

PRELIMINARY OFFICIAL STATEMENT DATED JUNE 30, 2020

**NEW ISSUE
BOOK-ENTRY-ONLY BONDS**

**RATING: See “RATING” herein
REFUNDING SERIAL BONDS**

In the opinion of The Law Offices of Jeffrey E. Storch, Bond Counsel, under existing law and assuming continuing compliance with certain covenants and the accuracy of certain representations, (i) interest on the Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax and (ii) interest on the Bonds is exempt from personal income taxes imposed by the State of New York and political subdivisions thereof, including The City of New York and the City of Yonkers. For a more complete discussion of the tax aspects, see “Tax Matters” herein.

The Bonds will be designated as “qualified tax-exempt obligations” pursuant to Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

**VILLAGE OF DOBBS FERRY
WESTCHESTER COUNTY, NEW YORK**

**\$2,545,000*
PUBLIC IMPROVEMENT REFUNDING (SERIAL) BONDS, 2020
(the “Bonds”)**

Delivery Date: Date of Delivery

Maturity Date: September 1, 2020 - 2024

The Bonds are general obligations of the Village of Dobbs Ferry, Westchester County, New York (the “Village”), and will contain a pledge of the faith and credit of the Village for the payment of the principal thereof and interest thereon and, unless paid from other sources, the 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 imposed by Chapter 97 of the Law of 2011. See “**Tax Levy Limit Law,**” herein.

The Bonds will be issued in fully registered form, and when issued, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company (“DTC”), New York, New York. DTC 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. 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.

The Bonds will be dated their Date of Delivery, will bear interest from such date payable September 1, 2020 and semiannually thereafter on each March 1 and September 1 in the years and amounts as set forth on the inside cover page hereof. The Bonds are not subject to optional redemption prior to maturity.

The Bonds are offered subject to the final approving opinion of The Law Offices of Jeffrey E. Storch, New York, New York, Bond Counsel, and certain other conditions. Capital Markets Advisors, LLC has served as Municipal Advisor to the Village in connection with the issuance of the Bonds. It is expected that delivery of the Bonds in book-entry form through the offices of DTC in Jersey City, New Jersey, or as otherwise agreed upon with the purchaser will be made on or about July 30, 2020.

THIS PRELIMINARY OFFICIAL STATEMENT IS IN A FORM DEEMED FINAL BY THE VILLAGE FOR PURPOSES OF SECURITIES AND EXCHANGE COMMISSION RULE 15c2-12 (THE “RULE”). FOR A DESCRIPTION OF THE VILLAGE’S AGREEMENT TO PROVIDE CONTINUING DISCLOSURE FOR THE BONDS AS DESCRIBED IN THE RULE, SEE “DISCLOSURE UNDERTAKING” HEREIN.

Dated: July __, 2020

* Preliminary, subject to change.

This Preliminary Official Statement and the information contained in it are subject to completion and amendment in a final official statement. This Preliminary Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, and there may not be any sale of the Bonds or Notes offered by this Preliminary Official Statement, in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to the registration or qualification under the securities laws of that jurisdiction.

The Bonds will mature on September 1, without the option of prior redemption, in the following years and principal amounts:

<u>Year</u>	<u>Amount*</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>CUSIP**</u>
2020	\$ 5,000	%	%	
2021	580,000			
2022	620,000			
2023	655,000			
2024	685,000			

- * The principal maturities of the Bonds are subject to adjustment following their sale, pursuant to the terms of the accompanying Notice of Sale.
- ** 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.

**VILLAGE OF DOBBS FERRY
WESTCHESTER COUNTY, NEW YORK**

**Vincent Rossillo
Mayor**

**Donna Cassell
Deputy Mayor**

Maura Daroczy.....Trustee
Christy Knell.....Trustee
Michael PatinoTrustee
Larry Taylor.....Trustee
Nicole Sullivan.....Trustee

Charlene Indelicato Village Administrator
Elizabeth Dreaper..... Village Clerk
Jeff Chuhta..... Village Treasurer

BOND COUNSEL

**The Law Offices of Jeffrey E. Storch
New York, New York**

INDEPENDENT AUDITOR

**BST & Co. CPAs, LLP
New York, New York**

MUNICIPAL ADVISOR



**Capital Markets Advisors, LLC
Hudson Valley * Long Island * Southern Tier * Western New York
(516) 487-9818**

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 which are believed to be reliable but it is not guaranteed as to accuracy or completeness. The information and expressions of opinion made 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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OFFICIAL STATEMENT
VILLAGE OF DOBBS FERRY
WESTCHESTER COUNTY, NEW YORK

relating to

\$2,545,000*
PUBLIC IMPROVEMENT REFUNDING (SERIAL) BONDS, 2020
(the “Bonds”)

This Official Statement, which includes the cover page and appendices attached hereto, presents certain information relating to the Village of Dobbs Ferry, Westchester County, in the State of New York (the “Village,” “County,” and “State,” respectively). It has been prepared by the Village in connection with the sale and delivery of \$2,545,000* Public Improvement Refunding (Serial) Bonds, 2020 (the “Bonds”).

All quotations from and summaries and explanations of provisions of the Constitution and laws of the State as well as the 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.

THE BONDS

Description

The Bonds will be dated their Date of Delivery, will bear interest from such date payable September 1, 2020 and semiannually thereafter on each March 1 and September 1 until maturity and will mature on September 1 in the years and amounts as set forth on the inside cover page hereof. The Bonds are not subject to optional redemption prior to maturity (See “Optional Redemption”).

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

Principal of and interest on the Bonds will be made by the Village to DTC, which will in turn remit such principal of and interest on to its Participants (defined herein), for subsequent disbursement to the Beneficial Owners (defined herein) of the Bonds as described herein. The Bonds may be transferred in the manner described on the Bonds and as referenced in certain proceedings of the Village referred to therein.

THE RECORD DATE FOR PAYMENT OF PRINCIPAL OF AND INTEREST ON THE BONDS WILL BE THE FIFTEENTH DAY OF THE CALENDAR MONTH PRECEDING EACH INTEREST PAYMENT DATE.

Authorization and the Refunding Plan for the Bonds

The Bonds are issued pursuant to the Constitution and Laws of the State, including among others, the Local Finance Law, including Sections 90.00 and 90.10, the Education Law, and the refunding bond resolution duly adopted by the Board of Education on March 24, 2020 (the “Refunding Bond Resolution”). A refunding financial plan has been prepared and is described on the following page (the “Refunding Plan”).

* Preliminary, subject to change.

The Bonds are being issued to refund up to \$2,720,000 outstanding principal of the Village’s Various Purposes Serial Bonds – 2011, which were issued in the original principal amount of \$7,941,000 and mature in the years 2020 to 2024, inclusive (the “Refunded Bonds”). Under the Refunding Plan, the Refunded Bonds maturing on and after September 1, 2020 are to be called and redeemed on August 29, 2020. The net proceeds of the Bonds (after payment of the underwriting fee and other costs of issuance relating to the Bonds) will be used to purchase non-callable, direct obligations of or obligations guaranteed by the United States of America (the “Government Obligations”) which, together with remaining cash proceeds from the sale of the Bonds, will be placed in an irrevocable trust fund (the “Escrow Fund”) to be held by Manufacturers and Traders Trust Company, (the “Escrow Holder”), a bank located and authorized to do business in the State, pursuant to the terms of an escrow contract by and between the District and the Escrow Holder, dated as of the delivery date of the Bonds (the “Escrow Contract”). The Government Obligations so deposited will mature in amounts which, together with the cash so deposited, will be sufficient to pay the principal of and interest on the Refunded Bonds on the date of their payment or prior redemption. The Refunding Plan requires the Escrow Holder, pursuant to the Refunding Bond Resolution of the Village and the Escrow Contract, to pay the redemption price of the Refunded Bonds on the earliest date on which the Refunded Bonds may be called for redemption prior to maturity.

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

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

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

Refunded Bonds*:

<u>Maturity Date</u>	<u>Principal*</u>	<u>Interest Rate</u>	<u>Redemption Date/Price*</u>	<u>CUSIP</u>
September 1, 2021	\$635,000	3.500%	August 29, 2020 @ 100%	256039EQ7
September 1, 2022	665,000	3.500	August 29, 2020 @ 100%	256039ER5
September 1, 2023	695,000	3.750	August 29, 2020 @ 100%	256039ES3
September 1, 2024	<u>725,000</u>	3.750	August 29, 2020 @ 100%	256039ET1
Total:	<u>\$2,720,000</u>			

* Preliminary, subject to change.

Sources and Uses of Proceeds

Sources:

Par Amount
Net Original Issue Premium

Total:

Uses:

Refunding Escrow Deposit
Costs of Issuance and Contingency
Underwriter's Discount

Total:

Verification of Mathematical Computations

Causey Demgen & Moore P.C. will verify based upon the information provided to them, the mathematical accuracy, as of the date of the closing of the Bonds, of: (1) the computations contained in the provided schedules to determine that the anticipated receipts from the Government Obligations and cash deposits listed in the provided schedules, to be held in escrow, will be sufficient to pay, when due, the principal of and interest on the Bonds, and (2) the computations of the yield on both the Government Obligations and the Bonds contained in the provided schedules to be used by Bond Counsel in its determination that the interest on the Bonds is excludable from gross income for Federal income tax purposes.

Optional Redemption

The Bonds are not subject to redemption prior to maturity.

Book-Entry-Only System

The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the Bonds. The Bonds will be issued as fully-registered bonds registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully registered bond certificate will be issued for each maturity of the Bonds and will be deposited with DTC.

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

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

To facilitate subsequent transfers, all 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.

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 Money Market Instruments (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 on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the 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 that event, bond certificates will be printed and delivered as applicable.

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

Source: The Depository Trust Company

THE INFORMATION CONTAINED IN THE ABOVE SECTION CONCERNING DTC AND DTC'S BOOK-ENTRY SYSTEM HAS BEEN OBTAINED FROM SAMPLE OFFERING DOCUMENT LANGUAGE SUPPLIED BY DTC, BUT THE VILLAGE TAKES NO RESPONSIBILITY FOR THE ACCURACY THEREOF. IN ADDITION, THE VILLAGE WILL NOT HAVE ANY RESPONSIBILITY OR OBLIGATION TO

PARTICIPANTS, TO INDIRECT PARTICIPANTS OR TO ANY BENEFICIAL OWNER WITH RESPECT TO: (I) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC, ANY PARTICIPANT OR ANY INDIRECT PARTICIPANT; (II) THE PAYMENTS BY DTC OR ANY PARTICIPANT OR ANY INDIRECT PARTICIPANT OF ANY AMOUNT WITH RESPECT TO THE PRINCIPAL OF, OR PREMIUM, IF ANY, OR INTEREST ON THE BONDS OR (III) ANY NOTICE WHICH IS PERMITTED OR REQUIRED TO BE GIVEN TO BONDOWNERS.

THE VILLAGE CANNOT AND DOES NOT GIVE ANY ASSURANCES THAT DTC, DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS OF DTC WILL DISTRIBUTE TO THE BENEFICIAL OWNERS OF THE 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 OBLIGATIONS TO DTC, THE DIRECT PARTICIPANTS, THE INDIRECT PARTICIPANTS OF DTC OR THE BENEFICIAL OWNERS WITH RESPECT TO (1) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS OF DTC; (2) THE PAYMENT BY DTC OR ANY DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS OF DTC OF ANY AMOUNT DUE TO ANY BENEFICIAL OWNER IN RESPECT OF THE PRINCIPAL AMOUNT OF OR INTEREST OR REDEMPTION PREMIUM ON THE 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.

NATURE OF OBLIGATION

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

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

The 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 as required by the Constitution and laws of the State. For the payment of such principal and interest, the Village has power and statutory authorization to levy ad valorem taxes on all real property within the Village subject to such taxation by the Village, subject to certain statutory limitations imposed by Chapter 97 of the Laws of 2011. See "Tax Levy Limit Law," herein.

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

Under the Constitution of the State, the Village is required to pledge its faith and credit for the payment of the principal of and interest on the Bonds and is required to raise real estate taxes, and without specification, other revenues, if such levy is necessary to repay such indebtedness. While the Tax Levy Limit Law imposes a statutory limitation on the Village's power to increase its annual tax levy with the amount of such increase limited by the formulas set forth in

the Tax Levy Limit Law, it also provides the procedural method to surmount that limitation. See “Tax Levy Limit Law,” herein.

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

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

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

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

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

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

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

Tax Levy Limit Law

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

The Tax Levy 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. As amended, the Tax Levy Limit Law was scheduled to expire on June 15, 2020 unless extended and, as such, it was made permanent by legislation in 2019. 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. 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. (See "Employment Benefit Plans" herein). 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 Limit Law (June 24, 2011).

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 likely 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 or political subdivisions, the outcome of any such legal challenge cannot be predicted.

SPECIAL PROVISIONS AFFECTING REMEDIES UPON DEFAULT

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

Execution/Attachment of Municipal Property. As a general rule, property and funds of a municipal corporation serving the public welfare and interest have not been judicially subjected to execution or attachment to satisfy a judgment, although judicial mandates have been issued to officials to appropriate and pay judgments out of certain

funds or the proceeds of a tax levy. In accordance with the general rule with respect to municipalities, judgments against the Village may not be enforced by levy and execution against property owned by the Village.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Despite sufficient funds being available, a late interest payment was made with respect to the Village's \$6,318,559 Public Improvement (Serial) Bonds, Series 2014A (the "Bonds"). The late payment resulted from an administrative oversight. The interest payment was due on August 1, 2016 but was not made until August 4, 2016 when it was realized by Village officials. Traditionally the Village had received invoices from DTC in connection with upcoming payments. An invoice was not received in connection with the August 1st interest payment on the Bonds. Moving forward Village officials will not rely on the receipt of payment invoices. See "Covenant to Make Continuing Disclosure – Compliance History".

MARKET FACTORS

The financial and economic 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 and in other jurisdictions, including, for example, the seeking by a municipality or large taxable property owner of remedies pursuant to the Federal Bankruptcy Code or otherwise, will not occur which might affect the market price of and the market for the Bonds. If a significant default or other financial crisis should occur in the affairs of the State or another jurisdiction or any of its agencies or political subdivisions thereby further impairing the acceptability of obligations issued by borrowers within the State, both the ability of the Village to arrange for additional borrowings, and the market for and market value of outstanding debt obligations, including the Bonds, could be adversely affected.

There can be no assurance that the State appropriation for State aid to the Village will be continued in future years, either pursuant to existing formulas or in any form whatsoever. State aid appropriated and apportioned to the Village can be paid only if the State has such monies available therefor. The availability of such monies and the timeliness of such payment may also be affected by a delay in the adoption of the State budget and other circumstances, including State fiscal stress. In any event, State aid appropriated and apportioned to the Village can be paid only if the State has such monies available therefor. (See "State Aid" herein).

Should the Village fail to receive monies expected from the State in the amounts and at the times expected, the Village is permitted to issue revenue anticipation notes in anticipation of the receipt of delayed State aid.

If and when a holder of any of the Bonds should elect to sell a Bond prior to its maturity, there can be no assurance that a market shall have been established, maintained and be in existence for the purchase and sale of any of the Bonds. In addition, the price and principal value of the Bonds is dependent on the prevailing level of interest rates; if interest rates rise, the price of a bond will decline, causing the bondholder to incur a potential capital loss if such bond is sold prior to its maturity.

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

The enactment of Chapter 97 of the Laws of 2011 on June 24, 2011, which imposes a tax levy limitation upon municipalities, including the Village, school districts and fire districts in the State could have an impact upon operations of the Village and as a result, the market price for the Bonds. (See "Tax Levy Limit Law," herein.)

An outbreak of disease or similar public health threat, such as the COVID-19 outbreak, or fear of such an event, could have an adverse impact on the Village's financial condition and operating results by potentially delaying the receipt of real property taxes or resulting in a delay or reduction by the State in the payment of State aid. Currently, the spread of COVID-19, a respiratory disease caused by a new strain of coronavirus, has spread globally, including to the United States, and has been declared a pandemic by the World Health Organization. The outbreak of the disease has affected travel, commerce and financial markets globally and is widely expected to affect economic growth worldwide. The current outbreak has caused the Federal government to declare a national state of emergency. The State has also declared a state of emergency and the Governor has taken steps designed to mitigate the spread and impacts of COVID-19, including closing schools and non-essential businesses. The outbreak of COVID-19 and the dramatic steps taken by the State to address it are expected to negatively impact the State's economy and financial condition. The full impact of COVID-19 upon the State is not expected to be known for some time. Similarly, the degree of the impact to the Village's operations and finances is extremely difficult to predict due to the dynamic nature of the COVID-19

outbreak, including uncertainties relating to its (i) duration, and (ii) severity, as well as with regard to what actions may be taken by governmental and other health care authorities, including the State, to contain or mitigate its impact. The continued spread of the outbreak could have a material adverse effect on the State and municipalities and school districts located in the State, including the Village. The Village is monitoring the situation and will take such proactive measures as may be required to maintain its operations and meet its obligations. (See “*State Aid*” herein).

Cybersecurity

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

THE STATE COMPTROLLER’S FISCAL STRESS MONITORING SYSTEM AND COMPLIANCE REVIEWS

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

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

The most current applicable report of the State Comptroller designates the Village as “No Designation.”

See the State Comptroller’s official website for more information on FSMS. Reference to this website implies no warranty of accuracy of information therein.

The financial affairs of the Village are subject to periodic compliance reviews by OSC to ascertain whether the Village has complied with the requirements of various State and federal statutes. OSC has not conducted an audit of the Village in the last five years.

LITIGATION

In common with other Villages, the Village from time to time receives notices of claim and is party to litigation. In the opinion of the attorney for the Village, unless otherwise set forth herein and apart from matters provided for by applicable insurance coverage, there are no claims or action pending which, if determined against the Village, would have an adverse material effect on the financial condition of the Village.

There are currently pending certiorari proceedings, the results of which could require the payment of future tax refunds by the Village, if existing assessment rolls are modified based on the outcome of the litigation proceedings. However, the amount of the possible refunds cannot be determined at the present time. Any payments resulting from adverse decisions will be funded in the year in which the payment is made.

TAX MATTERS

In the opinion of The Law Offices of Jeffrey E. Storch, Bond Counsel, under existing law: (i) interest on the Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), and is not an item of tax preference for purposes of the federal alternative minimum tax the Bonds will be qualified tax exempt obligations as defined in Section 265(b)(3) of the Code and (ii) interest on the Bonds is exempt from personal income taxes imposed by the State and political subdivisions thereof, including The City of New York and the City of Yonkers. Bond Counsel will express no opinion as to any other tax consequences regarding the Bonds.

The opinion on tax matters will be based on and will assume (without verifying) the accuracy of certain representations and certifications, and continuing compliance with certain covenants, of the Village to be contained in the transcript of proceedings and that are intended to evidence and assure the foregoing, including that the Bonds are and will remain obligations the interest on which is excluded from gross income for federal income tax purposes. Bond Counsel will not independently verify the accuracy of the Village's certifications and representations or the continuing compliance with the Village's covenants.

The opinion of Bond Counsel is based on current legal authority and covers certain matters not directly addressed by such authority. It represents Bond Counsel's legal judgment as to exclusion of interest on the Bonds from gross income for federal income tax purposes but is not a guaranty of that conclusion. The opinion is not binding on the Internal Revenue Service ("IRS") or any court. Bond Counsel expresses no opinion about (i) the effect of future changes in the Code and the applicable regulations under the Code or (ii) the interpretation and the enforcement of the Code or those regulations by the IRS.

The Code prescribes a number of qualifications and conditions for the interest on state and local government obligations to be and to remain excluded from gross income for federal income tax purposes, some of which require future or continued compliance after issuance of the obligations. Noncompliance with these requirements by the Village may cause loss of such status and result in the interest on the Bonds being included in gross income for federal income tax purposes retroactively to the date of issuance of the Bonds. The Village has covenanted to take the actions required of it for the interest on the Bonds to be and remain excluded from gross income for federal income tax purposes, and not to take any actions that would adversely affect that exclusion. After the date of issuance of the Bonds, Bond Counsel will not undertake to determine (or to so inform any person) whether any actions taken or not taken, or any events occurring or not occurring, or any other matters coming to Bond Counsel's attention, may adversely affect the exclusion from gross income for federal income tax purposes of interest on the Bonds or the market prices of the Bonds.

Under the Code, interest on the Bonds may be subject to a federal branch profits tax imposed on certain foreign corporations doing business in the United States and to a federal tax imposed on excess net passive income of certain "S corporations" (as defined in Section 1361(a)(1) of the Code). Under the Code, the exclusion of interest from gross income for federal income tax purposes may have certain adverse federal income tax consequences on items of income, deduction or credit for certain taxpayers, including financial institutions, certain insurance companies, recipients of Social Security and Railroad Retirement benefits, those that are deemed to incur or continue indebtedness to acquire or carry tax-exempt obligations, and individuals otherwise eligible for the earned income tax credit. The applicability and extent of these or other tax consequences will depend upon the particular tax status or other tax items of the owner of the Bonds. Bond Counsel will express no opinion regarding those consequences.

Payments of interest on tax-exempt obligations, including the Bonds, are generally subject to IRS Form 1099-INT information reporting requirements. If a Bond owner is subject to backup withholding under those requirements, then payments of interest will also be subject to backup withholding. Those requirements do not affect the exclusion of such interest from gross income for federal income tax purposes.

Legislation affecting tax-exempt obligations is regularly considered by the United States Congress, and legislation affecting the exemption of interest thereon for purposes of taxation by the State may be considered by the State legislature. Court proceedings may also be filed the outcome of which could modify the tax treatment of obligations such as the Bonds. There can be no assurance that legislation enacted or proposed, or actions by a court, after the date of issuance of the Bonds, will not have an adverse effect on the tax status of interest on the Bonds or the market value of the Bonds. These adverse effects could result, for example, from changes to federal or state income tax rates, changes in the structure of federal or state income taxes (including replacement with another type of tax), or the repeal (or reduction in the benefit) of the exclusion of interest on the Bonds from gross income for federal or state income tax purposes. As an example, in recent years Congress has proposed budgets that include additional federal income taxes on taxpayers that own tax-exempt obligations, such as the Bonds, if they have incomes above certain thresholds.

These and other legislative proposals may be considered or introduced that could affect, perhaps significantly, the market price of market ability of tax-exempt obligations, such as the Bonds. Prospective purchasers of the Bonds should consult their own tax advisers regarding pending or proposed federal and state tax legislation, court proceedings, or any new case law.

Prospective purchasers of the Bonds at other than their original issuance at the respective prices indicated on the cover of this Official Statement should also consult their own tax advisers regarding other tax considerations such as the consequences of market discount, as to all of which Bond Counsel expresses no opinion.

Bond Counsel's engagement with respect to the Bonds ends with the issuance of the Bonds, and, unless separately engaged, Bond Counsel is not obligated to defend the Village or the beneficial owners regarding the tax status of interest on the Bonds in the event of an audit examination by the IRS. The IRS has a program to audit tax-exempt obligations to determine whether the interest thereon is includible in gross income for federal income tax purposes. If the IRS does audit the Bonds, under current IRS procedures, the IRS will treat the Village as the taxpayer and the beneficial owners of the Bonds will have only limited rights, if any, to obtain and participate in judicial review of such audit. Any action of the IRS, including but not limited to selection of the Bonds for audit, or the course or result of such audit, or an audit of other obligations presenting similar tax issues, may affect the market prices for the Bonds.

Original Issue Discount and Original Issue Premium

Certain of the Bonds (the "Discount Obligations") may be offered and sold to the public at an original issue discount ("OID"). OID is the excess of the stated redemption price at maturity (the principal amount) over the "issue price" of a Discount Obligation. The issue price of a Discount Obligation is the initial offering price to the public (other than to bond houses, brokers or similar persons acting in the capacity of underwriters or wholesalers) at which a substantial amount of the Discount Obligations of the same maturity is sold pursuant to that offering. For federal income tax purposes, OID accrues to the owner of a Discount Obligation over the period to maturity based on the constant yield method, compounded semiannually (or over a shorter permitted compounding interval selected by the owner). The portion of OID that accrues during the period of ownership of a Discount Obligation (i) is interest excluded from the owner's gross income for federal income tax purposes to the same extent, and subject to the same considerations discussed above, as other interest on the Bonds and Notes, and (ii) is added to the owner's tax basis for purposes of determining gain or loss on the maturity, redemption, prior sale or other disposition of that Discount Obligation. A purchaser of a Discount Obligation in the initial public offering at the price for that Discount Obligation stated on the inside cover of this Official Statement who holds that Discount Obligation to maturity will realize no gain or loss upon the retirement of that Discount Obligation.

Certain of the Bonds and Notes ("Premium Obligations") may be offered and sold to the public at a price in excess of their stated redemption price (the principal amount) at maturity. That excess constitutes premium. For federal income tax purposes, obligation premium is amortized over the period to maturity of a Premium Obligation, based on the yield to maturity of that Premium Obligation (or, in the case of a Premium Obligation callable prior to its stated maturity, the amortization period and yield may be required to be determined on the basis of an earlier call date that results in the lowest yield on that Premium Obligation), compounded semiannually. No portion of that premium is deductible by the owner of a Premium Obligation. For purposes of determining the owner's gain or loss on the sale, redemption (including redemption at maturity) or other disposition of a Premium Obligation, the owner's tax basis in the Premium Obligation is reduced by the amount of premium that accrues during the period of ownership. As a result, an owner may realize taxable gain for federal income tax purposes from the sale or other disposition of a Premium Obligation

for an amount equal to or less than the amount paid by the owner for that Premium Obligation. A purchaser of a Premium Obligation in the initial public offering at the price for that Premium Obligation stated on the inside cover of this Official Statement, who holds that Premium Obligation to maturity (or, in the case of a callable Premium Obligation to its earlier call date that results in the lowest yield on that Premium Obligation) will realize no gain or loss upon the retirement of that Premium Obligation.

Owners of Discount Obligations or Premium Obligations should consult their own tax advisers as to the determination for federal income tax purposes of the amount of OID or bond premium properly accruable in any period with respect to Discount or Premium Obligations and as to other federal tax consequences and the treatment of OID and premium for purposes of state and local taxes on, or based on, income.

Bond Premium

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

DOCUMENTS ACCOMPANYING DELIVERY OF THE BONDS

Legal Matters

Legal matters incident to the authorization, issuance and sale of the Bonds will be subject to the final approving opinion of The Law Offices of Jeffrey E. Storch, New York, New York, Bond Counsel to the Village. Such opinion will be available at the time of delivery of and payment for the Bonds and will be to the effect that the Bonds are valid and legally binding general obligations of the Village for the payment of which the Village has validly pledged its faith and credit, and all real property within the Village subject to taxation by the Village, is subject to levy by the Village of such ad valorem taxes, subject to certain statutory limitations imposed by Chapter 97 of the Laws of 2011, for payment of the principal and interest on the Bonds. (see “Tax Levy Limit Law,” herein).

Said opinion will also contain further statements to the effect that, assuming continuing compliance with certain covenants and the accuracy of certain representations of the Village contained in the record of proceedings relating to the authorization and issuance of the Bonds, (a) interest on the Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax and the Bonds will be qualified tax exempt obligations as defined in Section 265(b)(3) of the Code, (b) interest on the Bonds is exempt from personal income taxes imposed by the State and political subdivisions thereof, including The City of New York and the City of Yonkers, (c) the enforceability of the Bonds is subject to bankruptcy laws and other laws affecting creditor’s rights and the exercise of judicial discretion, and (d) the scope of the engagement of The Law Offices of Jeffrey E. Storch, as Bond Counsel in relation to the Bonds, has extended solely to rendering the opinions expressed in said opinion, that said law firm is rendering no opinion other than the opinions expressly stated therein,

and that said law firm expresses no opinion on the accuracy or completeness of any documents prepared by or on behalf of the Village for use in connection with the offer and sale of the Bonds.

Closing Certificates

Upon delivery of and payment for the Bonds, the purchaser of the Bonds will also receive, without cost, in form satisfactory to Bond Counsel the following, dated as of the date of delivery of and payment for the Bonds: (a) a certificate or certificates evidencing execution, delivery and receipt of payment for the Bonds; (b) a certificate or certificates executed by the officer of the Village who executed the Bonds on behalf of the Village stating that (1) no litigation is then pending or, to the knowledge of such officer, threatened to restrain or enjoin the issuance or delivery of the Bonds, (2) no authority or proceedings for the issuance of the Bonds has or have been repealed, revoked or rescinded, and (3) the statements contained in this Official Statement on the date hereof and on the date of delivery of and payment for the Bonds, were and are true in all material respects and did not, and do not, contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading; (c) an unqualified legal opinion as to the validity of the Bonds of The Law Offices of Jeffrey E. Storch, New York, New York, Bond Counsel, as more fully described under “Legal Matters” herein; (d) a Tax Compliance Certificate executed by the Treasurer of the Village; and (e) a continuing disclosure agreement executed by the Treasurer of the Village for purposes of SEC Rule 15c2-12 (the “Rule”), as amended, as described under the caption “Covenant To Make Continuing Financial Disclosure” herein.

COVENANT TO MAKE CONTINUING FINANCIAL DISCLOSURE

This Official Statement is in a form “deemed final” by the Village for the purposes of Securities and Exchange Commission Rule 15c2-12 (the “Rule”). At the time of the delivery of the Bonds, the Village will provide an executed copy of its “Continuing Disclosure Agreement” (the “Undertaking”). Said Undertaking will constitute a written agreement or contract of the Village for the benefit of holders of and owners of beneficial interests in the Bonds. In accordance with the requirements of Rule 15c2-12, as the same may be amended or officially interpreted from time to time (the “Rule”), promulgated by the Securities and Exchange Commission (the “Commission”), the Village has agreed to provide, or cause to be provided,

(1) to the Electronic Municipal Market Access (“EMMA”) system of the Municipal Securities Rulemaking Board (“MSRB”) or any other entity designated or authorized by the Commission to receive reports pursuant to the Rule, during each fiscal year in which the Bonds are outstanding, (i) certain annual financial information and operating data for the preceding fiscal year in a form generally consistent with the information contained or cross-referenced in the final Official Statement of the Village relating to the Bonds under the headings “Litigation” and in Appendix A under the headings “The Village,” “Financial Factors,” “Real Property Taxes,” “Village Indebtedness” and “Economic and Demographic Data” and in Appendix B by the end of the sixth month following the end of each succeeding fiscal year, commencing with the fiscal year ended May 31, 2020, and (ii) a copy of the audited financial statement, if any, (prepared in accordance with accounting principles generally accepted in the United States of America in effect at the time of the audit) for the preceding fiscal year, commencing with the fiscal year ended May 31, 2020; such audit (prepared in accordance with the accounting principles the Village may be required to employ pursuant to State law or regulation), if any, will be so provided on or prior to the later of either the end of the sixth month of each such succeeding fiscal year or, if an audited financial statement is not available at that time, within sixty days following receipt by the Village of its audited financial statement for the preceding fiscal year, but, in any event, not later than the last business day of each such succeeding fiscal year; and provided further, in the event that the audited financial statement for any fiscal year is not available by the end of the sixth month following the end of any such succeeding fiscal year, unaudited financial statements in the form provided to the State, if available, will be provided no later than said date; provided however, that provision of unaudited financial statements in any year shall be further conditioned upon a determination by the Village of whether such provision is compliant with the requirements of federal securities laws including Rule 10b-5 of the Securities Exchange Act of 1934 and Rule 17(a)(2) of the Securities Act of 1933;

(2) timely notice, not in excess of ten (10) business days after the occurrence of such event, of the occurrence of any of the following events:

(i) principal and interest payment delinquencies; (ii) non-payment related defaults, if material; (iii) unscheduled draws on debt service reserves reflecting financial difficulties; (iv) unscheduled draws on credit enhancements reflecting financial difficulties; (v) substitution of credit or liquidity providers, or their failure to perform; (vi) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices of determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds; (vii) modifications to rights of Bondholders, if material; (viii) Bond calls, if material, and tender offers; (ix) defeasances; (x) release, substitution, or sale of property securing repayment of the Bonds, if material; (xi) rating changes; (xii) bankruptcy, insolvency, receivership or similar event of the Village; (xiii) the consummation of a merger, consolidation, or acquisition involving the Village or the sale of all or substantially all of the assets of the Village, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; (xiv) appointment of a successor or additional trustee or the change of name of a trustee, if material; (xv) incurrence of a "financial obligation" (as defined in the Rule) of the Village, if material, or agreement to covenants, events of default, remedies, priority rights or other similar terms of a financial obligation of the Village, any of which affect bondholders, if material; and (xvi) default, event of acceleration, termination event, modification of terms or other similar events under a financial obligation of the Village, if any such event reflects financial difficulties..

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

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

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

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

(3) in a timely manner, notice of a failure to provide the annual financial information and operating data and such audited financial statement by the date specified.

The Village's Undertaking shall remain in full force and effect until such time as the principal of, redemption premiums, if any, and interest on the Bonds shall have been paid in full or in the event that those portions of the Securities and Exchange Commission Rule 15c2-12 ("Rule 15c2-12") which require the Undertaking, or such provision, as the case may be, do not or no longer apply to the Bonds. The sole and exclusive remedy for breach or default under the Undertaking is an action to compel specific performance of the undertakings of the Village, and no person or entity, including a Holder of the Bonds, shall be entitled to recover monetary damages thereunder under any circumstances. Any failure by the Village to comply with the Undertaking will not constitute a default with respect to the Bonds.

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

Compliance History

Despite sufficient funds being available, a late interest payment was made with respect to the Village's \$6,318,559 Public Improvement (Serial) Bonds, Series 2014A (the "2014A Bonds"). The late payment resulted from an administrative oversight. The interest payment was due on August 1, 2016 but was not made until August 4, 2016 when it was realized by Village officials. Traditionally the Village had received invoices from DTC in connection with upcoming payments. An invoice was not received in connection with the August 1st interest payment on the 2014A Bonds. Moving forward Village officials will not rely on the receipt of payment invoices.

The Village was late in filing its audited financial statements for fiscal year ended May 31, 2016. The Village did not file its audited financial statements for the fiscal year ended May 31, 2016 within 30 days of the release of those audited financial statements. The audit was filed on April 20, 2017.

MUNICIPAL ADVISOR

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

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

RATING

The Village has applied for a rating on the Bonds from Moody's Investors Services ("Moody's") for a rating on the Bonds

On October 13, 2017, Moody's affirmed the Village's "Aa2" credit rating.

Such ratings reflect only the respective views of Moody's and any desired explanation of the significance of such rating should be obtained from Moody's at its respective addresses: Moody's, 7 World Trade Center at 250 Greenwich Street, New York, New York 10007. There can be no assurance that such ratings shall continue for any specified period of time or that such ratings will not be revised or withdrawn, if in the judgment of Moody's, circumstances so warrant. Any such change or withdrawal of such ratings may have an adverse effect on the market price of the Bonds or the availability of a secondary market for the Bonds.

ADDITIONAL INFORMATION

Additional information may be obtained from Jeff Chuhta, Village Treasurer, 112 Main Street, Dobbs Ferry, New York 10522, (914) 231-8503, e-mail: jchuhta@dobbsferry.com, or from the Village's Municipal Advisor, Capital Markets Advisors, LLC, 11 Grace Avenue, Suite 308, Great Neck, New York 11021, (516) 487-9818.

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.

The Law Offices of Jeffrey E. Storch has not participated in the preparation of the demographic, financial or statistical data contained in this Official Statement, nor verified the accuracy, completeness of fairness thereof, and, accordingly expresses no opinion with respect thereto.

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

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

VILLAGE OF DOBBS FERRY,
WESTCHESTER COUNTY, NEW YORK

By: /s/ _____
Jeff Chuhta
Village Treasurer

DATED: July ____, 2020

APPENDIX A

THE VILLAGE

THE VILLAGE

General Information

The Village encompasses approximately 2.25 square miles in area and is located in southwestern Westchester County about 20 miles north of New York City on the eastern bank of the Hudson River. The Village was incorporated as a municipal government in 1873 and is vested with such powers and has the responsibilities inherent in the operation of municipal government including the adoption of rules and regulations to govern its affairs. In addition, the Village may tax real property situated in its boundaries and incur debt subject to the provision of the State's Local Finance Law. There are two independent school districts operating in the Village which possess similar powers with respect to taxation and debt issuance. Village residents also pay real property taxes to the Town of Greenburgh (the "Town"), the County of Westchester and two special tax districts (sewer and garbage).

The Village is primarily residential in character, with light commercial development along its main street. State Route 9 traverses the Village in a north/south direction and connects with the New York State Thruway just south of the Tappan Zee Bridge, providing easy access to Metropolitan areas. The residential areas of the Village are zoned generally as one-family.

Commercial properties are mainly small stores, services businesses and shopping centers. The Village's population has remained relatively constant over the past decade and according to the 2018 U.S. Census American Community Survey 5-Year Estimates, it currently stands at 11,027. There is considerable commuting by Village residents to Manhattan and White Plains which is 7 miles to the southeast.

Government operations of the Village are subject to the provisions of the State Constitution and various statutes affecting Village governments including the Village Law, the General Municipal Law and the Local Finance Law. Real property assessment, collection, and enforcement procedures are determined by the Real Property Tax Law. All property taxes other than Village taxes, are collected by the Town, as agent in the case of county and school taxes, and enforced by the County.

The Government

The Village Board of Trustees (the "Board") is the legislative, appropriating, governing and policy-determining body of the Village and consists of six trustees, elected at large to serve two-year terms, plus the Mayor, who likewise serves a two-year term. Each member may serve an unlimited amount of terms. It is the responsibility of the Board to enact legislation by resolution and by local law, after public hearing. Annual operating budgets for the Village must be approved by the Board; modifications and transfers between budgetary appropriation also must be authorized by the Board. The original issuance of all Village indebtedness is subject to approval by the Village Board.

The Mayor is the chief executive officer of the Village and has the right to succeed him or herself. In addition, the Mayor is a full member of and the presiding officer of the Board. The Mayor has a number of appointment powers, some of which are subject to the approval of the Board.

The Village Administrator is the chief administrative officer and oversees day-to-day Village operations. The Village Administrator is appointed by the Mayor, subject to the confirmation of the Board. The Administrator reports to and serves at the pleasure of the entire Board. The Administrator is also the Budget Officer and is responsible for submitting an estimated annual budget for the Board's review and approval each March.

The Village Clerk and Treasurer are appointed by the Mayor, subject to confirmation by the Board. The Clerk and the Treasurer serve at the pleasure of the Board. The Clerk's responsibilities include custody of the corporate seal, books, records, and papers of the Village and all reports, communications and minutes of meetings of the Village boards and commissions. The Village Treasurer is the chief fiscal officer of the Village responsible for maintaining Village accounting records, collection of taxes, personnel records, and investment of Village funds, and debt management.

The Village Attorney is also appointed by the Mayor, subject to Board confirmation.

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 Village 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.

The Village offers a full range of services including police (professional) and fire (volunteer) protection, refuse collection, snow removal, street lighting and traffic control, road maintenance, sanitary and storm sewer maintenance, building inspection, parks and recreational services. Each of these services is funded by real property taxes or user fees. Emergency medical services are provided by the Dobbs Ferry Volunteer Ambulance Corps which is under contract to provide basic services. Other major services, including social services and housing, can be obtained through Westchester County and the Town of Greenburgh.

Groups active in providing additional services to Village residents include the Youth Council, Historical Society, Cable Television Access Committee, Baseball and Football Little League, as well as fraternal and service organizations such as the Rotary, Lions, and Kiwanis.

Recent Actions

The Board of Trustees recently adopted a Local Waterfront Revitalization Program (LWRP) for the Village. This plan has as its primary goal, the preservation and development of the Village's historic waterfront and downtown areas. The LWRP committee was formed in order to develop this plan and the LWRP was recently approved by the State. It is expected that this plan will revitalize the waterfront and downtown districts while assuring the protection and beneficial use of the Waterfront Park. Major improvements to the downtown area will include replacements of street signage, trees, tree wells, garbage receptacles and sidewalks.

Employees

The Village employs approximately 66 full-time and 40 part-time employees. Some employees are represented by collective bargaining organizations as follows:

<u>Number of Employees</u>	<u>Union</u>	<u>Contract Expiration Date</u>
27	Dobbs Ferry Police Association	5/31/20 ⁽¹⁾
20	Local 456 Teamsters (DPW)	5/31/20 ⁽¹⁾

(1) Currently in negotiation.

Employee Pension Benefits

Substantially all employees of the Village are members of the New York State and Local Employees' Retirement System ("ERS") or the New York State and Local Police and Fire Retirement System ("PFRS") (collectively, the "Retirement System" for both ERS and PFRS). The Retirement System is a cost-sharing multiple public employee retirement system. The obligation of employers and employees to contribute and the benefits to employees are governed by the New York State Retirement and Social Security Law (the "Retirement System Law"). The Retirement System offers a wide range of plans and benefits which are related to years of service and final average salary, vesting of retirement benefits, death and disability benefits and optional methods of benefit payments. All benefits generally vest after five years of credited service. The Retirement System Law generally provides that all participating employers in the Retirement System are jointly and severally liable for any unfunded amounts. Such amounts are collected through annual billings to all participating employers. Generally, all employees, except certain part-time employees, participate in the Retirement System. The Retirement System is non-contributory with respect to members hired prior to July 27, 1976. All members hired on or after July 27, 1976 and before January 1,

2010 must contribute three percent of their gross annual salary toward the costs of retirement programs until they attain ten years in the Retirement System, when at such time contributions become voluntary. Employees hired after January 1, 2010, must contribute 3% of their salaries and there is no provision for these contributions to cease after a certain period of service. Members hired after April 1, 2012 contribute as described below.

On May 14, 2003, a pension reform bill was signed into law as Chapter 49 of the Law of 2003 (“Chapter 49”). Chapter 49 changed the billing cycle for employer contributions to the ERS retirement system 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 by Chapter 49, the employer contribution for a given fiscal year is 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. Chapter 49 also required 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 and allowed a one-time financing of the employer contribution during the State’s 2004-05 fiscal year.

During its 2004 Session the New York State Legislature enacted further pension relief in the form of Chapter 260 of the Laws of 2004 (“Chapter 260”). Chapter 260 changed the pension payment date for all local governments from December 15 to February 1.

On December 10, 2009, a new Tier V was signed into law. The law is effective for new ERS and TRS (Teacher’s Retirement System) employees hired after January 1, 2010 and before April 2, 2012. New Tier V ERS employees will contribute 3% of their salaries and new TRS employees will contribute 3.5% of their salaries and there is no provision for these contributions to cease after a certain period of service.

On March 16, 2012, Governor Cuomo signed into law Chapter 18 of the Laws of 2012, which legislation provides for a new Tier VI for employees hired after April 1, 2012. The Division of the Budget estimates the new tier will save the State and local governments outside of New York City \$80 billion over the next 30 years. The new pension tier has progressive contribution rates between 3% and 6%; it increases the retirement age for new employees from 62 to 63 and includes provisions allowing early retirement with penalties. Under Tier VI, the pension multiplier will be 1.75% for the first 20 years of service and 2% thereafter; vesting will occur after 10 years; the time period for calculation of final average salary is increased from three years to five years; and the amount of overtime to be used to determine an employee’s pension is capped at \$15,000, indexed for inflation, for civilian and non-uniform employees and at 15% of base pay for uniformed employees outside of New York City. It also includes a voluntary, portable, defined contribution plan option for new non-union employees with salaries of \$75,000 or more. No current employees will be affected by the new legislation.

The New York State Retirement System has advised the Village that municipalities can elect to make employer contribution payments in December 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 discount amount. The Village opted to make its pension payments in December of the last five years in order to take advantage of the discount.

Due to significant capital market declines in the recent past, the State’s Retirement System portfolio has experienced negative investment performance and severe downward trends in market earnings. As a result of the foregoing, New York State Comptroller Thomas DiNapoli has announced that the employer contribution rate for the State’s Retirement System in 2011 and subsequent years will be higher than the minimum contributions rate established by Chapter 49. At this time the Village is unable to predict the amount of any such increase. To mitigate the expected increases in the employer contribution rate, Comptroller DiNapoli has proposed legislation that would permit local governments and school districts to issue bonds to fund the required increased contribution. The Village has no plans at this time to utilize this option.

For the five years 2016 through 2020, the Village’s contributions to the ERS and PFRS combined were: \$1,738,931; \$1,333,086; \$1,314,916; \$1,240,978 and \$1,225,001(unaudited), respectively.

Other Post Employment Benefits

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

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

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

The Village’s total OPEB liability as of May 31, 2019 was \$45,045,324 using a discount rate of 3.05% and actuarial assumptions and other inputs as described in the Village’s May 31, 2019 audited financial statements.

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

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

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

FINANCIAL FACTORS

Independent Audit

The financial statements of the Village are audited by the firm of PKF O’Connor Davies, LLP, independent certified public accountants for the fiscal years ended May 31, 2013 through 2016, inclusive, and BST & Co. CPAs, LLC for the fiscal year ended May 31, 2017 through 2019. Appendix B to this document presents a summary of the audited financial statements for the fiscal years ended May 31, 2015 through 2019, inclusive.

Fund Structures and Accounts

The accounting practices of the Village conform to those prescribed by generally accepted accounting principles and by the New York 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 and sales tax.

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 accounted for 70.0% of total general fund revenues for the fiscal year ended May 31, 2019, while non-property taxes accounted for 12.8% and State aid accounted for 1.6%.

Real Property Tax. The following table sets forth the total general fund and real property tax revenues for the last five audited fiscal years and the amounts budgeted for the two most recent fiscal years.

<u>Fiscal Year</u>	<u>Property Taxes</u>		
	<u>Total Revenues</u>	<u>Real Property Taxes</u>	<u>Real Property Taxes to Revenues</u>
2015	\$15,862,489	\$11,254,762	71.0%
2016	17,452,557	11,815,659	67.7
2017	16,772,680	11,684,935	69.7
2018	17,339,646	11,806,239	68.1
2019	17,958,895	12,569,876	70.0
2020 (Adopted Budget)	19,043,726	13,230,394	69.5
2021 (Adopted Budget)	19,695,867	13,670,785	69.4

Source: Audited Financial Statements and Adopted Budget for the Village.

Non-Property Taxes. Section 1210 of the New York Tax Law authorizes the County to levy a sales and compensating use tax of up to 4% in addition to the 4% tax levied by the State. Such sales tax collections in New York are administered by the State Tax Commissioner and the proceeds are paid to the County quarterly. Effective March 1, 1985, the sales and compensating use taxes in the county were increased from 3% to 4%. Such additional 1% is available solely to the County. Distribution of the sales tax revenues, other than such additional 1%, is based on a computation which includes both assessed valuation and population factors to benefit all municipalities and school districts in the County.

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The following table sets forth the total general fund and non-property tax revenues for the last five audited fiscal years and the amount budgeted for the two most recent fiscal years.

Non-Property Taxes

<u>Fiscal Year</u>	<u>Total Revenues</u>	<u>Non-Property Taxes</u>	<u>Non-Property Taxes to Revenues</u>
2015	\$15,862,489	\$2,002,357	12.6%
2016	17,452,557	1,986,636	11.4
2017	16,772,680	2,053,089	12.2
2018	17,339,646	2,146,666	12.4
2019	17,958,895	2,295,822	12.8
2020 (Adopted Budget)	19,043,726	2,010,000	10.6
2021 (Adopted Budget)	19,695,867	2,390,000	12.1

Source: Audited Financial Statements and Adopted Budget for the Village.

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). For the fiscal year ended May 31, 2019, State aid represented approximately 1.6% of the total general fund revenues of the Village, a decrease from the 2.2% of aid received in 2018. 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, requiring either a counterbalancing increase in revenues from other sources to the extent available, or a curtailment of expenditures.

The following table sets forth the total general fund and state aid revenues for the last five audited fiscal years and the amount budgeted for the two most recent fiscal year.

State Aid

<u>Fiscal Year</u>	<u>Total Revenues</u>	<u>State Aid</u>	<u>State Aid to Revenues</u>
2015	\$15,862,489	\$300,550	1.9%
2016	17,452,557	436,823	2.5
2017	16,772,680	343,409	2.0
2018	17,339,646	385,796	2.2
2019	17,958,895	289,718	1.6
2020 (Adopted Budget)	19,043,729	239,132	1.3
2021 (Adopted Budget)	19,695,867	239,132	1.2

Source: Audited Financial Statements and Adopted Budget for the Village.

Budget Process

The Village operates on a fiscal year beginning June 1 and ending May 31. The Village Administrator prepares or causes to be prepared a tentative budget for the ensuing fiscal year. On or about December 1, budget requests are sent to Department heads, whose submissions are returned to the Village Administrator by January 15. During February, the Administrator along with the Department heads review their requests. On or before March 20, the Mayor files the tentative budget with the Village Treasurer, who submits it to the Board of Trustees. In late March, a local newspaper publishes a notice advertising a public budgetary hearing. The public budgetary hearing is held on or before April 10. Prior to May 1, the Board of Trustees adopts the budget, which subsequently is made available to the public.

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 moneys 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 moneys in: (1) obligations of the United States of America; (2) obligations guaranteed by agencies of the United States of America where the payment of principal and interest are guaranteed by the United States of America; (3) obligations of the State of New York; (4) with the approval of the New York State Comptroller, in tax anticipation notes or revenue anticipation notes issued by any municipality, school district, or district corporation, other than those notes issued by the 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 New York public benefit corporation which are made lawful investments for municipalities pursuant to the enabling statute of such public benefit corporation; or (7) in the case of moneys 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 moneys 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 Village Board has adopted an investment policy and such policy conforms with applicable laws of the State governing the deposit and investment of public moneys. All deposits and investments of the Village are made in accordance with such policy.

REAL PROPERTY TAXES

Real Property Tax Collection Procedures

The assessment and collection of real property taxes is governed by the Westchester County Tax Law as well as by the Real Property Tax Law of the State. The Village collects its own taxes. The Village, in conjunction with the Town, has the responsibility for uncollected taxes and for conducting tax lien sales.

Village taxes are due in a single payment on June 1. Payment may be made without penalty until June 30, after which the penalty is 2% during July and 1% for each month thereafter up to the date of the tax lien sale.

County, State and special district taxes for the period from January 1 to December 31 are due in a single payment on April 1. Payment may be made without penalty until April 30, after which the penalty is 2% during May, 5% during June and July, 7% during August and September, 10% during October, November and December and 12% thereafter to the date of the tax lien sale.

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Real Property Tax Rates, Levies and Assessments

The following table shows the trend during the last five years for real property assessments, Village tax levies, and general purpose tax rate for the Village.

Tax Rates, Levies and Assessments

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Assessed Valuation	\$51,403,609	\$1,818,049,938	\$1,909,827,983	\$2,015,262,529	\$2,084,100,419
Equalization Rates ⁽²⁾	3.24%	100.00%	100.00%	100.00%	100.00%
Full Valuation	1,579,913,179	1,818,049,938	1,909,827,983	2,015,262,529	2,084,100,419
Village Tax Levy	12,402,037	12,643,818	13,276,072	13,935,654	14,411,575
Tax Rate ⁽¹⁾	241.27	6.95	6.95	6.92	6.92

(1) Per \$1,000 assessed valuation.

(2) As of the 2016-2017 fiscal year the Village utilizes the full valuation for property taxes.

Source: Village officials and State of New York Office of The State Comptroller, Division of Municipal Affairs.

Ten Largest Taxpayers

The following table presents the total 2020 assessed valuations of the Village's largest property owners.

Assessed Valuations

<u>Property Owner</u>	<u>Nature of Business</u>	<u>Assessed Valuation</u>	<u>Percentage of Total Assessed Valuation⁽¹⁾</u>
200 Beacon Hill Drive LLC	Real Estate	\$32,236,200	1.5%
Consolidated Edison of New York	Utility	30,651,300	1.5
Lincoln Dobbs Ferry	Real Estate	29,460,100	1.4
AFP Twenty Nine Corp	Real Estate	19,915,000	1.0
Dobbs Ferry Shopping LLC	Real Estate	14,894,000	0.7
Kosov Properties Company	Real Estate	14,126,800	0.7
White Marsh Holdings LLC	Real Estate	13,752,100	0.7
300 Broadway LLC	Real Estate	11,006,200	0.5
Suez Water Westchester	Utility	9,102,400	0.4
Rivertowns Square Regency	Real Estate	<u>8,880,200</u>	<u>0.4</u>
		<u>\$ 184,024,300</u>	<u>8.8%</u>

(1) The total assessed valuation of the Village for 2020 was \$2,015,262,529.

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.

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, 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, 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 on the State Legislature to restrict the power of taxation and contracting indebtedness to prevent abuses in the exercise of such powers; however, 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.

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

The Local Finance Law also provides a twenty-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.

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").

In addition, under each bond resolution, the Board of Trustees 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 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 percentum 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.

The New York Constitution prohibits the State Legislature from restricting the power of the Village to levy real estate taxes for the payment of principal of and interest on indebtedness authorized and issued under the Local Finance Law. However, Chapter 97 of the Laws of 2011 imposes a statutory limit on the Village’s power to increase its annual real property tax levy. See “Legal Matters.” “Market Factors Affecting Financings of the State and Municipalities of the State,” and “Tax Levy Limit Law,” herein.

Constitutional Debt Limit

The following table sets forth the constitutional debt limit of the Village as of May 31, 2020.

<u>Constitutional Debt Limit</u>			
<u>Assessment Roll</u>	<u>Assessed Valuation</u>	<u>Equalization Rate</u>	<u>Full Valuation</u>
2016	\$ 51,403,609	3.24%	\$ 1,579,913,179
2017	1,818,049,938	100.00	1,818,049,938
2018	1,909,827,983	100.00	1,909,827,983
2019	2,015,262,529	100.00	2,015,262,529
2020	2,084,100,419	100.00	2,084,100,419
Total Five-Year Full Valuations			<u>\$ 9,407,154,048</u>
Average Full Valuation			<u>\$ 1,881,430,810</u>
Debt Limit - 7 per centum of Average Full Valuation			<u>\$ 131,700,157</u>

Source: Village Assessor's Office

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Statement of Debt Contracting Power

Statutory Debt Limit and Net Indebtedness **(As of June 30, 2020)**

Debt-Contracting Limitation:		\$ 131,700,157
Gross Direct Indebtedness:		
Bonds:		
General Purpose	\$14,915,000	
Bond Anticipation Notes:		
General Purpose	<u> 0</u>	
Total Gross Direct Indebtedness		<u>\$ 14,915,000</u>
Less Exclusions and Deductions:		
Appropriations for Non-Exempt		
Indebtedness During 2020/2021 Fiscal Year	\$ 1,540,000	
Total Exclusions:		<u>\$ 1,540,000</u>
Total Net Direct Indebtedness		<u>\$ 13,375,000</u>
Debt-Contracting Margin		<u>\$ 118,325,157</u>
Percentage of Debt-Contracting Power Exhausted		<u>10.16%</u>

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.

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

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.

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 units' 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.

Statement of Direct and Overlapping Indebtedness

Gross Direct Indebtedness				\$14,915,000
Exclusions and Deductions				<u>1,540,000</u>
Net Direct Indebtedness				<u>\$13,375,000</u>
 <u>Overlapping Debt</u>				
<u>Issuer</u>	<u>Net Debt Outstanding</u>	<u>As of</u>	<u>Village Share</u>	<u>Amount Applicable To Village</u>
Westchester County	\$810,526,569	04/14/20	0.99%	\$ 8,024,213
Town of Greenburgh	57,636,001	09/16/19	2.96	1,706,026
Dobbs Ferry UFSD	15,499,145	06/30/19	81.50	12,631,803
Ardsley UFSD	28,180,000	07/08/19	17.21	<u>4,849,778</u>
Total Net Overlapping Debt				\$27,211,820
Total Net Direct Debt				<u>13,375,000</u>
Total Net Direct and Overlapping Debt				<u>\$40,586,820</u>

Source: Data provided by Village and County Officials and the Comptroller's Special Report on Municipal Affairs.

Debt Ratios

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

Debt Ratios

	<u>Amount</u>	<u>Debt Per Capita ⁽¹⁾</u>	<u>Debt to Full Value ⁽²⁾</u>
Net Direct Debt	\$13,375,000	\$1,213	0.53%
Net Direct and Overlapping Debt	40,586,820	3,681	1.95

(1) The population of the Village is 11,027, according to the 2018 American Community Survey 5-Year Estimates.

(2) The Village's full value of taxable real property in fiscal 2020 is \$2,084,100,419.

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.

	Outstanding Indebtedness				
	<u>As of May 31:</u>				
	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020⁽¹⁾</u>
Bonds	\$14,685,000	\$11,875,000	\$18,718,900	\$17,035,000	\$15,230,000
Bond Anticipation Notes	<u>1,100,000</u>	<u>1,585,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Outstanding Debt	<u>\$15,785,000</u>	<u>\$13,460,000</u>	<u>\$18,718,900</u>	<u>\$17,035,000</u>	<u>\$15,230,000</u>

(1) Unaudited.

Source: Audited Financial Statements of the Village.

Bond Anticipation Notes

The Village currently has no bond anticipation notes outstanding.

Tax and Revenue Anticipation Notes

The Village has not issued tax anticipation notes and revenue anticipation notes during the last five years.

Authorized But Unissued Debt

The Village has no authorized but unissued debt.

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Debt Service Schedule

The following table sets forth all principal and interest payments required on the Village's outstanding bonded indebtedness, exclusive of the Bonds and economically defeased obligations:

Bond Principal and Interest Maturity

<u>Fiscal Year</u> <u>Ending May 31</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u> <u>Debt Service⁽¹⁾</u>
2021 (1)	\$1,750,000	\$204,068	\$1,954,068
2022	1,920,000	358,037	2,278,037
2023	1,640,000	303,100	1,943,100
2024	1,705,000	254,487	1,959,487
2025	1,750,000	202,225	1,952,225
2026	1,045,000	153,781	1,198,781
2027	1,075,000	131,950	1,206,950
2028	385,000	111,200	496,200
2029	395,000	102,537	497,537
2030	405,000	93,650	498,650
2031	415,000	84,335	499,335
2032	425,000	74,582	499,582
2033	440,000	64,170	504,170
2034	450,000	52,950	502,950
2035	465,000	41,025	506,025
2036	475,000	28,237	503,237
2037	<u>490,000</u>	<u>14,700</u>	<u>504,700</u>
Totals:	<u>\$15,230,000</u>	<u>\$2,275,037</u>	<u>\$17,505,037</u>

(1) For the entire fiscal year.

Source: Village Officials.

ECONOMIC AND DEMOGRAPHIC DATA

Population

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

Population Trend

<u>Year</u>	<u>Village</u>	<u>Town</u>	<u>Westchester</u> <u>County</u>	<u>New York</u> <u>State</u>
2000	10,622	86,764	923,459	18,976,457
2010	10,875	88,400	949,113	19,378,102
2017	11,141	91,799	975,321	19,798,228

Source: New York State Department of Commerce; New York State Department of Economic Development.

Income

The following table presents median household income for the County and State.

	<u>Median Household Income</u>		
	<u>2000</u>	<u>2010</u>	<u>2017</u>
Village	N/A	\$100,659	\$126,988
Town	N/A	101,893	120,256
County	\$63,582	79,619	89,968
State	43,393	55,603	62,765

Source: New York State Department of Commerce; New York State Department of Economic Development.

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.

	<u>Civilian Labor Force</u> (Thousands)				
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Town	48.2	48.3	49.0	48.9	48.9
County	478.4	479.4	484.1	484.3	484.4
State	9,558.8	9,584.5	9,704.7	9,574.7	9,514.4

Source: New York State Department of Economic Development: Bureau of Economic and Demographic Information.

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.

	<u>Yearly Average Unemployment Rates</u>			
<u>Year</u>	<u>Town</u>	<u>County</u>	<u>State</u>	
2015	4.0%	4.5%	5.3%	
2016	3.8	4.3	4.9	
2017	4.0	4.6	4.7	
2018	3.4	3.9	4.1	
2019	3.4	3.8	4.0	

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

Monthly Unemployment Rates

<u>Month</u>	<u>Town</u>	<u>County</u>	<u>State</u>
May 2019	3.2%	3.4%	3.6%
June	3.4	3.7	3.8
July	3.6	4.0	4.2
August	3.6	4.1	4.1
September	3.3	3.7	3.6
October	3.3	3.7	3.7
November	3.3	3.6	3.6
December	3.3	3.8	3.7
January 2020	3.5	4.0	4.1
February	3.3	3.9	3.9
March	3.5	4.0	4.2
April	12.2	14.1	15.0

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

Major Employers in the Village

<u>Name of Employer</u>	<u>Number of Employees⁽¹⁾</u>	<u>Nature of Business</u>
Cabrini Health Care Center	450	Health Care
Mercy College	416	Education
The Childrens Village	400	Institution
Dobbs Ferry UFSD.	230	Education
St. Christophers/Jenny Clarkson	190	Institution
Masters School	160	Education
Dobbs Ferry Hospital	105	Health Care
Halfmoon Restaurant	85	Restaurant

(1) Estimated.

Source: Village Officials.

Educational Facilities

There are numerous fine colleges in the area surrounding Dobbs Ferry including Pace University, Marymount College, Mercy College, Sarah Lawrence College, and Westchester Community College.

Primary education is provided by the highly rated Dobbs Ferry School District, Ardsley School District, and a number of private and parochial schools. The Dobbs Ferry School District's K-5 school, Springhurst School, has received both state and national recognition as a high quality educational facility.

Medical Facilities

Hospital services are provided primarily by the Community Hospital at Dobbs Ferry and Westchester County Medical Center. There are also a number of fine hospital facilities within a short drive inside the County.

Financial Institutions

JPMorgan Chase Bank, N.A. is located within the Village.

Communication

The Village is served by the New York metropolitan newspapers, the daily Journal News, and the weekly local, Rivertowns Enterprise. There are three local area radio stations serving the Village as well as a private cable television franchise holder.

Utilities

Electricity and gas are supplied throughout the Village by NYPA. Water is provided by the privately owned New Rochelle Water Company. The local telephone company is New York Telephone. Sanitary sewers are owned and maintained by the Village. Sewer lines connect to County sewer trunks leading to County-owned sanitary sewage treatment facilities. A special sewer district tax finances these facilities.

Transportation

Due to its central location, the Village is served by a number of major highways (New York State Thruway, Saw Mill River Parkway, Sprain Parkway), major thoroughfares, County bus lines, and rail service (Metro North lines). Air Travel is convenient from nearby Westchester County, Kennedy International, LaGuardia, and Newark Airports.

End of Appendix A

APPENDIX B

UNAUDITED SUMMARY OF FINANCIAL STATEMENTS AND BUDGETS

VILLAGE OF DOBBS FERRY
WESTCHESTER COUNTY, NEW YORK
 Adopted Budgets - General Fund
 Fiscal Year ending May 31:

	<u>2020</u>	<u>2021</u>
Revenues:		
Real Property Tax	\$ 13,230,394	\$ 13,670,785
Other Property Tax Items	50,000	60,000
Non-Property Taxes	2,010,000	2,390,000
Departmental Income	1,138,500	1,178,000
Intergovernmental Charges	85,000	88,000
Use of Money and Property	95,000	65,000
Licenses and Permits	495,700	495,700
Fines and Forfeitures	300,000	310,000
Sale of Property and Compensation for Loss	2,000	2,000
Miscellaneous	8,000	8,000
State Aid	239,132	239,132
Federal Aid	-	-
Transfers In	300,000	300,000
Appropriated Fund Balance	1,090,000	889,250
	<hr/>	<hr/>
Total Revenues	<u>\$ 19,043,726</u>	<u>\$ 19,695,867</u>
Expenditures:		
General Government Support	\$ 3,215,843	\$ 3,426,093
Public Safety	4,899,406	4,905,801
Health	11,400	11,450
Transportation	1,134,389	1,283,630
Economic Assistance	-	-
Culture and Recreation	1,365,461	1,411,267
Home & Community Services	1,288,503	1,241,055
Employee Benefits	4,889,736	5,177,959
Debt Service	-	-
Interfund Transfers	2,238,988	2,238,613
	<hr/>	<hr/>
Total Expenditures	<u>\$ 19,043,726</u>	<u>\$ 19,695,868</u>

Source: Adopted Budgets of the Village.

**VILLAGE OF DOBBS FERRY
WESTCHESTER COUNTY, NEW YORK**

Balance Sheet

General Fund

Fiscal Year Ended May 31:

	<u>2018</u>	<u>2019</u>
Assets and Other Debits		
Assets:		
Cash and Equivalents	\$ 3,930,785	\$ 3,988,547
Investments	3,058,733	1,997,806
Taxes Receivable, net of allowances	-	388,990
Accounts Receivable	524,620	235,092
State and Federal Aid, net of allowances	69,998	62,275
Due From Other Governments	300,106	306,317
Due From LDC	58,543	72,646
Due From Other Funds	110,339	11,235
Prepaid Expenditures	<u>22,475</u>	<u>24,852</u>
 Total Assets	 <u>\$ 8,075,599</u>	 <u>\$ 7,087,760</u>
 Liabilities and Fund Balance:		
Liabilities:		
Accounts Payable	\$ 354,116	\$ 372,211
Accrued Liabilities	118,095	156,241
Other Liabilities	-	-
Due To Other Funds	300,000	-
Due To Retirement System	248,652	254,648
Due to Other Governments	-	-
Unearned Revenues	217,631	251,620
Deferred Revenues	-	-
Notes Payable	<u>-</u>	<u>-</u>
 Total Liabilities	 <u>\$ 1,238,494</u>	 <u>\$ 1,034,720</u>
 Deferred Inflows of Resources	 \$ 343,258	 \$ 376,516
 Fund Equity and Other Credits:		
Reserved for:		
Nonspendable	\$ 22,475	\$ 24,852
Restricted	1,998,450	1,997,806
Assigned	1,221,161	1,175,291
Unassigned	<u>3,251,761</u>	<u>2,478,575</u>
 Total Fund Equity and Other Credits	 <u>\$ 6,493,847</u>	 <u>\$ 5,676,524</u>
 Total Liabilities and Fund Balance	 <u>\$ 8,075,599</u>	 <u>\$ 7,087,760</u>

Source: Audited Financial Statements of the Village.

VILLAGE OF DOBBS FERRY
WESTCHESTER COUNTY, NEW YORK
Statement of Revenues, Expenditures and Changes in Fund Balance
General Fund
Fiscal Year Ended May 31:

REVENUES	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Real Property Taxes	\$ 11,254,762	\$ 11,815,659	\$ 11,684,935	\$ 11,806,239	\$ 12,569,876
Other Tax Items	99,534	117,750	54,921	52,144	61,584
Non-Property Taxes	2,002,357	1,986,636	2,053,089	2,146,666	2,295,822
Departmental Income	993,411	1,048,610	1,091,482	1,172,786	1,199,648
Intergovernmental Charges	14,866	170,752	220,028	122,780	247,600
Use of Money and Property	48,386	55,926	239,220	197,537	160,152
Licenses and Permits	773,078	1,375,301	677,875	849,712	607,207
Fines and Forfeitures	305,575	285,882	298,472	389,267	402,321
Sale of Property and Compensation for loss	9,329	82,787	25,789	112,060	40,455
State Aid	300,550	436,823	343,409	385,796	289,718
Federal Aid	1,189	26,930	-	27,970	-
Miscellaneous	59,452	49,499	83,460	76,689	84,512
Total Revenues	\$ 15,862,489	\$ 17,452,555	\$ 16,772,680	\$ 17,339,646	\$ 17,958,895
EXPENDITURES					
General Government Support	\$ 2,291,317	\$ 2,266,093	\$ 2,244,030	\$ 2,227,882	\$ 2,351,912
Public Safety	4,859,850	4,436,905	4,469,859	4,526,344	4,518,374
Health	7,287	7,610	12,081	10,489	11,055
Transportation	1,206,895	939,540	980,879	1,087,494	1,047,467
Economic Opportunity and Development	15,268	19,866	11,672	12,357	\$0
Culture and Recreation	992,272	1,222,220	1,095,195	1,205,212	1,356,094
Home and Community Services	1,023,832	1,231,052	1,165,705	1,045,667	1,205,379
Employee Benefits	3,843,216	4,405,482	4,087,063	4,486,145	4,541,093
Debt Service	-	3,125	17,552	146,952	-
Total Expenditures	\$ 14,239,937	\$ 14,531,893	\$ 14,084,036	\$ 14,748,542	\$ 15,031,374
Excess of Revenues over (under) Expenditures	\$ 1,622,552	\$ 2,920,662	\$ 2,688,644	\$ 2,591,104	\$ 2,927,521
Other Financing Sources (Uses):					
Operating Transfers In	300,000	300,000	-	-	300,000
Bond Anticipation Notes Issued	-	-	-	-	-
Bonds Issued	-	-	-	-	-
Operating Transfers Out	(2,369,769)	(2,542,919)	(2,361,788)	(2,055,938)	(4,044,844)
Total Other Financing Sources (Uses)	\$ (2,069,769)	\$ (2,242,919)	\$ (2,361,788)	\$ (2,055,938)	\$ (3,744,844)
Excess (Def) of Revenues and Other Sources Over Expenditures and Other Uses	(447,217)	677,743	326,856	535,166	(817,323)
Prior Period Adjustment	-	-	-	-	-
GASB 73 Adjustment	-	-	1,819,320	-	-
Fund Balance Beginning of Year	\$ 3,581,979	\$ 3,134,762	\$ 5,631,825	\$ 5,958,681	\$ 6,493,847
Fund Balance End of Year	\$ 3,134,762	\$ 3,812,505	\$ 5,958,681	\$ 6,493,847	\$ 5,676,524

Source: Audited Financial Statements of the Village.

APPENDIX C

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

<https://emma.msrb.org/ER1398909.pdf>

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

**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. BST & CO. CPAs, 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.**