred to collectively hereinafter as the "Retirement System" where appropriate). The Retirement System is a cost-sharing multiple public employer retirement system. The obligation of employers and employees to contribute and the benefits to employees are governed by the New York State Retirement and Social Security Law (the "Retirement System Law"). The Retirement System offers a wide range of plans and benefits which are related to years of service and final average salary, vesting of retirement benefits, death and disability benefits and optional methods of benefit payments. The Retirement System Law generally provides that all participating employers in the Retirement System are jointly and severally liable for any unfunded amounts. Such amounts are collected through annual billings to all participating employers. Generally, all employees, except certain part-time employees, participate in the Retirement System. The Retirement System is non-contributory with respect to members hired prior to July 27, 1976. All members hired on or after July 27, 1976 through and including December 31, 2009, must contribute three percent of their gross annual salary toward the costs of retirement programs until they attain ten years in the Retirement System, at such time contributions become voluntary. Members hired on or after January 1, 2010 must contribute three or more percent of their gross annual salary toward the costs of retirement programs for the duration of their employment.

Additionally, on March 16, 2012, the Governor signed into law the new Tier 6 pension program, effective for new ERS employees hired after April 1, 2012. The Tier 6 legislation provides, among other things, 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. As of April 9, 2022, Tier 5 and 6 members only need five years of service credit to be vested. This affects members of both ERS and PFRS. Previously, Tier 5 and 6 members needed 10 years of service to be eligible for a service retirement benefit.

Police officers and firefighters who are members of PFRS are divided into four tiers. As with ERS, retirement benefit plans available under PFRS are most liberal for Tier 1 employees. The plans adopted for PFRS employees are noncontributory for Tier 1 and Tier 2 employees. Police officers and firefighters that were hired between July 1, 2009 and January 8, 2010 are currently in Tier 3, which has a 3% employee contribution rate by members. There is no Tier 4 in PFRS. Police officers and firefighters hired after January 9, 2010 are in Tier 5 which also requires a 3% employee contribution from members. Police officers and firefighters hired after April 1, 2012 are in Tier 6, which also originally had a 3% contribution requirement for members for FY 12-13; however, as of April 1, 2013, Tier 6 PFRS members are required to contribute a specific percentage of their annual salary, as follows, until retirement or until the member has reached 32 years of service credit, whichever occurs first: \$45,000.00 or less contributes 3%; \$45,000.01 to \$55,000.00 contributes 3.5%; \$55,000.01 to \$75,000.00 contributes 4.5%; \$75,000.01 to \$100,000.00 contributes 5.75%; and more than \$100,000.00 contributes 6%.

Beginning July 1, 2013, a voluntary defined contribution plan option was made available to all unrepresented employees of New York State public employers hired on or after that date, and who earn \$75,000 or more on an annual basis.

The New York State Retirement System allows municipalities to make employer contribution payments in December of each year, at a discount, or the following February, as required. The Village generally opts to make its pension payments in December in order to take advantage of the discount and anticipates making the fiscal years payment in December.

Due to significant capital market declines in 2008 and 2009, the State's Retirement System portfolio experienced negative investment performance and severe downward trends in market earnings. As a result of the foregoing, the employer contributions for the State's Retirement System continue to be higher than the minimum contribution rate established by Chapter 49. Legislation was enacted that permits local governments and school districts to borrow a portion of their required payments from the State pension plan at an interest rate of 5%. The legislation also requires those local governments and school districts that amortize their pension obligations pursuant to the regulation to establish reserve accounts to fund payment increases that are a result of fluctuations in pension plan performance.

The Village does not currently amortize any pension payments and does not reasonably anticipate amortizing future payments.

In Spring 2013, the State and ERS approved a Stable Contribution Option ("SCO"), which modified its existing SCO adopted in 2010, that gives municipalities the ability to better manage spikes in Actuarially Required Contribution rates ("ARCs"). The plan allows municipalities to pay the SCO amount in lieu of the ARC amount.

The Village pays its ERS and PFRS contributions on a pay as you go basis and does not expect to participate in the SCO in the foreseeable future.

For the State Fiscal Year 2024-2025, the average contribution rates increased. ERS increased from 13.1% of payroll to 15.2% and the average contribution rate for PFRS increased from 27.8% to 31.2% of payroll. Projections of required contributions will vary by employer depending on factors such as retirement plans, salaries and the distribution of their employees among the six retirement tiers.

ERS and PFRS Contributions. The current retirement expenditures presented in the Village's financial statements for each of the last five audited fiscal years and the most recent unaudited fiscal year, and the amounts budgeted for the current fiscal years are shown in the following table:

Fiscal Year Ended May 31	ERS	PFRS
2020	\$406,495	\$ 678,851
2021	424,487	790,907
2022	440,243	871,783
2023	321,148	996,365
2024	393,566	935,252
2025 (Unaudited)	458,727	1,020,792
2026 (Budget) ⁽¹⁾	518,619	1,178,000

(1) General Fund (\$477,819) and Library Fund (\$40,800) contributions.

Source: The Audited and Unaudited Financial Statements and 2026 Adopted Budget. The above summary itself is not audited.

Other Post-Employment Benefits

The Village implemented GASB Statement No. 75 (“GASB 75”) of the Governmental Accounting Standards Board (“GASB”), which replaces GASB Statement No. 45 as of fiscal year ended May 31, 2019. GASB 75 requires state and local governments to account for and report their costs associated with post-retirement healthcare benefits and other non-pension benefits, known as other post-employment benefits (“OPEB”). GASB 75 generally requires that employers account for and report the annual cost of OPEB and the outstanding obligations and commitments related to OPEB similarly to GASB Statement No. 68 reporting requirements for pensions.

GASB 75 requires state and local governments to measure a defined benefit OPEB plan as the portion of the present value of projected benefit payments to be provided to current active and inactive employees, attributable to past periods of service in order to calculate the total OPEB liability. Total OPEB liability generally is required to be determined through an actuarial valuation using a measurement date that is no earlier than the end of the employer’s prior fiscal year and no later than the end of the employer’s current fiscal year.

GASB 75 requires that most changes in the OPEB liability be included in OPEB expense in the period of the changes. Based on the results of an actuarial valuation, certain changes in the OPEB liability are required to be included in OPEB expense over current and future years.

The Village’s total OPEB liability as of May 31, 2024 was \$29,166,648 using a discount rate of 4.40% and actuarial assumptions and other inputs as described in the Village’s actuarial report dated May 31, 2024.

Should the Village be required to fund the total OPEB liability, it could have a material adverse impact upon the Village’s finances and could force the Village to reduce services, raise taxes or both. At the present time, however, there is no current or planned requirement for the Village to partially fund its OPEB liability.

At this time, New York State has not developed guidelines for the creation and use of irrevocable trusts for the funding of OPEB. The Village will continue funding this expenditure on a pay-as-you-go basis.

Legislation has been introduced from time to time to create an optional investment pool to help the State and local governments fund retiree health insurance and OPEB. Such legislation would generally authorize the creation of irrevocable OPEB trusts so that the State and its local governments can help fund their OPEB liabilities, establish an OPEB investment fund in the sole custody of the State Comptroller for the investment of OPEB assets of the State and participating eligible local governments, designate the president of the Civil Service Commission as the trustee of the State’s OPEB trust and the governing boards as trustee for local governments and allow school districts to transfer certain excess reserve balances to an OPEB trust once it is established. In addition, there would be no limits on how much a local government can deposit into the trust. The Village cannot predict whether such legislation will be enacted into law in the foreseeable future.

FINANCIAL FACTORS

COVID-19 Stimulus and Uses

On March 11, 2021, the federal government signed into law The American Rescue Plan (ARP) that addresses issues related to the COVID-19 pandemic. The ARP Act also created new programs to address continuing pandemic-related crisis and fund recovery efforts. It provides significant funding to local governments and school districts in NYS.

Specifically, eligible uses of the aid include: (i) revenue replacement for the provision of government services to the extent the reduction in revenue is due to the COVID-19 public health emergency relative to revenues collected in the most recent fiscal year prior to the emergency; (ii) premium pay for essential workers; (iii) assistance to small businesses, households, and hard-hit industries, and economic recovery; and (iv) investments in water, sewer and broadband infrastructure. The bill also contains two restrictions on eligible uses: (i) funds cannot be used to directly or indirectly offset tax reductions or delay a tax increase; and (ii) funds cannot be deposited into any pension fund.

The Village was eligible to receive \$461,742 and received the first tranche of funding on July 22, 2021 in the amount of \$229,932. The Village received the second tranche on July 19, 2022. The Village has appropriated the funds to be used for various projects which must be spent by December 31, 2026.

Budgetary Procedure

The budget process, including preparation, approval and amendment thereof, is determined by Article 8 of the Village Law. As noted, the Village Manager is the Village's budget officer and is required by law to file a tentative budget with the Village Clerk on or before March 20 of each year. The tentative budget is submitted to the Village Board of Trustees not later than March 20; following review and modification, a preliminary budget hearing is held by the Board of Trustees on or before April 15th.

At this hearing, members of the public may express opinions which the Board of Trustees may take under advisement. Approval of the budget is not subject to a vote of the electorate and the Village Board of Trustees may make changes following the hearing process. The Board of Trustees is required to adopt the final annual budget by May 1. From time to time, the Village Board of Trustees may make changes or modifications in the amount of annual appropriations subject to legal provisions.

Summaries of the adopted budgets for the 2025 and 2026 fiscal years are attached as a part of this Official Statement (see Appendix B herein). Full copies of the adopted budgets, including those from previous years, may be obtained by request from the Village Treasurer or from the Village's Municipal Advisor.

Independent Audits

The Village retained the firm of PKF O'Connor Davies, LLP, Certified Public Accountants, to audit its financial statements for the fiscal year ended May 31, 2024. A five-year history of certain financial statements is presented, in summary form, in Appendix B hereto. The data presented in these summaries are derived from the Village's audited financial statements. However, the summaries are not complete presentations in that the notes to the financial statements and the auditors' report thereon have not been included. Accordingly, such statements are not considered as audited under accounting principles generally accepted in the United States of America. Copies of the Village's audited financial statements will be made available upon request to the Village or its Municipal Advisor and are filed annually on EMMA.

In addition, the Village is subject to audit by the State Comptroller to review compliance with legal requirements and the rules and regulations established by the State. There are presently no audits reported on the States website. (See "*The State Comptroller's Fiscal Stress Monitoring System and Compliance Reviews*," herein.)

Investment Policy

Pursuant to Section 39 of the State's General Municipal Law, the Village has an investment policy applicable to the investment of all moneys and financial resources of the Village. The responsibility for the investment program has been delegated by the Board to the Chief Financial Officer who was required to establish written operating procedures consistent with the Village's investment policy guidelines. According to the investment policy of the Village, all investments must conform to the applicable requirements of law and provide for: the safety of the principal; sufficient liquidity; and a reasonable rate of return.

Authorized Investments. The Village has designated two banks or trust companies located and authorized to conduct business in the State to receive deposits of money. The Village is permitted to invest in special time deposits or certificates of deposit.

In addition to bank deposits, the Village is permitted to invest moneys in direct obligations of the United States of America, obligations guaranteed by agencies of the United States where the payment of principal and interest are further guaranteed by the United States of America and obligations of the State. Other eligible investments for the Village include: revenue and tax anticipation notes issued by any municipality, school district or district corporation other than the Village (investment subject to approval of the State Comptroller); obligations of certain public authorities or agencies; obligations issued pursuant to Section 109(b) of the General Municipal Law (certificates of participation) and certain obligations of the Village, but only with respect to moneys of a reserve fund established pursuant to Section 6 of the General Municipal Law. The Village may also utilize repurchase agreements to the extent such agreements are based upon direct or guaranteed obligations of the United States of America. Repurchase agreements are subject to the following restrictions, among others: all repurchase agreements are subject to a master repurchase agreement; trading partners are limited to banks or trust companies authorized to conduct business in the State or primary reporting dealers as designated by the Federal Reserve Bank of New York; securities may not be substituted; and the custodian for the repurchase security must be a party other than the trading partner. All purchased obligations, unless registered or inscribed in the name of the Village, must be purchased through, delivered to and held in the custody of a bank or trust company located and authorized to conduct business in the State. Reverse repurchase agreements are not allowed under State law.

Collateral Requirements. All Village deposits in excess of the applicable insurance coverage provided by the Federal Deposit Insurance Act must be secured in accordance with the provisions of and subject to the limitations of Section 10 of the General Municipal Law of the State. Such collateral must consist of the "eligible securities," "eligible surety bonds" or "eligible letter of credit" as described in the Law.

Eligible securities pledged to secure deposits must be held by the depository or third-party bank or trust company pursuant to written security and custodial agreements. The Village's security agreements provide that the aggregate market value of pledged securities must equal or exceed the principal amount of deposit, the agreed upon interest, if any, and any costs or expenses arising from the collection of such deposits in the event of a default. Securities not registered or inscribed in the name of the Village must be delivered, in a form suitable for transfer or with an assignment in blank, to the Village or its designated custodial bank. The custodial agreements used by the Village provide that pledged securities must be kept separate and apart from the general assets of the custodian and will not, under any circumstances, be commingled with or become part of the backing for any other deposit or liability. The custodial agreement must also provide that the custodian shall confirm the receipt, substitution or release of the collateral, the frequency of revaluation of eligible securities and the substitution of collateral when a change in the rating of a security may cause ineligibility.

An eligible irrevocable letter or credit may be issued, in favor of the Village, by a qualified bank other than the depository bank. Such letters may have a term not to exceed 90 days and must have an aggregate value equal to 140% of the deposit obligations and the agreed upon interest. Qualified banks include those with commercial paper or other unsecured or short-term debt ratings within one of the three highest categories assigned by at least one nationally recognized statistical rating organization or a bank that is in compliance with applicable Federal minimum risk-based capital requirements.

An eligible surety bond must be underwritten by an insurance company authorized to do business in the State which has claims paying ability rated in the highest rating category for claims paying ability by at least two nationally

recognized statistical rating organizations. The surety bond must be payable to the Village in an amount equal to 100% of the aggregate deposits and the agreed interest thereon.

The State Comptroller's Fiscal Stress Monitoring System and Compliance Reviews

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 ("OSC") 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 recent report released by the State Comptroller, for fiscal year ended 2024, designated the Village as "No Designation," with a fiscal score of 1.7% and an environmental score of 3.3%.

See the State Comptroller's official website for more information on FSMS. Reference to this website implies no warranty of accuracy of information therein, nor inclusion herein by reference.

The financial affairs of the Village are subject to periodic compliance reviews by OSC to ascertain whether the Village has complied with the requirements of various State and federal statutes. There are presently no audits reported on the State Comptroller's website, nor any in progress or, completed and expected to be released.

Financial Operations

Government operations of the Village are subject to the provisions of the State Constitution and various statutes affecting village governments including Village Law, the General Municipal Law and the Local Finance Law. Real property assessment, collection, and enforcement procedures are determined by the Real Property Tax Law.

The Village Board of Trustees enacts, by resolution, all legislation including local laws. Annual operating budgets for the Village must be approved by the Board of Trustees; modifications and transfers between budgetary appropriations also must be authorized by the Board of Trustees. The original issuance of all Village indebtedness is subject to approval by the Village Board.

Revenues

The Village derives its revenues primarily from real property taxes and special assessments, State aid and departmental fees and charges. A summary of such revenues for the years 2020-2024 is presented in Appendix B, hereto. Information for said fiscal years has been excerpted from the Village's audited financial reports, however, such presentation has not been audited.

Property Taxes. The Village derives a major portion of its revenues from a tax on real property taxes accounted for approximately 76.1% of General Fund revenue, excluding other financing sources, for the fiscal year ended May 31, 2024.

The following table sets forth General Fund revenue and real property taxes received for each of the past five audited fiscal years and the most recent unaudited fiscal year, and the amounts budgeted for the current fiscal year.

General Fund Revenue & Real Property Taxes

<u>Fiscal Year Ended May 31:</u>	<u>General Fund Revenue ⁽¹⁾</u>	<u>Real Property Taxes</u>	<u>Taxes to GF Revenues</u>
2020	\$14,317,024	\$11,140,622	77.8%
2021	14,206,149	11,081,888	78.0
2022	15,662,321	11,796,224	75.3
2023	16,091,528	12,037,644	74.8
2024	18,130,518	13,796,899	76.1
2025 (Unaudited)	18,101,380	14,028,265	77.5
2026 (Budget)	18,006,025	14,628,780	81.2

(1) Total revenues are exclusive of other financing sources.

Source: The Audited and Unaudited Financial Statements and 2026 Adopted Budget. The summary itself has not been audited.

State Aid. The Village receives financial assistance from the State. State Aid accounted for approximately 0.8% of the total general fund revenues of the Village in the 2024 fiscal year. If the State should not adopt its budget in a timely manner, municipalities and school districts in the State, including the Village, may be affected by a delay in the payment of State aid. Additionally, 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 Village, in this year or future years, the Village may be affected by a delay in the receipt of State aid until sufficient State taxes have been received by the State to make State aid payments.

The State is not constitutionally obligated to maintain or continue State aid to the Village. No assurance can be given that present State aid levels will be maintained in the future. There can be no assurances that the State's financial position will not change materially or adversely from current projections. State budgetary restrictions which eliminate or substantially reduce State aid could have a material adverse effect upon the Village, requiring either a counterbalancing increase in revenues from other sources to the extent available, or a curtailment of expenditures. (See also "RISK FACTORS" herein.)

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

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

The State's 2021-22 Enacted Budget provided \$10.8 billion in State funding to local governments. This funding available for use over multiple years, is designed to support essential workers and government employees, assist COVID-19 vaccination efforts, boost local economies, and support local government services.

The Aid and Incentives for Municipalities ("AIM") program provides State aid to all of the State's cities (other than New York City), and 141 towns and villages. AIM was funded at \$656.1 million in the 2021-22 Enacted State Budget. The 2019-20 Enacted State Budget reduced AIM funding by \$59 million, eliminating aid for 1,325 towns and villages determined to be less reliant on AIM. At that time, the State established AIM-Related payments which continued funding for the impacted towns and villages in the amounts that they had previously received through AIM in State

Fiscal Year 2018-2019. OSC is required to withhold certain county sales tax revenues and to make AIM-Related payments, paid in December and May each year, pursuant to Chapter 59 of the Laws of 2019.

The \$59 million reduction in the AIM program eliminated funding for those municipalities where the State deemed it was not necessary or significant, and provided that funding to those municipalities by intercepting \$59 million of sales tax revenue before any normal revenue share of sales tax occurred. The 2022-23 State Budget maintains the AIM program at its current level; however, the budget does put an end to the intercept of local sales tax to pay the \$59 million in AIM-Related payments for 479 villages and 846 towns. The 2023-24 State Budget maintains the same level of AIM funding as the prior year.

Should the Village fail to receive State aid expected from the State in the amounts and at the times expected, occasioned by a delay in the payment of such monies, the Village is authorized by the Local Finance Law to provide operating funds by borrowing in anticipation of the receipt of uncollected State aid.

The following table sets forth General Fund revenue and State aid revenues received for each of the past five audited fiscal years and the most recent unaudited fiscal year, and the amounts budgeted for the current fiscal year.

General Fund Revenue & State Aid Revenue

<u>Fiscal Year Ended May 31:</u>	<u>General Fund Revenue ⁽¹⁾</u>	<u>State Aid</u>	<u>State Aid To General Fund Revenue</u>
2020	\$14,317,024	\$289,421	2.0%
2021	14,206,149	177,024	1.2
2022	15,662,321	298,884	1.9
2023	16,091,528	366,743	2.3
2024	18,130,518	152,923	0.8
2025 (Unaudited)	18,101,380	319,568	1.8
2026 (Budget)	18,006,025	318,009	1.8

(1) Total revenues are exclusive of other financing sources.

Source: The Audited and Unaudited Financial Statements and 2026 Adopted Budget. The summary itself has not been audited.

Sales Tax. The Village receives a share of the County sales tax. The County presently imposes a 1 ½% County-wide sales and use tax on all retail sales. Additionally, the State, effective May 1, 2005, imposes a 4% State sales tax and a 3/8% sales tax levied in the Metropolitan Transportation Authority District. The cities in the County have the power under State law to impose by local law and State legislative enactment their own sales and use taxes. At present, such taxes are imposed at a rate of 2½% in the Cities of White Plains, Mount Vernon, New Rochelle, and Yonkers. The Cities of Rye and Peekskill do not impose such a sales tax.

In July 1991, the State Legislature authorized an additional 1% sales tax for the County to impose in localities other than cities which have their own sales tax. This additional 1% sales tax became effective on October 15, 1991 and has been extended through December 31, 2023. The additional 1% sales tax is to be apportioned between the County (33 1/3%), school districts in the County (16 2/3%) and towns, villages and cities in the County which have imposed sales taxes (50%).

In February of 2004, the State Legislature authorized an increase of ½% to the additional 1% 1991 sales tax. The County retains 70% of this amount, the municipalities 20% and the school districts 10%. This increase became effective March 1, 2004 and expires on November 30, 2025.

Effective August 2019, the State Legislature authorized an additional 1% sales tax for the County to impose in localities other than cities which have their own sales tax. The additional ½ of 1% sales tax is to be apportioned between the County (70%), school districts in the County (10%), and towns, villages, and cities in the County which have not imposed sales taxes (20%) and expires on November 30, 2025.

The following table sets forth total General Fund revenue and sales taxes received for each of the past five audited fiscal years, and the amounts budgeted for the most recent and current fiscal years.

General Fund Revenue & Sales Tax

Fiscal Year Ended May 31:	General Fund Revenue ⁽¹⁾	Sales Tax	Sales Tax to Revenue
2020	\$14,317,024	\$ 881,194	6.2%
2021	14,206,149	1,058,535	7.5
2022	14,370,851	1,226,852	6.1
2023	16,091,528	1,311,310	8.1
2024	18,130,518	1,363,905	7.5
2025 (Unaudited)	18,101,380	1,361,925	7.5
2026 (Budget)	18,006,025	1,150,000	6.4

(1) Total revenues are exclusive of other financing sources.

Source: The Audited and Unaudited Financial Statements and 2026 Adopted Budget. The summary itself has not been audited.

REAL PROPERTY TAXES

Property Tax Limit

The Village derives its power to levy an ad valorem real property tax from the Constitution of the State. The Village's power to levy real property taxes, other than for debt service and certain other purposes, are limited by the State Constitution to two percent of the five-year average full valuation of taxable property of the Village. (See “*Tax Levy Limitation Law*” herein.)

**Constitutional Tax Margin
For Fiscal Year 2025-26**

Five-Year Average Full Valuation	1,269,519,599
Tax Limit (2% of Average Full Valuation)	25,390,392
Tax Levy	14,628,780
Total of Items Excluded from Tax Limit	2,722,436
Tax Levy Subject to Tax Limit	11,906,344
Constitutional Tax Margin	13,484,048
Margin / Limit	46.89%

Source: Statement of Constitutional Tax Limit for the year ending May 31, 2026 and Village officials.

Tax Collection Procedures

The Village Board of Trustees levies real property taxes pursuant to resolution and such taxes become a lien on the first day of June. Taxes may be paid in two installments in the months of June and December. The first installment may be paid without penalty through June 30. The second installment must be paid by December 31 in order to avoid the penalty. Payments made after the due dates must include a 5% penalty for the first month or fraction thereof and an additional 1% penalty for each month or part of a month thereafter. The annual tax warrant expires on February 1st at which time the Treasurer files a listing of unpaid taxes with the Village Board of Trustees. Tax liens are filed

with the County on April 1 each year. The Village may commence foreclosure proceeding two years after the filing of the tax liens.

Real Property Tax Statistics

Valuations, Tax Rates and Tax Levies					
<u>Fiscal Years Ended May 31:</u>					
Fiscal Year Ending May 31:	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
Tax Rate Per \$1,000 Assessed Valuations	\$ 10.52	\$ 10.24	\$ 10.76	\$ 10.74	\$ 10.27
Real Property Tax Levy	11,856,020	12,158,317	13,812,702	14,229,242	14,628,780
Tax Collections Current Year	11,655,930	11,856,979	13,606,857	14,028,265	N/A
% Collected Current Year	98.3%	97.6%	98.5%	98.6%	N/A
Unpaid Taxes End of Year	\$200,090	\$301,338	\$205,845	\$200,977	N/A

Source: Village Officials.

Ten of the Largest Taxpayers

The following table set forth the property assessments and tax liability of the Village's larger taxpayers as shown on the tax roll used to levy real property taxes for the 2025-2026 fiscal year.

Larger Taxpayers in the Village			
<u>2025-26 Fiscal Year Collections</u>			
<u>Name</u>	<u>Industry</u>	<u>Taxable Assessed Valuations</u>	<u>Percentage Total Taxable Assessed Valuations ⁽¹⁾</u>
Con Edison	Utility	\$58,264,200	4.09%
OLSL Ardsley	Senior Housing	38,479,600	2.70
Suez Water	Utility	22,436,500	1.57
Lock Up Ardsley, LLC	Storage Facility	15,397,400	1.08
Ardsley Associates	Mall	9,691,500	0.68
15-35 Center Street	Mall	7,160,900	0.50
Ardsley Mall Inc.	Mall	6,986,600	0.49
Apple Motor Inn LLC	Motel	6,972,800	0.49
American Sports Group LLC	Sport Facility	6,063,900	0.43
Ardsley Associates LLC	Mall	5,475,000	0.38
Total		<u>\$176,928,400</u>	<u>12.42%</u>

(1) According to Village officials, the total taxable assessed valuation for the 2025-26 fiscal year was \$1,424,950,550.

Source: Village officials.

VILLAGE INDEBTEDNESS

Constitutional Requirements

The New York State Constitution limits the power of the Village (and other municipalities and certain 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 Village and its obligations.

Purpose and Pledge. Subject to certain enumerated exceptions, the Village shall not give or loan any money or property to or in aid of any individual or private corporation or give or loan its credit to or in aid of any of the foregoing or any public corporation.

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

Payment and Maturity. Except for certain short-term indebtedness contracted in anticipation of taxes or to be paid within three fiscal year periods, indebtedness shall be paid in annual installments commencing no later than two years after the date such indebtedness shall have been contracted and ending no later than the expiration of the period of probable usefulness of the object or purpose as determined by statute or, in the alternative, the weighted average period of probable usefulness of the several objects or purposes for which it is contracted. No installment may be more than fifty per centum in excess of the smallest prior installment, unless the Village determines to issue a particular debt obligation amortizing on the basis of substantially level or declining annual debt service. The Village is required to provide an annual appropriation for the payment of interest due during the year on its indebtedness and for the amounts required in such year for amortization and redemption of its serial bonds and such required annual installments on its notes.

Debt Limit. The Village has the power to contract indebtedness for any Village purpose so long as the principal amount thereof shall not exceed seven percentum of the average full valuation of taxable real estate of the Village, subject to certain enumerated exclusions and deductions such as water and certain sewer facilities and cash or appropriations for current debt service. The constitutional method for determining full valuation is by taking the assessed valuation of taxable real estate for the last completed assessment roll and applying thereto the rate which such assessed valuation bears to the full valuation as determined by the State Office of Real Property Tax Services (the "ORPTS"). The State Legislature is required to prescribe the manner by which such rate shall be determined. Average full valuation is determined by taking the sum of the full valuations of such last completed assessment roll and the four preceding assessment rolls and dividing such sum by five.

Statutory Procedure

In general, the State Legislature has authorized the power and procedure for the Village 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 Village Law and the General Municipal Law.

Pursuant to the Local Finance Law, the Village authorizes the incurrence of indebtedness, including bonds and bond anticipation notes issued in anticipation of such bonds, by the adoption of a resolution, approved by at least two-thirds of the members of the Village Board of Trustees, the finance board of the Village. Certain such resolutions may be subject to permissive referendum, or may be submitted to the Village voters at the discretion of the Village Board of Trustees.

The Local Finance Law also provides for a twenty-day statute of limitations after publication of a bond resolution (in summary or in full), together with a statutory notice which, in effect, estops thereafter legal challenges to the validity of obligations authorized by such bond resolution, except for alleged constitutional violations. The Village has complied with such procedure for the validation of the bond resolutions adopted in connection with this issuance.

Each bond resolution usually authorizes the construction, acquisition or installation of the object or purpose to be financed, sets forth the plan of financing and specifies the maximum maturity of the bonds subject to the legal

(Constitution, Local Finance Law and case law) restrictions relating to the period of probable usefulness with respect thereto.

Each bond resolution also authorizes the issuance of bond anticipation notes prior to the issuance of serial bonds. Statutory law in New York permits notes to be renewed each year provided that principal is amortized and provided that such renewals do not (with certain exceptions) extend more than five years beyond the original date of borrowing. However, notes issued in anticipation of the sale of serial bonds for assessable improvements are not subject to such five year limit and may be renewed subject to annual reductions of principal for the entire period of probable usefulness of the purpose for which such notes were originally issued. (See “Payment and Maturity” under “*Constitutional Requirements.*”)

In addition, under each bond resolution, the Village Board of Trustees may delegate the power to issue and sell bonds and notes to the Treasurer, the chief fiscal officer of the Village.

In general, the Local Finance Law contains similar provisions providing the Village with power to issue general obligation revenue anticipation notes, tax anticipation notes, capital notes, deficiency notes and budget notes.

Constitutional Debt-Contracting Limitation

ORPTS annually establishes State equalization rates for all assessing units in the State, including the Village, which are determined by statistical sampling of market/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 of debt contracting and real property taxing limitations. The Village has a debt contracting limitation equal to seven percent (7%) of average full valuation (see also “Debt Limit” under “*Constitutional Requirements*” and “*Tax Levy Limitation Law*” herein).

The Village determines the assessed valuation for taxable real properties. The ORPTS determines the assessed valuation of special franchises and the taxable ceiling of railroad property. Special franchises include assessments on certain specialized equipment of utilities under, above, upon or through public streets or public places. Certain properties are taxable for school purposes but exempt for Village purposes.

The following table sets forth the Village’s debt-contracting limitation.

Computation of Debt Contracting Limitation (As of September 12, 2025)

Assessment Roll Filed	Years Ended May 31:	Assessed Valuation	State Equalization Rate ⁽¹⁾	Full Valuation
2021	2022	\$1,126,806,250	100.00	\$1,126,806,250
2022	2023	1,187,011,482	100.00	1,187,011,482
2023	2024	1,283,588,283	100.00	1,283,588,283
2024	2025	1,325,241,431	100.00	1,325,241,431
2025	2026	1,424,950,550	100.00	1,424,950,550
Total Five-Year Full Valuation				<u>\$6,347,597,996</u>
Five-Year Average Full Valuation				<u>1,269,519,599</u>
Debt Contracting Limitation: 7% of Five-Year Average Full Valuation				<u><u>\$ 88,866,372</u></u>

(1) Final rates as established by the New York State ORPTS.

Source: Village Officials.

Statutory Debt Limit and Net Indebtedness

The following table presents the debt-incurring power of the Village and shows that the Village is within its constitutional debt limit.

Statutory Debt Limit and Net Indebtedness <u>(as of September 12, 2025)</u>		
Full Valuation of Taxable Real Property (5-Year Average)		\$1,269,519,599
Debt Limit (7% of 5-Year Average Full Valuation)		88,866,372
Outstanding Indebtedness:		
Serial Bonds	\$28,765,000	
Bond Anticipation Notes ⁽¹⁾	<u>3,524,260</u>	
Total Gross Indebtedness		32,289,260
Less Exclusions:		
Unexpended Appropriations To		
Pay Non-Exempt Principal Debt	<u>90,000</u>	
Total Exclusions		90,000
Total Net Indebtedness		<u>32,199,260</u>
Net Debt-Contracting Margin		<u><u>\$ 56,667,112</u></u>
Percentage of Debt-Contracting Margin Exhausted		<u><u>36.23%</u></u>

- (1) A portion of the proceeds of the Notes in the amount of \$3,485,500, together with \$38,760 in available Village funds, will be used to redeem the Village's outstanding bond anticipation notes (see "Authority for and Purpose of the Notes" herein).

Tax and Revenue Anticipation Notes

The Village is authorized by law to issue tax anticipation notes and revenue anticipation notes to provide cash to pay operating expenditures. Budget notes may be issued to finance current operating expenditures for which there is no appropriation or the amount so appropriated is not sufficient. Generally, the amount of budget notes issued may not exceed 5% of the budget and must be redeemed in the next fiscal year. Similarly, deficiency notes may be issued to finance a deficiency in any fund or funds arising from revenues being less than the amount issued in the budget and must be fully redeemed no later than the close of the second fiscal year succeeding the fiscal year in which the notes were first issued. Borrowings for these purposes are restricted by formulas contained in the Local Finance Law and the Regulations issued under the U.S. Internal Revenue Code. Tax or revenue notes may be renewed from time to time but generally not beyond three years in the case of revenue anticipation notes and five years for tax anticipation notes.

The Village has not issued tax anticipation notes, revenue anticipation notes or budget or deficiency notes during the last five fiscal years and does not anticipate the need to issue such notes in the foreseeable future.

Bond Anticipation Notes

Bond anticipation notes may be sold to provide moneys for capital projects once a bond resolution has been adopted. Generally, bond anticipation notes are issued in anticipation of the sale of bonds at some future date and may be renewed from time to time up to five years from the date of the first note in most instances. Notes may not be renewed after the second year unless there is a principal payment on such notes from a source other than the proceeds of bonds. In no event, may bond anticipation notes be renewed after the sale of bonds in anticipation of which the notes were originally issued.

The Village currently has an outstanding \$3,524,260 Bond Anticipation Notes, 2024 bearing a 3.50% coupon which matures on October 2, 2024. A portion of the proceeds of the Notes in the amount of \$3,485,500, together with \$38,760 in available Village funds, will be used to redeem the outstanding bond anticipation note at maturity (see “*Authority for and Purpose of the Notes*” herein).

Trend of Capital Debt

Debt History - Fiscal Years 2020 Through 2024

<u>Years Ended May 31:</u>	<u>Bonded Debt</u>
2020	\$22,500,000
2021	22,823,689
2022	24,685,000
2023	33,420,000
2024	32,015,000

Source: The Audited Financial Statements. The summary itself has not been audited.

Lease Purchase Obligations

The Village from time-to-time acquires or constructs capital assets pursuant to financing leases or installment purchase contracts as such leases are described under State law. Under State law, installment purchase contracts are deemed to be executory only to the extent that moneys have been appropriated and are available therefor. Such contracts do not constitute general obligations of the Village secured by a faith and credit pledge of the Village’s taxing powers. However, installment purchase contracts are considered to be chargeable debt for purposes of computing the Village’s debt limitation prescribed by Section 104.00 of the Local Finance Law.

The Village currently does not have any financing leases or installment purchase contracts outstanding and does not plan on entering into any such contracts in the foreseeable future.

Overlapping and Underlying Debt

The real property taxpayers of the Village are responsible for a proportionate share of outstanding debt of the County including special County Districts, the Town of Greenburgh and the Ardsley Union Free School District. Such taxpayers' share of this overlapping debt is based upon the amount of the Village's equalized property values taken as a percentage of each separate units' total values. The following table presents the estimated amount of overlapping debt and the Village's share thereof; authorized but unissued debt has not been included.

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Estimated Overlapping Indebtedness
(as of September 12, 2025)

Village Gross Direct Indebtedness				\$32,289,260
Village Exclusions and Deductions				<u>90,000</u>
Village Net Direct Indebtedness				<u>\$32,199,260</u>
<u>Overlapping Units</u>	<u>Date of Report</u>	<u>Net Overlapping Debt</u>	<u>Percentage Applicable</u>	<u>Applicable Net Overlapping Debt</u>
Westchester County	12/31/24	\$1,071,341,812	1.97%	\$21,105,434
Town of Greenburgh	12/31/24	69,675,615	5.55	3,866,997
Ardsley UFSD	06/30/23	18,975,000	44.43	8,430,593
Total				<u><u>\$33,403,023</u></u>

Source: County, Town and School District officials and the Municipal Securities Rulemaking Board.

Debt Ratios

The following Table presents certain debt ratios relating to the Village's indebtedness.

Direct and Overlapping Debt Ratios
(as of September 12, 2025)

	<u>Amount</u>	<u>Debt Per-Capita ⁽¹⁾</u>	<u>Debt to Estimated Full Value ⁽²⁾</u>
Net Direct Debt	\$32,199,260	\$ 6,433	2.26%
Net Direct and Overlapping Debt	65,602,283	13,107	4.60

(1) The Village's population, according to 2023 US Census date is 5,005.
(2) According to Village officials, the full valuation of the Village for the year ended May 31, 2026 is \$1,424,950,550.

Authorized but Unissued Debt

Following the sale of the Notes, the Village will have no authorized but unissued debt. A full copy of the Village Capital Improvement Plan can be found on its official website. Reference to such website implies no warranty of accuracy of information therein as of any date viewed, nor inclusion herein by reference.

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Debt Service Schedule

The following table shows the debt service requirements to maturity on the Village's outstanding bonded indebtedness exclusive of economically defeased obligations.

<u>Schedule of Debt Service Requirements</u>				
Years Ending May 31:	Principal	Interest	Total	Cumulative Principal Paid
2026 ⁽¹⁾	\$1,700,000	\$965,324	\$2,665,324	6.94%
2027	1,780,000	892,593	2,672,593	13.91
2028	1,750,000	816,211	2,566,211	20.59
2029	1,815,000	743,030	2,558,030	27.26
2030	1,885,000	669,999	2,554,999	33.91
2031	1,875,000	601,956	2,476,956	40.37
2032	1,830,000	545,512	2,375,512	46.55
2033	1,675,000	494,765	2,169,765	52.21
2034	1,725,000	446,319	2,171,319	57.86
2035	1,770,000	398,394	2,168,394	63.51
2036	1,820,000	348,476	2,168,476	69.16
2037	1,815,000	299,346	2,114,346	74.67
2038	1,605,000	253,934	1,858,934	79.51
2039	1,580,000	207,169	1,787,169	84.17
2040	1,630,000	156,300	1,786,300	88.82
2041	1,685,000	104,650	1,789,650	93.49
2042	1,735,000	52,638	1,787,638	98.14
2043	700,000	13,125	713,125	100.00
	<u>\$30,375,000</u>	<u>\$8,009,740</u>	<u>\$38,384,740</u>	

(1) For entire fiscal year.

ECONOMIC AND DEMOGRAPHIC DATA

Population

	<u>Population</u>				
	2010	2020	2023	% Change	
				2010-2020	2020-2023
Village	4,452	5,079	5,005	14.1%	(1.5)%
County	949,113	1,004,457	996,888	5.8	(0.8)
State	19,378,102	20,201,249	19,872,319	4.3	(1.6)

Source: U.S. Department of Commerce, Bureau of the Census (American Community Survey 5-Year Estimates).

Income

Per Capita Income

	2010	2020	2023	% Change	
				2010-2020	2020-2023
Village	54,923	82,510	94,850	50.2	15.0
County	47,814	57,953	70,607	21.2	21.8
State	30,948	40,898	49,520	32.2	21.1

Source: The U.S. Department of Commerce, Bureau of the Census (American Community Survey 5-Year Estimates).

Employment

The following tables provide information concerning employment and unemployment in the Town, County and State. Data provided for the Town, County and State are not necessarily representative of the Village. Unemployment drastically increased in mid-March 2020 due to the COVID-19 global pandemic.

Average Employed Civilian Labor Force 2010 - 2023

	2010	2020	2024	% Change	
				2010-2020	2020-2024
Town	44,300	45,600	50,800	2.9%	11.4%
County	443,300	461,100	521,300	4.0	13.1
State	8,790,800	8,631,400	9,411,700	(1.8)	9.0

Source: New York State Department of Labor.

Average Unemployment Rates

<u>Year</u>	<u>Town</u>	<u>County</u>	<u>State</u>
2020	6.8%	7.9%	9.8%
2021	4.0	4.7	7.1
2022	2.7	3.0	4.3
2023	2.8	3.0	4.1
2024	3.1	3.3	4.3
2025 ⁽¹⁾			
Jan	3.3	3.6	4.6
Feb	3.5	3.9	4.3
Mar	3.1	3.4	4.1
Apr	2.4	2.6	3.7
May	2.6	2.7	3.5
Jun	2.8	2.9	3.8
July	3.2	3.4	4.6

(1) Monthly Rate.

Source: New York State Labor Department.

The following table presents a listing of certain major employers located in the County.

Major Private Sector Employers in the County

Name of Business	Nature of The Business	Number of Employees
Westchester Medical Center	Hospital and Healthcare Services	4,500
PepsiCo Inc.	Multinational Food, Snack and Beverage	3,966
IBM Corp.	Multinational Technology	3,118
Saint John's Riverside Hospital	Hospital and Healthcare Services	2,756
White Plains Hospital	Hospital and health care services	2,185
Regeneron Pharmaceuticals Inc.	Biotechnology	2,000
Saint Joseph's Medical Center	Hospital and Healthcare Services	1,562
Northern Westchester Hospital	Hospital and Healthcare Services	1,313
Montefiore New Rochelle Hospital	Hospital and Healthcare Services	1,304

Source: Westchester Official Statement February 5, 2025, Data Axle Reference Solutions.

Financial Institutions

Various banking facilities are available in the Village and adjacent areas including Astoria Bank, JPMorgan Chase Bank NA and Wells Fargo Bank NA.

Transportation

The Village is served by all major forms of transportation. Highway facilities include the New York State Thruway, Saw Mill River Parkway, Sprain Parkway and U.S. Route 9A. Commuter rail transportation is provided by the Hudson and Harlem Line Division of the Metro North Railroad. Freight rail service is provided by Conrail. Domestic and international airline service is available at the New York airports (LaGuardia Airport, Newark Airport and Kennedy International Airport) which are located less than one hour by automobile. The County Airport serving primary U.S. cities is located about 15 miles from the Village limits.

Utilities

Consolidated Edison Company and NYSEG provide residents with basic utilities. Sewer service is provided by the Village (sewer lines) and County (sewage treatment). Water is provided by the privately-owned Veolia.

The Village is a part of the County Refuse District No. 1 which operates a mass-burn resource recovery facility in the City of Peekskill located in the northwest corner of the County. Properties located in the County Refuse District, including the Village, are subject to annual assessments to pay service charges for processing solid waste as well as operating and capital expenses of such district.

END OF APPENDIX A

APPENDIX B

FINANCIAL STATEMENT SUMMARIES

VILLAGE OF ARDSLEY
BALANCE SHEET
GENERAL FUND
UNAUDITED PRESENTATION

FISCAL YEAR ENDED MAY 31:

	2020	2021	2022	2023	2024
ASSETS					
Cash and Equivalents	\$ 4,449,473	\$ 5,144,416	\$ 6,522,319	\$ 5,630,321	\$ 6,008,691
Investments	2,610,368	2,835,983	2,742,736	5,238,188	5,514,413
Taxes Receivable (Net)	333,127	403,349	444,230	568,032	525,796
Other Receivables:					
Accounts	191,648	129,697	159,601	77,803	66,482
State and Federal Aid	122,667	8,775	263,906	0	0
Due From Other Governments	414,517	900,057	1,013,898	631,362	956,112
Due From Other Funds	651,185	53,038	128,150	331,250	489,617
Prepaid Expenditures	306,607	301,751	309,577	164,300	182,611
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Assets	\$ 9,079,592	\$ 9,777,066	\$ 11,584,417	\$ 12,641,256	\$ 13,743,722
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
LIABILITIES AND FUND EQUITY					
Liabilities:					
Accounts Payable	\$ 211,277	\$ 511,689	\$ 304,245	\$ 473,967	\$ 321,795
Accrued Liabilities	219,440	412,526	483,448	678,273	252,270
Deposits Payable	0	122,144	153,679	152,166	146,151
Employee Payroll Deductions	0	2,339	0	0	0
Due To Other Funds	516,907	18,662	542,931	74,400	129,634
Due To Retirement Systems	168,071	206,178	197,150	212,381	267,882
Unearned Revenues	8,120	13,160	242,921	486,810	474,389
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Liabilities	1,123,815	1,286,698	1,924,374	2,077,997	1,592,121
Deferred Inflows of Resources:					
Deferred Tax Revenues	268,833	364,930	424,725	442,917	484,830
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Liabilities & Deferred Inflows of Resources	1,392,648	1,651,628	2,349,099	2,520,914	2,076,951
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Fund Balance:					
Nonspendable	306,607	301,751	309,577	164,300	182,611
Restricted	2,727,423	2,677,558	1,973,664	2,185,629	2,541,990
Assigned	71,293	170,054	68,938	0	0
Unassigned	4,581,621	4,976,075	6,883,139	7,770,413	8,942,170
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Fund Balance	7,686,944	8,125,438	9,235,318	10,120,342	11,666,771
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Liabilities, Deferred Inflows of Resources and Fund Balance	\$ 9,079,592	\$ 9,777,066	\$ 11,584,417	\$ 12,641,256	\$ 13,743,722
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

The financial data presented on this page has been excerpted from the audited financial statements of the Village. The summary itself is not audited.
Complete copies of the Village's audited financial statements are available upon request to the Village.

VILLAGE OF ARDSLEY
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
GENERAL FUND
UNAUDITED PRESENTATION

FISCAL YEAR ENDED MAY 31:

	2020	2021	2022	2023	2024
REVENUES:					
Real Property Taxes	\$ 11,140,622	\$ 11,081,888	\$ 11,796,224	\$ 12,037,644	\$ 13,796,899
Other Tax Items	34,827	54,198	60,139	44,424	124,314
Non-Property Taxes	1,179,313	1,363,540	1,526,602	1,590,132	1,689,309
Departmental Income	577,351	593,503	705,317	748,395	663,718
Net Change in Fair Value of Investments	21,799	228,839	(40,168)	(24,174)	88,580
Use Of Money And Property	20,846	1,621	1,740	105,700	328,007
Licenses And Permits	175,009	235,939	202,433	287,972	223,352
Fines and Forfeitures	190,633	275,350	540,874	759,448	831,099
Sale Of Property And Compensation For Loss	47,920	52,080	197,233	71,101	84,174
State Aid	289,421	177,024	298,884	366,743	152,923
Federal Aid	120,503	136,314	294,693	98,877	78,610
Miscellaneous	518,780	5,853	78,350	5,266	69,533
Total Revenues	<u>14,317,024</u>	<u>14,206,149</u>	<u>15,662,321</u>	<u>16,091,528</u>	<u>18,130,518</u>
EXPENDITURES:					
Current:					
General Government Support	1,889,657	1,922,891	2,154,482	2,203,121	2,183,780
Public Safety	3,911,792	4,070,488	4,347,275	4,330,305	4,163,780
Health	148,635	113,921	45,800	43,174	61,846
Transportation	1,493,661	1,313,715	1,138,836	1,297,900	1,628,681
Economic Opportunity And Development	8,618	1,003	20,779	9,658	14,302
Culture And Recreation	369,253	330,343	503,214	486,480	553,592
Home And Community Services	549,852	524,387	543,377	630,190	720,674
Employee Benefits	3,311,933	3,437,697	3,693,805	3,972,032	4,176,660
Debt Service	802,554	1,749,187	1,777,642	1,881,012	2,693,917
Total Expenditures	<u>12,485,955</u>	<u>13,463,632</u>	<u>14,225,210</u>	<u>14,853,872</u>	<u>16,197,232</u>
Excess of RevenuesOver Expenditures	<u>1,831,069</u>	<u>742,517</u>	<u>1,437,111</u>	<u>1,237,656</u>	<u>1,933,286</u>
OTHER FINANCING SOURCES (USES):					
Refunding Bonds Issued	0	0	0	0	0
Payment to refunded bond escrow agent	0	0	0	0	0
Issuance Premium	651,185	0	0	0	0
Transfers - In	0	0	0	0	0
Transfers - Out	(756,534)	(304,023)	(327,231)	(352,632)	(386,857)
Total Other Financing Uses	<u>(105,349)</u>	<u>(304,023)</u>	<u>(327,231)</u>	<u>(352,632)</u>	<u>(386,857)</u>
Net Change in Fund Balance	<u>1,725,720</u>	<u>438,494</u>	<u>1,109,880</u>	<u>885,024</u>	<u>1,546,429</u>
Fund Balances - Beginning of Year	5,961,224	7,686,944	8,125,438	9,235,318	10,120,342
Change in Accounting Principle	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balances - End of Year	<u>\$ 7,686,944</u>	<u>\$ 8,125,438</u>	<u>\$ 9,235,318</u>	<u>\$ 10,120,342</u>	<u>\$ 11,666,771</u>

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VILLAGE OF ARDSLEY
SUMMARY OF ADOPTED BUDGETS
GENERAL FUND

	2024-25 <u>Adopted Budget</u>	2025-26 <u>Adopted Budget</u>
ESTIMATED REVENUES:		
Real Property Taxes	\$ 14,229,242	\$ 14,628,780
Other Tax Items	40,000	40,000
Non-Property Tax Items	1,090,000	1,150,000
Departmental Income	554,017	567,145
Intergovernmental Charges	360,348	369,091
Use Of Money and Property	101,830	115,000
Licenses And Permits	185,000	185,000
Fines and Forfeitures	865,000	590,000
Sale of Property and Compensation for Loss	37,000	38,000
State Aid	328,009	318,009
Federal Aid	0	0
Miscellaneous	5,000	5,000
	<u>17,795,446</u>	<u>18,006,025</u>
Total Estimated Revenues		
	<u>17,795,446</u>	<u>18,006,025</u>
APPROPRIATIONS:		
Current:		
General Government Support	\$ 2,801,093	\$ 2,818,760
Public Safety	4,561,553	4,881,451
Public Health	20,646	22,035
Transportation	1,279,003	1,224,823
Economic Opportunity and Development	29,200	27,200
Culture and Recreation	603,376	569,454
Home and Community Services	695,038	725,919
Employee Benefits	4,887,649	4,870,428
Debt Service	2,705,794	2,827,436
	<u>17,583,352</u>	<u>17,967,506</u>
Total Appropriations		
	<u>17,583,352</u>	<u>17,967,506</u>
Excess (Deficiency) of Revenues		
Over Expenditures	212,094	38,519
	<u>212,094</u>	<u>38,519</u>
OTHER FINANCING SOURCES (USES):		
Operating Transfers - In	275,000	425,000
Operating Transfers - Out	(487,094)	(463,519)
	<u>(212,094)</u>	<u>(38,519)</u>
Total Other Financing Sources (Uses)		
	<u>(212,094)</u>	<u>(38,519)</u>
Appropriation of Fund Balance	<u>\$ 0</u>	<u>\$ 0</u>

APPENDIX C

AUDITED FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED MAY 31, 2024

**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/P11859273.pdf>

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

*** PKF O'Connor Davies, LLP has not commented on or approved this Official Statement,
has not been requested to perform any procedures on the information in its included report
since its date and has not been asked to consent to the inclusion of its report in this Official
Statement.**

APPENDIX D

FORM OF BOND COUNSEL'S OPINION FOR THE NOTES

October 1, 2025

Village of Ardsley,
County of Westchester,
State of New York

Re: Village of Ardsley, Westchester County, New York
\$4,360,500 Bond Anticipation Notes, 2025

Ladies and Gentlemen:

We have been requested to render our opinion as to the validity of \$4,360,500 Bond Anticipation Notes, 2025 (the "Obligation"), of the Village of Ardsley, Westchester County, New York (the "Obligor"), dated October 1, 2025, numbered ____, of the denomination of \$4,360,500, bearing interest at the rate of _____% per annum, payable at maturity, and maturing October 1, 2026.

We have examined:

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

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

In our opinion:

- (a) The Obligation has been authorized and issued in accordance with the Constitution and statutes of the State of New York and constitutes a valid and legally binding general obligation of the Obligor, all the taxable real property within which is subject to the levy of ad valorem taxes to pay the Obligation and interest thereon, subject to applicable statutory limitations; provided, however, that the enforceability (but not the validity) of the Obligation: (i) may be limited by any applicable bankruptcy, insolvency or other law now existing or hereafter enacted by said State or the Federal government affecting the enforcement of creditors' rights, and (ii) may be subject to the exercise of judicial discretion in appropriate cases.
- (b) The Obligor has the power to comply with its covenants with respect to compliance with the Code as such covenants relate to the Obligation; provided, however, that the enforceability (but not the validity) of such covenants may be limited by any applicable bankruptcy, insolvency or other law now existing or hereafter enacted by said State or the Federal government affecting the enforcement of creditors' rights.
- (c) Interest on the Obligation is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 and is exempt from personal income taxes imposed by the State of New York and any political subdivision thereof (including The City of New York). Interest on the Obligation is not a specific preference item for purposes of the federal individual alternative minimum tax. We observe that interest on the Obligation included in adjusted financial statement income of certain corporations is not excluded from the federal corporate alternative minimum tax. We express no opinion regarding other tax consequences related to the ownership or disposition of, or the amount, accrual, or receipt of interest on, the Obligation.

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

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

The scope of our engagement in relation to the issuance of the Obligation has extended solely to the examination of the facts and law incident to rendering the opinions expressed herein. Such opinions are not intended and should not be construed to express or imply any conclusion that the amount of real property subject to taxation within the boundaries of the Obligor, together with other legally available sources of revenue, if any, will be sufficient to enable the Obligor to pay the principal of or interest on the

Obligation as the same respectively become due and payable. Reference should be made to the Official Statement prepared by the Obligor in relation to the Obligation for factual information which, in the judgment of the Obligor, could materially affect the ability of the Obligor to pay such principal and interest. While we have participated in the preparation of such Official Statement, we have not verified the accuracy, completeness or fairness of the factual information contained therein and, accordingly, we express no opinion as to whether the Obligor, in connection with the sale of the Obligation, has made any untrue statement of a material fact or omitted to state a material fact necessary in order to make any statements made, in the light of the circumstances under which they were made, not misleading.

Very truly yours,

/s/ ORRICK, HERRINGTON & SUTCLIFFE LLP