

**PRELIMINARY OFFICIAL STATEMENT DATED JULY 28, 2020**

**NEW ISSUE SERIAL BONDS**

**RATINGS:** See “RATINGS” herein

*In the opinion of Bond Counsel, under existing statutes, regulations, administrative rulings, and court decisions, and assuming continuing compliance by the Town with its covenants relating to certain requirements contained in the Internal Revenue Code of 1986, as amended (the “Code”), and the accuracy of certain representations made by the Town, interest on the Bonds is excluded from gross income of the owners thereof for Federal income tax purposes, and is not an “item of tax preference” for purposes of the Federal alternative minimum tax imposed on individuals. Bond Counsel is also of the opinion that under existing statutes interest on the Bonds is exempt from personal income taxes imposed by the State of New York or any political subdivision thereof (including The City of New York). See “TAX MATTERS” herein.*

*The Bonds WILL be designated or deemed designated by the Town as “qualified tax-exempt obligations” pursuant to the provisions of Section 265 of the Code.*

**TOWN OF STONY POINT  
ROCKLAND COUNTY, NEW YORK**

**\$2,841,390\***

**PUBLIC IMPROVEMENT SERIAL BONDS, SERIES 2020  
(the “Bonds”)**

**Date of Issue: Date of Delivery**

**Maturity Dates: August 15, 2021-2031**

The Bonds will be general obligations of the Town of Stony Point, Rockland County, New York (the “Town”), and will contain a pledge of the faith and credit of the Town 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 Town, subject to the applicable provisions of Chapter 97 of the Laws of 2011 of the State of New York. See “APPENDIX A - TAX LEVY LIMITATION 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, except for one necessary odd denomination in excess of \$5,000 in the Bonds maturing in 2021. 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 Town 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 “THE BONDS-Book-Entry-Only System” herein.)

The Bonds will be dated their date of delivery, and will bear interest from such date until maturity at the annual rate or rates as specified by the purchaser of the Bonds, payable February 15, 2021, August 15, 2021 and semiannually thereafter on each February 15 and August 15. The Bonds will mature in the years and amounts as set forth on the inside cover page hereof.

The Bonds will not be subject to optional redemption prior to maturity. (See “THE BONDS - Optional Redemption,” herein).

The Bonds are offered when, as and if issued by the Town and accepted by the purchaser(s) and subject to the receipt of the final approving opinion of Harris Beach PLLC, Pittsford, New York, Bond Counsel, and certain other conditions. Capital Markets Advisors, LLC has served as Municipal Advisor to the Town in connection with the issuance of the Bonds. It is anticipated that the Bonds will be available for delivery in Jersey City, New Jersey pursuant to the Notice of Private Competitive Bond Sale, as described on the inside cover hereof on or about August 19, 2020.

Harris Beach PLLC has not participated in the preparation of the demographic, financial or statistical data contained in this Official Statement, nor verified the accuracy, completeness or fairness thereof, and, accordingly, expresses no opinion with respect thereto.

THE TOWN DEEMS THIS OFFICIAL STATEMENT TO BE FINAL FOR PURPOSES OF RULE 15c2-12 UNDER THE SECURITIES AND EXCHANGE ACT OF 1934, AS AMENDED (THE “RULE”), EXCEPT FOR CERTAIN INFORMATION THAT HAS BEEN OMITTED HEREFROM IN ACCORDANCE WITH SAID RULE THAT WILL BE SUPPLIED WHEN THIS OFFICIAL STATEMENT IS UPDATED FOLLOWING THE SALE OF THE OBLIGATIONS HEREIN DESCRIBED. THIS OFFICIAL STATEMENT WILL BE UPDATED UPON REQUEST OF THE SUCCESSFUL BIDDER AS MORE FULLY DESCRIBED IN THE NOTICE OF SALE WITH RESPECT TO THE OBLIGATIONS HEREIN DESCRIBED. FOR A DESCRIPTION OF THE TOWN’S AGREEMENT TO PROVIDE DISCLOSURE AS TO CERTAIN EVENTS AS DESCRIBED IN THE RULE, SEE “UNDERTAKING TO PROVIDE NOTICE OF CERTAIN EVENTS” HEREIN.

Dated: August \_\_, 2020

\* Preliminary, subject to change.

This Preliminary Offering Statement and the information contained herein are subject to completion or amendment without notice. Under no circumstances shall this Preliminary Offering Statement constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the securities, in any jurisdiction in which such offer, solicitation, or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdiction.

The Bonds will mature on August 15 in the following years and principal amounts:

<u>Year</u>	<u>Principal Amount*</u>	<u>Coupon</u>	<u>Yield</u>	<u>CUSIP†</u>
2021	\$246,390			
2022	250,000			
2023	250,000			
2024	255,000			
2025	255,000			
2026	255,000			
2027	260,000			
2028	265,000			
2029	265,000			
2030	270,000			
2031	270,000			

\* The aggregate principal amount of the Bonds and the principal maturities thereof are subject to adjustment following their sale, pursuant to the terms of the accompanying Notice of Private Competitive Bond Sale to achieve substantially level or declining annual debt service as provided in the Local Finance Law and to permit the Town to comply with applicable Federal tax law restrictions.

† Copyright, American Bankers Association. CUSIP data herein are provided by Standard & Poor's, CUSIP Service Bureau, a division of The McGraw-Hill Companies, Inc. The CUSIP numbers listed above are being provided solely for the convenience of bondholders only at the time of issuance of the Bonds and the Town and the Purchaser do not make any representation with respect to such numbers or undertake any responsibility for their accuracy now or at any time in the future. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part of such maturity or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Bonds.

**TOWN OF STONY POINT  
ROCKLAND COUNTY, NEW YORK**

**TOWN BOARD**

**Jim Monaghan**  
Supervisor

Tom Basile..... Councilman  
Karl Javenes..... Councilman  
Michael Puccio..... Councilman  
Paul Joachim..... Councilman

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Megan Carey..... Town Clerk  
Brian D. Nugent, Esq..... Town Attorney  
William R. Beckmann..... Town Assessor  
Gregg Smith..... Director of Finance

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**INDEPENDENT AUDITOR**

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

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**BOND COUNSEL**

**Harris Beach PLLC**  
Pittsford, New York

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**MUNICIPAL ADVISOR**



**Capital Markets Advisors, LLC**  
Hudson Valley \* Long Island \* Southern Tier \* Western New York  
(845) 227-8678

No dealer, broker, salesman or other person has been authorized by the Town of Stony Point 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 Town. 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 Town from sources which are believed to be reliable but it is not guaranteed as to accuracy or completeness. The information and expressions of opinion herein are subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Town since the date hereof.

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**APPENDIX B – UNAUDITED SUMMARY OF FINANCIAL STATEMENTS AND BUDGETS**

**APPENDIX C – LINK TO AUDITED FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED DECEMBER 31, 2019**

**OFFICIAL STATEMENT**  
**TOWN OF STONY POINT**  
**ROCKLAND COUNTY, NEW YORK**

**relating to**

**\$2,841,390\***

**PUBLIC IMPROVEMENT SERIAL BONDS, SERIES 2020**  
**(the “Bonds”)**

This Official Statement, including the cover page and appendices hereto, presents certain information relating to the Town of Stony Point in the County of Rockland, State of New York (the “Town,” “County,” and “State,” respectively), in connection with the sale of \$2,841,390\* Public Improvement Serial Bonds, Series 2020.

All quotations from and summaries and explanations of provisions of the Constitution and laws of the State and acts and proceedings of the Town 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 Town 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 the date of delivery, which is expected to be August 19, 2020, and will bear interest from such date at the annual rate or rates as specified by the purchaser, payable February 15, 2020, August 15, 2020 and semiannually thereafter on each February 15 and August 15 in each year until maturity. The Bonds will mature in each of the years and amounts as set forth on the inside cover page hereof. The Bonds will not be subject to optional redemption prior to maturity. (See “Optional Redemption,” herein).

The Bonds will be issued in book-entry only form registered to Cede & Co., as the partnership nominee for The Depository Trust Company (“DTC”). 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, except for one necessary odd denomination in excess of \$5,000 maturing in 2021. 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 Town to DTC, which would in turn remit such principal and interest to its participants for subsequent distribution to the beneficial owners of the Bonds as described herein. See “Book-Entry-Only System” herein.

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

***Authority for and Purpose of the Bonds***

**Authorization.** The Bonds are being issued pursuant to the Constitution and statutes of the State, including among others, the Town Law and the Local Finance Law, and various bond resolutions adopted by the Town Board of the Town.

**Purpose.** The proceeds of the Bonds, plus \$318,649 of funds on hand, will be used to redeem \$3,160,039 Bond Anticipation Notes, Series 2019A maturing on August 20, 2020.

\* Preliminary, subject to change pursuant to the Notice of Private Competitive Bond Sale, as described on the inside cover of this Official Statement.

Date Of Authorization	Date Of First Issuance	Purpose	Amount Outstanding	Note Paydowns	Amount funded with proceeds of the Bonds
09-12-18	12-27-18	Various Sewer Improvements	\$ 464,239	\$ 7,449	\$ 456,790
07-24-18 <sup>(1)</sup>	08-21-18	Repaving of Roads	400,000	95,000	305,000
07-24-18	08-21-18	Police Vehicle	33,500	16,300	17,200
07-24-18	08-21-18	Computer Hardware Installation	2,500	600	1,900
07-24-18	08-21-18	4x4 Rack Mount Truck	50,000	10,000	40,000
07-24-18	08-21-18	Playground Equipment-Eccher Park	40,000	10,000	30,000
07-24-18	08-21-18	Town Hall Improvements	50,000	10,000	40,000
07-24-18	08-21-18	Driving Range Ball Dispenser	12,000	3,000	9,000
07-24-18	08-21-18	Dump Truck w/ Snow Plow	50,500	11,700	38,800
07-24-18	08-21-18	4x4 Pick-Up w/ Plow Package	50,000	10,000	40,000
03-28-17	08-22-17	Playground Equipment	30,000	10,000	20,000
03-28-17	08-22-17	New Vehicle Dump truck	45,000	15,000	30,000
03-28-17	08-22-17	Raise Roof	25,000	5,000	20,000
03-28-17	08-22-17	Ranger Picker	2,300	700	1,600
03-28-17	08-22-17	Toro Multi Pro 5800 Sprayer	46,600	2,600	44,000
03-28-17	08-22-17	Paving 1.5 miles	330,000	20,000	310,000
03-28-17	08-22-17	Plow Trucks (1)	215,000	10,000	205,000
03-28-17	08-22-17	Aeration System	149,000	1,000	148,000
05-10-16	08-23-16	Repaving of Roads	274,000	17,200	256,800
05-10-16	08-23-16	Computers and Equipment	29,000	14,500	14,500
04-12-16	08-23-16	Maintenance Equipment – Golf Course	46,500	2,900	43,600
04-12-16	08-23-16	Maintenance Equipment – Parks	21,900	2,700	19,200
04-23-19	08-20-19	Police Vehicles (2)	70,000	0	70,000
04-23-19	08-20-19	Pick-Up Truck	39,000	0	39,000
04-23-19	08-20-19	Plow Trucks (2)	570,000	0	570,000
04-23-19	08-20-19	Playground Equipment	71,000	0	71,000
			<b>\$3,160,039</b>	<b>\$318,649</b>	<b>\$ 2,841,390</b>

(1) As Amended and Restated on 9/25/18

### ***Optional Redemption***

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

### ***Book-Entry-Only System***

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

DTC, the world’s largest depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates.

Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com) and [www.dtc.org](http://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 Town 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 Town, 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 Town, 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 Town, 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 Town. Under such circumstances, in the event that a successor depository is not obtained, bond certificates are required to be printed and delivered.

The Town 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.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Town believes to be reliable, but the Town 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 TOWN TAKES NO RESPONSIBILITY FOR THE ACCURACY THEREOF. IN ADDITION, THE TOWN 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 TOWN 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 TOWN 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.

### ***Certificated Bonds***

DTC may discontinue providing its services with respect to the Bonds at any time by giving reasonable notice to the Town and discharging its responsibilities with respect thereto under applicable law, or the Town may terminate its participation in the system of book-entry-only transfers through DTC at any time. In the event that such book-entry-only system is discontinued, the following provisions will apply: the Bonds will be issued in fully registered form in denominations of \$5,000 each or any integral multiple thereof for any single maturity except for one odd denomination in excess of \$5,000 maturing in 2021. Principal of the Bonds when due will be payable upon presentation at the principal corporate trust office of a bank or trust company located and authorized to do business and act as a fiscal agent in the state of New York to be named by the Town,. Interest on the Bonds will remain payable on February 15, 2021, August 15, 2021 and semiannually thereafter on February 15 and August 15 in each year to maturity. Such interest will be payable by check drawn on the fiscal agent and mailed to the registered owner on each interest payment date at the address as shown on the registration books of the fiscal agent as of close of business on the last business day of the calendar month preceding each such interest payment date. Bonds may be transferred or exchanged at no cost to the registered owner at any time prior to maturity at the office of the fiscal agent for the Bonds of the same or of any other authorized denomination or denominations in the same aggregate principal amount upon the terms set forth in the Certificate of Determination executed by the Town

Supervisor authorizing the sale of the Bonds and fixing the details thereof and in accordance with the Local Finance Law. The fiscal agent shall not be obligated to make any such transfer or exchange of the Bonds between the last business day of the calendar month preceding an interest payment date and such interest payment date.

### **NATURE OF OBLIGATION**

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

Holders of any series of notes or bonds of the Town 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 Town and will contain a pledge of the faith and credit of the Town 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 Town has power and statutory authorization to levy ad valorem taxes on all real property within the Town subject to such taxation by the Town, subject to applicable statutory limitations (See "APPENDIX A - TAX LEVY LIMITATION LAW," herein).

Under the Constitution of the State, the principal of and interest on the Bonds will constitute indebtedness contracted by the Town, for the payment of which the Town is required to pledge its faith and credit, and the State is specifically precluded from restricting the power of the Town to levy taxes on real property for the payment of such indebtedness. However, the Tax Levy Limitation Law imposes a statutory limitation on the Town's power to increase its annual tax levy. The amount of such increase is limited by the formulas set forth in the Tax Levy Limitation Law. (See "Appendix A – TAX LEVY LIMITATION LAW" herein.)

### **REMEDIES UPON DEFAULT**

Under current law, provision is made for contract creditors, including bond and noteholders of the Town, 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 Town's contract with holders of its bonds and notes, although any permanent repeal by statute or constitutional amendment of a bondholder's or noteholder'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 and noteholders 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 Town indebtedness is past due. The Town has never defaulted in the payment of the principal of and interest on any indebtedness.

## **MARKET FACTORS**

The financial and economic condition of the Town as well as the market for the Bonds could be affected by a variety of factors, some of which are beyond the Town'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 Town 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 towns will be continued in future years, either pursuant to existing formulas or in any form whatsoever. State aid appropriated and apportioned to the Town 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 Town can be paid only if the State has such monies available therefor. (See "FINANCIAL FACTORS - Revenues-State Aid" in Appendix A attached hereto).

Should the Town fail to receive monies expected from the State in the amounts and at the times expected, the Town 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 or note will decline, causing the bondholder or noteholder to incur a potential capital loss if such bond or note is sold prior to its maturity.

Amendments to 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 Town. 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 Town, school districts, and fire districts in the State could have an impact upon operations of the Town and as a result, the market price for the Bonds. (See "APPENDIX A - TAX LEVY LIMITATION LAW," herein.)

## **COVID 19**

An outbreak of disease or similar public health threat, such as the COVID-19 outbreak, could have an adverse impact on the Town's financial condition and operating results. 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 impact of COVID-19, including closing schools and non-essential businesses. The impact to the Town's operations and finances cannot be predicted at this time 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 and County, to contain or mitigate its impact. There can be no assurances that the spread of COVID-19 will not materially adversely impact the financial condition of the Town. Potential impacts to the Town include, but are not limited to, costs and challenges to maintain existing services with decreases in major revenues. The Town is monitoring the situation and will take such proactive measures as may be required to maintain its operations and meet its obligations. The Town continues to evaluate various options to mitigate the

impact of COVID-19 on the Town's finances, including cash flow borrowings, reductions of budgeted expenditures, and eligibility for federal or state aid for COVID-19 related costs and revenue losses.

## **CYBERSECURITY**

The Town, 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 Town faces multiple cyber threats including, but not limited to, hacking, viruses, malware, hardware failures 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 Town 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 Town 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 Town as "No Designation," with a fiscal score of 5.0% and an environmental score of 20.0%.

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 Town are subject to periodic compliance reviews by OSC to ascertain whether the Town has complied with the requirements of various State and federal statutes.

## **LITIGATION**

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

Town officials have indicated there are 5 pending claims against the Town pursuant to Article 7 of the Real Property Tax Law to review and reduce real estate assessments and obtain a refund for alleged overpayments of real estate taxes. Proceedings to review real estate assessments are defended by the Town. While the results of tax certiorari

proceedings are difficult to determine at this time, these proceedings generally result in tax refunds well below the amount requested and are generally settled over a period of years. Pursuant to the New York State Local Finance Law, upon adoption of a bond resolution, the Town may issue serial Bonds and Notes to fund judgments and settled claims. A potential liability in connection with the pending claims can not be determined since property valuations have not been completed, however Town officials have indicated they do not believe the amounts to be material. For 2018 and 2019, the Town paid tax refunds in the amounts of \$1,520 and \$5,501 respectively.

## **TAX MATTERS**

### ***Federal Income Taxes***

In the opinion of Harris Beach PLLC, Rochester, New York, Bond Counsel to the Town, based on existing statutes, regulations, administrative rulings and court decisions and assuming compliance by the Town with certain covenants and the accuracy of certain representations, interest on the Bonds is excluded from gross income for federal income tax purposes.

The Internal Revenue Code of 1986, as amended (the "Code"), imposes various limitations, conditions and other requirements which must be met at and subsequent to the date of issue of the Bonds in order that interest on the Bonds, as applicable, will be and remain excluded from gross income for Federal income tax purposes. Included among these requirements are restrictions on the investment and use of proceeds of the Bonds, as applicable, and in certain circumstances, payment of amounts in respect of such proceeds to the United States. Failure to comply with the requirements of the Code may cause interest on the Bonds, as applicable, to be includable in gross income for purposes of Federal income tax, possibly from the date of issuance of the Bonds. In the Arbitrage and Use of Proceeds Certificates of the Town, to be executed in connection with the issuance of the Bonds, the Town will covenant to comply with certain procedures and make certain representations and certifications, designed to assure satisfaction of the requirements of the Code in respect to the Bonds, as applicable. The opinion of Bond Counsel assumes compliance with such covenants and the accuracy, in all material respects, of such representations and certificates.

Bond Counsel is of the further opinion that interest on the Bonds is not an "item of tax preference" for purposes of federal alternative minimum tax on individuals and, for tax years preceding January 1, 2018, the Federal alternative minimum tax imposed on certain corporations. Interest on the Bonds is, however, included in the calculation of "adjusted current earnings" for purposes of calculating the federal alternative minimum tax imposed on certain corporations with respect to tax years beginning prior to January 1, 2018. Prospective purchasers of the Bonds should consult with their tax advisors regarding the calculation of any federal alternative minimum tax liability.

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

The Bonds will be designated or deemed designated as "qualified tax-exempt obligations" within the meaning of, and pursuant to Section 265(b)(3) of the Code.

### ***State and Local Income Taxes***

In the opinion of Bond Counsel, interest on the Bonds is exempt from personal income taxes imposed by the State or any political subdivision thereof, including The City of New York.

Any noncompliance with the federal income tax requirements set forth above with respect to the Bonds would not affect the exemption of interest thereon from personal income taxes imposed by the State of New York or any political subdivision thereof.

Bond Counsel expresses no opinion regarding any other state or local tax consequences related to the ownership or disposition of, or the receipt or accrual of interest on, the Bonds.

Interest on the Bonds may or may not be subject to state or local income taxes in jurisdictions other than the State of New York under applicable state or local tax laws. Bond Counsel expresses no opinion, however, as to the tax treatment of the Bonds under other state or local jurisdictions. Each purchaser of the Bonds should consult his or her own tax advisor regarding the taxable status of the Bonds in a particular state or local jurisdiction other than the State of New York.

### ***Other Considerations***

Bond Counsel has not undertaken to determine (or to inform any person) whether any actions taken (or not taken) or events occurring (or not occurring) after the date of issuance and delivery of the Bonds may affect the tax status of interest on the Bonds.

No assurance can be given that any future legislation, including amendments to the Code or the State income tax laws, regulations, administrative rulings, or court decisions, will not, directly or indirectly, cause interest on the Bonds to be subject to Federal or State income taxation, or otherwise prevent Bondholders from realizing the full current benefit of the tax status of such interest. Further, no assurance can be given that the introduction or enactment of any such future legislation, or any judicial decision or action of the Internal Revenue Service or any State taxing authority, including, but not limited to, the promulgation of a regulation or ruling, or the selection of the Bonds for audit examination, or the course or result of any Internal Revenue Service examination of the Bonds or of obligations which present similar tax issues, will not affect the market price or marketability of the Bonds. Prospective purchasers of the Bonds should consult their own tax advisors regarding the foregoing matters.

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

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

## **LEGAL MATTERS**

The legality of the authorization and issuance of the Bonds will be covered by the approving legal opinion of Harris Beach PLLC, Bond Counsel, Pittsford, New York. Such legal opinion will state that in the opinion of Bond Counsel (i) the Bonds have been authorized and issued in accordance with the Constitution and statutes of the State of New York and constitute valid and legally binding general obligations of the Town, all the taxable real property within which is subject to the levy of ad valorem taxes to pay the Bonds and interest thereon, subject to the statutory limitations set forth in Chapter 97 of the Laws of 2011 of the State of New York (see “APPENDIX A – TAX LEVY LIMITATION LAW” herein); provided, however, that the enforceability (but not the validity) of the Bonds may be limited by any applicable existing or future bankruptcy, insolvency or other law (State or Federal) affecting the enforcement of creditors’ rights; (ii) under existing statutes, regulations, administrative rulings and court decisions, interest on the Bonds is excluded from the gross income of the owners thereof for Federal income tax purposes and is not an “item of tax preference” for the purposes of the Federal alternative minimum taxes imposed on individuals; and (iii) interest on the Bonds is exempt from personal income taxes imposed by the State of New York or any political subdivision thereof, (including The City of New York).

Such legal opinion will also state that (i) in rendering the opinions expressed therein, Bond Counsel has assumed the accuracy and truthfulness of all public records, documents and proceedings examined by Bond Counsel which have

been executed or certified by public officials acting within the scope of their official capacities and has not verified the accuracy or truthfulness thereof, and Bond Counsel also has assumed the genuineness of the signatures appearing upon such public records, documents and proceedings and such certifications thereof; (ii) the scope of Bond Counsel's engagement in relation to the issuance of the Bonds has extended solely to the examination of the facts and law incident to rendering the opinions expressed herein; (iii) the opinions expressed therein are not intended and should not be construed to express or imply any conclusion that the amount of real property subject to taxation within the boundaries of the Town together with other legally available sources of revenue, if any, will be sufficient to enable the Town to pay the principal of and interest on the Bonds, as applicable, as the same respectively become due and payable; (iv) reference should be made to the Official Statement for factual information which, in the judgment of the Town, would materially affect the ability of the Town to pay such principal and interest; and (v) while Bond Counsel has participated in the preparation of the Official Statement, Bond Counsel has not verified the accuracy, completeness or fairness of the factual information contained therein and, accordingly, no opinion is expressed by Bond Counsel as to whether the Town, in connection with the sale of the Bonds, has made any untrue statement of a material fact, or omitted to state a material fact necessary in order to make any statements made, in the light of the circumstances under which they were made, not misleading.

### **DISCLOSURE UNDERTAKING**

This Official Statement is in a form “deemed final” by the Town for the purposes of Securities and Exchange Commission Rule 15c2-12 (the “Rule”). At the time of the delivery of the Bonds, the Town will provide an executed copy of its undertaking to provide continuing disclosure certificate (the “Undertaking”). Said Undertaking will constitute a written agreement or contract of the Town for the benefit of holders of and owners of beneficial interests in the Bonds, to provide, or cause to be provided to the Electronic Municipal Market Access (“EMMA”) System implemented by the Municipal Securities Rulemaking Board established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934, or any successor thereto or to the functions of such Board contemplated by the Undertaking:

- (1) by the end of the sixth month following the end of each succeeding fiscal year, commencing with the fiscal year ending December 31, 2019 (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 Town relating to the Bonds under the headings “*LITIGATION*” and in *APPENDIX A* under the headings “*THE TOWN*”, “*FINANCIAL FACTORS*”, “*REAL PROPERTY TAXES*”, “*TOWN INDEBTEDNESS*” and “*ECONOMIC AND DEMOGRAPHIC DATA*” and in *APPENDIX B*, and (ii) a copy of the audited financial statement, if any, (prepared in accordance with generally accepted accounting principles in effect at the time of the audit) for the preceding fiscal year, unless such audited financial statement, if any, shall not then be available in which case the unaudited financial statement shall be provided and an audited financial statement shall be provided within 60 days after it becomes available and in no event later than 360 days after the end of each fiscal year;
- (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 Town; (xiii) the consummation of a merger, consolidation, or acquisition involving the Town or the sale of all or substantially all of the assets of the Town, 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; and (xiv) appointment of a successor or additional trustee or the change of name of a trustee, if material.

“Financial Obligation” means a (a) debt obligation; (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (c) guarantee of a debt obligation or any such derivative instrument; provided that “financial obligation” shall not include municipal securities as to which a final official statement (as defined in the Rule) has been provided to the MSRB consistent with the Rule.

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 Town does not undertake to provide any notice with respect to credit enhancement added after the primary offering of the Bonds.

The Town may provide notice of the occurrence of certain other events, in addition to those listed above, if it determines that any such other event is material with respect to the Bonds; but the Town 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 not in excess of ten (10) business days, notice of a failure to provide the annual financial information and operating data and such audited financial statement by the date specified.

The Town’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 Town, 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 Town to comply with the Undertaking will not constitute a default with respect to the Bonds.

The Town 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 a manner consistent with Rule 15c2-12, as amended.

### ***Compliance History***

An interest payment due on December 15, 2014 with respect to the Town’s \$1,150,000 Public Purpose (Serial) Bonds, 2004 (the “2004 Bonds”) was late to investors due to an administrative error by the Depository Trust Company (“DTC”). The Town made the interest payment to DTC in a timely fashion on December 11, 2014, however funds were not released by DTC until December 29, 2014. As noted, this was the result of an internal error by DTC. A material event notice was filed by the Town on December 30, 2014.

Due to an administrative error, the Town of Stony Point failed to pay \$150,000 of principal and \$21,725 of total interest due on June 17, 2019, the first business day following June 15, 2019. Although sufficient funds were available on June 17, 2019, in an account established by the Town, the Town paid said principal and interest on June 18, 2019, immediately after becoming aware of the missed payment. The Town has controls in place to ensure that this error does not occur again going forward. The required material event filing was made on June 24, 2019.

## **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 Town 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 Town 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 Town. 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 Town has applied to Moody’s Investors Service, Inc. (“Moody’s”) for a rating on the Bonds. Such application is pending at this time.

Moody’s Investors Service (“Moody’s”) has assigned an underlying rating to the Town’s outstanding bonded indebtedness of “A1.”

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

## **ADDITIONAL INFORMATION**

Additional information may be obtained from Gregg Smith, Director of Finance, 74 E. Main Street, Stony Point, New York 10980, (845) 786-2716, e-mail: [gsmith@townofstonypoint.org](mailto:gsmith@townofstonypoint.org) or from the Town's Municipal Advisor, Capital Markets Advisors, LLC, 11 Grace Avenue, Suite 308, Great Neck, New York 11021, (516) 570-0340.

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 Town and the original purchasers or holders of any of the Bonds.

Capital Markets Advisors, LLC may place a copy of this Official Statement on its website at [www.capmark.org](http://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 Town nor Capital Markets Advisors, LLC assumes any liability or responsibility for errors or omissions on such website. Further, Capital Markets Advisors, LLC and the Town 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 Town 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 Town and may not be reproduced or used in whole or in part for any other purpose.

TOWN OF STONY POINT  
ROCKLAND COUNTY, NEW YORK

By: \_\_\_\_\_  
Jim Monaghan  
Supervisor

DATED: August \_\_\_\_, 2020

**APPENDIX A**

**THE TOWN**

## THE TOWN

### ***General Information***

The Town encompasses approximately 28 square miles and is located in the northeast section of the County along the west bank of the Hudson River. Manhattan is about 35 miles south of the Town. There are no incorporated villages in the Town. The Town is a suburban community and is primarily residential in nature. Many residents commute to jobs in New York City or other areas of the County

The population of the Town in 2019 was estimated at 15,313 (interim data obtained from the U.S. Census Bureau.), which represents an increase of approximately 1.7% since the 2010 U.S. Census. According to the US Census Bureau, the Town's 2018 per capita money income was \$42,418, compared to \$38,076 for the County and \$37,470 for the State. The median household income for the Town in 2018 was estimated to be \$106,723, compared to \$91,108 and \$65,323 for the County and State, respectively. See "Economic and Demographic Data," herein.

### ***Form of Government***

The Town was established in 1865 by the State as a separate political entity vested with independent taxing and debt authority. The Town contains a portion of one independently governed school district (Haverstraw-Stony Point CSD) which relies on taxing powers granted by the State to raise revenues for school district purposes. The school district uses the Town's assessment roll as the basis for taxation of property within the Town.

Governmental operations of the Town are subject to the provisions of the State constitution and various statutes affecting local governments including the Town Law, General Municipal Law and the Local Finance Law. Real property assessment and tax collection procedures are determined by the Real Property Tax Law, a basic feature of which requires that the County guarantee and enforce the real property taxes levied by the Town as well as the school district situated in the Town. The Real Property Tax Law, in part, also governs certain assessment and same taxing procedures for the Town.

### ***Services***

The Town is responsible for providing most of the government services its residents receive. Sewer, lighting, solid waste and fire protection services are furnished by various special districts which have been formed within the Town. Education is provided by the Haverstraw-Stony Point Central School District. Highway construction and the maintenance of roads is also a Town function. In addition, recreation is provided and parks are maintained through the Town government. Other services performed at the Town level include: property assessment, police protection, zoning administration and planning.

### ***Employees***

Excluding elected officials, the Town employs approximately 83 full-time employees, of which 68 are represented by the following collective bargaining organizations.

<u>Number of Employees <sup>(1)</sup></u>	<u>Organization</u>	<u>Contract Expiration Date</u>
26	Police Benevolent Assoc.	12-31-20
42	C.S.E.A	12-31-18 <sup>(2)</sup>

(1) There are 15 employees of the Town that are not represented by a collective bargaining organization.

(2) In negotiation.

Source: Town Officials.

## ***Employee Benefits***

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

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

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

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

The New York State Retirement System allows municipalities to make employer contribution payments in December of each year, at a discount, or the following February, as required. The Town generally opts to make its pension payments in December in order to take advantage of the discount and this payment was made in December 2017 for the current year.

Due to significant capital market declines in 2008 and 2009, the State's Retirement System portfolio experienced negative investment performance and severe downward trends in market earnings. As a result of the foregoing, the employer contributions for the State's Retirement System continued to be higher than the minimum contribution rate established by Chapter 49. Legislation was enacted that permits local governments and school districts to borrow a portion of their required payments from the State pension plan at an interest rate of 5%. The legislation also requires those local governments and school districts that amortize their pension obligations pursuant to the regulation to establish reserve accounts to fund payment increases that are a result of fluctuations in pension plan performance. The Town does not currently amortize any pension payments. The Town previously amortized the maximum portions of

their respective ERS and PFRS contributions correlating to the 2004, 2005 and 2006 fiscal years. Amortized amounts for each year are repaid over a ten year period with interest at 5% per annum. The 2014 amortized amount was paid in full during 2014, the 2005 amortized amount was paid in full during 2015, and the 2006 amortized amount will be paid in full during 2016. Although the Town budgeted for the amortization of the PFRS retirement loan for 2012, the full amount of the contribution was paid. For 2013 through 2014, the Town budgeted and paid the full amount of the contribution without amortization. The 2015 budget included the amortization of approximately \$133,000 of PFRS contributions; however, Town officials paid the full contribution. For 2016, the Town elected to amortized \$171,986 in ERS contributions and \$205,013 in PFRS contributions. The Town will continue to annually review the need to amortize payments in future years but does not anticipate amortizing. In addition, during 2016 the Town issued a series of Federally taxable bonds to finance certain accrued benefits payable to a qualified employee upon separation of services from the Town. The Town will make principal and interest payments on the taxable bonds through 2020.

In Spring 2013, the State and ERS approved a Stable Contribution Option (“SCO”), which modified its existing SCO adopted in 2010, that gives municipalities the ability to better manage spikes in Actuarially Required Contribution rates (“ARCs”). The plan allows municipalities to pay the SCO amount in lieu of the ARC amount. The Town pays its ERS and PFRS contributions on a pay as you go basis and does not expect to participate in the SCO in the foreseeable future.

On August 29, 2019, the State Comptroller announced that for fiscal year 2020-21, the average contribution rates for ERS will remain the same and the average contribution rates for PFRS will increase 0.9% from 23.5% to 24.4% when compared to the current fiscal year 2019-20. Projections of required contributions will vary by employer depending on factors such as retirement plans, salaries and the distribution of their employees among the six retirement tiers

**ERS and PFRS Contributions.** The current retirement expenditures presented in the Town’s audited financial statements for each of the last five years and the amounts budgeted for the most recent fiscal year is shown in the following table:

Fiscal Year	ERS	PFRS
2015	\$658,785	\$ 823,353
2016	564,440	944,995
2017	664,365	1,111,130
2018	611,327	956,341
2019	638,089	952,873
2020 (Budget) <sup>(1)</sup>	654,268	994,858

(1) Includes contributions for the General Fund, Highway Fund, Sewer Fund, and Enterprise Fund.

Source: The Audited Financial Statements, and the 2020 Adopted Budget. The summary itself is not audited.

See “Notes to Financial Statements” in the Audited Financial Statements.

### ***Other Postemployment Benefits***

The Town 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 December 31, 2018. 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 Town's total OPEB liability as of December 31, 2019 was \$59,036,502 using a discount rate of 2.74% and actuarial assumptions and other inputs as described in the Town's December 31, 2019 audited financial statements.

Should the Town be required to fund the total OPEB liability, it could have a material adverse impact upon the Town's finances and could force the Town to reduce services, raise taxes or both. At the present time, however, there is no current or planned requirement for the Town 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 Town will continue funding this expenditure on a pay-as-you-go basis.

Legislation had been introduced in the last two legislative sessions to create an optional investment pool to help the State and local governments fund retiree health insurance and OPEB. The proposed legislation would 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. Under the proposed legislation, there would be no limits on how much a local government can deposit into the trust. Such legislation has not been considered for a full legislative approval and the Town cannot predict whether such legislation will be reintroduced and enacted into law in the foreseeable future.

## **FINANCIAL FACTORS**

### ***Budgetary Procedure***

The head of each administrative unit of the Town is required to file detailed estimates of revenues (other than real property taxes) and expenditures for the next fiscal year with the budget officer on or before July 1<sup>st</sup>. Estimates for the fire district situated within the Town must also be filed with the budget officer in November (the Town has no authority to amend the budget submitted by a fire district). After reviewing these estimates, the budget officer prepares a tentative budget which includes his recommendations. A budget message explaining the main features of the budget is also prepared at this time. The tentative budget is filed with the Town Clerk not later than the 30th of September. Subsequently, the Town Clerk presents the tentative budget to the Town Board at the regular or special hearing which must be held on or before October 5<sup>th</sup>. The Town Board reviews the tentative budget and makes such changes as it deems necessary and that are not inconsistent with the provisions of the law. Following this review process, the tentative budget and such modifications, if any, as approved by the Board become the preliminary budget. A public hearing, a notice of which must be duly published in the Town's official newspaper, for the preliminary budget is required to be held no later than the Thursday after the general election. At such hearing, any person may express his opinion concerning the preliminary budget; however, there is no requirement or provision that the preliminary budget or any portion thereof be voted on by members of the public. After the public hearing, the Town Board may further change and revise the preliminary budget. The Town Board, by resolution, adopts the preliminary budget as submitted or amended no later than November 20<sup>th</sup>, at which time, the preliminary budget becomes the annual budget of the Town for the ensuing fiscal year. Any changes or modifications to the annual budget including the transfer of appropriations among line items must be approved by resolution of the Town Board.

## ***Independent Audits***

**Audited Financial Statements.** The Town retained the firm of PKF O'Connor Davies, Certified Public Accountants, to audit its financial statements for the fiscal year ended December 31, 2019. Appendix B, attached hereto, presents excerpts from the Town's most recent audited reports covering the last five fiscal years. However, the summary itself has not been audited.

**Certain Information Obtained from Financial Statements.** A five-year history of certain financial statements is presented, in summary form, in Appendix B of this Official Statement. The data presented in these summaries are derived from the Town's audited financial statements. However, the summaries are not complete presentations in that the notes to the financial statements and the auditors' report thereon have not been included. Accordingly, such statements are not considered audited under accounting principles generally accepted in the United States of America. Copies of Town audits are on file with the Municipal Securities Rulemaking Board (<http://emma.msrb.org/>), or may be obtained by request from the Town or from the Town's Financial Advisor.

**Summary of Significant Accounting Policies.** See Audited Financial Statements as of and for the year ended December 31, 2019, "Notes to Financial Statements," Note 1 hereto.

**State Audit Reports.** In addition, the Town is subject to audit by the Office of the State Comptroller ("OSC") to review compliance with legal requirements and the rules and regulations established by the State. Since 2014, there has been one audit report released by the State reviewing the Town. The report focused on various topics including claims processing and purchasing in the Town (report released October 31, 2014). Results of the audit and corresponding recommendations have been discussed with the Town and comments from Town officials have been included as a part of the audit report. Full copies of the State audit may be obtained by request of the Town or the Town's Municipal Advisor.

See "The State Comptroller's Fiscal Stress Monitoring System and Compliance Reviews" herein.

## ***Investment Policy***

**Authorized Investments.** The Town has designated one bank or trust company located and authorized to conduct business in the State to receive deposits of money, including certificates of deposits, from the Town.

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

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

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

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

An eligible surety bond must be underwritten by an insurance company authorized to do business in the State which has claims paying ability rated in the highest rating category for claims paying ability by at least two nationally recognized statistical rating organizations. The surety bond must be payable to the Town in an amount equal to 100% of the aggregate deposits and the agreed interest thereon.

**Revenues**

The Town derives its revenues primarily from real property taxes and special assessments, Sales Tax, departmental fees and charges and State aid. A summary of such revenues for the fiscal years 2014-2018 is attached as a part of this filing. Information for said fiscal years has been excerpted from the Town's audited financial reports; however, such presentation has not been audited.

**Property Taxes.** The Town derives a major portion of its revenues from a tax on real property. As noted in the below table, property taxes accounted for approximately 77.1% of General Fund revenue for the fiscal year ended December 31, 2019, excluding other financing sources.

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

**General Fund Revenue & Real Property Tax Revenue**

Fiscal Year Ended December 31:	General Fund Revenue <sup>(1)</sup>	Real Property Taxes	Taxes to General Fund Revenue
2015	\$14,712,003	\$11,376,656	77.3%
2016	16,425,716	12,202,018	74.3
2017	16,260,385	12,194,817	74.9
2018	16,625,887	12,760,921	76.8
2019	16,633,042	12,832,193	77.1
2020 (Budget) <sup>(2)</sup>	16,998,340	13,661,710	80.4

(1) Exclusive of other financing sources.

(2) Exclude the appropriation of fund balance (\$300,000 in 2020).

Source: The audited financial statements, and the 2020 adopted budget. The summary itself is not audited.

**State Aid.** The Town receives financial assistance from the State. State Aid accounted for approximately 3.3% of the General Fund revenue, excluding other financing sources, for the fiscal year ended December 31, 2019. A substantial portion of the State aid received is directed to be used for specific programs. If the State should experience difficulty in borrowing funds in anticipation of the receipt of State taxes in order to pay State aid to municipalities and school districts in the State, including the Town, in any year or future years, the Town may be affected by a delay in the receipt of State aid until sufficient State taxes have been received by the State to make State aid payments. Additionally, if the State should not adopt its budget in a timely manner, municipalities and school districts in the State, including the Town, may be affected by a delay in the payment of State aid.

The State is not constitutionally obligated to maintain or continue State aid to the Town. No assurance can be given that present State aid levels will be maintained in the future. State budgetary restrictions which eliminate or substantially reduce State aid could have a material adverse effect upon the Town, requiring either a counterbalancing increase in revenues from other sources to the extent available, or a curtailment of expenditures. (See also “MARKET FACTORS,” herein.)

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

**General Fund Revenue & State Aid Revenue**

Fiscal Year Ended December 31:	General Fund Revenue <sup>(1)</sup>	State Aid	State Aid to General Fund Revenue
2015	\$14,712,003	\$474,604	3.2%
2016	16,425,716	465,917	2.8
2017	16,260,385	596,827	3.7
2018	16,625,887	851,158	5.1
2019	16,633,042	556,347	3.3
2020 (Budget) <sup>(2)</sup>	16,998,340	425,000	2.5

(1) Exclusive of other financing sources.

(2) Exclude the appropriation of fund balance (\$300,000 in 2020).

Source: The audited financial statements, and the 2020 adopted budget. The summary itself is not audited.

***Impact of Covid-19 on State Aid***

The amount of State aid to municipalities is dependent in part upon the financial condition of the State. Currently, due to the outbreak of COVID-19 the State has 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; however, it is anticipated that the State will be required to take certain gap-closing actions. Such actions may include but are not limited to: reductions in State agency operations and/or delays or reductions in payments to local governments or other recipients of State aid. If this were to occur, reductions in the payment of State aid could adversely affect the financial condition of municipalities in the State, including the Town.

**Sales Tax.** The Town receives a share of the County sales tax. As authorized pursuant to Section 1210 of the New York Tax Law, the County currently imposes a sales and use tax of 4.00%. This is in addition to the 4.00% sales and use tax imposed by the State and 0.375% Metropolitan Commuter Tax. The sales and use tax collections are administered by the State Tax Commission and the proceeds are paid monthly to the County. In March 2002, the County increased its sales tax from 3.000% to 3.625%, of which 0.125% is distributed to towns and villages in the County based on population. In January 2008, the County agreed to share an additional 0.125% with towns and villages with police departments and in March 2009 increased its sales tax from 3.625% to 4.00%.

As noted in the below table, sales tax revenue accounted for approximately 4.7% of the General Fund revenue, excluding other financing sources, for the fiscal year ended December 31, 2019.

The following table sets forth General Fund revenue, excluding other financing sources, and sales tax revenues received for each of the past five audited fiscal years, and the amounts budgeted for the current fiscal year.

**General Fund Revenue & Sales Tax Revenue**

Fiscal Year Ended December 31:	General Fund Revenue <sup>(1)</sup>	Sales Tax	Sales Tax to General Fund Revenue
2015	\$14,712,003	\$585,526	4.0%
2016	16,425,716	630,549	3.8
2017	16,260,385	654,797	4.0
2018	16,625,887	650,000	4.0
2019	16,633,042	776,024	4.7
2020 (Budget) <sup>(2)</sup>	16,998,340	688,000	4.0

(1) Exclusive of other financing sources.

(2) Exclude the appropriation of fund balance (\$300,000 in 2020).

Source: The audited financial statements, and the 2020 adopted budget. The summary itself is not audited.

**REAL PROPERTY TAXES**

***Tax Collection Procedures***

The Town Tax receiver collects Town and County property taxes and special district assessments. Taxes and assessments are levied against properties on the first of January and may be paid without penalty through the month of January. Payments made after January 31 are assessed a penalty as follows: a 1% penalty is added in February and 2% in March. After April the tax roll is returned to the County and taxes plus penalties are payable to the County Finance Commissioner. The Town retains the total amount of Town, highway and special district levies from the total collections and returns the balance plus uncollected items to the County, which assumes collection responsibility and holds annual tax sales. The Town also collects school taxes as agent for the school district. Such taxes are submitted to the school district as collected. By law, the County assumes responsibility for delinquent taxes.

There can be no assurance that property tax revenues over time will be maintained at any level or that such revenues will be received in a timely fashion by the Town. General economic conditions affecting the Town, including, for example, unemployment and inflation, and unusual or unexpected events such as the termination of major commercial operations within the Town or a natural catastrophe could adversely affect both the assessed value of the land within the Town and the ability of property owners to make timely payments of their taxes.

***Assessed Valuations, Full Valuations and Tax Levy***

The following table shows the trend during the last five years for taxable assessed valuations, State equalization rates, full valuations, tax levies and tax rates per \$1,000 assessed valuation.

Fiscal Year Ending December 31:	Taxable Assessed Valuation		Tax Rate Per \$1,000 Assessed Value	
	Homestead	Non-Homestead	Homestead	Non-Homestead
2015	\$205,424,629	\$75,397,656	37.46%	81.11%
2016	205,852,047	75,674,967	36.41	86.92
2017	207,004,835	79,165,026	35.79	85.34
2018	207,689,004	95,060,451	35.56	80.71
2019	208,316,277	103,931,163	36.01	76.19
2020	208,847,604	106,593,739	37.23	81.05

Source: Town officials.

Fiscal Year Ending December 31:	Total Tax Levy <sup>(1)</sup>	Increase / Decrease	Percent Change
2015	\$15,444,936	\$165,796	1.09%
2016	15,726,895	281,959	1.83
2017	16,435,499	708,604	4.51
2018	17,427,895	992,396	6.04
2019	17,736,324	230,918	1.33
2020	18,759,574	1,023,250	5.77

(1) Excludes Fire district and Stony Point Library

Source: Town officials.

### ***Ten of the Largest Taxpayers***

The following table presents the taxable assessments of selected larger taxpayers on the 2019 assessment roll for taxes levied in 2020.

Taxpayer	Classification	Assessed Valuation	% Total Assessed Valuation <sup>(1)</sup>
Algonquin Gas	Utility	\$39,211,469	12.55%
NY State Lands	Government	30,283,087	9.69
Orange & Rockland Utilities	Utility	8,509,987	2.72
United Water	Utility	4,900,515	1.57
GenOn Lovett	Utility	1,645,611	0.53
ConEd	Utility	1,824,931	0.58
Associates Crossing	Commercial	1,400,000	0.45
US Gypsum	Industrial	1,022,895	0.33
CSX	Rail	873,276	0.28
Verizon	Commercial	957,328	0.31
		<u>\$90,629,099</u>	<u>29.01%</u>

(1) The total taxable assessed value for the year ending December 31, 2020 is \$312,441,343.

Source: Town Officials.

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## TAX LEVY LIMITATION LAW

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

The Tax Levy Limitation Law restricts, among other things, the amount of real property taxes (including assessments of certain special improvement districts) that may be levied by or on behalf of a municipality in a particular year, beginning with fiscal years commencing on or after January 1, 2012. It expires on June 16, 2020 unless certain legislation is extended. Pursuant to the Tax Levy Limitation Law, the tax levy of a municipality cannot increase by more than the lesser of (i) two percent (2%) or (ii) the annual increase in the consumer price index (“CPI”), over the amount of the prior year’s tax levy. Certain adjustments would be permitted for taxable real property full valuation increases due to changes in physical or quantity growth in the real property base as defined in Section 1220 of the Real Property Tax Law. A municipality may exceed the tax levy limitation for the coming fiscal year only if the governing body of such municipality first enacts, by at least a sixty percent vote of the total voting strength of the board, a local law (resolution in the case of fire districts and certain special districts) to override such limitation for such coming fiscal year only. There are permissible exceptions to the tax levy limitation provided in the Tax Levy Limitation Law, including expenditures made on account of certain tort settlements and certain increases in the average actuarial contribution rates of the New York State and Local Employees’ Retirement System, the Police and Fire Retirement System, and the Teachers’ Retirement System. Municipalities are also permitted to carry forward a certain portion of their unused levy limitation from a prior year. Each municipality prior to adoption of its fiscal year budget must submit for review to the State Comptroller any information that is necessary in the calculation of its tax levy for such fiscal year.

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

Article 8 Section 2 of the State Constitution requires every issuer of general obligation notes and bonds in the State to pledge its faith and credit for the payment of the principal thereof and the interest thereon. This has been interpreted by the Court of Appeals, the State’s highest court, in *Flushing National Bank v. Municipal Assistance Corporation for the City of New York*, 40 N.Y.2d 731 (1976), as follows:

“A pledge of the city’s faith and credit is both a commitment to pay and a commitment of the city’s revenue generating powers to produce the funds to pay. Hence, an obligation containing a pledge of the City’s “faith and credit” is secured by a promise both to pay and to use in good faith the city’s general revenue powers to produce sufficient funds to pay the principal and interest of the obligation as it becomes due. That is why both words, “faith” and “credit”, are used and they are not tautological. That is what the words say and that is what courts have held they mean.”

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

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

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

“So, too, although the Legislature is given the duty to restrict municipalities in order to prevent abuses in taxation, assessment, and in contracting of indebtedness, it may not constrict the city’s power to levy taxes on real estate for the payment of interest on or principal of indebtedness previously contracted....While phrased in permissive language, these provisions, when read together with the requirement of the pledge of faith and credit, express a constitutional imperative: debt obligations must be paid, even if tax limits be exceeded”.

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

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

It is possible that the Tax Levy Limitation Law will be subject to judicial review to resolve the constitutional issues raised by its adoption. Although courts in New York have historically been protective of the rights of holders of general obligation debt of political subdivisions, the outcome of any such legal challenge cannot be predicted.

## **TOWN INDEBTEDNESS**

### ***Constitutional Requirements***

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

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

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

**Payment and Maturity.** Except for certain short-term indebtedness contracted in anticipation of taxes or to be paid within three fiscal year periods, indebtedness shall be paid in annual installments commencing no later than two years after the date such indebtedness shall have been contracted and ending no later than the expiration of the period of probable usefulness of the object or purpose as determined by statute or, in the alternative, the weighted average period of probable usefulness of the several objects or purposes for which it is contracted. No installment may be more than fifty per cent in excess of the smallest prior installment unless the Town Board provides for and utilizes substantially level or declining annual debt service in the manner prescribed by the State Legislature. The Town 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 bonds and notes.

**Debt Limit.** Pursuant to the Local Finance Law, the Town has the power to contract indebtedness for any Town purpose authorized by the Legislature of the State provided the aggregate principal amount thereof shall not exceed

seven percentum of the average five-year full valuation of the taxable real estate located in the Town and subject to certain enumerated exclusions and deductions such as debt contracted to provide water, self-liquidating facilities, and certain sewer facilities and cash or appropriations to pay the principal amount of outstanding debt. The constitutional method for determining full valuation consists of dividing the total assessed valuation of taxable real estate for a particular assessment roll by the final equalization rate established for such assessment roll by the State Office of Real Property Services (the "ORPTS"). The State Legislature is required to prescribe the manner by which such rate shall be determined. Average full valuation is determined by taking the sum of the full valuations of the last five completed assessment rolls and dividing such sum by five. See "Constitutional Debt-Contracting Limitation," herein.

### ***Statutory Procedure***

In general, the State Legislature, by enactment of the Local Finance Law, has authorized the powers and procedure for the Town to borrow and incur indebtedness by the enactment of the Local Finance Law, subject, of course, to the constitutional provisions set forth above. The power to spend money, however, generally derives from other law, including specifically the General Municipal Law of New York State and the Town Law. See "TAX LEVY LIMITATION LAW," herein.

Pursuant to the Local Finance Law, the Town authorizes the issuance of bonds by the adoption of a resolution, approved by at least two-thirds of the members of the Town Board, the finance board of the Town. Customarily the Town has delegated to the Supervisor, as chief fiscal officer of the Town, the power to authorize and sell bond anticipation notes in anticipation of authorized bonds.

The Local Finance Law also provides an estoppel procedure whereby a bond resolution, or a summary thereof, is published. The passage of 20 days from the date of such publication effective estops legal challenges to the validity of the obligations authorized by such bond resolution except for alleged constitutional violations. Except on rare occasions the Town complies with this estoppel procedure. It is a procedure that is recommended by Bond Counsel, but it is not an absolute legal requirement. Due to timing constraints, no estoppel procedure was completed in connection with the Notes.

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 Notes subject to the legal (Constitution, Local Finance Law and case law) restrictions relating to the period of probable usefulness with respect thereto. The Town has authorized bonds for a variety of Town objects or purposes.

Statutory law in New York permits bond anticipation notes to be renewed each year provided annual principal installments are made in reduction of the total amount of such notes outstanding, commencing no later than two years from the date of the first of such notes, and provided that such renewals do not (with certain exceptions) extend five years beyond the original date or borrowing. However, notes issued in anticipation of 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.

In general, the Local Finance Law contains provisions providing the Town with power to issue certain other short-term general obligation indebtedness including revenue and tax anticipation notes and budget notes.

### ***Constitutional Debt-Contracting Limitation***

The ORPTS annually establishes State equalization rates for all assessing units in the State, including the Town, which are determined by statistical sampling of market/assessment studies. The equalization rates are used in the calculation and distribution of certain state aids and are used by many localities in the calculation of debt contracting and real property taxing limitations. The Town is not subject to a constitutional real property taxing limitation but has a debt contracting limitation equal to seven percent (7%) of average full valuation (See "Constitutional Requirements, Debt Limit," herein).

The Town determines the assessed valuation for taxable real properties. The ORPTS determines the assessed valuation of special franchises and the taxable ceiling of railroad property. Special franchises include assessments on certain

specialized equipment of utilities under, above, upon or through public streets or public places. Certain properties are taxable for school purposes but exempt for Town purposes.

The following table sets forth the Town's debt-contracting limitation.

**Computation of Statutory Debt Contracting Limitation as of July 28, 2020**

<u>FY Ended December 31:</u>	<u>Assessed Valuations</u>	<u>Equalization Rate <sup>(1)</sup></u>	<u>Full Valuations</u>
2016	\$281,527,014	16.33%	\$1,723,986,613
2017	286,169,861	15.70	1,822,737,968
2018	302,749,455	15.34	1,973,594,882
2019	312,247,440	15.29	2,042,167,691
2020	312,441,343	14.02	<u>2,228,540,249</u>
Total Five-Year Full Valuation			<u>\$ 9,791,027,403</u>
Five-Year Average Full Valuation			<u>1,958,205,481</u>
Debt Contracting Limitations: 7% of Five-Year Average Full Valuation			<u><u>\$ 137,074,384</u></u>

(1) Decreases in assessed valuation due to major reductions in the taxable valuation of the Lovett Generating Plant owned by Mirant. See LITIGATION," herein. Assessed values are as reported by Town officials.

Source: Town officials.

***Statutory Debt Limit and Net Indebtedness***

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

**Statement of Debt Contracting Power  
As of July 28, 2020**

	<u>Amount</u>	<u>Percentage</u>
Debt Contracting Limitation:	<u>\$ 137,074,384</u>	<u>100.00%</u>
Gross Indebtedness:		
Serial Bonds	10,595,000	7.73
Bond Anticipation Notes	<u>3,160,039</u>	<u>2.31</u>
Total Gross Indebtedness	<u>13,755,039</u>	<u>10.04</u>
Less Exclusions:		
Unexpended Appropriation to Pay Non-Exempt Principal Debt	<u>60,000</u>	<u>0.04</u>
Total Exclusions	<u>60,000</u>	<u>0.04</u>
Net Indebtedness	<u>13,695,039</u>	<u>9.99</u>
Net Debt Contracting Margin	<u><u>\$ 123,379,345</u></u>	<u><u>90.01%</u></u>

*(The remainder of this page has been intentionally left blank.)*

### ***Short-Term Indebtedness***

The Town is authorized under Local Finance Law to issue short-term notes for various purposes including temporary financing of capital projects, the anticipation of certain operating revenues and emergency funds for budgetary expenditures. Subject to the provisions of the law, notes generally may be renewed from time to time but must be retired within specific time limits which vary, according to the type of note, generally up to five years in the case of bond anticipation notes.

The Town generally does not borrow for operating cash flow purposes and does not reasonably expect that such borrowings will be required in the foreseeable future.

The below table provides historic information regarding the gross amount of bond anticipation notes outstanding at the end of the 2015 through 2019 fiscal years.

#### **Bond Anticipation Note Debt History (2015 – 2019)**

<u>Fiscal Year Ended December 31:</u>	<u>BAN Debt</u>
2015	\$ -0-
2016	503,682
2017	1,484,757
2018	2,571,855
2019	3,160,039

Source: The audited financial statements the Town. The summary itself is not audited.

### ***Trend of Capital Bonded Debt***

The following table sets forth the gross amount of bonded debt outstanding at the end of the 2015 through 2019 fiscal years. Refunded debt has been excluded.

#### **Bonded Debt History (2015 – 2019)**

<u>Fiscal Year Ended December 31:</u>	<u>Bonded Debt</u>
2015	\$21,605,221
2016	19,625,000
2017	17,265,000
2018	15,080,000
2019	12,840,000

Source: The audited financial statements the Town. The summary itself is not audited.

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### ***Overlapping and Underlying Debt***

The real property taxpayers of the Town are responsible for a proportionate share of outstanding debt obligations of the County and one school district situated in the Town. Such taxpayers' share of this overlapping debt is based upon the amount of the Town's equalized property values taken as a percentage of each separate units' total values. The following table presents the amount of overlapping debt and the Town's share of this debt as of the dates indicated; authorized but unissued debt has not been included.

#### **Statement of Direct and Overlapping Indebtedness** **As of July 28, 2020**

Gross Direct Indebtedness	\$13,755,039
Exclusions and Deductions	60,000
Net Direct Indebtedness	\$13,695,039

Overlapping Units	Date of Report	Net Underlying Debt	Debt Percentage Applicable	Applicable Net Indebtedness
Rockland County	06-30-20	\$461,298,000	6.29%	\$ 29,015,644
Haverstraw-Stony Point CSD	05-16-19	183,735,000	41.87	76,929,845
Net Total Overlapping Debt				\$ 105,945,489

Source: Data provided by County and School District Officials.

### ***Debt Ratios***

The following table presents certain ratios relative to the Town's capital indebtedness.

#### **Direct and Overlapping Debt Ratios - As of July 28, 2020**

	Amount	Debt Per Capita <sup>(1)</sup>	Ratio To Full Value <sup>(2)</sup>
Net Direct Debt	\$ 13,695,039	\$ 894	0.62%
Net Direct and Overlapping Debt	119,640,528	7,813	5.37

(1) The population of the Town (2019 US Census Estimate) is 15,313.

(2) The full valuation of the Town for the 2020 fiscal year is \$2,228,540,249.

### ***Authorized But Unissued Debt***

The Town has \$15,000 in authorized but unissued debt to pay the costs associated with the purchase of a pick-up truck. The Town does not intend to borrow such funds.

**Debt Service Schedule**

The following table presents the debt service requirements to maturity on the Town's outstanding general obligation bonded indebtedness, exclusive of the Bonds.

Years Ending Dec. 31:	Debt Service On Outstanding Bonded Indebtedness			
	Principal	Interest	Total Debt Service	Cumulative % Principal Paid
2020	\$2,305,000	\$287,509	\$2,592,509	17.95%
2021	1,520,000	233,096	1,753,096	29.79
2022	1,485,000	198,709	1,683,709	41.36
2023	940,000	165,462	1,105,462	48.68
2024	975,000	142,121	1,117,121	56.27
2025	995,000	117,784	1,112,784	64.02
2026	830,000	95,953	925,953	70.48
2027	750,000	77,778	827,778	76.32
2028	565,000	63,228	628,228	80.72
2029	580,000	51,098	631,098	85.24
2030	590,000	38,290	628,290	89.84
2031	605,000	24,781	629,781	94.55
2032	625,000	10,400	635,400	99.42
2033	25,000	2,500	27,500	99.61
2034	25,000	1,500	26,500	99.81
2035	25,000	500	25,500	100.00
	<u>\$ 12,840,000</u>	<u>\$ 1,510,709</u>	<u>\$ 14,350,709</u>	

**ECONOMIC AND DEMOGRAPHIC DATA**

The Town is situated in the northeast portion of the County, which continues to rank among the most affluent counties in the State. The Town encompasses approximately 28 square miles and is primarily suburban residential in nature. Population, according to 2019 estimated US Census data, is 15,313. Unemployment rates are not available for the Town. The rates presented below are the County's overall rate compared to rates for the State and United States.

**Population**

**Population Trend**

	2000	2010	2019	% Change	
				2000-2010	2010-2019
Town	14,244	15,059	15,313	5.7%	1.7%
County	286,753	311,687	325,789	8.7	4.5
State	18,976,457	19,378,102	19,453,561	2.1	0.4

Source: U.S. Department of Commerce, Bureau of the Census.

**Income**

**Per Capita Money Income**

	2010	2018	% Change
Town	\$38,594	\$42,418	9.9%
County	34,304	38,076	11.0
State	30,948	37,470	21.1

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

**Median Income of Families  
2018**

	Median Income	Income Groups - % of Families				
		Under \$25,000	\$25,000 -49,999	\$50,000 -74,999	\$75,000 -99,999	\$100,000 Or More
Town	\$122,315	3.9%	9.8%	10.3%	11.9%	64.2%
County	106,787	10.7	12.4	12.3	11.5	53.0
State	80,419	13.8	17.5	15.8	13.0	40.0

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

***Employment***

The following tables provide certain information about the types of jobs in which employees in the County and the State are engaged, major employers and unemployment information. Such data is presented for the County and the State as a whole and is not necessarily representative of the Town.

**Average Employed Civilian Labor Force  
2000-2019**

	2000	2010	2019	% Change	
				2000-2010	2010-2018
County	139,300	138,800	149,700	(3.6)%	7.8%
State	8,718,700	8,769,700	9,137,600	0.6	4.2

Source: New York State Department of Labor.

**Average Unemployment Rates**

Year	County	State	United States
2015	4.5%	5.3%	5.3%
2016	4.3	4.9	4.9
2017	4.5	4.7	4.4
2018	3.9	4.1	3.9
2019	3.6	4.0	3.7
2020:			
Jan	3.7	4.1	3.6
Feb	3.7	3.9	3.5
Mar	3.7	4.2	4.4
Apr	13.8	15.1	14.7
May	11.0	14.2	13.3

Source: New York State Labor Department and U.S. Bureau of Labor Statistics.

### **Larger Commercial and Industrial Employers in the County**

<b><u>Name</u></b>	<b><u>Industry or Business</u></b>	<b><u>Number of Employees</u></b>
Hamaspik of Rockland County	Health Services	1,993
Nyack Hospital	Hospital	1,850
Bon Secours Good Samaritan Hospital	Hospital	1,751
Rockland Psychiatric Center	Health Care	1,219
Jawonio, Inc.	Health Care	1,100
Helen Hayes Hospital	Hospital	981
Verizon Wireless	Communications	850

Source: Rockland County Official Statement dated June 13, 2019.

### ***Educational***

Public schools in the Town are under the administration of Haverstraw-Stony Point Central School District. Additionally, Rockland BOCES is available to students in the Town. Several private schools also provide primary and secondary education. In addition, Rockland Community College offers 2-year degrees in various courses of study.

### ***Financial Institutions***

Numerous banking facilities are available in the Town and adjacent areas. Many of the State's major banks have branch offices located in the area. JP Morgan Chase, Sterling National Bank, and TD Bank N.A. are located within the Town. As of June 30, 2018, total funds deposited at banks located in the Town were approximately \$348.4 million, according to the Federal Deposit Insurance Corporation.

### ***Transportation***

The Town is served by all major forms of transportation. Highway facilities include U.S. Route 9W and the Palisades Interstate Parkway. The County Department of Transportation provides bus service to the Town. The New York City area airports (LaGuardia, Kennedy and Newark Airports) and Stewart Airport in Newburgh, New York, are easily accessible to residents of the Town and provide domestic and international air service on a regular basis.

### ***Utilities***

Water is provided to certain residents of the Town by the United Water Company. Private wells are utilized by those residents not served by United Water Company.

Southern Energy and Orange and Rockland Utilities provide electricity to residents of the Town. Natural gas service is provided by Algonquin Gas Company. Telephone service is provided by Verizon.

### ***Recreational Facilities***

The Town maintains and operates a number of parks and recreational facilities. Approximately two-thirds of the land area of the Town is comprised of the Palisades Interstate Park where residents can partake of numerous State recreational facilities.

**END OF APPENDIX A**

**APPENDIX B**

**FINANCIAL STATEMENT SUMMARIES**

**TOWN OF STONY POINT  
GENERAL FUND  
BALANCE SHEET  
UNAUDITED PRESENTATION**

AS OF DECEMBER 31:

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
<b>ASSETS</b>					
Cash	\$ 3,624,455	\$ 4,146,795	4,397,416	2,239,918	3,688,286
Receivables:					
Accounts	544,837	760,203	414,141	845,474	504,102
Due From Other Funds	1,033,897	925,673	1,548,080	3,101,139	477,092
Advances To Other Funds	55,500	155,500	81,720	65,899	40,128
Prepaid Expenses	<u>274,155</u>	<u>352,026</u>	<u>572,947</u>	<u>778,528</u>	<u>801,332</u>
 Total Assets	 <u>\$ 5,532,844</u>	 <u>\$ 6,340,197</u>	 <u>7,014,304</u>	 <u>7,030,958</u>	 <u>5,510,940</u>
 <b>LIABILITIES AND FUND BALANCE</b>					
Liabilities:					
Accounts Payable	\$ 181,139	\$ 111,185	69,228	76,809	106,182
Accrued Liabilities	83,866	160,979	272,107	318,238	175,931
Due To Other Funds	740,564	1,163,933	2,150,963	2,319,191	840,022
Unearned Revenues	325,240	149,389	110,901	159,502	0
Bond Anticipation Notes Payable	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
 Total Liabilities	 <u>1,330,809</u>	 <u>1,585,486</u>	 <u>2,603,199</u>	 <u>2,873,740</u>	 <u>1,122,135</u>
Fund Balance:					
Nonspendable	329,655	507,526	654,667	844,427	841,460
Restricted	537,485	529,392	536,959	323,832	323,832
Assigned	76,000	230,000	225,000	225,000	300,000
Unassigned	3,258,895	3,487,793	2,994,479	2,763,959	2,923,513
 Total Fund Balances	 <u>4,202,035</u>	 <u>4,754,711</u>	 <u>4,411,105</u>	 <u>4,157,218</u>	 <u>4,388,805</u>
 <b>Total Liabilities and Fund Balance</b>	 <u>\$ 5,532,844</u>	 <u>\$ 6,340,197</u>	 <u>7,014,304</u>	 <u>7,030,958</u>	 <u>5,510,940</u>

The financial data presented on this page has been excerpted from the audited financial statements of the Town. Such presentation, however, has not been audited. Complete copies of the Town's financial statements are available upon request to the Town.

TOWN OF STONY POINT  
GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE  
UNAUDITED PRESENTATION

AS OF DECEMBER 31:

	2015	2016	2017	2018	2019
<b>REVENUES:</b>					
Real Property Taxes	\$ 11,376,656	\$ 12,202,018	\$ 12,194,817	\$ 12,760,921	\$ 12,832,193
Other Tax Items	87,058	82,525	87,360	91,489	83,603
Non-Property Tax Items	914,489	1,003,984	1,006,468	1,027,322	1,118,280
Departmental Income	981,240	1,025,312	1,066,797	1,027,656	1,043,821
Use Of Money And Property	26,774	28,417	33,833	41,942	122,091
Money In Lieu Of Land	0	0	0	0	0
Licenses And Permits	133,152	173,069	121,507	116,986	123,111
Fines And Forfeitures	324,020	330,453	302,839	277,566	420,641
Sale Of Property And Compensation For Loss	86,172	49,885	51,140	54,827	51,349
Miscellaneous	131,293	1,064,136	512,357	321,454	281,606
Federal Aid	176,545	0	286,440	54,566	0
State Aid	474,604	465,917	596,827	851,158	556,347
<b>Total Revenues</b>	<b>14,712,003</b>	<b>16,425,716</b>	<b>16,260,385</b>	<b>16,625,887</b>	<b>16,633,042</b>
<b>EXPENDITURES:</b>					
Current:					
General Government Support	2,358,272	2,439,397	2,348,340	2,866,891	2,497,186
Public Safety	4,812,878	5,168,633	5,199,864	5,011,308	5,167,834
Transportation	99,145	101,215	101,459	104,561	105,839
Culture And Recreation	1,518,022	1,570,348	1,844,448	1,719,909	1,464,295
Economic Opportunity And Development	192,727	184,798	182,532	258,822	192,684
Employee Benefits	3,989,414	4,216,463	4,670,890	4,679,247	4,756,820
Debt Service	899,184	1,133,310	885,887	796,206	781,783
<b>Total Expenditures</b>	<b>13,869,642</b>	<b>14,814,164</b>	<b>15,233,420</b>	<b>15,436,944</b>	<b>14,966,441</b>
Excess of Revenues (Deficiency) Over Expenditures	842,361	1,611,552	1,026,965	1,188,943	1,666,601
<b>OTHER FINANCING SOURCES (USES)</b>					
Bonds Issued	142,504	0	0	0	0
Proceeds from Obligations	0	7,888,995	0	0	0
Transfers In	0	0	0	0	0
Transfers Out	(1,168,073)	(8,947,871)	(1,370,571)	(1,442,830)	(1,435,014)
<b>Total Other Financing Sources (Uses)</b>	<b>(1,025,569)</b>	<b>(1,058,876)</b>	<b>(1,370,571)</b>	<b>(1,442,830)</b>	<b>(1,435,014)</b>
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures And Other Uses	(183,208)	552,676	(343,606)	(253,887)	231,587
Fund Balance - Beginning of Year	4,385,243	4,202,035	4,754,711	4,411,105	4,157,218
Transfer - Parkland and Sidewalks	0	0	0	0	0
Prior Period Adjustments	0	0	0	0	0
<b>Fund Balance - End of Year</b>	<b>\$ 4,202,035</b>	<b>\$ 4,754,711</b>	<b>\$ 4,411,105</b>	<b>\$ 4,157,218</b>	<b>\$ 4,388,805</b>

The financial data presented on this page has been excerpted from the audited financial statements of the Town.

Such presentation, however, has not been audited. Complete copies of the Town's financial statements are available upon request to the Town.

**TOWN OF STONY POINT  
2020 OPERATING BUDGET**

	General Fund	Highway Fund	Sewer Fund	Enterprise Fund	Total 2020 Budget
<b>ESTIMATED REVENUES:</b>					
Real Property Taxes	\$ 13,661,710	\$ 2,541,012	\$ 1,751,314	\$ 0	\$ 17,954,036
Real Property Taxes Items	83,606	0	0	0	83,606
Non-Property Tax Items	1,076,069	0	0	0	1,076,069
Departmental Income	1,163,968	0	13,700	2,041,502	3,219,170
Use Of Money And Property	26,037	3,100	3,000	675	32,812
Intergovernmental Revenue					
Licenses And Permits	188,750	0	0	0	188,750
Fines And Forfeitures	332,100	0	0	0	332,100
Sale Of Property And Compensation For Loss	4,100	10,000	0	0	14,100
Federal Aid	0	0	0	0	0
State Aid	425,000	369,200	0	0	794,200
Miscellaneous	0	0	0	0	0
	<u>16,961,340</u>	<u>2,923,312</u>	<u>1,768,014</u>	<u>2,042,177</u>	<u>23,694,843</u>
<b>APPROPRIATIONS:</b>					
Current:					
General Government Support	2,423,634	54,500	223,964	40,000	2,742,098
Education	198,500	0	0	0	198,500
Public Safety	5,467,147	0	0	0	5,467,147
Health	6,006	0	0	0	6,006
Transportation	139,937	1,789,161	0	0	1,929,098
Culture And Recreation	1,649,572	0	0	1,493,121	3,142,693
Home And Community Services	177,779	0	1,187,062	0	1,364,841
Employee Benefits	5,137,014	697,335	323,405	335,130	6,492,884
Debt Service	896,022	382,316	33,583	1,530,499	2,842,420
	<u>16,095,611</u>	<u>2,923,312</u>	<u>1,768,014</u>	<u>3,398,750</u>	<u>24,185,687</u>
Excess (Deficiency) Of Estimated Revenues Over Appropriations	<u>865,729</u>	<u>0</u>	<u>0</u>	<u>(1,356,573)</u>	<u>(490,844)</u>
<b>OTHER FINANCING SOURCES (USES):</b>					
Transfer In	175,571	0	0	1,356,573	1,532,144
Transfer Out	(1,346,252)	0	0	0	(1,346,252)
	<u>(1,170,681)</u>	<u>0</u>	<u>0</u>	<u>1,356,573</u>	<u>185,892</u>
Excess (Deficiency) of Estimated Revenues and Other Financing Sources Sources Over Appropriations and Other Financing Uses	<u>(304,952)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(304,952)</u>
<b>APPROPRIATED FUND BALANCE</b>	<u>\$ 304,952</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 304,952</u>

(1) Includes lighting and solid waste districts

**APPENDIX C**

**AUDITED FINANCIAL STATEMENTS**

**FOR THE FISCAL YEAR ENDED DECEMBER 31, 2019**

**CAN BE ACCESSED ON THE ELECTRONIC MUNICIPAL MARKET ACCESS  
("EMMA") WEBSITE  
OF THE MUNICIPAL SECURITIES RULEMAKING BOARD ("MSRB")  
AT THE FOLLOWING LINK:**

**<https://emma.msrb.org/RE1472968.pdf>**

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

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