PRELIMINARY OFFICIAL STATEMENT DATED MAY 26, 2020

SERIAL BONDS **Ratings: See "Ratings" herein**

In the opinion of Hodgson Russ LLP, of Buffalo, New York, Bond Counsel, under existing statutes, regulations, rulings, and court decisions, and assuming continuing compliance with certain tax certifications described herein, interest on the Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 (the "Code"), as amended. Bond Counsel is also of the opinion that the interest on the Bonds is not treated as an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals. Furthermore, Bond Counsel is of the opinion that, under existing statutes, interest on the Bonds is exempt from personal income taxes imposed by New York State and any political subdivision thereof. See "TAX EXEMPTION" herein.

*The Bonds **will be** designated by the Village as "qualified tax-exempt obligations" pursuant to Section 265(b)(3) of the Code.*

VILLAGE OF KENMORE
ERIE COUNTY, NEW YORK

$8,948,000
GENERAL OBLIGATION SERIAL BONDS, 2020
(the "Bonds")

Date of Issue: June 17, 2020 **Maturity Dates: June 1, 2022-2035**

The Bonds are general obligations of the Village of Kenmore, Erie County, New York (the "Village"). The Village has pledged its faith and credit for the payment of the principal of and interest on the Bonds and, unless paid from other sources, the Bonds are payable from *ad valorem* taxes which may be levied upon all the taxable real property within the Village, subject to certain statutory limitations. See "*Tax Levy Limit Law*" herein.

Certain of the Bonds are subject to optional redemption as described herein. (See "THE BONDS - Optional Redemption for the Bonds" herein.)

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

If the Bonds will be issued through DTC, the Bonds will be registered in the name of Cede & Co., as nominee of DTC, which will act as securities depository for the Bonds. Individual purchases may be made in book-entry form only, in the principal amount of $5,000 or any integral multiple thereof, except for one necessary odd denomination maturing in 2022. Purchasers will not receive certificates representing their ownership interest in the Bonds. Payment of the principal of and interest on the Bonds will be made by the Village to DTC, which will in turn remit such principal and interest to its participants for subsequent disbursement to the beneficial owners of the Bonds as described herein. (See "*Book-Entry-Only System*" herein.)

If the Bonds are registered in the name of the purchaser, principal of and interest on the Bonds will be payable in Federal Funds at such bank or trust company located and authorized to do business in the State of New York as may be selected by the successful bidder. In such case, the bonds will be issued in registered form in denomination of $5,000 or integral multiples thereof, except for one necessary odd denomination maturing in 2022.

The Bonds will be dated the date of delivery, which is expected to be June 17, 2020, and will bear interest from that date until maturity (or earlier redemption) at the annual rate or rates as specified by the purchaser of the Bonds, with interest payable on June 1, 2021, December 1, 2021 and semi-annually thereafter on June 1 and December 1 in each year until maturity (or earlier redemption). The Bonds will mature on June 1 in each year starting in 2020 and will bear interest at the rates as shown on the inside cover page hereof.

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

The Bonds are offered when, as and if issued and received by the purchaser and subject to the receipt of the final approving opinion of Hodgson Russ LLP, of Buffalo, New York, Bond Counsel. It is anticipated that the Bonds will be available for delivery on or about June 17, 2020.

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

Dated: May 26, 2020

The Bonds will mature on June 1 in each year until maturity, as set forth below.

Year	Amount	Interest Rate	Yield	CUSIP*	Year	Amount	Interest Rate	Yield	CUSIP*
2022	$ 518,000			489134	2029**	$ 660,000			489134
2023	555,000			489134	2030**	680,000			489134
2024	570,000			489134	2031**	700,000			489134
2025	585,000			489134	2032**	705,000			489134
2026	610,000			489134	2033**	725,000			489134
2027	625,000			489134	2034**	745,000			489134
2028	645,000			489134	2035**	625,000			489134

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

** The Bonds maturing on or after June 1, 2029 are subject to optional redemption prior to maturity. (See "THE BONDS - *Optional Redemption for the Bonds*" herein.)

VILLAGE OF KENMORE
ERIE COUNTY, NEW YORK

Patrick Mang
Mayor

VILLAGE BOARD OF TRUSTEES

AUDITORS

Drescher & Malecki LLP
Buffalo, New York

BOND COUNSEL

Hodgson Russ LLP
Buffalo, New York

MUNICIPAL ADVISOR

CMA
CapitalMarketsAdvisors,LLC

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

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

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VILLAGE OF KENMORE
ERIE COUNTY, NEW YORK

relating to

$8,948,000
GENERAL OBLIGATION SERIAL BONDS, 2020
(the “Bonds”)

This Official Statement, which includes the cover page and appendices hereto, presents certain information relating to the Village of Kenmore, Erie County, New York (the "Village", "County" and "State," respectively) in connection with the sale of $8,948,000 General Obligation Serial Bonds, 2020 (the “Bonds”).

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

Statements in this Official Statement, and the documents included by specific reference, that are not historical facts are forward-looking statements, which are based on the Village management’s beliefs as well as assumptions made by, and information currently available to, the Village’s management and staff. **This Official Statement should be read with the understanding that the ongoing COVID-19 global pandemic has created prevailing economic conditions (at the global, national, State and local levels) that are highly uncertain, generally negative, and rapidly changing, and these conditions are expected to continue for an indefinite period of time. Accordingly, the Village’s overall economic situation and outlook (and all of the specific Village-related information contained herein) should be carefully reviewed, evaluated and understood in the full light of this unprecedented world-wide event, the effects of which are extremely difficult to predict and quantify. See “COVID-19,” herein.**

THE BONDS

Description

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

If the Bonds will be issued through DTC, the Bonds will be registered in the name of Cede & Co., as nominee of DTC in New York, New York, which will act as Securities Depository for the Bonds. Individual purchasers will be made in book-entry-only form, in the principal amount of $5,000 or integral multiples thereof, except for one necessary odd denomination maturing in 2022. Purchasers of the Bonds will not receive certificates representing their ownership interest in the Bonds. Payments of principal of and interest on the Bonds will be made by the Village to DTC, which will in turn remit such principal and interest to its Participants, for subsequent distribution to the Beneficial Owners of the Bonds.

If the Bonds are registered in the name of the purchaser, principal of and interest on the Bonds will be payable in Federal Funds at such bank(s) or trust company(ies) located and authorized to do business in the State of New York as may be selected by the successful bidder. In such case, the Bonds will be issued in registered form in denominations of $5,000 or integral multiples thereof, except for one necessary odd denomination maturing in 2022.

The Bonds are dated their date of delivery and will bear interest from that date until maturity at the annual rate or rates as specified by the purchaser of the Bonds, payable on June 1, 2021, December 1, 2021 and semi-annually thereafter on June 1 and December 1 in each year until maturity (or earlier redemption). The Bonds will mature annually on June 1, as shown on the inside cover page hereof.

The record date of the Bonds will be the fifteenth day of the month preceding each interest payment date.

The Village will act as Paying Agent for the Bonds. Paying Agent fees, if any, will be paid by the successful purchaser. The Village contact information is as follows: Village Clerk/Treasurer, Kathleen P. Johnson, Esq., (716) 873-5700.

Authority for and Purposes

The Bonds are issued pursuant to the Constitution and Laws of the State, including among others, the Village Law and the Local Finance Law, and pursuant to various bond resolutions that were duly adopted by the Village Board of Trustees (the "Board") on their respective dates as set forth below:

Purpose	Date Authorized	Amount Authorized	The Bonds
Construction of Public Works Building Roof	09/03/2019	$212,000	$212,000
Improvements to the Community Center Kitchen	09/03/2019	212,000	212,000
Installation of Radio Read Equipment for Water Meters	09/03/2019	155,000	155,000
Reconstruction of Crumbling Wall	09/03/2019	57,000	57,000
Acquisition of Electric System & Retrofitting of Street Lights	09/03/2019	3,700,000	3,700,000
Construction of Community Center	09/03/2019	212,000	212,000
Sewer System Improvements	09/03/2019	4,400,000	4,400,000
TOTALS		$8,948,000	$8,948,000

Optional Redemption

The Bonds maturing on June 1 in the years 2022 to 2028, inclusive, will not be subject to redemption prior to maturity. The Bonds maturing on or after June 1, 2029 will be subject to redemption prior to maturity, at the option of the Village, on June 1, 2028, or on any date thereafter, in whole or in part, and if in part in any order of their maturity and in any amount within a maturity (selected at random within a maturity), at 100% par, plus accrued interest to the date of redemption.

The Village may select the maturities of the Bonds to be redeemed and the amount to be redeemed of each maturity selected, as the Village shall determine to be in the best interest of the Village at the time of such redemption. If less than all of the Bonds of any maturity are to be redeemed prior to maturity, the particular Bonds of such maturity to be redeemed shall be selected by the Village at random, by lot or in any other customary manner of selection as determined by the Village Treasurer. Notice of such call for redemption shall be given by mailing such notice to the registered owner(s) of the Bonds to be redeemed not more than sixty (60) days nor less than thirty (30) days prior to the proposed redemption date. Notice of redemption having been given as aforesaid, the Bonds so called for redemption shall, on the date of redemption set forth in such call for redemption, become due and payable, together with accrued interest to such redemption date, and interest shall cease to be paid thereon after such redemption date.

The Village may provide conditional notice of redemption, which may state that such redemption is conditioned upon the receipt of moneys and/or any other event. If any such condition is not satisfied, such redemption shall not occur, and the Village is to give notice thereof, as soon as practicable, in the same manner, to the same person(s), as notice of such redemption was given as described above. Additionally, any such redemption notice may be rescinded by the Village no later than one business day prior to the date specified for redemption, by written notice by the Village given in the same manner, to the same person(s), as notice of such redemption was given.

Nature of the Obligation

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

The Bonds 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. For the payment of such principal and interest, unless paid from other sources or charges, the Village has the power and statutory authorization to levy *ad valorem* taxes on all taxable real property in the Village without limitation as to rate or amount (subject to certain statutory limitations imposed by the Tax Levy Limit Law). (See "Tax Levy Limit Law" herein).

Under the Constitution of the State, the District is required to pledge its faith and credit for the payment of the principal of and interest on the Bonds and the State is specifically precluded from restricting the power of the District to levy taxes on real estate therefor. On June 24, 2011, the Tax levy Limit Law was adopted in the State. The Tax levy Limit Law established certain limitations on the power of local governments and school districts to increase the property tax levy beyond certain prescribed limits (without following certain prescribed procedures). Attempts to challenge the constitutionality of the Tax levy Limit Law through the courts have so far been unsuccessful (See "Tax Levy Limit Law," herein).

Book-Entry-Only System

The following applies to the extent that the Bonds are issued in book-entry form. The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the Bonds, which will be issued as book-entry bonds. The Bonds will be issued as fully-registered bonds registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered bond certificate will be issued for each maturity of the Bonds in the aggregate principal amount of such issue and will be deposited with DTC.

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

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

Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

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

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Redemption notices shall be sent to DTC. If less than all of the Securities within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

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

Principal and interest payments 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 Village, 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 principal and interest payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the 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 Bonds at any time by giving reasonable notice to the Village. Under such circumstances, in the event that a successor depository is not obtained, bond 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 such event, bond certificates will be printed and delivered to the registered owners.

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.

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

OR INDIRECT PARTICIPANTS WILL SERVE AND ACT IN THE MANNER DESCRIBED IN THIS OFFICIAL STATEMENT.

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

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

Source: The Depository Trust Company

Certificated Bonds

DTC may discontinue providing its services with respect to the Bonds at any time by giving reasonable notice to the Village and discharging its responsibilities with respect thereto under applicable law, or the Village may terminate its participation in the system of book-entry-only transfers through DTC at any time. In the event that such book-entry-only system is discontinued, the following provisions will apply: the Bonds will be issued in fully registered form in denominations of $5,000 or any integral multiple thereof, except for one necessary odd denomination maturing in 2022. Principal of the Bonds when due will be payable upon presentation at the principal corporate trust office of a bank or trust company located and authorized to do business and act as a fiscal agent in the State of New York to be named by the Village. Interest on the Bonds will remain payable on June 1, 2021, December 1, 2021 and semiannually thereafter on June 1 and December 1 in each year to maturity (or earlier redemption). Such interest will be payable by check drawn on the fiscal agent and mailed to the registered owner on each interest payment date at the address as shown on the registration books of the fiscal agent as of the fifteenth day of the calendar month (for the Bonds) or the last business day of the month (for the Bonds) preceding each such interest payment date. Bonds may be transferred or exchanged at no cost to the registered owner at any time prior to maturity at the office of the fiscal agent for Bonds of the same authorized denomination or denominations in the same aggregate principal amount upon the terms set forth in the Certificates of Determination executed by the Village Clerk/Treasurer authorizing the sale of the Bonds and fixing the details thereof and in accordance with the Local Finance Law. The fiscal agent shall not be obligated to make any such transfer or exchange of the Bonds between the fifteenth day of the calendar month preceding an interest payment date and such interest payment date.

COVID-19

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

Economic Impacts

The outbreak of COVID-19 has drastically affected travel, commerce and financial markets globally. As almost all nations have experienced a rise in infections and implemented containment measures that in the case of some nations (including the United States) have been drastic, economies have suffered in the extreme. The full impact is difficult to predict due to uncertainties regarding the duration and severity of the COVID-19 pandemic, but some economists have predicted that the short-term economic fallout will be worse than the 2008-09 global financial crisis. The World Trade Organization has estimated that world trade will fall by between 13% and 32% in 2020, and news outlets have reported on possibilities of supply chain problems as the pandemic spreads to different countries around the world.

While initially the hospitality and tourism industries were hardest hit, there is now widespread unemployment across all economic sectors in the United States. During the nine week period from March 15 through May 16, 2020, approximately 38.6 million Americans filed for unemployment.

Uncertainty regarding the short, medium and long-term effects of the COVID-19 pandemic has caused extreme volatility across all financial markets, including the primary and secondary markets for municipal bonds. In the United States, Congress and the Federal Reserve have taken significant steps to backstop those markets and to provide much-needed liquidity, but the markets have experienced significant volatility, and such volatility may continue. Given these conditions, it is possible that the process of trading the Bonds in the secondary market could be affected in ways that are difficult to predict. Although the secondary trading market has stabilized after some significant disruptions in the immediate wake of the COVID-19 pandemic, and is benefiting from federal intervention in support of the municipal bond markets, the markets remain highly reactive to the unprecedented recent economic and political events. Accordingly, investors in the Bonds may experience difficulty trading the Bonds on satisfactory terms.

Federal Response

The federal government has passed several pieces of legislation in response to the COVID-19 pandemic including the $2.3 trillion Coronavirus Aid, Relief, and Economic Security ("CARES") Act, which attempt to address financial stability and liquidity issues through a variety of stimulus measures.

Stimulus Measures for Individuals and Businesses: Individual taxpayers who meet certain income limits will receive direct cash payments from the federal government. Unemployment rules have been changed to allow self-employed workers, independent contractors and others who would not normally qualify to receive benefits, and unemployment insurance recipients will receive an additional $600 per week payment for up to four months.

Businesses will benefit from various federal tax law changes, including a payroll tax credit. Air carriers and businesses critical to national security are eligible for direct loans and loan guarantees from the Treasury, and the Federal Reserve has received financial support for its lending programs. Smaller businesses have been incentivized to keep workers in their jobs through the Paycheck Protection Program (offering short-term loans that can be forgiven in whole or in part).

Stimulus Efforts for State and Local Governments: The CARES Act includes a $150 billion Coronavirus Relief Fund, which provides funds to states, tribal governments and local governments with populations exceeding 500,000 (local governments with smaller populations can receive monies from the amount allocated to their state). This money is intended for programs that are necessary expenditures incurred due to the public health emergency resulting from the pandemic. This money is not intended to be used to directly account for revenue shortfalls due to the COVID-19 pandemic, but it may indirectly assist with revenue shortfalls in cases where the expenses that are being covered by this fund would otherwise create a further budget shortfall. Because this money is targeted to larger governmental units, it is unlikely that the Village will stand to benefit directly from this program.

Municipal Liquidity Facility: The Federal Reserve is establishing a new "Municipal Liquidity Facility" ("MLF") that will offer up to $500 billion in direct federal lending. Under its original authorization, the MLF could purchase certain short-term debt from states, counties with at least two million residents and cities with at least one million residents. On April 27, the Federal Reserve Board announced that the list of MLF-eligible issuers would be expanded to include counties with a population of at least 500,000 residents and cities with at least 250,000 residents. Importantly, these larger issuers are able to use their own loan proceeds to make loans to smaller governmental units that would not otherwise qualify for this program. Proceeds may be used to help manage the cash flow impact of income tax deferrals resulting from an extension of income tax filing deadlines, potential reductions of tax and other revenues or increases in expenses related to or resulting from the pandemic, and requirements for the payment of principal and interest on outstanding obligations. It is not yet clear whether New York State will borrow from the MLF. If it does borrow, there is no mechanism or arrangement currently in place for the State to make loans to smaller governments within the State, although the MLF program does authorize this. It is uncertain at this point the extent to which, if at all, the Village might ultimately be able to access short-term MLF loan funding through the State.

State Response

Executive orders: Governor Cuomo has released a number of executive orders in response to the COVID-19 pandemic, including various mandates requiring "non-essential" employees to work from home. As of March 22, 100% of such "non-essential" employees were mandated to work from home or take leave without accruals. Entities providing essential services or functions are not subject to the in-person work restriction, but may only operate at the minimal level necessary to provide such service or function. Local governments are exempt from the 100% requirements, however, they are required to have no more than 50% of employees working in-person.

As of May 15, 2020, regions of the State that meet certain criteria have been allowed to begin reopening. The Western region (in which the Village is located) has been allowed to begin reopening on Tuesday, May 19, 2020. Accordingly, in such regions the reductions and restrictions on the in-person workforce at non-essential businesses or other entities shall no longer apply to "Phase One" industries (i.e., Construction, Agriculture, Forestry, Fishing and Hunting, Retail [limited to curbside or instore pickup or drop off], Manufacturing, and Wholesale Trade).

State Executive Orders 202.4 and 202.26 postponed all village elections that were scheduled to be held on March 17, 2020 until September 15, 2020, and ordered that all elected officials holding such positions will remain in office until a new election is held.

State budget: The City of New York has been the epicenter of the COVID-19 pandemic in the United States, and as a result the State has suffered (and expects to continue to suffer) significant revenue shortfalls and unanticipated expenses. At the time that the State budget was being finalized in early April, the Budget Director estimated that, due to COVID-19, the State would suffer an anticipated budget gap of $10-$15 billion in the coming fiscal year.

To mitigate such a potential gap, the State's adopted budget for the fiscal year ending March 31, 2021 allows the State to reduce expenditures (including aid to local school districts and municipalities) if, during certain defined periods in 2020 (i.e., April 1 - April 30, May 1- June 30, and July 1 - December 31), tax receipts are lower than anticipated or disbursements from the State's general fund are higher than anticipated. In such a scenario, the State Budget Director will develop a plan to make spending reductions. The State Budget Director's plan would take effect automatically unless the Legislature passes its own plan within ten days. It is theoretically possible for such reductions to later be restored under certain circumstances.

On April 25, 2020, the State Division of the Budget announced the release of the State's Fiscal Year 2021 Enacted State Budget Financial Plan (the "Financial Plan"), which projects a $13.3 billion (14%) shortfall in revenue from the Executive Budget Forecast that was released in January and estimates a $61 billion decline in State revenues through Fiscal Year 2024 as a direct consequence of the COVID-19 pandemic. As a result, in the absence of federal assistance, initial budget control actions outlined in the Financial Plan will reduce spending by $10.1 billion from the Executive Budget. This represents a $7.3 billion reduction in state spending from FY 2020 levels.

As of the date of this Official Statement, the State Division of the Budget has not released specifics about potential cuts to State aid overall or how any such cuts would be allocated State-wide among municipalities. State officials are lobbying Congress for substantial direct financial relief to states and localities, and the $3 trillion "HEROES" Act that has been adopted by the House of Representatives on May 15, 2020 would provide a substantial amount of relief to the State and to the District. The HEROES Act has not been taken up by the Senate as yet and the President has threatened to veto the bill unless it is substantially re-negotiated. At this point the extent of COVID-19-related direct federal financial relief, if any, to states, localities and school districts cannot be predicted. Reductions in the payment of State aid could adversely affect the financial condition of municipalities in the State, including the Village.

Local Response

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

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

MARKET FACTORS AFFECTING FINANCINGS OF THE STATE AND MUNICIPALITIES OF THE STATE

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

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

The Village is dependent in part on financial assistance from the State in the form of State aid. In certain years, the Village's receipt of State aid was delayed as a result of the State's delay in adopting its budget and appropriating State aid to municipalities and school districts. If the State should experience difficulty in borrowing funds in anticipation of the receipt of the 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 negatively affected by the delay until sufficient State taxes have been received by the State to make State aid payments to the Village.

The City of New York has been the epicenter of the COVID-19 pandemic in the United States, and as a result the State has suffered (and expects to continue to suffer) significant revenue shortfalls and unanticipated expenses. At the time that the State budget was being finalized in early April, the Budget Director estimated that, due to COVID-19, the State would suffer an anticipated budget gap of $10-$15 billion.

To mitigate such a potential gap, the State's adopted budget for the fiscal year ending March 31, 2021 allows the State to reduce expenditures (including aid to local school districts and municipalities) if, during certain defined periods in 2020 (i.e., April 1 - April 30, May 1- June 30, and July 1 - December 31), tax receipts are lower than anticipated or disbursements from the State's general fund are higher than anticipated. In such a scenario, the State Budget Director will develop a plan to make spending reductions. The State Budget Director's plan would take effect automatically unless the Legislature passes its own plan within ten days. It is theoretically possible for such reductions to later be restored under certain circumstances. See "COVID-19," herein, for further details on such pandemic and its effects on the State.

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 and not by a cut in State aid, the Village may be authorized by the Local Finance Law to provide operating funds by borrowing in anticipation of the receipt of uncollected State aid. In addition, the Village may borrow to finance revenue shortfalls arising from, among other things, mid-year reductions in State aid.

TAX EXEMPTION

Hodgson Russ LLP, of Buffalo, New York, Bond Counsel, will deliver an opinion that, under existing law, the interest on the Bonds is excluded from gross income of the holders thereof for federal income tax purposes and is not an item of tax preference for purposes of the individual alternative minimum tax imposed by the Internal Revenue Code (the "Code"). However, such opinion will note that the Village, by failing to comply with certain restrictions contained in the Code, may cause interest on the Bonds to become subject to federal income taxation from the date of issuance of the Bonds. Such opinion will state that interest on the Bonds is exempt from personal income taxes imposed by New York State or any political subdivision thereof (including The City of New York).

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

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

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

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

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

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

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

In general, information reporting requirements will apply to non-corporate holders with respect to payments of principal, payments of interest, and the proceeds of the sale of a bond or note before maturity within the United

States. Backup withholding may apply to a holder of the Bonds under Code section 3406, if such holder fails to provide the information required on Internal Revenue Service ("IRS") Form W-9, Request for Taxpayer Identification Number and Certification, or the IRS has specifically identified the holder as being subject to backup withholding because of prior underreporting. Any amounts withheld under the backup withholding rules from a payment to a beneficial owner, and which constitutes over-withholding, would be allowed as a refund or a credit against such beneficial owner's United States federal income tax provided the required information is furnished to the IRS. Neither the information reporting requirement nor the backup withholding requirement affects the excludability of interest on the Bonds from gross income for federal income tax purposes.

Bond Counsel has not undertaken to advise in the future whether any events occurring after the date of issuance of the Bonds may affect the tax status of interest on the Bonds. The Code has been continuously subject to legislative modifications, amendments, and revisions, and proposals for further changes are regularly submitted by leaders of the legislative and executive branches of the federal government. No representation is made as to the likelihood of such proposals being enacted in their current or similar form, or if enacted, the effective date of any such legislation, and no assurances can be given that such proposals or amendments will not materially and adversely affect the economic value of the Bonds or the tax consequences of ownership of the Bonds. Prospective purchasers are encouraged to consult with their own legal and tax advisors with respect to these matters.

DOCUMENTS ACCOMPANYING DELIVERY OF THE BONDS

Absence of Litigation

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

Legal Matters

Legal matters incident to the authorization, issuance and sale of the Bonds will be subject to the final approving opinion of Hodgson Russ LLP, Bond Counsel. Such opinion will be available at the time of delivery of the Bonds and will be to the effect that the Bonds are valid and legally binding general obligations of the Village for which the Village has validly pledged its faith and credit, and, unless paid from other sources or charges, all the taxable real property within the Village is subject to the levy of *ad valorem* real property taxes to pay the Bonds and interest thereon, without limitation as to rate or amount (subject to certain statutory limitations imposed by Chapter 97 of the 2011 Laws of the State). Such opinion shall also contain further statements to the effect that (a) the enforceability of rights or remedies with respect to the Bonds may be limited by bankruptcy, insolvency, or other laws affecting creditors' rights or remedies heretofore or hereafter enacted, and (b) such law firm has not been requested to examine or review and has not examined or reviewed the accuracy or sufficiency of the Official Statement, or any additional proceedings, reports, correspondence, financial statements or other documents, containing financial or other information relative to the Village which has been or may have been furnished or disclosed to purchasers of the Bonds, and expresses no opinion with respect to such financial or other information, or the accuracy or sufficiency thereof.

Closing Certificates

Upon the delivery of the Bonds, the purchasers will be furnished with the following items: (i) a certificate of the Village Clerk/Treasurer to the effect that as of the date of this Official Statement and at all times subsequent thereto, up to and including the time of the delivery of the Bonds, this Official Statement did not and does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements herein, in the light of the circumstances under which they were made, not misleading, and further stating that there has been no adverse material change in the financial condition of the Village since the date of this Official Statement to the date of issuance of the Bonds; and having attached thereto a copy of this Official Statement; (ii) a certificate signed by an officer of the Village evidencing payment for the Bonds; (iii) a closing certificate evidencing the due execution of the Bonds, including statements that (a) no litigation of any nature is pending or, to the knowledge of the signers, threatened, restraining or enjoining the issuance and delivery of the Bonds or the levy and collection of taxes to pay the principal of and interest thereon, nor in any manner questioning the proceedings and authority under which the Bonds were authorized or affecting the validity of the Bonds thereunder, (b) neither the corporate existence or boundaries of the Village nor the title of the signers to their respective offices is being contested, and (c) no authority or proceedings for the issuance of the Bonds have been repealed, revoked or rescinded; and (iv) a tax certificate executed by the Village Clerk/Treasurer, as described under "TAX EXEMPTION" herein.

DISCLOSURE UNDERTAKING

In accordance with the requirements of Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended (the "Rule"), unless the Bonds are purchased for the purchaser's own account, as principal for investment and not for resale, the Village will enter into a Disclosure Undertaking at closing, the form of which is attached hereto as "APPENDIX D." A purchaser buying for its own account shall deliver a municipal securities disclosure certificate that documents its intent to purchase the Bonds as principal for investment and not for resale (in a form satisfactory to Bond Counsel) establishing that an exemption from the Rule applies.

CONTINUING DISCLOSURE COMPLIANCE

The Village is establishing procedures designed to ensure that future filings of continuing disclosure information will be in compliance with existing continuing disclosure obligations, including transmitting such filings to the Municipal Securities Rulemaking Board established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934 through EMMA.

Historical Continuing Disclosure Compliance

Under its previous continuing disclosure undertakings, beginning with the fiscal year ending May 31, 2015, the Village was required to file the adopted budget of the Village and audited financial statements, if any, not later than nine months following the end of each fiscal year. Additionally, beginning with the fiscal year ending May 31, 2017, the Village has been required to provide certain annual financial information and operating data.

The Village's adopted budget and audited financial statements for the fiscal year ending May 31, 2016 and the Village's annual financial information and operating data and audited financial statements for the fiscal year ending May 31, 2017 and May 31, 2019 were not filed timely. The audited financial statements and annual financial information and operating data for fiscal years ending May 31, 2016 and May 31, 2017 were filed on EMMA on May 15, 2018, along with a failure-to-file notice. The audited financial statements and annual financial information and operating data for fiscal years ending May 31, 2019 were filed on EMMA on April 21, 2020 and May 1, 2020, respectively, along with a failure-to-file notice.

RATING

Moody's Investors Service, Inc. ("Moody's") has assigned an underlying rating of "Aa3" to the uninsured outstanding bonded indebtedness of the Village. The Village has applied for a rating on the Bonds.

Such rating reflects only the view of such organization, and an explanation of the significance of such rating may be obtained only from such rating agency, at the following address: Moody's Investors Service, Inc., 7 World Trade Center at 250 Greenwich Street, New York, NY 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 Village's bonds or the availability of a secondary market for those bonds.

MISCELLANEOUS

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

Statements in this Official Statement, and the documents included by specific reference, that are not historical facts are forward-looking statements, which are based on the 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 files with the repositories. When used in Village documents or oral presentation, the words "anticipate", "estimate", "expect", "objective", "projection", "forecast", "goal", or similar words are intended to identify forward-looking statements.

Hodgson Russ LLP, of Buffalo, New York, Bond Counsel to the Village, expresses no opinions 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 Bonds, including but not limited to, the financial or statistical information in this Official Statement.

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

Concurrently with the delivery of the Bonds, the 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 a limitation as to information in the Official Statement obtained from sources other than the Village.

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

MUNICIPAL ADVISOR

Capital Markets Advisors, LLC has acted as Municipal Advisor to the Village in connection with the sale of the Bonds.

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, and 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 an independent advisory firm and is not engaged in the business of underwriting, trading or distributing municipal securities or other public securities and therefore will not participate in the underwriting of the Bonds.

ADDITIONAL INFORMATION

Additional information may be obtained from the Village Clerk/Treasurer, Kathleen P. Johnson, Esq., (716) 873-5700, or from the Village's Municipal Advisor, Capital Markets Advisors, LLC, (716) 662-3910.

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

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

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.

VILLAGE OF KENMORE
ERIE COUNTY, NEW YORK

By: /s/____________________
Kathleen P. Johnson, Esq.
Village Clerk/Treasurer

DATED: May 26, 2020

APPENDIX A

THE VILLAGE

General Information

The Village, with a land area of approximately 1.4 square miles, is located in the northwestern portion of the County, adjacent to the northern boundary of the City of Buffalo and entirely within the Town of Tonawanda. Pursuant to the 2010 U.S. Census the Village had a population of 15,423.

The Village is primarily residential in character with some light industry. There are shopping and commercial centers located within the Village and throughout the surrounding township. The municipal building, located in the center of the Village's business district, houses the principal offices for Village and Town governments. Residents are employed in various professions, businesses and industries located in nearby cities and the Niagara Frontier region.

The Government

The Village was incorporated in 1899 by the State as a separate political entity vested with independent taxing and debt authority. The Village has one independently governed school district, the Kenmore-Town of Tonawanda UFSD, which relies on its own taxing power granted by the State to raise revenues for school district purposes. The Village, Town and school district each use the assessment roll established by the Town as the basis for taxation of property.

Governmental operations of the Village are subject to the provisions of the State Constitution and various laws of the State affecting a village including the Village Law, General Municipal Law and the Local Finance Law. Real property assessment and tax collection procedures are determined by the Real Property Tax Law.

Governance of the Village is by a five member Board of Trustees (the "Board") consisting of a mayor and four trustees. Each is elected at large and serves a four-year term. Terms are staggered as elections are held every other year, in odd numbered years.

The Board serves as a legislative, appropriating, governing and policy determining body of the Village. The Mayor is the chief executive officer and oversees the proper administration of all Village affairs. The Mayor appoints all non-elective offices of the Village, subject to Board approval.

The Village Clerk/Treasurer is appointed by the Mayor and the Board and coordinates the day to day activities of the Village. As Treasurer and chief fiscal officer the Clerk/Treasurer's duties include borrowing and investing funds, monitoring the budget and preparing the annual financial report. The responsibilities as Clerk include attending Board meetings, preparing agendas and resolutions and maintaining all Village records. All Village taxes are received by the Town's Clerk/Tax Receiver and remitted to the Village as collected.

Village Services

The Village is responsible for providing most government services to its residents. The following basic services are provided: street and sidewalk maintenance, street lighting, snow removal, tree maintenance, trash, recycling and refuse collection, police and fire protection, safety inspection, youth programs and water and sewer facilities. The Board exercises no oversight over school operations, which are governed by a separately elected board. Other services performed at the Village level include zoning, administration, and planning and architectural review.

Employees

The Village employs approximately 78 full-time and 59 part-time employees, of which some are represented by the organizations listed below.

Number of Employees	Union	Contract Expiration Date
5	Kenmore Salaried Employee Association	5/31/2021
3	Kenmore Professional Firefighter's Association	5/31/2024
23	Kenmore Police Benevolent Association	5/31/2022
7	Kenmore Crossing Guards Association	5/31/2019*
32	Kenmore Dept. of Public Works Benevolent Association	5/31/2023

**Currently under negotiations*
Source: Village Officials

Employee Pension Benefits

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

Pension reform enacted by New York State changed the billing cycle for employer contributions to the Retirement Systems to match budget cycles of the Village. Under the previous method, the Village was not provided with the required payment until after its budget was implemented. Under the reforms implemented, the employer contribution for a given fiscal year are based on the value of the pension fund on the prior April 1, instead of the following April 1. As a result, the Village is notified of and can include the actual cost of the employer contribution in its budget. The Law also requires a minimum payment of 4.5% of payroll each year, including years in which investment performance of the fund would make a lower employer contribution possible.

The pension payment date for all local governments is February 1. The New York State Retirement System (the "State Retirement System") has advised the Village that municipalities can elect to make employer contribution payments in the December prior to the scheduled payment date in February, or the following February, as required. If such payments are made in the December prior to the scheduled payment date in February, such payments may be made at a discounted amount. The Village prepaid its employer contributions each December in 2004 through 2015, inclusive.

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

The following schedule reflects the Village's contribution to ERS and PFRS for the last three fiscal years and the amount budgeted for the current fiscal year:

Fiscal Year Ending May 31:	ERS Contribution	PFRS Contribution
2020 Budget	$470, 431	$575,219
2019	463,234	569,634
2018	466,552	593,764
2017	461,208	617,871

Source: Audited Financial Statements

Due to significant capital market declines in the wake of the 2008-2009 recession, the Retirement System's portfolio experienced negative investment performance and severe downward trends in market earnings. As a result, the employer contribution rates for the State's Retirement System in 2011 and subsequent years were higher than the minimum contribution rate established by Chapter 49. To mitigate such increases in the employer contribution rate, legislation was enacted that permits local governments and schools districts to amortize a portion of their required Retirement Systems pension contribution payments. The new legislation also requires that those local governments and school districts choosing to amortize their Retirement Systems pension contribution payments to reserve funds for future payment increases that are a result of fluctuations in pension plan performance.

In Spring 2013, the State and ERS approved a Stable Contribution Option ("SCO"), which modified its existing SCO adopted in 2010 discussed above, that gives municipalities the ability to better manage the spikes in Actuarially Required Contribution rates ("ARCs"). The plan allows municipalities to pay the SCO amount in lieu of the ARC amount, which is higher, and defer the difference in payment amounts as described below. For ERS, the 2013-14 SCO rate was 12%. The Village has not opted to participate in the SCO plan.

State Comptroller Thomas DiNapoli announced that the estimated average contribution rate for participating employers in the ERS would decrease in fiscal year 2019-20 from 14.9 percent of payroll to 14.6 percent of payroll. The estimated average contribution rate for participating employers in the PFRS will remain at 23.5 percent of payroll.

Other Post-Employment Benefits

Plan Description – In addition to pension benefits, the Village pays for a portion of eligible retirees' health insurance, depending on the type of health plan provided. Eligibility for postemployment benefits is based on age, years of service, accumulated sick leave and depends upon associated group or union. The estimated cost of such benefits totaled $489,477 for the year ended May 31, 2018.

Under GASB Statement No. 75, the total OPEB liability represents the sum of expected future benefit payments which may be attributed to past service (or "earned"), discounted to the end of the fiscal year using the current discount rate. The total OPEB liability is analogous to the Unfunded Actuarial Accrued Liability ("AAL") under GASB Statement No. 45.

A summary of the Village's actuarial valuation report is made part of the Village's financial statements, attached herein in Appendix C.

The table below presents the changes to the total OPEB liability during the fiscal year, by source:

	Total OPEB Liability
Balance at May 31, 2018	$17,660,905
Changes for the year:	
Service Cost	269,960
Interest	648,452
Changes of assumptions	(291,642)
Differences between expected & actual experience	886,576
Benefit payments	(499,356)
Net changes	1,013,990
Balance at May 31, 2019	$18,674,895

Source: Audited Financial Statements

The Village's total OPEB liability of $18,674,895 was measured as of May 31, 2019, and was determined by an actuarial valuation as of that date.

FINANCIAL FACTORS

Independent Audit

The annual financial statements of the Village are audited by independent certified public accountants. The Village is also subject to periodic audit by the State Comptroller's Office. Appendix B to this Official Statement presents a summary of the financial operating results of the General and Special Revenue Funds for each of the last five fiscal years ended and budget summaries for the current and prior fiscal years.

Fund Structures and Accounts

The accounting practices of the Village conform to those prescribed by generally accepted accounting principles and by the State Department of Audit and Control "Uniform System of Accounts".

Revenues are recorded when measurable and available to pay liabilities of the current period. Revenues susceptible to accrual include property taxes, state and federal aid, sales tax and user fees such as water and sewer charges.

Expenditures are recorded when the fund liability is incurred. Exceptions to this rule are (1) prepaid and most inventory-type items which are generally recognized at the time of disbursement; (2) unmatured interest on general long-term debt which is recognized when due; and (3) compensated absences, such as vacation and sick leave which vests or accumulates, which is charged as an expenditure when paid.

The encumbrance method of accounting is employed in the governmental funds, whereby commitments for contracts and outstanding purchase orders are reported as a reservation of fund balance. Such commitments are recorded as expenditures in the accounting period in which the liability is incurred.

Revenues

The Village derives a major portion of its general fund revenues from a tax on real property (see "Statement of Revenues, Expenditures and Changes in Fund Balance" in Appendix B, herein). Real property taxes account for approximately 70% of total general fund revenues, while non-property taxes have been approximately 16% and State aid accounts for approximately 6%.

Real Property Tax. The following table sets forth the total general fund and real property tax revenues for the last five fiscal years and the budgeted amounts for the current and ensuing fiscal year.

TABLE 1
Property Taxes

Fiscal Year Ended 5/31	**Total Revenues**	**Real Property Taxes**	**Real Property Taxes to Revenues**
2015	$13,035,520	$9,116,013	69.93%
2016	13,197,756	9,182,169	69.57%
2017	13,418,224	9,407,765	69.57%
2018	13,626,281	9,513,188	69.81%
2019	13,987,853	9,695,428	69.31%
2020 *Budgeted*	13,389,360	9,899,610	73.94%

Source: Audited Financial Statements and the 2020 Budget Summary.

Non-Property Taxes. Section 1210 of the New York Tax Law currently authorizes the County to levy a sales and compensatory use tax of up to 4.75% in addition to the 4.0% tax levied by the State. Such sales tax collections are administered by the State Tax Commissioner and the proceeds are paid to the County quarterly.

The following table sets forth the total general fund and non-property tax revenues for the last five fiscal years and the budgeted amounts for the current and ensuing fiscal year.

TABLE 2
Non-Property Taxes

Fiscal Year Ended 5/31	**Total Revenues**	**Non Property Taxes**	**Non-Property Taxes to Revenues**
2015	$13,035,520	$1,912,826	14.67%
2016	13,197,756	1,899,947	14.40%
2017	13,418,224	1,915,203	14.40%
2018	13,626,281	2,170,439	15.93%
2019	13,987,853	2,198,620	15.72%
2020 *Budgeted*	13,389,360	1,659,000	12.39%

Source: Audited Financial Statements and the 2020 Budget Summary.

State Aid. The Village also receives a portion of its revenues in the form of State aid (per capita, mortgage tax and consolidated highway aid). State aid has averaged approximately 6.94% of the total general fund revenues of the Village over the past five fiscal years, however there is no assurance that the State appropriation for State aid to municipalities will continue, either pursuant to existing formulas or in any form whatsoever. The State is not constitutionally obligated to maintain or continue such aid. State budgetary restrictions which eliminate or substantially reduce State aid could have an adverse effect upon the Village, possibly requiring either a counterbalancing increase in revenues from other sources to the extent available, a curtailment of expenditures, or some combination of the two.

The State's finances have been adversely impacted by the COVID-19 pandemic, which may affect State aid. See "COVID-19," herein, the further details on such pandemic and its effects on the State.

The following table sets forth the total general fund and state aid revenues for the last five fiscal years and budgeted amounts for the current and ensuing fiscal year.

TABLE 3
State Aid

Fiscal Year Ended 5/31	Total Revenues	State Aid	State Aid to Revenues
2015	$13,035,520	$1,007,990	7.73%
2016	13,197,756	849,772	6.44%
2017	13,418,224	883,166	6.44%
2018	13,626,281	951,153	6.98%
2019	13,987,853	1,020,307	7.29%
2020 *Budgeted*	13,389,360	850,000	6.35%

Source: Audited Financial Statements and the 2020 Budget Summary.

Current Financial Operations

For the fiscal year ended May 31, 2019 audited results of the Village show the General Fund has a fund balance of $9,997,634, an decrease of $760,000 over the prior fiscal year. The Water and Sewer Funds have a combined fund balance of $3,061,353, a decrease of $133,720 of the prior fiscal year.

Budget Process

The Village operates on a fiscal year beginning June 1 and ending May 31. At a time specified by the Board, prior to February 1, department heads provide the Mayor and Clerk/Treasurer with estimates of their department expenses for the ensuing year. During February, meetings are held by the Mayor with the Board, the Clerk/Treasurer and department heads who explain their budget requests. On or before March 20, the Mayor prepares and recommends a tentative budget to the Board. A public hearing is held prior to April 15 to receive taxpayer comments. Following the hearing, budget amendments are received and a final budget is adopted no later than May 1.

Thereafter all modifications of the budget must be approved by the Board; however, the Clerk/Treasurer is authorized to transfer certain budgeted amounts within departments.

Investment Policy/Permitted Investments

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

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

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

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

TAX INFORMATION

Real Property Tax Collection Procedures

Taxes are due when levied in a single payment on June 1 and payable without penalty until July 2. Penalties are imposed at an annual rate of 5% during the first month and an additional 1% each month thereafter. On or about November 1, the tax roll is returned to the County and taxes plus penalties are payable to the County. The Village retains the first monies collected on the Village tax bill and uncollected taxes are turned over to the County for enforcement. The balance due to the Village is paid in full by the County to the Village prior to March 31. As far as the Village is concerned there are no uncollected taxes as payment in full of all Village taxes is guaranteed by the County.

Real Property Tax Rates, Levies and Assessments

The Village receives approximately 70.7% of its total operating revenue from the real property taxes. The following table shows the trend during the last four years and the current fiscal year for real property assessments and Village tax rates per $1,000 of assessed value.

TABLE 4
Tax Rates, Levies and Assessments

	2015	2016	2017	2018	2019
Village Tax Levy					
Assessed Valuation	$328,858,409	$327,809,098	$326,994,486	$326,661,163	$326,587,688
Equalization Rates	0.435%	0.405%	0.390%	0.370%	0.350%
Full Valuation	755,996,342	809,405,180	838,447,400	882,868,008	933,107,680
Tax Rates per $1,000 Assessed					
Village:					
Homestead	28.34	29.52	30.53	NA	NA
Non-Homestead	49.49	51.27	52.37		

Source: Tax Receiver

Largest Assessed Values for 2019

The following table presents the total 2019 assessed valuations of the Village's largest property owners.

TABLE 5
Assessed Valuations

Property Owner	Nature of Business	Assessed Valuation	Percentage of Total Assessed Valuation (1)
PST-ALS Properties IV LLC	Apartments	$3,240,000	0.99%
National Fuel Gas	Utility	2,088,670	0.64%
Niagara Mohawk Power Corp	Utility	2,049,436	0.63%
Hunt & Associates 2021 LLC	Apartments	1,589,200	0.49%
Paddock Chevrolet Inc.	Auto	1,000,000	0.31%
Chapel Road Apartments LLC	Apartments	824,000	0.25%
Verizon NY Inc.	Utility	551,640	0.17%
DHW Apartments LLC	Apartments	530,000	0.16%
Plaza One Group Inc.	Retail	508,100	0.16%
	Total:	$13,596,046	4.16%

(1) The total assessed valuation of the Village used for the 2019-20 year is $326,587,688.

Source: Village Officials

The State Comptroller's Fiscal Stress Monitoring System

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

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

The most current applicable report of the State Comptroller designates the Village as "No Designation" (see http://www.osc.state.ny.us/localgov/fiscalmonitoring/localgovernments/pdf/2019/munis-summary.pdf).

New York State Comptroller's Audit

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

The OSC has not conducted any audits of the Village in the past five years.

Tax Limit

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

Tax Levy Limit Law

On June 24, 2011, Chapter 97 of the Laws of 2011 was signed into law by the Governor (the "Tax Levy Limit Law"). The Tax Levy Limit Law applies to all local governments, including school districts (with the exception of New York City, the counties comprising New York City and the Big 5 City School Districts (Buffalo, Rochester, Syracuse, Yonkers and New York). It also applies to independent special districts and to town and county improvement districts as part of their parent municipalities' tax levies.

On June 25, 2015, Chapter 20 of the 2015 Laws of New York ("Chapter 20") amended the Tax Levy Limit Law to extend its expiration from June 15, 2016 to June 15, 2020. On April 12, 2019, the enacted budget legislation made the Tax Levy Limit Law Permanent. Chapter 20 also affects the calculation of a municipality's tax base growth factor, as outlined before.

The Tax Levy Limit 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. Pursuant to the Tax Levy Limit 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 or changes in physical or quantity growth in the real property base as defined in Section 1220 of the Real Property Tax Law. While the Tax Levy Limit Law as originally enacted only allowed adjustment for development of taxable land, Chapter 20 now allows the Commissioner of Taxation and Finance to adjust the calculation based on the development on tax exempt land.

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 Limit 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 each fiscal year budget must submit for review to the State Comptroller any information that is necessary in the calculation of its tax levy for each fiscal year.

The Tax Levy Limit 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 provisions.

Article 8 Section 2 of the State Constitution requires every issuer of general obligation notes and bonds in the State to pledge its faith and credit for the payment of the principal thereof and the interest thereon. This 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 that is what courts have held they mean."

Article 8 Section 12 of the State Constitution specifically provides as follows:

> "It shall be the duty of the legislature, subject to the provisions of this constitution, to restrict the power of taxation, assessment, borrowing money, contracting indebtedness, and loaning the credit of counties, cities, towns and villages, so as to prevent abuses in taxation and assessments and in contracting of indebtedness by them. Nothing in this article shall be construed to prevent the legislature from further restricting the powers herein specified of any county, city, town, village or school district to contract indebtedness or to levy taxes on real estate. The legislature shall not, however, restrict the power to levy taxes on real estate for the payment of interest on or principal of indebtedness theretofore contracted."

On the relationship of the Article 8 Section 2 requirement to pledge the faith and credit and the Article 8 Section 12 protection of the levy of real property taxes to pay debt service on bonds subject to the general obligation pledge, the Court of Appeals in the *Flushing National Bank* case stated:

> "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 of 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 municipalities.

Therefore, while the Tax Levy Limit 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 Limit 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 Limit Law. Whether the Constitution grants a municipality authority to treat debt service payments as a constitutional exception to such statutory tax levy limitation outside of any statutorily determined tax levy amount is not clear.
It is possible that the Tax Levy Limit Law will be subject to judicial review to resolve the constitutional issues raised by its adoption. Although courts in New York have historically been protective of the rights of holders of general obligation debt of political subdivisions, the outcome of any such legal challenge cannot be predicted.

VILLAGE INDEBTEDNESS

Constitutional Requirements

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

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

The 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 years 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 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 debt 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 bond anticipation notes.

General. The Village is further subject to constitutional limitation by the general constitutionally imposed duty of the State Legislature to restrict the power of taxation and contracting indebtedness to prevent abuses in the exercise of such powers. As has been noted under "*Nature of Obligation*", the State Legislature is prohibited by a specific constitutional provision from restricting the power of the Village to levy taxes on real estate for the payment of interest on or principal of indebtedness theretofore contracted. However, the Tax Levy Limit Law imposes a statutory limitation on the Village's power to increase its annual tax levy, unless the Village complies with certain procedural requirements to permit the Village to levy certain year-to-year increases in real property taxes. See "*Tax Levy Limit Law*" herein.

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 Board. Certain of such resolutions may be subject to permissive referendum, or may be submitted to the Village voters at the discretion of the Board, the latter to be approved by at least a three-fifths vote of the members of the Board.

The Local Finance Law also provides a 20-day statute of limitations after publication of a bond resolution 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 with respect to the bond resolutions authorizing the issuance of the Bonds.

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 extend 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*" herein).

In addition, under each bond resolution, the Board may delegate, and has delegated, power to issue and sell bonds and notes, to the Village 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, and budget 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 per centum of the most recent five-year average full valuation of taxable real estate of the Village and subject to certain enumerated exclusions and deductions such as water and certain sewer facilities and cash 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 five completed assessment rolls and applying thereto the ratio which such assessed valuation bears to the full valuation as determined by the State Board of Real Property Services. The State Legislature is required to prescribe the manner by which such ratio shall be determined.

Constitutional Debt Limit

The following table sets forth the constitutional debt limit of the Village as of May 26, 2020.

TABLE 6
Constitutional Debt Limit

Roll Year	Assessed Valuation	Equalization Rate	Full Valuation
2015	$328,858,409	0.435%	$755,996,343
2016	327,809,098	0.405%	809,405,180
2017	326,994,486	0.390%	838,447,400
2018	326,661,163	0.370%	882,868,008
2019	326,587,688	0.350%	933,107,680
Total Five-Year Valuation			$4,219,824,611
Average Five-Year Valuation			$843,964,922
Debt Limit - 7% of Average Full Valuation			$59,077,545

Statement of Debt Contracting Power

TABLE 7
Statutory Debt Limit and Net Indebtedness

Average Full Valuation of Taxable Real Property	$843,964,922
Debt Limit (7% of Average Full Valuation)	59,077,545
Inclusions:	
Outstanding Serial Bonds	16,580,000
Outstanding Bond Anticipation Notes	0
Gross Indebtedness	16,580,000
Exclusions and Deductions:	
Water Bonds	0
Water Bond Anticipation Notes	0
Appropriations	0
Gross Exclusions and Deductions:	0
Total Net Indebtedness	16,580,000
Net Debt-Contracting Margin	42,497,545
Percentage of Debt-Contracting Margin Exhausted	28.06%

Remedies Upon Default

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

The State has consented that any municipality in the State may file a petition with any United States district court or court of bankruptcy under any provision of the laws of the United States, now or hereafter in effect for the composition or adjustment of municipal indebtedness. 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, generally to the effect and with the purpose of affording municipal corporations, under certain circumstances, with easier access to judicially approved adjustment of debts including judicial control over identifiable and unidentifiable creditors.

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 such indebtedness."

In recent times, certain events and legislation affecting remedies on default have resulted in litigation. While courts of final jurisdiction have upheld and sustained the rights of bondholders, such courts might hold that future events, including financial crises as they may occur in the State and in municipalities of the State, require the exercise by the State of its emergency and police powers to assure the continuation of essential public services.

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

Direct and Overlapping Indebtedness

The real property taxpayers of the Village are responsible for a proportionate share of outstanding debt obligations of the County and other governmental units. 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 unit's total values. The table below sets forth both the total outstanding principal amount of debt issued by the Village and the approximate magnitude of the burden on taxable property in the Village of the debt instruments issued and outstanding by such other political units. Authorized but unissued debt has not been included.

TABLE 8
Statement of Direct and Overlapping Indebtedness
(As of May 26, 2020)

Direct Debt

Gross Direct Debt	$16,580,000
Exclusions and Deductions	0
Net Direct Debt	$16,580,000

Overlapping Debt

Issuer	As of	Net Debt Outstanding	Village Share	Amount Applicable to Village
Erie County	09/30/2019	$345,940,000	1.19%	$4,116,686
Kenmore-Town of Tonawanda UFSD	12/27/19	71,902743	15.87%	11,410,965
Town of Tonawanda	08/07/19	49,439,277	15.05%	7,440,611
Net Overlapping Debt				$22,968,262
Net Direct Debt				16,580,000
Total Net Direct and Overlapping Debt				$39,548,262

Source: Date provided by the District, Town and County Officials.

Debt Ratios

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

TABLE 9
Debt Ratios

	Amount	**Debt per Capita** (1)	**Debt to Full Value** (2)
Net Direct Debt	$16,580,000	$1,075	1.78%
Net Direct and Overlapping Debt	$39,548,262	$2,564	4.24%

(1) The population of the Village is 15,423 according to the 2010 Census.
(2) The Village's full value of taxable real property used to levy taxes in 2020 is $933,107,680.

Debt Service Schedule

The following table sets forth all principal and interest payments required on the Village's outstanding bonded indebtedness as of May 26, 2020.

TABLE 10
Bond Principal and Interest Maturity

FYE: 5/31:	Principal	Interest	Debt Service
2021	1,165,000	523,185	1,688,185
2022	1,095,000	479,960	1,574,960
2023	1,105,000	438,355	1,543,355
2024	1,135,000	394,595	1,529,595
2025	1,065,000	348,553	1,413,553
2026	765,000	313,263	1,078,263
2027	765,000	286,969	1,051,969
2028	665,000	265,775	930,775
2029	680,000	249,431	929,431
2030	690,000	232,278	922,278
2031	700,000	214,413	914,413
2032	670,000	196,656	866,656
2033	655,000	178,188	833,188
2034	665,000	158,275	823,275
2035	635,000	138,497	773,497
2036	645,000	118,794	763,794
2037	650,000	98,694	748,694
2038	660,000	78,309	738,309
2039	660,000	57,556	717,556
2040	595,000	37,688	632,688
2041	570,000	19,313	589,313
2042	345,000	5,175	350,175
	$16,580,000	$4,833,922	$21,413,922

Trend of Outstanding Indebtedness

The following table provides information relating to the capital indebtedness outstanding at year end for each of the five prior fiscal years.

TABLE 11
Outstanding Indebtedness
(As of May 31)

	2015	2016	2017	2018	2019
Bonds	$3,690,000	$8,889,000	$17,993,000	$16,760,000	$17,730,000
Bond Anticipation Notes	1,174,900	0	0	0	0
Total Outstanding Debt	$4,866,915	$8,889,000	$17,993,000	$16,760,000	$17,730,000

ECONOMIC AND DEMOGRAPHIC DATA

Population

The following table presents population trends based upon recent census data.

TABLE 12
Population Trend

Year	Village	Town	County	State
1970	20,980	107,282	1,113,491	18,241,391
1980	18,474	91,269	1,015,472	17,557,288
1990	17,180	82,222	968,532	17,990,455
2000	16,426	78,155	950,265	18,976,457
2010	15,423	73,567	919,040	19,378,102

Source: U.S. Census Bureau

Employment and Unemployment

The following tables provide information concerning employment in the County and State. Data provided for the County and the State may not be representative of the Village.

TABLE 14
Civilian Labor Force
(Thousands)

	2015	2016	2017	2018	2019
County	448.6	445.1	444.1	442.1	441.3
State	9,558.8	9,551.9	9,549.1	9,521.9	9,514.4

Source: New York State Department of Labor, Bureau of Labor Statistics. Information not seasonally adjusted

Unemployment rates are not compiled for the Village but are available for the County and State. The following tables are not necessarily representative of the Village.

TABLE 15
Yearly Average Unemployment Rates

Year	County	State
2015	5.3%	5.3%
2016	4.9%	4.9%
2017	5.1%	4.7%
2018	4.4%	4.1%
2019	4.3%	4.0%

Source: New York State Department of Labor, Bureau of Labor Statistics. Information not seasonally adjusted.

TABLE 16
Monthly Unemployment Rates

Month	County	State
April 2019	3.8%	3.6%
May	3.7%	3.6%
June	4.0%	3.8%
July	4.5%	4.2%
August	4.4%	4.1%
September	3.9%	3.6%
October	4.0%	3.7%
November	4.1%	3.6%
December	4.6%	3.7%
January 2020	4.9%	4.1%
February	4.7%	3.9%
March	5.0%	4.4%

Source: New York State Department of Labor, Bureau of Labor Statistics. Information not seasonally adjusted.

TABLE 17
Largest Employers

Employer	Number of Employees
General Motors	1,607
Kenmore-Town of Tonawanda UFSD	1,552
Sumitomo Rubber USA LLC	1,320
PraxAir	1,100
John Danforth Co.	628
Dupont	600
NOCO	600
Town of Tonawanda	488
Livingston International	270
Ronco Communications	170

Source: Business First Book of Lists 2019

Financial Institutions
Key Bank, M&T Bank, Citizens Bank, and Northwest Savings Bank have branches located within the Village.

Communication
The Village is served by the major metropolitan area newspapers, radio and television stations. In addition, the Village has two local newspapers, the “Kenmore Record-Advertiser” and the "Ken-Ton Bee”. Both Spectrum and Verizon provide cable television/phone and internet service to the Village. The Village is one of only a few municipalities in Western New York which has a choice of cable provider. In addition, Verizon upgraded its system in Kenmore to include FIOS.

Utilities
Electricity and natural gas is supplied throughout the Village by National Grid Power Corporation and National Fuel Gas, respectively. Water and sewer services are provided by the Village which is responsible for the construction, maintenance and financing of facilities necessary to provide such services.

Transportation
The Village is served by all major forms of transportation. Highway facilities include NYS Route 384 (north/south), i.e., Delaware Avenue, from downtown Buffalo through the Village’s central business district, Colvin Boulevard, Elmwood Avenue and Military Road. Rail freight is available via Conrail. Commercial air transportation is available at the Buffalo-Niagara International Airport located within 20 minutes of the Village. The Youngman Expressway (Interstate 290) within two miles of the Village provides immediate access to and from the area. Niagara Frontier Metro Bus System services the Village as well.

LITIGATION

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

END OF APPENDIX A

APPENDIX B

SUMMARY OF FINANCIAL

STATEMENTS AND BUDGETS

VILLAGE OF KENMORE, NEW YORK
Comparative Balance Sheets
As of May 31:

	Water and Sewer Fund	
	2018	**2019**
Assets:		
Cash	$2,837,804	$2,644,272
Restricted Cash & Cash Equivalents	649,615	654,297
Due from other funds	0	543,977
Prepaid Items	0	107,696
Total Assets	$3,487,419	$3,950,242
Liabilities:		
Accounts Payable	$17,728	$19,619
Accrued Liablilities	5,420	5,837
Due to Other Funds	0	36,871
Intergovernmental payments	106,542	253,848
Due To Retirement Systems	159,568	7,840
Total Liabilities	289,258	324,015
Fund Balances		
Nonspendable Fund Balance	0	107,696
Assigned Appropriated Fund Balance	3,195,073	3,518,531
Unassigned Unappropriated Fund Balance	0	0
Total Fund Balance	3,195,073	3,518,531
Total Liabilities and Fund Equity	$3,484,331	$3,842,546

Sources: Annual Audited Financial Reports

VILLAGE OF KENMORE, NEW YORK
Statement of Revenues, Expenditures and Changes in Fund Balance
GENERAL FUND
Fiscal Years Ended May 31:

	2015	2016	2017	2018	2019
Revenues					
Real Property Taxes	$9,116,013	$9,287,013	$9,513,089	$9,513,188	$9,695,428
Non-Property Taxes	1,912,826	1,899,947	1,915,203	2,170,439	2,198,620
Departmental Income	62,804	59,183	50,489	72,094	72,385
Intergovernmental Income	311,997	334,066	320,233	330,338	332,326
Interfund Revenue	0	0	0	0	19,311
Use of Money and Property	5,712	6,244	17,267	7,742	49,769
Licenses & Permits	158,171	204,047	192,893	195,932	196,060
Fines & Forfeitures	349,728	404,135	359,360	329,542	346,827
Sales of Property and Comp for Loss	102,814	128,188	158,456	23,473	45,574
Miscellaneous	7,465	9,920	8,068	32,380	11,246
State Aid	1,007,990	856,027	883,166	951,153	1,020,307
Federal Aid	0	36,143	0	0	0
Total Revenues	13,035,520	13,224,913	13,418,224	13,626,281	13,987,853
Expenditures and Other Uses					
General Government Support	1,304,063	1,278,133	1,371,785	2,035,612	1,957,769
Public Safety	3,367,069	3,738,305	3,663,663	3,525,317	3,646,093
Transportation	1,551,673	1,271,574	1,278,686	1,781,293	1,847,276
Economic Assistance and Opportunity	15,205	20,977	13,201	16,843	19,505
Culture & Recreation	205,206	123,232	150,571	200,294	188,160
Home & Community Services	1,466,577	1,628,338	1,849,514	1,177,244	1,191,093
Employee Benefits	3,827,556	3,428,471	3,308,109	3,420,832	3,470,413
Debt Service	9,780	9,308	0	0	0
Total Expenditures	11,747,129	11,498,338	11,635,529	12,157,435	12,320,309
Excess (Deficiency) of Revenues over Expenditures	1,288,391	1,726,575	1,782,695	1,468,846	1,667,544
Other Uses					
Transfers in	60,438	69,345	60,000	50,000	-632,809
Transfers out	(652,446)	(661,514)	(634,438)	(664,766)	-
Total Expenditures and Other Uses	(592,008)	(592,169)	(574,438)	(614,766)	(632,809)
Fund Balance - Beginning of Year	6,864,508	7,560,891	8,695,297	9,903,554	10,757,634
Fund Balance - End of Year	$7,560,891	$ 8,695,297	$ 9,903,554	$10,757,634	$11,792,369

Sources: Annual Audited Financial Reports

VILLAGE OF KENMORE, NEW YORK
Statement of Revenues, Expenditures and Changes in Fund Balance
WATER AND SEWER FUNDS
Fiscal Year Ended May 31:

	2015	2016	2017	2018	2019
Revenues					
Real Property Taxes					
Departmental Income	3,269,789	3,340,564	4,110,912	3,779,813	4,090,592
Use of Money and Property	4,440	6,265	6,035	8,454	68,020
Miscellaneous	0	0	0	1,529	0
Total Revenues	3,274,229	3,346,829	4,116,947	3,788,267	4,158,612
Expenditures and Other Uses					
General Government	35,000	35,000	35,000	0	0
Home & Community Service	2,475,427	2,411,329	2,140,718	2,161,206	2,452,365
Employee Benefits	352,301	342,224	343,012	276,662	290,717
Debt Service	5,531	5,377	0	0	0
Total Expenditures	2,868,259	2,793,930	2,518,730	2,437,868	2,743,082
Excess (Deficiency) of Revenues Over Expenditures and Other Uses	405,970	552,899	1,598,217	1,350,399	1,415,530
Other Uses					
Transfers In	0	0	0	0	0
Transfers Out	(358,734)	(324,108)	(494,378)	(1,354,527)	(984,376)
	(358,734)	(324,108)	(494,378)	(1,354,527)	(984,376)
Net changes in fund balances	47,236	228,791	1,103,839	(4,128)	431,154
Fund Balance - Beginning of Year	1,817,806	1,865,042	2,093,833	3,197,672	3,193,544
Fund Balance - End of Year	$ 1,865,042	$ 2,093,833	$ 3,197,672	$ 3,193,544	$ 3,624,698

Sources: Annual Audited Financial Reports

VILLAGE OF KENMORE, NEW YORK
Budget Summary
GENERAL FUND
Fiscal Years Ended May 31:

	2019-20	2018-19
Revenues		
Real Property Taxes	$9,899,610	$9,611,272
Real Property Tax Items	104,000	104,000
Non-Property Taxes	1,659,000	1,649,000
Departmental Income	16,000	16,000
Transportation	32,000	32,000
Home and Community Services	150	150
Intergovernmental Charges	313,000	313,000
Use of Money and Property	10,000	10,000
Licenses & Permits	134,600	134,600
Fines & Forfeitures	300,000	300,000
Sales of Property and Comp for Loss	11,000	11,000
Miscellaneous	10,000	17,000
Interfund Revenue	50,000	50,000
State Aid	850,000	852,000
Total Revenues	13,389,360	13,100,022
Operating Transfers	844,283	760,000
Total Revenues and Other Sources	$14,233,643	$13,860,022
Expenditures and Other Uses		
General Government Support	$2,413,132	$2,265,767
Public Safety	3,868,098	3,832,179
Transportation	1,820,846	1,639,956
Economic Assistance and Opportunity	28,000	28,000
Culture & Recreation	223,718	213,511
Home & Community Services	1,156,459	1,151,155
Employee Benefits	4,129,645	4,093,645
Total Expenditures	13,639,898	13,224,213
Interfund Transfer	593,745	635,809
Total Appropriations and Other Uses	$14,233,643	$13,860,022

APPENDIX C

INDEPENDENT AUDITORS' REPORT
FOR THE FISCAL YEAR ENDED
MAY 31, 2019

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/SS1369970-SS1067125-SS1473716.pdf

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

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

DISCLOSURE UNDERTAKING

This continuing disclosure undertaking (the "Disclosure Undertaking") is executed and delivered by the Village of Kenmore, Erie County, New York (the "Issuer") in connection with the issuance of its [$8,948,000] General Obligation Serial Bonds, 2020 (the "Security"). The Issuer hereby covenants and agrees as follows:

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

(i) no later than February 28 after the end of each fiscal year, commencing with the fiscal year ending May 31, 2021, the Annual Financial Information relating to such fiscal year, unless Audited Financial Statements are prepared, in which case the Annual Financial Information will be provided on or prior to February 28 after the end of each fiscal year or within 60 days following receipt by the Issuer of Audited Financial Statements (whichever is later) (the "Report Date"), but in no event later than one year after the end of each fiscal year;

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

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

(1) Principal and interest payment delinquencies;

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

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

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

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

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

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

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

(9) Defeasances;

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

(11) Rating changes;

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

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

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

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

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

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

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

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

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

Section 2. Definitions

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

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

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

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

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

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

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

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

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

Section 3. Annual Financial Information. (a) The required Annual Financial Information shall consist of the financial information and operating data for the preceding fiscal year, in a form generally consistent with the information contained or cross-referenced in Appendix A and Appendix B of the Issuer's final official statement relating to the Security; which Annual Financial Information may, but it is not required to, include audited financial statements.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

IN WITNESS WHEREOF, I have hereunto set my signature and affixed the seal of the Issuer as of [June 17, 2020].

VILLAGE OF KENMORE
ERIE COUNTY, NEW YORK

By: SPECIMEN
Village Treasurer

(SEAL)

ATTEST:

SPECIMEN
Village Clerk